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

Paidir.

Prayer.

Leaders' Questions

Deputy Micheál Martin: The head of the IMF, Ms Christine Lagarde, said the global economy is facing a lost decade as forecasts on global growth are now very low. The predictions of the Government's fiscal plan include economic growth of 1.6% next year. The connection with unemployment is quite significant because, in April, the Taoiseach targeted a 10% unemployment rate by 2015. Despite the launch of the jobs initiative, the figures published last Friday suggest we are heading for a higher unemployment figure of 11.6% by 2015, given that the Taoiseach's programme only allows for 65,000 net new jobs between now and then. That is in sharp contrast to the commitments given by the Minister, Deputy Coveney, at the launch of the NewERA document. A clear commitment was given to sell €7 billion of State assets with a view to investing in State companies and creating 100,000 jobs. Why has the job target of 100,000 jobs through NewERA been watered down? We know that the jobs initiative, the watered down jobs budget, was anything but a jobs initiative. There has been no evaluation, no data and no analysis of any outcome of the jobs initiative. In short, it seems that the jobs initiative amounted to a raid on pensioners and was more about revenue generation than employment creation. More than 447,000 people are unemployed. Many young people are looking to the Government for concrete, realistic proposals to create jobs. It is the most fundamental issue facing many households across the country. Can the Taoiseach assure me that there will be concrete attempts and proposals of a radical kind in the forthcoming budget to generate a far greater degree of employment than is currently predicted by the Government?

The Taoiseach: Deputy Martin raised three issues, including the global projections for growth and the comments of Ms Lagarde of the IMF. Given the uncertainty in many markets internationally, including the United States, the Far East and Europe and the eurozone, it is difficult to predict with accuracy the global growth figures for several years ahead. Even against a global recession, for the past number of years Ireland's exports continued to grow strongly because of the exporting sectors this country is involved in, including the agri-sector, pharmaceuticals and software. In those areas, projections and plans of Government are to continue, both with the very strong foreign direct investment stream and the initiatives taken by the Minister for Jobs, Enterprise and Innovation, Deputy Bruton. These will focus on growing the indigenous economy with support from Enterprise Ireland for companies with the capacity to manufacture and export.

Deputy Martin also referred to the NewERA programme but he is referring to two different things. The Fine Gael Party had a particular view of the NewERA programme prior to the election. This Government is in office eight months today. The programme for Government set out the position for NewERA, which is fixed within the NTMA as an entity. It has a director and a specific remit in terms of evaluation of the potential sale of State assets. The programme for Government says that, over the period of the programme, the Government will realise €2 billion from the sale of State assets. The troika may want a higher figure and there have been discussions with the troika about how any potential sale of assets could be used, either for debt reduction or a jobs initiative, for which the Government has a strong preference. Regarding the jobs initiative, the impact of the reduction of VAT and PRSI had a direct impact on the hospitality sector and on job creation and growth. There is also a job bridge facility and the internship scheme. I would like to think these could operate immediately to maximum impact but it does not work that way. As we focus on the budget in the period ahead, in meeting the target of 8.6%, we will focus on not taxing work unduly and on creating initiatives to open new doors for the creation of business and jobs. I will send Deputy Martin, Deputy Adams and the other party leaders an invitation to avail of the facility of costing the programmes of Opposition parties for the budget.

Deputy Tom Hayes: That should be interesting.

Deputy Micheál Martin: To be fair to the Taoiseach, he instanced the incredible performance of our export sectors in recent years. Since 2003, the performance of Irish industry, indigenous and foreign direct investment companies, has been extraordinary in the teeth of a global recession. The Taoiseach's belated and long overdue endorsement of the previous Government's industrial policy is accepted and merited.

I am perplexed by the Taoiseach's comments regarding the NewERA project. This morning, he suggests that the failure to implement the project is the fault of the Labour Party. He drew a distinction between the Fine Gael Party and the current Government, describing that as a Fine Gael policy in the distant past that has been watered down and that we can forget about. I take it from the Taoiseach's comments that the Labour Party did not want to buy it or else it was a con job on the people of this country.

An Ceann Comhairle: Can we have a supplementary question from Deputy Martin?

Deputy Micheál Martin: The Taoiseach is correct that our growth is based on export-led recovery but the eurozone crisis and the global projections are so low that it poses a threat to an export-led recovery. We know the domestic economy is on the floor——

Deputy Bernard J. Durkan: Who put it there?

Deputy Micheál Martin: What will the Taoiseach do in terms of the domestic economy and job creation and how many people does he project will be unemployed by the end of the four-year programme?

The Taoiseach: I have always endorsed the strong performance of Irish exporters and the people who get on planes every week and sell their wares abroad. I did not endorse the financial competence of the previous Government in the middle of the night to the detriment of every Irish taxpayer for years to come.

Deputy Timmy Dooley: The current Government is continuing it.

The Taoiseach: I notice the Deputy did not focus on that.

Deputy Micheál Martin: Which the Taoiseach voted for and continues to support.

The Taoiseach: As he said: "Sure, it was all about liquidity". That is what he said.

(Interruptions).

The Taoiseach: I will disregard Deputy Martin's pathetic attempt regarding NewERA. It has a particular place in the programme for Government, which we are implementing.

Before the end of the session, the Minister for Jobs, Enterprise and Innovation will introduce the micro-finance scheme and legislation for partial loan guarantees. There will be a particular focus in the budget on job creation. The Deputy will have his own opportunity, given the scale of the mess he left behind him, to tell us what he thinks should be done.

An Ceann Comhairle: I call Deputy Ó Caoláin on behalf of Sinn Féin.

Deputy Tom Hayes: It is good to see Deputy Ó Caoláin back.

Deputy Emmet Stagg: In his rightful position. No cuckoos here.

An Ceann Comhairle: Deputies should please allow Deputy Ó Caoláin to speak.

Deputy Caoimhghín Ó Caoláin: Go raibh maith agat, a Cheann Comhairle. I appeal to the Taoiseach and the Government not to proceed by the signalled route of further savage cuts in social protection in budget 2012. We all know what the consequences of that will be — increased poverty and a deepening of the current recession.

I want to address a specific area in which the Taoiseach can make a difference to people's lives. I am addressing the Taoiseach as a former educationalist. On many occasions, he and his colleagues have referred to the knowledge economy and the vital role of education on the road to recovery. A practical step can be taken with the back-to-education allowance scheme that will affect a considerable number of people who are currently on the unemployment register. Budget 2012 offers the Taoiseach a fresh opportunity to do just that. Over 25,000 students benefited from this scheme in the last academic year, 2010-11. It is expected that this year there will be an increased number availing of it, given the current reality in which we live.

Does the Taoiseach acknowledge that many people who are willing and able to go back to education and further their prospects in terms of future employment opportunities, are being prevented from doing so by what can only be described as over-restrictive elements of the scheme? I acknowledge that the period for access to third level education under the BTAA was reduced from 12 to nine months last year. However, the reality of the academic year, because it is a fixed term, is that many people who would legitimately like to take up that

[Deputy Caoimhghín Ó Caoláin.]

opportunity are prevented from doing so for at least that period of time and sometimes longer due to the fact that the two will not dovetail. I am asking the Taoiseach to re-examine the restriction. Currently it is only three months for second level education, but the nine months for third level education means a year lost or suspended in the lives of people who could otherwise use their time industriously for a better result. It would also reduce the numbers claiming job seeker's allowance or benefit over that period. Will the Taoiseach use this opportunity to revisit the scheme, as there have already been some mild indications of a willingness to do so in recent months?

The Taoiseach: The Deputy is very welcome back to the premier spot on the Sinn Féin benches.

Deputy Caoimhghín Ó Caoláin: Thank you very much.

The Taoiseach: Deputy Ó Caoláin has raised an important matter. No decisions have been made by the Cabinet in respect of any of these schemes in the forthcoming budget or any other budget, as yet. That will be for discussion and decision at Cabinet meetings between now and budget day. The social protection budget is €21 billion. The Minister, Deputy Burton's, focus is on inefficiencies, waste and fraudulent claims. As she pointed out this morning, there are over 60 schemes in the Department of Social Protection with a plethora of administrative and bureaucratic conditions attached to them. It should be possible to have a more streamlined impact. The emphasis has to be on getting people from a position where they are locked in and cannot do anything, to offer them upskilling through retraining courses leading to job creation. That is what we need.

I can confirm that every single scheme, including the back to education allowance, has been analysed by the Department of Public Expenditure and Reform as part of the overall comprehensive review. I can further confirm that the Minister for Education and Skills and the Minister for Social Protection are working together to harmonise these schemes to deal with the very cases the Deputy has raised. They come across my desk as well. The Minister for Social Protection has altered the conditions in a number of cases to make it easier for people who are willing to go back to education, with a view to getting another module or degree. That will help them to find employment, so we strongly support it.

Deputy Caoimhghín Ó Caoláin: I thank the Taoiseach for his reply. I would like to give a sense of what people are saying and, as the Taoiseach said, it is coming across his desk also. One constituent wrote:

I feel like I am getting nowhere. I do not want to sit at home claiming job seeker's allowance for the next ten months. I want to further myself through education but barrier after barrier is being put in my way. I can be an asset to the country of my birth if I am given the necessary support. That is all I am asking for.

That is the appeal of many people in all constituencies across the State. I earnestly encourage the Taoiseach and his Government colleagues to ensure that budget 2012, with all the signalled misery it may very well visit on our respective lives, will include measures to address seriously deficiencies within systems that are meant to assist people to get out of the morass of unemployment.

The problem is not only the nine month restriction on access to third level education, but also the requirement on progression. Many people have attained a third level education, but may have identified another potential walk of life that requires a corresponding qualification.

That also needs to be examined. I earnestly ask the Taoiseach to indicate that this matter will be followed up by him as well as by the Minister for Education and Skills and the Minister for Social Protection.

The Taoiseach: Deputy Ó Caoláin's point is very valid. He read out comments from people who feel frustrated and locked into a system. They feel there is no assistance for them to get through this maze, so this requires practical and pragmatic adjustment. One of the legacies is that the investment was not made in IT programmes within the Department of Social Protection to streamline efficiencies and bring about a much faster response in changing the structural bureaucracy and conditions attaching to many of those schemes. It was never put in place and we cannot do it overnight.

The Minister for Social Protection, the Minister for Jobs, Enterprise and Innovation, and the Minister for Education and Skills are working on labour activation measures. For instance, if every small firm in the country could take on one extra person, it would have a great impact on the live register and on morale, as well as bringing about increased economic activity. We are trying to focus on labour activation measures in addition to greater efficiencies in the Department of Social Protection by cutting out fraudulent activities and waste that applies in that Department, as in many others. The emphasis will be on labour activation measures to get people to accept training courses, upskilling and getting back to education. In addition, through other Departments there will be the opportunity to get involved in business, jobs, careers and opportunities, which everybody will support. If Members of the Opposition have valid and constructive proposals, we will certainly take those on board because they are in the public interest.

Deputy Finian McGrath: I wish to raise once again the issue of education and its importance to the Irish people. It is also vital as a strategy for getting out of this economic mess and building a future of which we can all be proud. I wish to seek clarification on a few matters. Is

11 o'clock it true the Taoiseach and his Government are planning to cut 2,200 teaching jobs over the next two years? Why is a cap being placed on student numbers going into third level education? Is that information accurate? Millions of euro are being spent on teacher training colleges, such as St. Patrick's in Drumcondra and Marino College. They are upskilling student teachers but for what — emigration? Where is the sense in this? There is no point in talking about radical reform of our education system while slashing frontline services. This is a total contradiction. Even if the Government does not care about education, where is the sense in spending millions of euro on training teachers only to have them qualify with no jobs at all? How does the Taoiseach square that from educational and economic perspectives and where is the value for money?

Two weeks ago in the Dáil, I raised the issue of services for young adults in St. Michael's House and the Taoiseach asked me to supply him with the details, figures and costs. I made my submission but have had no response thus far. I ask the Taoiseach for a response today on this very important issue.

An Ceann Comhairle: One issue at a time.

The Taoiseach: In respect of Deputy McGrath's last point, I received his correspondence and am acting on it. There are a number of other inquiries about St. Michael's in general about which the Deputy may be aware and which need to be taken into account. In respect of the young boy mentioned by the Deputy, I will let the Deputy know the outcome as soon as I hear about it.

[The Taoiseach.]

No decisions have yet been made on the Department of Education and Skills or any other Department by the Government. The student population is to increase by 10% for the foreseeable future. That means trained staff will be required to teach them. Population growth, at 7.6% for the first quarter of this year, is the highest since 1960. This means the Minister for Education and Skills must plan for the provision of school buildings for a clearly increasing number of students.

In the area Deputy Finian McGrath represents, a large number of apartments and housing estates were built but no schools were provided for the residents, with the result that enormous pressure has been put on the communities. The Minister for Education and Skills is now focusing on the projections and will have to provide both buildings and staff for the pupils. There is no decision made in respect of any of the other matters the Deputy raised.

An Ceann Comhairle: Deputy Finian McGrath has one minute.

Deputy Finian McGrath: I thank the Taoiseach for his response but want to ask him a few more questions, on disadvantaged schools. Does he really know and understand what is occurring in DEIS schools? Yesterday, the Technical Group met representatives of the Teachers' Union of Ireland, and I have questions in that regard today. Why is the Taoiseach targeting the less well off schools by comparison with the more advantaged ones? For example, over €100 million is being spent on private schools. Is it because the mindset of the Cabinet is informed by the fact that 40% of its members went to private schools? Is that the real agenda?

(Interruptions).

An Ceann Comhairle: I ask the Deputy to put a supplementary question.

Deputy Finian McGrath: Many members of the public are saying that and want the answer to my question.

An Ceann Comhairle: Could we have a supplementary question, please?

Deputy Finian McGrath: Some 40% of the members of the Cabinet went to private schools.

Deputy Paul Kehoe: The Deputy should look at the people around him.

(Interruptions).

An Ceann Comhairle: I ask the Deputy to put his supplementary question. He has exceeded his time.

Deputy Derek Keating: Hands up.

Deputy Finian McGrath: Is the Taoiseach aware of a recent INTO survey of principals in disadvantaged schools that shows 20 schools experienced 59 teacher losses? In ten of these schools, 16 teachers were taken specifically from children with special needs.

Deputy Emmet Stagg: I have a point of order.

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

Deputy Finian McGrath: Is the Taoiseach aware that 22 teachers were taken from Traveller children in 18 schools and that—

Deputy Emmet Stagg: We will circulate the script.

Deputy Finian McGrath: —74% of principals report increases in the challenges facing these children?

An Ceann Comhairle: The Deputy is over time. We are dealing with supplementary questions.

Deputy Finian McGrath: Is the Taoiseach aware that 30% of these principals are now reporting—

Deputy Bernard J. Durkan: Two salaries, no responsibilities.

Deputy Finian McGrath: —attendance issues following these cuts? Some 45% report indiscipline in the schools.

An Ceann Comhairle: This is not Question Time; it is Leaders' Questions.

Deputy Finian McGrath: With respect, I asked the Taoiseach whether he is aware—

An Ceann Comhairle: The Deputy is over time. He had one minute.

Deputy Finian McGrath: —of what is going on in disadvantaged schools. Why is the Labour Party turning its back on the poorer children?

Deputy Bernard J. Durkan: Two salaries, no responsibilities and whinging all the time.

The Taoiseach: That was a good Second Stage speech. He said a lot in the minute he was allocated. Believe you me, I was happy to cycle to school myself many years ago. I am not sure how one ascertains whether Members of the Dáil attended fee-paying schools. I understand there are 56 fee-paying schools and that 25 of these are Protestant schools. I am quite sure Deputy McGrath does not intend to attack those.

Deputy Pat Rabbitte: It all depends on whether there are any in his constituency.

The Taoiseach: It could be construed that he is doing so from what he said. The Government needs to assist in every way it can where disadvantaged status applies. Disadvantage was brought about by bad planning and incompetence in many cases. Huge housing estates were provided and no facilities were provided for the children therefrom.

I agree with the Deputy that education represents the gateway for everybody but there is always a difficult situation. The Government has no intention whatsoever of applying its focus to the detriment of those in disadvantaged schools. Rather, the opposite is the case in that the intention is to offer them all the help we can. As the Deputy well knows, the sad fact is that the obscene waste of hundreds of billions of euro over recent years constrains any Government in doing the job the current Government knows it should be able to do. We will obviously focus on this issue as best we can in the budget on 6 December.

Deputy Michael McGrath: Hundreds of billions of euro: that is a new one.

Order of Business

The Taoiseach: It is proposed to take No. 5, Competition (Amendment) Bill 2011 — Second Stage (resumed), and No. 11, Energy (Miscellaneous Provisions) Bill 2011 — Second Stage

[The Taoiseach.]

(resumed). Private Members' business shall be No. 30, motion re promissory notes (resumed), to conclude at 9 p.m. if not previously concluded.

An Ceann Comhairle: There are no proposals to put to the House.

Deputy Micheál Martin: With regard to the Debt Settlement and Mortgage Resolution Office Bill, we know the seriousness and profundity of mortgage arrears. The Taoiseach stated he would welcome proposals from this side of the House. Deputy Michael McGrath's Bill is now with the Select Committee on Justice, Defence and Equality. Does the Government intend to support the progression of that Bill rapidly through the Oireachtas and support its provisions in a genuine spirit of bipartisanship in regard to the very serious issue facing many mortgage holders across the country?

The Taoiseach: Some of the issues raised in Deputy McGrath's Bill are valid. What I want to do is have as comprehensive a response as possible to what is a very uncertain and pressurised time for those caught in the trap referred to. As I stated yesterday, I must consider the personal insolvency Bill and whether mortgages should be encompassed thereby, the conclusion or decisions to be made arising from the Keane report, and the proposals that have been taken into account by the personnel appointed by the Minister for Finance. While Deputy Michael McGrath made a genuine effort and some of his proposals are worthy, I need as comprehensive a response as possible from the Government.

Deputy Caoimhghín Ó Caoláin: Will there be a legislative response, in addition to a political one, to the Priory Hall scandal? Will legislation be brought forward by the Government to provide for real building control, proper monitoring and inspection? I noted that the Minister for the Environment, Community and Local Government indicated a robust system of controls exists—

An Ceann Comhairle: Is this on promised legislation?

Deputy Caoimhghín Ó Caoláin: —but that is clearly not the case. What we need is a robust system of controls with inspection and monitoring.

My last point—

An Ceann Comhairle: We are talking about promised legislation.

Deputy Caoimhghín Ó Caoláin: I hope it is about promised legislation because this area is quite clearly crying out for it. What we are looking at is virtual self-regulation. The Priory Hall case is probably but one example of a problem that needs—

An Ceann Comhairle: The Deputy should table a parliamentary question on this.

Deputy Caoimhghín Ó Caoláin: —to be addressed. Will the Taoiseach respond? Will he indicate that the Government intends to do so? What is happening currently is not enough.

Last, will the Taoiseach please ask the Minister—

An Ceann Comhairle: This is not an extension of Leaders' Questions; it is the Order of Business.

Deputy Caoimhghín Ó Caoláin: I accept that.

An Ceann Comhairle: I must, therefore, pull the Deputy up. I want to know whether there is promised legislation in this area.

Deputy Caoimhghín Ó Caoláin: Will the Taoiseach ask the Minister to intervene where Dublin City Council is likely to appeal the decision of the High Court in respect of the latter's decision to instruct the council—

An Ceann Comhairle: I ask the Deputy to resume his seat.

Deputy Caoimhghín Ó Caoláin: —to provide accommodation to all the evacuees, without exception?

An Ceann Comhairle: I would appreciate the Deputy's co-operation and I ask him to resume his seat. Is there promised legislation in this area?

The Taoiseach: Bearing in mind the existing legislation, the building control legislation, what is needed here is an analysis of the quality of the standards and regulation that apply. Light regulation has not worked.

I understand NAMA has made a provision for some temporary accommodation for those families who have been displaced because of the complete shambles the builder in question put in place. The Minister for the Environment, Community and Local Government is concerned about this and is available to talk to Dublin City Council if it so wishes. What is needed here is an analysis of the quality, standards and regulations already contained the building control legislation to deal with cases like this.

Deputy Joe Higgins: Will the Taoiseach vary the business of the House this morning to allow a motion to be put before the Dáil calling on the Israeli authorities to immediately release 14 of our citizens—

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

Deputy Joe Higgins: —who were kidnapped by the Israelis in international waters bringing aid to the imprisoned people of Gaza?

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

Deputy Joe Higgins: The embassy staff are doing their best but where is the political outrage from the Irish Government—

An Ceann Comhairle: The Deputy is out of order. This is not on the Order of Business.

Deputy Joe Higgins: —about this highly illegal act of kidnapping citizens while embarked on a peaceful mission?

A Deputy: They are coming home today.

Deputy Joe Higgins: Will the Taoiseach vary the business of the House now?

An Ceann Comhairle: This is not a matter for the Order of Business. The business for today has been agreed. This is not in order. I call Deputy Michael McGrath.

Deputy Joe Higgins: A Cheann Comhairle—

Deputy Richard Boyd Barrett: A Cheann Comhairle, I had my hand up.

An Ceann Comhairle: No. Settle down.

Deputy Pádraig Mac Lochlainn: Can we have a simple statement in reply?

Deputy Richard Boyd Barrett: A Cheann Comhairle——

An Ceann Comhairle: Will the Deputy resume his seat? I have ruled on the matter. It is not in order on the Order of Business. If the Deputy wants to put a request in another way, we will consider it.

Deputy Bernard J. Durkan: He should submit a matter for the Topical Issue Debate.

An Ceann Comhairle: I call Deputy McGrath.

Deputy Joe Higgins: It is in the hands of the Taoiseach to vary the business of the House, as the Ceann Comhairle well knows. Where is the Labour Party——

A Deputy: They are coming home today.

Deputy Richard Boyd Barrett: Are they coming home today? Does the Deputy know that?

Deputy Emmet Stagg: They are. You have nothing to complain about. Maybe they will stay at home for a short while.

(Interruptions).

An Ceann Comhairle: Deputy Boyd Barrett, there are 166 Deputies and you are one of them. Resume your seat.

(Interruptions).

Deputy Michael McGrath: I cannot be heard. There is no point in my speaking as I will not be heard.

An Ceann Comhairle: Deputy Mac Lochlainn, you will be taking a walk if you do not obey the orders of the House.

Deputy Pádraig Mac Lochlainn: A Cheann Comhairle, on a point of order——

An Ceann Comhairle: There is no point of order. I call Deputy McGrath.

Deputy Pádraig Mac Lochlainn: The Whip of the Labour Party has made a statement——

An Ceann Comhairle: Excuse me, Deputy, you should address the Chair in a proper fashion. You should not shout and roar when another Deputy has been called. Please stay quiet. Deputy McGrath to proceed.

Deputy Pádraig Mac Lochlainn: I will quote Deputy Stagg on that statement.

Deputy Michael McGrath: When this House debated the Keane report some weeks ago, we were informed at the end of that debate that the Government's implementation plan for measures following on from that report and other decisions would be announced and set out for the Dáil, but that has not happened yet. Has the Government made any decision on the recommendations of the Keane report and when will we see legislation on this? The Taoiseach's comments yesterday and today imply he will await the personal insolvency Bill from the

Government. There are more immediate actions that can be taken. Have any decisions been taken and, if so, when will they be made available to the House?

The Taoiseach: I am acutely aware of the difficulty that this causes. The Government appointed a group to take other proposals in respect of mortgages and the distress this is causing for people. Those hearings have been taking place.

Deputy Michael McGrath: What group is this?

The Taoiseach: We have to make a decision in respect of the personal insolvency Bill which is quite a complex one and that is a fundamental part of the entire mortgage issue.

Deputy Michael McGrath: Is this another group that is separate from the Keane group?

The Taoiseach: The heads of that Bill will be decided upon as quickly as we can do so. From the evidence available, there are 50,000 or 60,000 cases in difficulty with mortgages. We cannot overturn the situation just like that. It takes some time to get it right. The Government is correct in its view that what we should do is to take all the evidence we can into consideration and then make a comprehensive set of decisions, and fundamental to that will be the legislation. We will keep the Deputy informed on it.

Deputy Michael McGrath: That is not due to be published until next year.

The Taoiseach: I am acutely conscious of the difficulty this is causing for people. We also had interest rate reductions in recent days as well. It is the case that it will be brought back to the House but the Government has to make a decision on a range of issues and we would like to have those before us before we do that.

Deputy Michael McGrath: So there is another round of consultations.

An Ceann Comhairle: I call Deputy Boyd Barrett on a matter under promised legislation.

Deputy Richard Boyd Barrett: The Taoiseach has the right to vary the Order of Business in the Dáil. I appeal to him to re-order today's business——

An Ceann Comhairle: The Deputy is out of order. Has he a matter to raise under promised legislation? We have dealt with that issue and I have told the Deputy the position.

Deputy Richard Boyd Barrett: ——to allow for a debate about 14 Irish citizens——

An Ceann Comhairle: Deputy, will you please resume your seat?

Deputy Richard Boyd Barrett: ——who have been illegally kidnapped, shackled and denied their legal rights——

An Ceann Comhairle: Deputy, will you resume your seat?

Deputy Richard Boyd Barrett: ——while trying to bring aid to the people of Gaza. The Irish Government, the Tánaiste and Minister for Foreign Affairs and Trade in particular, have said nothing about our citizens being humiliated and abused.

An Ceann Comhairle: Deputy, resume your seat or else you will leave the House. I call Deputy Nulty.

Deputy Richard Boyd Barrett: I appeal to the Taoiseach to allow a discussion on this issue.

Deputy Pádraig Mac Lochlainn: Has the Taoiseach nothing to say on this issue?

Deputy Joe Higgins: Why is the Taoiseach not——

An Ceann Comhairle: Will the Deputies please show respect?

Deputy Pádraig Mac Lochlainn: Deputy Emmet Stagg, the Whip of the Labour Party, is speaking for the Taoiseach. He reckons they are being released today. Will the Taoiseach confirm that?

An Ceann Comhairle: Deputy Mac Lochlainn, will you please show respect for a new Deputy?

Deputy Pádraig Mac Lochlainn: Deputy Stagg is representing the Taoiseach.

An Ceann Comhairle: I have called Deputy Nulty.

Deputy Pádraig Mac Lochlainn: Deputy Emmet Stagg said that they are being released today. Will the Taoiseach confirm that?

An Ceann Comhairle: Deputy Mac Lochlainn will take a walk if he is not careful. Deputy Nulty to proceed without interruption.

(Interruptions).

An Ceann Comhairle: Will the Deputy please show respect to a new Deputy? Deputy Nulty is very welcome.

Deputy Patrick Nulty: I thank the Ceann Comhairle. Under promised legislation, will the Taoiseach indicate when we can expect to see the industrial relations (amendment) Bill before the House? This is vital legislation to give protection to workers on low pay and which must contain assurances that their pay will be secured, which is key to economic growth. Also, when can we expect to see the landlord and tenant (business leases review) Bill to address the issue of upward-only rent reviews, which is also crucial to keeping business afloat and our workers in employment?

The Taoiseach: I welcome Deputy Nulty. I can confirm that a great deal of work has been done on the industrial relations (amendment) Bill and the landlords and tenants (business leases review) Bill and they are both expected to be published in this session.

An Ceann Comhairle: That completes the Order of Business for today.

Deputy Joe Higgins: A Cheann Comhairle, may I raise a point of order?

An Ceann Comhairle: The Order of Business is complete. We will now move on to the Competition (Amendment) Bill 2011.

Deputy Joe Higgins: On a point of order, a Cheann Comhairle——

An Ceann Comhairle: What is your point of order?

Deputy Joe Higgins: With respect, the Taoiseach is in charge of the business of the Dáil and he can vary that business to take a motion——

An Ceann Comhairle: He has made his decision.

Deputy Joe Higgins: The Ceann Comhairle did not even ask him to respond to our requests.

An Ceann Comhairle: There was no motion to put to the House. The Taoiseach ordered legislation that has already been discussed and therefore there is no motion to put to the House. The Deputy is out of order and I ask him to resume his seat.

Deputy Joe Higgins: Yes, but we asked him to vary the business to allow a motion proposing the release of 14 of our citizens to be entertained immediately here. The Ceann Comhairle did not ask him to respond to that.

An Ceann Comhairle: Will the Deputy please resume his seat? There are other ways of raising these issues——

Deputy Joe Higgins: Would the Taoiseach like to reply?

An Ceann Comhairle: ——including parliamentary questions and so on. There are many ways the Deputy can be in order.

Deputy Richard Boyd Barrett: We have been humiliated by the troika and now humiliated by Israel. It is a disgrace, Taoiseach.

Competition (Amendment) Bill 2011: Second Stage (Resumed)

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

Deputy Heather Humphreys: I welcome the opportunity to speak on this. I commend the Minister on bringing it forward. Any Bill which helps to improve competition levels is to be welcomed and in that respect this Bill represents good news for consumers and for those seeking to start up small businesses.

The main objective of this Bill is to strengthen competition law enforcement and also to help with the clampdown on white collar crime. The Bill will provide for harsher penalties, longer prison sentences and increased fines for those found to be in breach of competition law. One of the key tasks facing the Government at present is to create the necessary environment to allow businesses to start up and flourish. The Taoiseach has repeatedly stated that his objective is to make Ireland the best small country in the world in which to do business. If that ambitious goal is to be achieved, legislation such as the Bill before us will play a vital role. It is important to ensure that adequate measures are in place to combat anti-competitive practices. The measures contained in this Bill represent a zero tolerance approach by the Government to tackling individuals or groups who engage in anti-competitive practices.

Given the current economic climate and the fact that many people and, in particular, many families are living on reduced incomes, it is more important than ever that the appropriate measures are in place to ensure organisations are not allowed to engage in anti-consumer practices. At a time when many people are struggling financially it would be remiss of the Government if we did not tackle cartel activity and price fixing. The fact the Bill is a further requirement of the EU-IMF programme of support does not take away from the fact it is most welcome and perhaps comes at a time when it is most needed.

The provisions contained in the Bill offer strong deterrents to anti-competitive activity. I welcome that the maximum prison sentence for individuals and companies convicted of price-fixing and similar crimes will be doubled from five to ten years. The fines imposed on those found to have committed competition offences will also be substantially increased both for hard-core offences and smaller offences. The Bill also proposes that any business convicted of offences such as price-fixing will be required to pay the costs of the investigation.

[Deputy Heather Humphreys.]

At the end of the day, business people who conspire to create cartels and drive up prices are hurting ordinary consumers the most. Competition law exists to protect and benefit consumers and this Bill is no different. The measures outlined represent an appropriate punishment for those who engage in such practices.

Business brings business and competition is good for business because it makes businesses review continually their operations and work practices in order to achieve efficiencies and remain competitive in the marketplace. We all know that to be successful in business we need to review constantly the way we operate and how we meet the demands of our customers. The Bill will help to maintain a competitive and efficient business culture.

In addition to the benefits this legislation will bring to the consumer it is important that primary producers get a fair price for their goods rather than see them driven down by low cost selling. This concern is particularly relevant to the food industry, where the farmer is constantly working inside decreased margins. This is a major issue in my constituency of Cavan-Monaghan, which contains a large number of intensive farmers in the pig and poultry industry. Farmers have expressed genuine concern that below cost selling is coming out of their own pockets and it is important that their fears are addressed. I ask the Minister to take these points on board.

The environment in which businesses operate is constantly changing and we must continue to strive for better competitive practices. Improved competitiveness is good news for consumers and businesses and will ultimately benefit the wider economy. I welcome the bill and look forward to its implementation.

Debate adjourned.

Visit of Czech Delegation

An Ceann Comhairle: Before proceeding with Business, I wish on my own behalf and on behalf of the Members of Dáil Éireann to offer a céad míle fáilte, a most sincere welcome to a parliamentary delegation from the Czech Republic led by Ms Helena Langsadlova, MP. I hope their visit is both enjoyable and informative.

Competition (Amendment) Bill 2011: Second Stage (Resumed)

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

Deputy Dara Calleary: I welcome the opportunity to speak on the Competition (Amendment) Bill 2011 and on the subject of competition generally. The Minister for Jobs, Enterprise and Innovation may not acknowledge it while he is in his present position but he would have previously agreed that competition is not something we do well in this country. The extent of the problem is suggested by the fact that only 32 criminal convictions have been achieved since 2002. I cannot help but believe that a lot more is happening underneath the statistics. These 32 convictions involved a number of smaller players and, while there should be no distinction, there are concerns that the bigger players are still using their weight to stymie competition. These bigger players have yet to be investigated or prosecuted.

This Bill was published under the memorandum of understanding with the troika. There is satisfaction that it was published on schedule and before the end of quarter three but I am concerned about the rush across every Department affected by the memorandum to publish legislation ahead of that deadline. All the Departments wanted to be the good boys and much of this legislation is now in the queue for Second Stage debate in this Chamber. I congratulate the Minister on getting the Bill through that queue. However, despite the publication of these

reforming Bills we are no closer to our goal of enacting them. The rush to publish legislation to keep the troika happy has diluted the original aims set out in the programme for Government and the various election manifestoes.

The programme for Government rightly sets out ambitious targets on competition and addresses the many areas of the economy which continue to hide from the full force of competition and the benefits it can bring. Given the Minister's track record, I am confident he will be able to achieve these objectives but this Bill falls far short of the programme for Government's ambition. I ask him to outline in his concluding remarks the timescale for implementing the more ambitious and important legislation outlined in the programme for Government.

Everybody agrees that the cost base is out of kilter. Over the past several years, significant adjustments have been made to our cost base, with labour costs in particular decreasing significantly compared to our EU partners, and we have made some efforts to reduce energy costs. We have also worked on transport costs although, as an island nation, many elements of transport are outside our control. In regard to the cost of inputs, we are still dependent on conditions outside our control. The cost of agricultural inputs has, for example, experienced extraordinary increases this year. We are championing agriculture but nobody is highlighting the increasing costs that are eating up the gains that have been made.

In the many sectors of the economy over which we have control, however, the State is sponsoring shelters from competition. This is particularly apparent in the transport sector, which does not provide a level playing field. A range of new bus services has been introduced over the past several years between towns and Dublin Airport and along suburban routes in the cities and larger towns across the country. These routes responded to the changing places in which people were living in a way that the old State run system was not able to do, whether because of a lack of thought, ambition or innovation. In nearly all the cases in which new routes were being introduced, particularly for bus services, the Department and Bus Éireann did their best to block their introduction. If they did not block them, they suddenly had the bright idea that there was customer demand to introduce their own route. All Members of the House have received correspondence from independent coach operators who made substantial investments in their businesses in introducing new routes that responded to consumer demand, only to find the State-sponsored organisation on their tail with new, flashy State-sponsored services. That is just one example.

No one can say we have a fully competitive broadcasting industry in this country. We must pay a tax in the form of the licence fee. Anybody with a television and a radio must pay the fee. One has no option. We have a choice in what stations we watch and the radio stations to which we listen. People living outside Dublin tend to listen to independent local radio station, but these stations do not have the same rights or access to the tax revenue that the State-sponsored organisation has. For as long as this continues it will cost jobs and creativity in the independent sector. We do not have a level playing field for the broadcasting media. The Government and the Minister for Communications, Energy and Natural Resources, Deputy Pat Rabbitte, have signalled that they intend to address this issue, but it would be good to see a timeline as to when that will happen.

It is all very well to introduce legislation to increase penalties and strengthen the law, as we are now doing, but what we need is not new legislation or new penalties but a complete change in mindset at official and State company levels where competition is seen as something good that improves services and innovation in service delivery and can increase the bottom line and protect and create employment. The current mindset dates back to the early or middle part of the last century, when the fledgling State needed to protect services from the big beasts that surrounded us. There is no need for us to be in that space anymore. We must have confidence

[Deputy Dara Calleary.]

in our abilities and confidence that State companies and services can be run well, efficient and innovative and no longer need the shelter of that mindset or the protection of a protectionist law.

Everybody agrees that the Competition Authority needs more resources, although the Minister danced a little around this point in response to Deputy O’Dea last night. The areas it investigates are technical and complex, while the companies it investigates are well resourced and have many ways of hiding their actions. Therefore, we need to give the authority not only more resources but also more powers. In the investigation of white collar crime, particularly in the banking sector, extra powers were needed and these were introduced in the Criminal Justice Bill last summer. We are aware of the lengths to which people will go to avoid detection of white collar crime. When one considers competition and breaches of competition law, one will note that for many companies, false competition and protection from competition are very important to their bottom line. One can be sure they are using the same evasion techniques and tactics to avoid detection if — it is a big if — the authority pursues them.

We must assess whether the Competition Authority is fit for purpose in a 21st century open economy that is trading with partners all over the world and which is being used by some of the biggest companies in the world for business and to make a profit. In the justice area, for example, we brought forward the Criminal Assets Bureau as an international model. Every week different police forces and enforcement bodies from throughout the world come to this country to see how it operates, with a view to replicating it. In fairness to the Minister for Justice and Equality, Deputy Alan Shatter — I disagree with him on virtually everything besides this — he intends to replicate the bureau at European level. Can we or do we wish to do this with the Competition Authority? Can we say the authority could be replicated across the world as a model of good practice and as a model that will detect offences and deter people from engaging in anti-competitive behaviour? I do not believe we can, but that is not to say we should not set it as an ambition. The Minister intends to reform the authority, which would be a reasonable and fair ambition to set for the new authority.

I do not favour unfettered competition, a situation in which a big bulldozer comes in, clears all around it and sets up shop. That is not competition. That leads to what we have seen happen around the world. On our neighbouring island one can see the effects of unfettered competition in what has happened to the retail sector. However, unless we have the right debate about competition and face the fact that the State has so much in its mindset and legislation that does not foster good competition, we will not be able to move forward.

In many sectors there is the appearance of competition; there are a lot of players and offerings and the consumer is purported to be happy. However, when one digs under this, the reality is very different. One of these sectors is the retail sector. I was a member of the previous enterprise and employment committee under the chairmanship of the Minister of State at the Department of the Environment, Community and Local Government, Deputy Willie Penrose. That committee spent a number of days in 2009 examining the retail sector. The big multiples proclaim that the reason prices here are so much higher than those in Northern Ireland, elsewhere in the United Kingdom and across Europe is the cap imposed in retail planning guidelines. They also say our cost base is higher, as well as the cost of transportation. The committee examined this and the planning issue. The Minister is interested in this matter and the reports are available. The position is not as clear cut as they claim. We also examined their pricing policies. We were treated to two days of utter evasion of the questions asked in the attempt to seek information. What was striking was the number of lobbyists accompanying every retailer and the number of former Members of the House, from both sides, who were monitoring the hearings. I remember thinking we were onto something, given that so much attention and

resources were diverted to a day of committee hearings. I have maintained my interest in this area since.

Deputy Heather Humphreys spoke about farmers and what was being paid at the farm gate. This is a very serious issue. What is being paid at the farm gate is very different from what is being paid in the supermarkets, yet the only investigation in this area was into the Irish Farmers Association. The IFA raised this concern on behalf of its members, and the only raid we saw was not on a head office of any of the multiples but on the head office of the IFA. In trying to draw attention to competition breaches and where there might be a problem, the body which had called attention to it was raided and those against whom the complaint had been made appeared to have been let away with it. The country is trying to create a culture of whistleblowing, in which people will step forward and give information, but that does not offer a very good example. It does not say to organisations campaigning on this issue that they should come forward with information and that it will be investigated. It says the opposite.

I hope the new committee will return to and advance that investigation. It is time to revisit the issue because there is no doubt that there is the appearance of competition in the large retail sectors, particularly in food, but the reality is very different. It would not require a huge amount to investigate this issue. Has the Competition Authority not just the financial resources but also the legislative resources to investigate it? Can it state to consumers who are shopping every week and struggling to pay their bills because prices are so much higher: “These are the reasons consumers are paying so much more and this is what we can tackle”?

Energy is another sector in which there is the appearance of competition, but is there actually competition in it? There is not. Last year, two State companies set up a price war for electricity. One made an offer that was 25% to 30% cheaper than that of the other State company. It hooked people and reeled them in with flashy advertisements and promotions but within a few months of so doing, the price rose again. While there are some independent operators in the system, they are struggling against the might of the two State operators. They are struggling to get a presence in the marketplace. Moreover, they also are struggling against a culture shared by all Members — I do not distance myself from it — to protect State companies. However, by so doing, Members are depriving people of lower energy prices, lower retail prices and lower prices across the board. One can introduce all the legislation one wishes but until that mind set is changed and challenged, one will be barking up the wrong tree.

The only way to change and challenge this culture is to review the Competition Authority. An objective should be set that within two years, the Irish Competition Authority will be the one to which people around the world will come and which they will seek to replicate in their countries. They will do so because it is the authority that has delivered results to its country’s consumers and has brought investigations to the Director of Public Prosecutions and the Garda Síochána that have resulted in people paying some of the prices outlined by the Minister in this legislation, including fines and jail if necessary, for breaches of competition law. To achieve this objective, consideration must be given to conferring some of the powers that are available in the commission of investigations model to the Competition Authority. Moreover, some of the powers that were made available to inquiries into child abuse should be considered. Some of the aforementioned powers in respect of inspection and the power to follow up complaints must be made available.

In addition, far more resources must be made available. While I acknowledge the budget to so do is not there, it must be allocated by finding it from other areas that are less important to ensure delivery on the ambition of implementing a restructured and reformist Competition Authority that will investigate those breaching or possibly breaching the State’s competition laws, rather than investigating those who make complaints.

Deputy Joe McHugh: I wish to share time with Deputy Barry and welcome the Minister to the House. I emphasise, and possibly agree with Deputy Calleary with regard to the respect within the corporate world and beyond for the Competition Authority in Ireland. It is a model of best practice and has the potential to be replicated. It is something of which to be proud. Obviously, the authority has challenges with regard to resources, which is a dilemma across the board.

I raise an anomaly I encountered recently in respect of European Regulation (EC) No. 1072/2009 introduced in May 2010, which governs cabotage, that is, the national carriage of goods for hire or reward carried out by non-resident hauliers on a temporary basis in a host member state. The rule states that nationally-registered vehicles driven by holders of international and national road freight transport licences can only enter another member state fully loaded and carry out these operations in a given week before being obliged to leave that state. Britain and Northern Ireland have implemented this cabotage regulation but as far as I am aware, the Republic of Ireland has either not done so or may be in the process of doing so. This has created unfair competition for hauliers in the Republic who wish to do business in Northern Ireland. I encourage the Minister to engage with the Minister for Transport, Tourism and Sport to address this anomaly because hauliers from the Republic of Ireland cannot compete with hauliers from Northern Ireland. As hauliers from Northern Ireland can operate freely within this jurisdiction but the opposite is not the case, I would appreciate the Minister's intervention in this regard.

When one talks about competition internally, one must be conscious that Ireland is a small open economy and that the world in which we live and do business has changed completely. There is a great deal of emphasis on export-led activity at present and I acknowledge the Department of Jobs, Enterprise and Innovation is greatly focused on this issue. During his recent trip to London, the Minister emphasised that 42% of our exports go to the United Kingdom and a massive two-way street exists in respect of such business. Consequently, any competition laws introduced within this jurisdiction should take cognisance of different fiscal barriers and jurisdictional challenges arising from crossing the Border into Northern Ireland, as well obviously on an east-west basis. This is a difficult question as there are two separate jurisdictions, two different fiscal regimes and two different parliaments working under different sovereign directions. Nevertheless, I compliment the Minister on his reaction when the proposal to reduce the rate of corporation tax in Northern Ireland came on the table. While the obvious reaction from the perspective of the Republic of Ireland would have been to be defensive and to argue against it, I welcome that the Minister put on record his support for this measure. Having a 12.5% corporation tax rate in Northern Ireland policy would lead to ancillary benefits because given all the North-South interactions and business links, we could benefit were companies to come to Northern Ireland that would have gone elsewhere in the United Kingdom. This constitutes one example of where we are trying to work together and is an example of goodwill and proactivity from a positive perspective.

As for competitive responsibility, I note the recent announcement by Vodafone's wing in the United Kingdom of a six-monthly revenue figure of £23 billion and a profit in 2010 of £8.7 billion. An onus must be placed on competitive responsibilities for mobile telephone operators. I always have emphasised that vast amounts of money continue to be spent on mobile telephone communication, as nearly every individual in every household has a mobile telephone, and consequently, these companies are making vast profits. What onus is being placed on the operators' competitive responsibility to reinvest part of their profits into infrastructural construction? In recent years, I have noticed there still are areas in which mobile telephone coverage is not available and in which gaps exist. This raises the question as to whether it suits existing

operators to retain the present infrastructure, which will not facilitate new entrants. Some questions arise in this regard that must be dealt with.

At another level, I refer to roaming charges and the periodic announcements from Vodafone, O² or Meteor to the effect that they have done away with roaming charges on a North-South basis. That may well be the case if one connects into the specific equal band. However, if one drives through Northern Ireland with a roaming telephone that seeks 100% coverage, one will go through three or four different areas. Consequently, a question arises as to this State's commitment to the North-South integrated strategies that were written in stone in the Good Friday Agreement. There is a role for Members to emphasise the importance of data roaming, which can involve a colossal amount of money. I note the work being done by the Ceann Comhairle and his Northern Ireland counterpart, Mr. William Hay, on a North-South basis through the North-South Parliamentary Forum. If one brings one's iPad, laptop or mobile telephone to Northern Ireland, these additional charges constitute a barrier for this type of movement. If this acts as a barrier for policymakers, it is an obvious barrier for business and this is an issue of which Members must be conscious.

As for competition within the university sector, the Good Friday Agreement places emphasis on integrated strategies in respect of education. While this may be the case, 1% of students from Northern Ireland attend southern universities, whereas 3% of students from the Republic of Ireland attend universities in Northern Ireland. Why is that access issue not being addressed? Why are we not opening up the island, with universities accessible to everybody? Traditionally, there has been the movement of Northern Ireland students to universities such as UCD and Trinity College, Dublin but a minimal number of students are participating in universities such as the University of Limerick, NUI Galway or UCC. We must consider the issue of access as one of competition.

EU guidelines always emphasise that in tendering for contracts — for example, in my local authority area — every small business, be it in Northern Ireland or the Republic, will have equal access, which is acceptable and normal. However, there is a paradox when one considers the different cost bases. A Northern Ireland contractor in tendering for a contract with Donegal County Council, to tar a road for example, will have a comparative advantage because it will benefit from lower costs, including energy, and a lower wage structure, as the previous speaker noted. While EU directives and legislation state the Border does not matter when it comes to tendering for contracts, it does because there are different jurisdictional challenges and barriers in terms of wage and energy costs. This is putting small companies in this jurisdiction against the wall because we cannot compete freely. This is an issue we need to examine. We need to consider the possibility of providing for a community and social contract where the emphasis would be placed on the different costs to be met.

To return to my point on east-west relations, the Queen's visit this year will be pointed to in terms of its historical and symbolic importance. It has created a new space for legislators to network, get to know each other better and work with each other on programmes and projects that will affect our constituents. What it has also done is to emphasise and increase the potential for further east-west and North-South relationships from a business point of view. Our job as legislators is to create the environment and introduce the positive policies that will make business easier. That is the challenge for the next generation of politicians on a North-South and east-west basis to give hope to students who are going to universities or in secondary school and thinking about where they will get work. We must look to our closest neighbours.

I will conclude by giving one figure. There is €200 million worth of business being created by Irish companies in London for the Olympic Games. This is an example of the positive influence exerted by Irish companies on an east-west basis. There is potential in that regard.

[Deputy Joe McHugh.]

We have to give students in universities hope that there will be quantity surveying and engineering jobs available in our closest neighbouring countries. To that end, I would like to see greater emphasis on the need for closer co-operation. It can and will be done. With the Minister's interventions and unique understanding of the North-South and east-west dimension, that will be a possibility in the future.

Deputy Tom Barry: I welcome the Bill. Competition is highly important in the economy, never more so in the situation in which we find ourselves.

Section 2 of the Bill deals with sanctions. While I acknowledge that sanctions are needed, I sound a word of caution with regard to financial penalties that such penalties are more penal today than they were a number of years ago because funds are more difficult to access and it is more painful to pay them. We need to consider, therefore, the spirit of the scheme and encourage people to be law-abiding, as opposed to trying to wag a stick at them.

By their nature, fines are meant to punish, severely if the situation requires it. However, they are also meant to allow businesses to continue after they have taken their punishment. This is not just a point to be made in regard to this Bill, as we need to examine the business of increasing fines. We can have the best will in the world, but it is the adherence to the spirit of a scheme that is important.

Section 3 separates private and public enforcement. I agree with this change, as it brings clarity. It is correct that these two issues are being separated. Section 4 amends subsection (7) to add the requirement for a discontinuation of the abuse of a dominant position, where actions are contrary to Article 102 of the Treaty of Functions of the European Union, which is positive. Addressing the abuse of a dominant position in actions such as the sale of assets is very important. Large businesses can find themselves in a dominant position and, when times are tough, it is very tempting to abuse that position. The Bill must state clearly that this is not good enough. To be fair, setting this out in legislation is very important. Section 6 allows for persons not to be appointed as directors as a result of infringement offences, which makes sense.

Competition must be examined in all its aspects. In the retail industry rebates were common. In the business in which I was involved many years ago they were a scourge. One would buy products at the same price as everybody else, which was fine for a small business, but if it was not one of the favourites, it did not receive rebates. That placed a huge financial burden on new businesses trying to enter a sector.

Below cost selling is witnessed all the time. We have so-called milk wars, bread wars and so on. Using products, especially food products, to attract customers is wrong because it hinders primary production. While we are all used to cheap food which we have had for almost 20 years, or two generations, it has been holding back inflation artificially for a long time and the springs are beginning to stretch to a point where they can no longer handle it. We will see a situation, as outlined by Deputy Calleary and others, where production costs for fertiliser and other products will reach too high a point. We saw house prices reach artificial levels during the boom and they came down with a bang. It is the opposite with food products. Food prices are being held down to such a level that they will spring up and cause great trouble. Allowing below cost selling of food products cannot be allowed to happen as it will cause major problems in the longer term.

On the stranglehold of the multiples, there was a recent case in which a retailer went into a designer receivership and many of the suppliers to that supermarket chain were afraid to speak up for because, over time, their products would not be placed on the shelves. It is a question of deciding how to address these issues, which are not easy. While it is very easy to state the obvious, it is very difficult to fix the problems.

I have dealt with the Competition Authority and know it is under-resourced. While its intentions are good, it must pick cases on which it believes it will be successful. What it needs is a rapid response unit that will go in quickly and make an assessment. If it considers a case merits more attention, that should happen and, if not, it can pull back. We do not want there to be a perception that it is an organisation which is slow to act. It encourages some of the larger businesses to continue poor practices. An investigation into the cement industry, which is welcome, is under way. I have purchased a lot of cement and concrete in my time and it was remarkable when I sought quotes from four or five companies, that the cost was the same, regardless of the distance the product had to be transported. Some products might have been transported two miles and others 40, but it was remarkable that the cost was the same.

It is difficult for new entrants to gain access to markets when these practices are happening, but it is also difficult to prove they are occurring. Large companies have funds to fight these accusations and they use evasive tactics to get around them. However, we need to be aware of these issues and what is going on.

We import so many of our goods that it is difficult to generate competition in various sectors. For example, fertiliser companies were shut down. As a result, it is difficult to generate competition among fertiliser suppliers.

Incorrect labelling of sugar is also an issue. I was stunned when I visited a large multiple recently and saw a packet of sugar labelled as having been produced in Ireland. The sugar was not produced in the Republic of Ireland or Northern Ireland, yet such labelling is allowed. This cannot be good for competition down the road because the customer does not have the option to buy Irish.

Farmers understand meat factories face a similar issue, while Deputy Calleary referred to the Bus Éireann issue which I have also dealt with. The State allocates significant sums to the company, yet it does not provide separate accounts for its school transport service and its bus network, which means the Government could be allowing a scenario in which a public business is being subsidised to the detriment of private bus companies. The Mazars reported stated it cost Bus Éireann €28 million a year to administer the school transport scheme, which equates to €8,000 per bus. This issue needs to be examined in more detail.

Competition in farming is different. Imported grain and beef, for example, are not produced to the standards applied in this country. This issue will have to be examined in the longer term because primary producers are not being rewarded for meeting the cost of complying with high standards. The Competition Authority should look into providing a service, whereby new businesses would be informed about and know their rights. This would give them a resource which would allow them to establish whether they were being treated in a poor fashion.

Social welfare fraud is another form of poor competition. Genuine operators are trying to deal with people who have an unfair advantage over them.

I welcome the Bill which is a move in the right direction. We need to embrace and encourage the true spirit of competition.

Deputy Catherine Murphy: I wish to share time with Deputy Clare Daly.

While I do not oppose the Bill, I do not see it as the be-all and end-all. I have a difficulty with competition, given the big failures in the banking sector and the housing market. This demonstrates that competition without regulation is likely to produce horrific results. The Bill has great limitations and has been produced because of the obligation included in the memorandum of understanding with the troika. The debate pack is useful in highlighting limitations regarding civil fines and a potential constitutional conflict.

[Deputy Catherine Murphy.]

At a time when incomes are being reduced, a corresponding reduction in prices is essential in order that purchasing power can be maintained. Clearly, the additional sanctions proposed in the Bill are welcome from that point of view. There is a differentiation between hard core and other offences in the context of companies abusing a dominant position in the market.

The briefing note we have received shines a good light on one difficulty. The Competition Authority has highlighted the complexity of the cases it tries to pursue and that it requires expertise and financial and physical resources. The fact that only 32 cases have been successfully prosecuted since the Competition Bill was enacted in 2002 indicates how difficult it is to pursue significant players. The authority has also highlighted that it is almost impossible to prosecute minor offences.

I welcome the provision to allow a private action to be taken by individuals who are aggrieved, but it is questionable whether they will have the wherewithal to do so because it will be a case of smaller players in the market taking on, for example, large multiples. A number of us have been briefed on the cement industry in which individuals have pursued the issues involved in the courts for years. The cost of using one product in the building of a house increased by €2,000 during the same period, while the same product was exported at a much lower price to countries with competitive markets. Clearly, there were warning signs regarding uncompetitive practices and that a cartel was operating in the cement industry. Perhaps it did not come to the fore before now because of people's desire to put a roof over their heads. Very often they have to do so under their own steam because the dominant arrangement is for people to purchase or build their own homes. The relevant section is useful, but it needs to be strengthened.

The institutional arrangements which provide for the merger of the Competition Authority and the National Consumer Agency will probably be useful. It is a pity the Government is using public sector reform as a code for cuts because there are great opportunities to put good, robust institutional arrangements in place which are simple and user friendly. This would make agencies more transparent and make them act in the interests of the people on whose behalf they are intended to act.

The fact the legislation has been introduced highlights a weakness in the political system in that nothing was done about this issue previously. One of the provisions proposed gives the Judiciary powers to call expert witnesses, a provision originally included in the Competition Bill 2002.

The broad increase in fines is welcome, but one must question the sanctions provided.

I do not support the jailing of people unless they pose a risk to the public. When we compare the sanctions applied in the case of white collar crime and those applied to regular criminals, there is an unequal arrangement. Often fines imposed are not a deterrent because they will be outweighed by the financial gain for a corporation.

There is no means to verify that retailers are demanding hello money. Discounts are funded by suppliers who are afraid, because of the dominance of the three major operators in the retail sector, that if they make a complaint, their products will be removed from the shelves. That fear is understandable. Therefore, it is difficult to see how what is proposed will happen in practice. Large retailers do not reveal their profits and there is no requirement to have a proportion of Irish goods on the shelves as happens in other European countries, although producers want other European retailers to take their products outside the Irish market. The groceries order was scrapped in 2006 to provide for enhanced competition, but there does not seem to be robust monitoring of the sector to see if it produced the intended result.

The Minister for the Environment, Community and Local Government is looking at a reduction of the cap on floor space, which is not necessarily good for Irish suppliers. If we look at the dominance and locations of large supermarkets, they benefit from having large car parks because they can cover the costs involved. They wipe out many of the small suppliers, those which will create jobs and use Irish raw materials. The evidence is that indigenous industries import less and use more Irish raw materials, which is better for us because foreign companies tend to import produce. Therefore, there is a further knock-on effect on job creation.

The document pack provided by the Library and Research Service was particularly useful. Obviously, more legislation is necessary because this measure may be in conflict with Article 38 of the Constitution, under which civil fines can be imposed. That is what the Competition Authority states is required. When will that legislation be drafted or when will we know if it can be drawn up in the absence of a change to the Constitution?

Deputy Clare Daly: I agree with Deputy Murphy that there is no great reason to oppose this legislation, but neither is there cause for excitement about it. It provides additional sanctions for “lesser” transgressions of competition law to overcome some of the evidential requirements for certainty, as opposed to the balance of probabilities concept that applies in civil cases. In that sense, it is okay, but the idea that it offers a way forward to the regulation of the economic system in which we live or provides a solution to our economic problems is ridiculous. It does, however, gives us an opportunity to stand back and look at the bigger picture.

The legislation is being introduced as part of the memorandum of understanding with the European Union and the IMF to strengthen competition law. It is interesting to note how speedily we are moving on these issues compared to the lack of progress in dealing with so many other important issues which remain on the Order Paper for years and are never addressed. For some reason, we are able to move on this issue incredibly quickly.

This legislation must be seen in an international context, with the introduction of a raft of new company and financial legislation implemented across many of the western economies in response to the global financial crisis. This is largely being done after the horse has bolted. In some ways, this legislation seeks to achieve a situation similar to the one in the United States achieved after the stock market crash of the late 1920s that introduced regulation of the system. Unlike today, through the Pecora commission and the Glass-Steagall Act, significant laws were put in place to impose a system of regulation on the financial markets. It has been argued that this led to a certain degree of stability, but the key point is that it did not; rather, it allowed for a period of stability as ultimately the system ran into problems.

We must look at this aspect because even in this debate the point has been made that we must support competition, as it is good for everyone. It is the Holy Grail of the system of neoliberalism and is pushed by politicians and economists. Deputy Calleary has said wages were uncompetitive and that it is good they are no longer so. That simply is not true. Irish wage levels were below the EU average and are even lower now. How has this benefited Irish society or the economy? This argument was made during the debate on JLCs and wage rates, but the only consequence has been that it has facilitated the driving down of the conditions of workers in Ireland, while possibly boosting the profits of some employers. It has not increased the numbers in work.

The mantra that competition is good is constant. I come from the airline sector. If we were to stop people on the street and ask them if Ryanair had forced Aer Lingus to reduce prices, many would say it did and that it was a welcome addition to the market. It is simply not true, however, because travelling by air became more common internationally and when something becomes more widely available, the price inevitably falls; therefore, it had nothing to do with the arrival of Ryanair. It is not the case that competition leads to the offering of a better service

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to consumers and enhances conditions for workers. Examples have been given in the energy and communications markets, in which we have more electricity and telephone service providers operating, but prices have not fallen for the average consumer; rather, they have increased, while in many instances services are significantly worse. We see this clearly in the waste management sector, in which the turning of the public refuse collection service into a commodity to make profits has led to the ridiculous situation where every day multiple refuse company trucks empty different bins belonging to different people in housing estates. The only outcome has been to drive council operated services out of the market to be replaced by a private monopoly. As a result we have seen prices rise and a reduction in the service to the consumer, particularly for the most vulnerable who were in receipt of a waiver.

As other Deputies indicated, the opposite position obtained in the transport sector. I refer to the fact that public bus companies were unable to utilise the Dublin Port tunnel, which was built using taxpayers' money, because a private bus company bid successfully for the route. This is the madness of competition. I am of the view that competition is not a progressive force. One could legitimately argue that, as a system, competition covers up for the race to the bottom and that it pits the interests of one worker against another. Those who benefit from competition are not society as a whole, consumers, etc., but rather the very wealthy owners of private companies.

Let us consider a few examples of competition and the logic which underlies it. A couple of years ago Dell uprooted its operations from Limerick and thousands of jobs were lost as a result. This did not happen because Irish wages were uncompetitive at the time. Many of those who worked for Dell in Limerick earned approximately €11 per hour. In the year in which it left Limerick, Dell realised profits amounting to €80 million in this country and profits of hundreds of millions on a global scale. Why did the company move out of Limerick? The answer is that the opportunity arose for it to transfer operations to Poland and pay people wages of €3 per hour. We are continually informed that our low rate of corporation tax guarantees employment here. The corporation tax rate which obtained in Poland when Dell moved there was 19%. What was far more inviting for that company was the chance to exploit a workforce which would accept lower rates of pay.

Where does the logic which underpins competition lead us? The answer is that on a global scale it leads to a cul-de-sac. It did not prove beneficial to the workers in Limerick. Neither was it of benefit to their counterparts in Poland because a year or two after it moved out of Limerick, Dell decided to move on again. It sold its operations in Poland to Foxconn, a company from China whose workers were committing suicide on a mass scale at the time as a result of the horrendous conditions in which they were expected to work. That is the logic which underlies competition, which is not actually capable of taking society forward. It is enormously wasteful, it is a key part of the current phase of globalisation and it simply cannot be regulated. That is the lesson which has been learned from previous efforts to regulate the financial system.

In the current phase of globalisation to which I refer, massive amounts of money, goods and services are being moved across national boundaries. There is an inherent contradiction in this. On one hand, the system requires regulations but, on the other, it needs those regulations to be relaxed. Global corporations are now operating on a transnational basis and they have far greater clout and influence than many national economies. This is not in anyone's interests. The relocation of industries from western Europe or the US to Asia and elsewhere has led to the purchasing power of workers in the former decreasing. This led to many of the problems which gave rise to the crash we experienced in recent times.

In my opinion, competition is a cul-de-sac. It is demanded by a system where everything is commodified and where production takes place only on the basis of turning a profit. Compe-

tition is incredibly wasteful and completely irrational. It would be far better if we were to examine a more rational economic system under which production would be for use value and would provide for people's needs. Under such a system, information would be shared rather than promoting a situation where workers are pitted against each other in the interests of protecting the profits turned by a small number of people at the top.

Deputy Paschal Donohoe: I wish to pick up on one or two points made by Deputy Clare Daly. One matter in respect of which she is wrong is the Glass-Steagall Act, which was introduced in the US in 1932. The Deputy stated that ultimately this legislation could not cope with developments in the banking system, the fall-out from which we are currently dealing with. It was the repeal of the Glass-Steagall Act, rather than its lack of effectiveness, which laid the seeds for the collapse in the banking sector worldwide. If the legislation had remained in place — ensuring retail and investment banking would have been kept separate — then I have no doubt the disaster with which we are dealing would have been significantly smaller in scale and might not have happened at all.

Deputy Clare Daly stated that competition is not good for consumers and that it is a *cul-de-sac*. It must be remembered that vast numbers of people in this country remain in work. Ireland is the only country which is part of an external aid programme and which has a balance of payments surplus. Despite our major financial difficulties, we are producing a balance of payments surplus the value of which is comparable to many of the mid-ranking economies of the European Union. It is obvious that Irish workers have the ability to compete and trade very successfully in a competitive environment.

Let us consider the level of performance in the pharmaceutical, agricultural and green technology sectors. A large number of green technology businesses are based in the constituency Deputy Clare Daly represents. The level of performance to which I refer is being driven by Irish workers and Irish companies being competitive and recognising where competitive advantage lies and delivering it for their own benefit. The idea that the profit motive, of itself, is not capable of delivering increases in standards of living, employment and incomes is clearly wrong. It is a tragedy that so many people are out of work but there are still huge numbers of people who remain in employment. The latter still have jobs because they are in a position to deliver goods and services — which people at home and abroad wish to purchase — in a competitive manner.

It is clear, however, that there are difficulties with existing competition policy and with the environment to which this policy has given rise. Criticisms of that policy were made by members of the Judiciary when they were evaluating cases which came before them. When sentencing two participants in a cartel in May 2006, a judge stated that being involved in a cartel is theft and clearly spelled out why this is the case. In 2007 Mr. Justice Liam McKechnie stated:

[W]hile society has an interest in preventing, detecting and prosecuting all crimes, those which involve a breach of the Competition Act are particularly pernicious ... These activities in my view have done a shocking disservice to the public at large.

There is a real need to ensure that in the context of an economy which is so reliant on being competitive and which operates in the global arena, we must do everything possible to ensure that competition policy is fit for purpose.

There are three particular aspects of the legislation which represent clear progress. The first of these, to which previous speakers referred, relates to the fact that the sentences and fines relating to core and non-core crimes will be increased. This is an important development. Where I differ from Deputy Clare Daly is that I do not see profit as being bad. However, I

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do understand her point in respect of where seeking to make a profit can be transformed into greed.

Deputy Finian McGrath: Share the wealth, share the profits.

Deputy Paschal Donohoe: The wealth must be created in the first instance and that is why the type of policy to which I refer is required. The greed which can motivate people to engage in the type of activity which is clearly not in the public interest can sometimes be driven by a rational calculation to the effect that if the level of fine to be imposed is not too great, then it would be worth it to take a chance and proceed with such activity. The low fines which obtained in respect of this kind of activity in the past were recognised as being a failure. Steps are being taken in the legislation before the House to increase those fines to make them a more potent deterrent.

The second element of the legislation I welcome is the specific reference to a regulatory body which can take action against someone it believes to be in breach of the law. The legal costs incurred by said body in respect of individual cases will be paid by any person convicted of being in breach of competition policy. I hope this will create an environment within which authorities of this nature will be more willing and able to take the type of action that is required.

The third element I welcome is the fact that private citizens will be able to play a greater role in ensuring competition policy is enforced and in taking action on their own part. In that context, I quote from a paper, entitled “What Happened to Competition Policy?”, by Mr. David McFadden and Mr. John Evans, delivered at the recent Kenmare Economic Conference. On the issue of private enforcement, they state:

What seems remarkable, however, is the fact that the private enforcement provisions contained in the 1991 Act were retained unchanged from the 1991 Act up to and including the 2002 Act. As the private enforcement model had not worked under the 1991 Act and was superseded by a public enforcement model, why then retain the private model?

They make the point that there were clear shortcomings in allowing persons to take successful private action. Hopefully, the Bill will make it easier for persons to do so. Assuming the only ones who will take action are the regulatory authorities and not making it clear that private citizens can take action and can be rewarded for it, is clearly an omission and is something on which the Bill will make progress.

I will conclude with two observations on the Bill. First, as important as competition policy is — I speak as somebody who worked in the retail and manufacturing sectors and has experience of many of the tensions to which other speakers have referred — we need to ensure consumer policy does not end up being the poor relative. One of the matters being looked at is the merger of the Competition Authority and the National Consumer Agency and we need to ensure the rigorous implementation of competition policy does not come at the cost of diluting consumer standards and that consumer policy and the protection of the consumer is still kept to the fore and is vigorously prosecuted.

The second point concerns regulatory capture. We have seen to our considerable cost the number of times on which regulatory bodies were captured and influenced by the industries that they were meant to regulate. The additional power that will be made available to the courts and to the Competition Authority by a body such as this does not absolve others of their responsibility in ensuring such policy and law is implemented purely with the national interest in mind. As such, some of the other Bills the Government is bringing forward must be recognised. The additional measures that are being put in place to encourage whistle-blowing,

included in a Bill that came through the House a fortnight ago, continue to be important to ensure that a Bill such as this can be properly implemented.

I welcome this legislation. It forms part of suite of measures that the Government is implementing on the structure and costs of the legal sector. It also is accompanied by a measure on the structure and costs of general practitioner services and dealing with some of the impediments to persons entering that sector. All of these are measures that will make a significant contribution to ensuring Ireland continues to be a place in which business can flourish, but not at the expense of consumers or those who depend on a level playing pitch being created, in which manufacturers and businesses can operate and from which consumers can benefit.

Deputy Finian McGrath: I am sharing time with comrade Deputy Ross.

I thank the Acting Chairman, Deputy Joe O'Reilly, for the opportunity of speaking to this new legislation, the Competition (Amendment) Bill 2011. I welcome the debate as it gives us the opportunity to examine the issue of competition, competitiveness and the radical changes in the country over the past couple of years. It also deals squarely with enforcement and the penalties issues.

It also provides an opportunity in the House for us all to face up to the reality of where we are going and what type of country we want. The banks, the church, business leaders and politicians all have taken a major hit on confidence and respect over the past few months. The people voted for change and reform and it was the same old story. They got U-turns and the same old cronyism. Is it any wonder the people are fed up and the country is in such a mess? We need action on this issue. We have had enough talk. The people are crying out for proper and effective leadership.

On the competition issue, and before I get down to the brass tacks of the legislation, we need to ask ourselves how a country can be really competitive if, for example, Anglo Irish Bank, which is now operating as the Irish Bank Resolution Corporation, will continue to use taxpayers' money to pay unguaranteed unsecured senior bondholders. We cannot get out of the competitive mess we are in if we keep doing this. On 2 November, the Government allowed Anglo Irish Bank to pay a single unguaranteed unsecured senior bond to the value of almost \$1 billion despite enormous public opposition. Nobody listened except members of the Technical Group. On 25 January 2012, Anglo Irish Bank will go ahead again and pay out a single unguaranteed unsecured bond to the value of €1.2 billion. I raise these issues because they are connected with the competition that we need. We cannot be competitive on the Irish market or on the international market if we still have these matters around our necks.

I want to put forward the idea to the Taoiseach and to the Minister for Jobs, Enterprise and Innovation, Deputy Bruton, that we should enter immediate discussions with the European Central Bank to have the promissory note withdrawn and to remove this toxic private liability from the State and the taxpayer. The Government should seek support from our European partners in this endeavour on the grounds that removing the obligation created by the promissory note would reduce our debt to GDP ratio to approximately 87%, easing the State's transition back to the international bond markets and assisting in reducing the deficit and returning the economy to sustainable social and economic development.

Finally, the practice of using taxpayers' money to repay the promissory note must end. I call on the Government to intervene to prevent Anglo Irish Bank from using taxpayers' money to repay the unguaranteed senior bondholders and I say this in the context of the debate.

The purpose of the Bill is to strengthen competition law enforcement by providing for new and increased sanctions and penalties. Section 2 provides for the amendment of section 8 of the Competition Act 2002 which will increase the levels and range of sanctions available to the

[Deputy Finian McGrath.]

competent authorities in their enforcement of competition law. There are important sections in the Bill in that regard.

When we are dealing with the competitive issues, I regularly hear the Taoiseach and Ministers state that we never put forward other solutions to problems. Let me take a simple solution in the economy dealing with competitiveness and jobs. The Irish betting shops have told me that they can create up to 500 jobs if they are allowed to open for winter evening racing on selected nights when racing and important football matches are on. There is a sensible proposal. These shops will also contribute an extra €5.5 million to the Exchequer through the extension of opening hours. Of course, there will be additional PRSI contributions through new jobs created.

Another sensible proposal is that there is need for an urgent review of betting legislation to allow for the introduction of new technology in betting shops to allow them compete effectively with online, iPhone and mobile betting platforms. The Government needs to introduce a fairer system of taxation of betting in Ireland that brings all platforms into the net. The current levy of 1% paid only by betting shops is unfair. A possible option would be like that which there is in England, the proposal to make the source of the bet the point of liability and that all betting providers must have a licence to bet in that market and to ensure compliance and fairness for all operators. The Government should examine a gross profits tax model for shops to replace the 1% levy. There is a sensible proposal which would create 500 jobs and help those involved and interested in sport, but also bring in €5.5 million in extra tax revenue which could be used to fund the special needs assistants. I put forward these ideas as sensible issues.

On the competition issue, we also need to face up to the reality that we need to deal strongly and effectively with the unemployment issue. Both issues are strongly linked. Ireland's unemployment crisis continues, with almost 450,000 people on the live register, ongoing job losses and poor economic growth. We must consider whether austerity is working. Most reasonable people agree that austerity alone will destroy the country. If the Minister speaks with small businesses, they will confirm that they are being hammered by high rents and insurance costs. I regularly meet people in my constituency who have been forced to let go one staff member, or perhaps two part-time workers because of these factors. We need to regenerate the sector. The number of people who have been on the live register for longer than one year continues to grow and now accounts for more than 40% of those signing on. We must tackle this serious situation.

The more money that is taken out of the economy, the less there is that can be spent in the small economy. Deputy Donohoe referred to wealth and profit, but these are not the issues. Rather, sharing wealth and burden sharing are the real debate. We should not be afraid to consider the examples of good practice across the sector.

Section 4 addresses the right of action of the competent authority and inserts a new section 14A to provide for separate public enforcement provisions. As with the original section 14, this provision gives the competent authority the right to take action in the Circuit Court or High Court.

I welcome the debate on competition and I hope the Government gets its act together and returns people to work so that we can all get out of this mess and start to build a new, inclusive republic that puts citizens at the top of the political and economic agendas.

Deputy Shane Ross: I thank Deputy Finian McGrath for the privilege of being able to sit and listen to his speech before I make mine.

Deputy Finian McGrath: Deputy Ross is welcome.

Deputy Shane Ross: It is a privilege I had not anticipated before the Chair called him.

One could not fault this Bill in and of itself, in that fines and prison terms are being increased and there is an effort to punish in a more severe way those who commit offences against competition law. However, it lacks detection provisions. It is a well known tenet of the philosophy of punishment that detection is better than punishment. A problem in Ireland is that many cartels have not been challenged. Where there have been convictions, fines have been imposed, but the Competition Authority has often refused to investigate and, consequently, has not been able to enforce. Constant complaints come from the Competition Authority, as they do from everywhere else, about being under-resourced. This is undoubtedly true.

We are about to face a critical situation in the banking area, in that it will be dominated by two pillar banks. We will need competition more than ever. The exit of Bank of Scotland Ireland, the disappearance of Irish Nationwide and Anglo Irish Bank and the merger of EBS with AIB mean that the pillar banks will be able to return to their original position, that is, zero competition, in the years to come. What measures does the Minister propose to introduce to ensure that competition returns to the banks when the pillar banks regain their extraordinary duopoly or dominance? We need a strict regulatory regime and Competition Authority. We also need enforcement to ensure that the banks do not take their customers apart in the way they used to do. I am not confident that the Government intends to or will be able to take these measures. History teaches us banks and bankers continuously find ways to impose a cartel on their customers. Were I in AIB or Bank of Ireland, I would be rubbing my hands with glee at the easiness with which they will be able to make a significant amount of money on the back of running a silent or open cartel.

Another issue arises directly from the question of resources. Dr. John Fingleton, who was in charge of the Competition Authority some years ago, stated that €4 billion per year was lost to the economy in the 2004-05 period as a result of uncompetitive practices. According to him, the Competition Authority could only hold one proper investigation per annum. This is laughable. Considering our history of cartels and a lack of competition, it seems that we need a vastly more resourced Competition Authority. If Dr. Fingleton's figures were right and there was a €4 billion saving to be made, the cost benefit must show a profit. I would be interested in the Minister of State's comments in this regard.

There is further evidence. In or around the same time that Mr. Patrick Massey resigned from the Competition Authority as its director of competition enforcement, he stated that it did not have the resources available to him to carry out his job properly. It is all very well introducing more fines, but if no one is brought to court or no investigations are carried out because the authority does not have the resources to challenge the big players, that introduction is meaningless. It is a minor deterrent and will not prevent cartels or anti-competitive practices.

I hope the Minister of State will answer a specific question. I will leave the bankers aside. I sympathise with Deputy Clare Daly's comments. The most successful Irish company is supposedly CRH. It has a good profit record, but it has not had much competition. CRH disturbs me. Only last year Poland fined it €26 million for uncompetitive practices. This was a great deal of money and was based on a percentage of turnover. I am told, although I am open to contradiction, that the practices of which it was found guilty in Poland are the practices it is happy to engage in here. Why has CRH been the subject of so many investigations in Europe yet none in Ireland? It was also fined by the European Court of Justice in the mid-1990s. Many complaints have been made about it by various groups. One such group, comprising a small number of private cement industrialists, is called Framus and has been campaigning against CRH's activities for 15 years. Year after year, small concrete producers have claimed that price fixing, cartel-type activities and all sorts of practices of which the Competition Authority would disap-

[Deputy Shane Ross.]

prove, condemn and outlaw have been practised by CRH, yet any effort to get their case to the authority has been refused or frustrated. Why? The evidence from overseas appears clear, in that CRH is not the white sepulchre of a company that it is made out to be. Rather, an examination of CRH's activities overseas finds that it has been indulging in activities of which we would not approve. However, the Competition Authority has refused to carry out a wholesale investigation. Let us face it: this company is a quasi-monopoly. It has one or two competitors but in effect it has a huge amount of dominance. It is exactly the type of company of which we should beware. This type of company, activity and dominance leads to abuses. The monopoly could be tolerated if we were sure it would be investigated. However, we are not sure of this as evidenced by the number of small producers of concrete and cement complaining. What is stopping a serious investigation by the Competition Authority? Is it simply resources or that it does not think there is a case? The evidence appears to be that it is a matter of resources which is stopping it rather than the absence of a case against the company.

I appeal to the Minister of State not to take the attitude that CRH, like many other companies in Ireland, is too big to tackle. We learned much about companies being too big to tackle; they are accidents waiting to happen. We saw with the banks and the Quinn group and all private companies which abuse a monopoly that governments refuse to take them on. How did so many companies which have dominance get into so much trouble in the end? We must be very careful about this company. What the public, small companies and those companies being put out of business by CRH need, and the least they deserve, is to be reassured that an independent investigation can and will be held. They will then be reassured, whatever the findings, that at least we are not sparing people in business because they are as powerful as the Government or because they have good connections in the right places. This has always been the situation in Ireland with regard to business. Big business is too close to government and the big banks were too close to government. Big business has too many people who have the ear of people in positions of power and CRH is no exception to this. People in Europe stand and stare when they find out there really has not been any proper investigation of this monolith in Ireland.

I appeal to the Minister of State not only to state that something is being done about competition and that people are being fined far more money and longer prison sentences can be applied but to give us the reassurance we need that there will be detection of breaches of competition law so that it will be prevented and that there will be impartial investigations. This is an opportunity to tackle the largest company in the State and to state that we are prepared to challenge it, powerful as it is. I ask the Minister of State to take this proposal extremely seriously.

Deputy Robert Dowds: I take to heart some of the remarks made by Deputy Ross. It is important that there is detection of wrongdoing. Yesterday, I spoke on a similar matter during the Topical Issue debate with regard to the fact that petrol stations are selling laundered fuel. It is very important that detection is pursued to the maximum. It is worth investing money in this area because it would yield revenue as well as, it is hoped, reducing prices for people.

In speaking on the Bill, I raise one anti-competitive issue which some of my constituents brought to my attention. The practice is not in the best interests of the public. As we know, the country's automotive industry supports a great deal of employment, and it is essential that it has a good working relationship with the insurance industry when dealing with damage to vehicles involved in accidents. However, I understand the insurance industry has adopted a practice of steering claimants to use certain motor service providers to have their cars repaired, most particularly with regard to windscreens, to the point whereby consumers who choose to have their cars repaired by a service provider who is not on the inside track with the insurance

providers have considerable difficulties. For example, insurance companies are slow to process claims for consumers who use service providers who are not on the inside track, to the point of obstructing business.

I have received reports of insurance companies insisting on claimants using service providers who may be some distance away, when perfectly good local service providers would be able to do just as good a job at the same price. A particular concern is that some insurance companies have set up dedicated claims lines, which are routed directly to motor service companies on the inside track, thereby railroading consumers into using the insurance companies' preferred suppliers, thus depriving small service providers of any chance to get the business.

The combination of these practices is anti-competitive and deprives consumers of the choice of motor service providers to which they are entitled. This is leading to considerable hardship among some motor service providers, who are fully qualified, registered, trustworthy and competent in their field, but are not able to stay afloat due to the fact that they are not on the inside track with insurance companies and are completely deprived of any share of the quite considerable trade. The Irish Automotive Glass Repairs Association, which represents 20 small independent windscreen companies, has stated that as a result of these practices, the majority of its companies are struggling to survive the recession, and that this practice will inevitably cost jobs, if it has not done so already.

The insurance industry claims that approved repairer programmes were established to reduce the cost of claims and thereby to lead to reduced premiums for consumers. One major insurance company recently announced it has established an approved panel of builders that its policyholders must use for household claims. However, Dermot Jewell of the Consumers Association stated of these practices that the move could restrict choice and competition and give builders on the panel an unfair advantage over other builders. He stated, "This happened with motor insurance policies and it did not lead to lower premiums for consumers but did lead to less choice."

The Competition Authority has looked into this matter and it has washed its hands of what is an anti-competitive practice. I contacted the Minister, Deputy Bruton on this matter but it seems to have gone into the sand. I ask him to make the necessary amendments to the legislation to put an end to the steering in which the insurance industry is involved and to help out small businesses such as those to which I referred to stay afloat in the teeth of the current recession. If the Government is serious about helping small businesses and giving consumers choice, this industry is a good place to start. I hope the Minister of State is listening to what I say and will take measures to put an end to these anti-competitive practices. I look forward to hearing the response.

Deputy Áine Collins: I thank the House for the opportunity to speak on the Bill and I commend the Bill to the House.

One of the core problems affecting our economy has been a lack of competitiveness. I am very glad that recent figures show improvements in the past six months. A key element in restoring our economy to growth is to continue to improve our competitiveness.

During the boom years, excessive credit and excessive activity in the building sector led to a huge increase in personal and household income. This led to far less vigilance by the general public and excessive prices were paid for a wide range of goods and services. While incomes have dropped considerably, charges in other protected sectors have remained high. Higher prices lead to new wage demands in the future. Higher wages make the country less attractive to inward investment and slow export growth, which is a central and most important element in our recovery.

[Deputy Áine Collins.]

The troika of the EU, IMF and ECB have put considerable obligations on us to reduce our budget deficit and resolve our banking crisis. It has also put equal emphasis on the necessity to make structural reforms with the clear objective of increasing competitiveness. This includes action on specific services including legal services and GP and medical expenses. The EU and IMF identified specific services that were way out of line with the countries we are competing with across the world. Apart from these protected areas, the general expectation of large profits across all sectors, which was evident during the boom, must be curtailed.

We must encourage new indigenous businesses and create a competitive environment for them to set up and grow. By strengthening competition law enforcement, this Bill will help create a level playing field for all businesses and benefit both consumers and businesses alike. This item of legislation is a central plank in our economic recovery. The Minister, Deputy Bruton, realises the importance of getting results quickly in this area and is introducing very heavy penalties. The main provisions of the Bill include an increase from five to ten years in the maximum prison sentence, large increases in fines, and that a body convicted of competition offences may have to pay costs of its investigation and it will be possible for the first time to disqualify a person convicted of indictable competition offences from being a company director. Also, a person convicted of certain competition offences will not be eligible for probation and it will be easier for private individuals affected by anti-competitive practices to prove an action for damages against a cartel once public enforcement proceedings have successfully been taken. This legislation means that price fixers, cartels and those involved in white collar crime will face tougher jail sentences of up to ten years. This stronger deterrent can only be good for consumers and businesses. The harsher sentencing regime is being imposed after Ireland was ordered to toughen enforcement of competition rules by the EU-IMF team.

Most importantly, the changes will make it easier for ordinary people and small businesses to make claims against companies found guilty of price fixing. The message must get across to the business community that price fixing harms the economy as a whole and will not be tolerated in the future. Consumers must be convinced that this legislation, when properly enforced, will reduce the cost of living. When achieved, these objectives will benefit the whole economy.

We must be continually vigilant; especially in growth areas, that inflation does not creep in. In recent years the farming sector has been doing well after many difficult years. In good times, as we saw during the building boom, there is a tendency to increase the price of inputs. This will erode competitiveness, restrict expansion and have a devastating effect in any downturn for the agriculture industry. The haulage area can also be examined now. As an export country, most of our goods are exported on roads. People now buy diesel abroad rather than here because of rebates and the cost of diesel here. I hope to bring a more detailed view on this in the next couple of weeks.

As has been identified by the EU and IMF, this comprehensive legislation on competition is long overdue but the mere introduction of legislation is not enough. Laws and regulations must be strictly enforced and the general public and businesses affected by anti-competitive practices must be encouraged to take action. The Department and Minister have undertaken to review the implementation of the legislation and I have no doubt this will be done under the Minister's supervision as well as under the watchful eye of the EU and IMF in the coming years. It is important to recognise that as a nation we took our eye off the ball during the boom years. This cannot be allowed to happen in the future. I therefore commend the Bill to the House.

Deputy Peter Fitzpatrick: The Competition (Amendment) Bill marks the completion of the requirements set out in the terms of the EU-IMF programme of financial support for Ireland. This Government, and particularly Ireland, has again lived up to its commitment; in this

instance, to strengthen the enforcement of competition law. The Bill provides for new and increased sanctions for anyone who engages in anti-competitive activities. It is envisaged that the enhanced measures will be a more effective deterrent. The negative effect of anti-competitive practices should not be underestimated and it is the aim of this legislation to further protect and benefit the consumers and people of Ireland.

Ireland has not been immune to the effects of collusion and price-fixing. The car industry, the IFA and more recently the concrete industry are among the industries that have come under the spotlight in recent years. The benefits of competition to society are immense and far-reaching. Competition is the crucial driver of performance and innovation and it benefits everyone by enabling us to choose from an array of excellent products at affordable prices. Competition also encourages the adoption of innovation as companies evolve and new ideas flourish in the marketplace. This has never been more important to Ireland and, in particular, it is of crucial importance if Ireland is to rebuild itself and restore competitiveness.

Consumers stand to gain most from greater competition and the reduction of anti-competitive practices. Competitive markets encourage lower prices and greater choice. Fair and open competition means lower prices and greater choice and this is what the legislation will achieve. Limiting consumers freedom of choice stalls innovation. Impediments to innovation are a setback for the people and the country. Market conditions that permit a single person, company or entity to become the sole judge of price and quality set a dangerous precedent. Thus, the enhanced sanctions in this legislation should ensure a decrease in cartel type activity and price-fixing.

In addition, conditions that allow industry stakeholders to collude over commercial pricing or supply should be eliminated. Through severe sanctions, this legislation goes a long way to providing extreme deterrents where collusion is contemplated. Anyone considering such anti-competitive and ultimately corrosive actions must consider the implications of their actions very carefully. I expect a significant reduction in queries and complaints to the Competition Authority as a result of this legislation. Fair play and open competition in the market enables vendors and manufacturers to deliver a greater variety of competitive products to their customers and often results in lower prices and higher performance. When competition allows market forces to prevail, leading companies can offer the best products to a broader array of customers and consumers. This is only good news for Ireland.

Competitive pricing, product innovation and performance improvements, coupled with competitive practices, helped to ensure that Government authorities get the best value for the public they serve. Furthermore, transparent and unbiased procurement practices are essential components of open government and a healthy, free-market economy. This Government actively encourages such practices and is ever conscious of securing the best value from spending on behalf of the Irish people.

There are numerous reasons competitive markets are beneficial for consumers and the economy as a whole. This Government regards creating a competitive environment as a cornerstone of the supply-side economic policy. Vigorous competition between firms is the lifeblood of strong and effective markets. It encourages firms to innovate by reducing slack, putting downward pressure on costs and providing incentives for the efficient organisation of production. This results in consumers obtaining better value for money. As such, competition is a central driver of productivity growth in the economy and hence Ireland's international competitiveness.

A competitive market exists when there is a genuine choice for consumers in terms of who supplies the goods and services they demand. Competitive markets are characterised by various forms of competitions between sellers bidding to increase or protect their market share. The overall impact of increased competition should see an improvement in the economic welfare

[Deputy Peter Fitzpatrick.]

of Ireland. This is what Ireland needs and the legislation is enhancing the environment where such economic activity can grow. This economic activity is the very lifeline of Ireland and that is what the Government is providing. I welcome this Bill as forward-thinking legislation that will further aid the economic revival of Ireland. I have no hesitation in commending this Bill to the House.

Deputy Richard Boyd Barrett: While there is nothing directly objectionable in this Bill——

Deputy Sean Sherlock: Does the Deputy support it?

Deputy Richard Boyd Barrett: To be honest, I am indifferent to it.

Deputy Sean Sherlock: Why is Deputy speaking to it then?

Deputy Richard Boyd Barrett: Because, having listened to the speeches from the other side of the House, the Government is trying to suggest enacting the Bill will do something to deal with the reasons we are in the deepest economic crisis the State has ever faced and the European economy is teetering on the edge of an abyss. These measures on which the
1 o'clock Government is being dictated to by the European Union and the IMF are supposed to improve the situation and deal with the economic conditions that led to the crisis. It is important for us, therefore, to discuss whether the measures being brought forward by the Government are in any way adequate to deal with the task of confronting the economic crisis we face and the economic conditions that led to the crisis. Frankly, the legislation fails on all counts; it is for the optics. To put it mildly, it is shutting the door after the horse has bolted, but even that metaphor does not go far enough in describing——

Deputy Sean Sherlock: I actually think the Deputy is bluffing.

Deputy Richard Boyd Barrett: The Minister of State can think what he likes, but I think the Government is bluffing.

Deputy Sean Sherlock: The Deputy will give us the usual diatribe about the state of the globe and his political view.

Deputy Richard Boyd Barrett: I am sure the Government side has had its opportunity to speak, has it not?

Deputy Sean Sherlock: Why does the Deputy not talk about the legislation before us?

Deputy Richard Boyd Barrett: I will talk about it.

Deputy Sean Sherlock: The Deputy should give us a critique of the legislation, as he sees it.

Acting Chairman (Deputy Joe O'Reilly): The Minister of State should allow Deputy Boyd Barrett to continue.

Deputy Richard Boyd Barrett: The Minister of State should be aware that I know what is contained in the legislation. The Government is proposing to impose extra penalties on those who abuse competition law. In addition, it is proposed to change in certain circumstances the burden of proof where infringements, or alleged infringements, of competition law have taken place in order that it will be somewhat easier to prosecute the people concerned and to make it possible to remove directors who have been found guilty of infringing competition law and disbar them from sitting on company boards.

Deputy Sean Sherlock: Is that not laudable?

Deputy Richard Boyd Barrett: Is the Minister of State speaking or am I? I can sit down to enable the Minister of State to have a go and I will then come back in, if he wants. I understand precisely what is contained in the Bill and I also understand what the Minister of State is saying it is supposed to do.

In the various eulogies to the legislation, we have had an attempt to repeat the ideological claptrap constantly regurgitated and recycled by the Government, the IMF gurus and our EU masters who got us into this mess. Talking about higher penalties and shifting the emphasis, while not objectionable, is a little like deliberately letting a ferocious tiger loose in society and later bemoaning the fact that it savaged people. It is like saying the zookeeper should have looked after the animal better. The real problem is that the tiger should not have been let loose because it is a dangerous creature.

The legislation is predicated on the belief that competition is good and the best way of organising an economy. I have often heard Fine Gael Ministers and representatives, in particular, using competition and sporting analogies in discussing how we should run our society. However, running a society or an economy is not like playing a football game. It is not about competition and scoring goals; rather, it is about meeting the needs of ordinary people and ensuring this is done in the most effective and efficient way possible. We are trying to do this in a deep crisis when our economic system has catastrophically failed to meet society's needs. The European economy is teetering on the edge of the abyss, while the Irish economy is in dire straits. It is, therefore, beholden on the Government to ask how we reached this point. Only somebody who is being dishonest would not acknowledge that competition played a pivotal role in getting us into this crisis. Even the Nyberg report on the banking crisis acknowledged this fact.

Competition between private banks is precisely the reason the people concerned engaged in dangerous and reckless lending practices. Financial institutions, which were cowboy operations, were allowed into the Irish market and engaged in reckless lending to individuals who were not able to afford to pay back the money loaned to them. So-called respectable financial institutions, under competitive pressure from these cowboy financial institutions, began to engage in the same reckless lending. That is what happened. That is what was stated in the Nyberg report; it is not just the leftists who said it. That is a fact. What are we going to do about it? Are we going to rein in this dangerous animal of competition that caused that crisis? In what sense will any of the measures included in the Bill prevent such actions? They will not do so and it is not just because they are inadequate or ineffective. The Bill slightly increases the penalties in place before the crisis. Therefore, there is no fundamental change.

At the same time, in their other actions, the Government and the troika state they will reward those financial institutions which, driven by competition to make a profit, engaged in reckless lending. On the one hand, the Government is stating, for the optics and public consumption, that it will take tough action against these reckless private entities who pursued only profit, regardless of the impact on the economy and society, while, on the other, it is stating it will bail them out, no matter what they do. In fact, the Government's actions in creating pillar banks are leading to the removal of competition. We are financing these pillar banks, although we do not control them, as they will still be subject to the same competitive imperatives that led them to wreck the economy, yet the Government is doing nothing about this. It is giving the banks this power, while making it absolutely clear, even though we are financing them, that as soon as they have been nursed back to health, through the pain of ordinary people, they will be allowed to float off into the market again as private entities, in other words, we will bail them out and take the pain and then they will engage in blind competition to make a

[Deputy Richard Boyd Barrett.]

profit. This issue needs to be highlighted when the Government engages in play-acting and pretends that it is doing something about the circumstances that led to the economic crisis.

If one sets the optics beside the troika demands, with which the Government is going along, to privatise State assets as part of the conditions of the so-called bailout programme, the Government is giving power to the cartels and big multinationals it states it wants to control. Who will buy the State assets? It will not be the corner shops which are going out of business. The Government waxes lyrical about how it wants to introduce competition which is the life-blood of the economy, but has the Minister of State noticed that as a result of the austerity measures taken, small businesses which the Government claims to support are being slaughtered all over the country? Only the big entities remain. Throughout Europe the multinationals are dictating to the European Union and the IMF that our State assets should be sold in order that they can buy them. These entities include Helvetia Wealth, a money-laundering operation in Switzerland which has a subsidiary called the International Forestry Fund, of which the chairperson is Bertie Ahern. His little office is to be found in Dún Laoghaire and it is pushing to take hold of Coillte. These are the sorts of entities that will get hold of our State assets as the Government continues to obey the diktats of the European Union and the IMF. Although the Government says it is trying to take action to control cartels and price fixing, everything it is doing increasingly gives control over economic and natural resources and key enterprises to cartels. It is utterly laughable that one of the people invited to the economic forum is none other than Mr. Denis O'Brien, who is trying to obtain a complete monopoly over Irish media. To put it mildly, there are major question marks over how he became fantastically wealthy as a result of his irregular arrangements and his relationship with Deputy Michael Lowry, a former Fine Gael Minister. He got the second mobile phone licence in this country and consequently became extraordinarily rich. He lives as a tax exile and is now busy trying to obtain a monopoly over the Irish media. He is invited to give advice on the Irish economic crisis by the Government, yet the latter expects us to take seriously its statement, through this legislation, that it is trying to do something about cartels, monopolies and abuses associated with holding a dominant position. This does not add up at all. It is a question of optics and play acting to pretend it is doing something when it is doing absolutely nothing.

Big corporate entities, which are being encouraged and whose interests are being championed by the troika and Government, do not result in lower prices for the consumer; the very opposite is the case. The result is domination by those big entities of entire markets. Perhaps for a brief period there is a drop in prices as the entities try to undermine a public enterprise. This occurred in the waste management sector, where there was an effort to undermine local authority waste collection services that were free or paid for through central taxation. Central taxation is somewhat fairer than other mechanisms. Local authorities have been forced by Fine Gael, the Labour Party and Fianna Fáil to introduce charges to pave the way for competition in the waste sector. Pensioners and the poor now must pay bin charges whereas they once had a service paid for through progressive central taxation. Their circumstances are now worse. As a result of the inevitable privatisation of the waste management sector and the introduction of competition thereto, waste collection prices have increased. The waiver schemes that supposedly exist to protect the less well-off have been done away with progressively or cut substantially.

Let us consider electricity, which is pretty important because it provides heat in the homes of ordinary people. Has the opening of the electricity market to competition helped the consumer? It clearly has not because prices have increased continuously since the market was opened up. The diktats of the market and its desire for profit come first in an open market. The public, through its public representatives, can tell a State enterprise that it wants subsidised

prices for the more vulnerable and less well-off sectors of society, and that this should be paid for through progressive taxation. Behind all the bogus talk of competition to encourage the economy, whose lifeblood is believed to comprise small businesses, small businesses are being wrecked by the deregulation of the electricity market. The electricity price rises were directly responsible for small businesses going out of business. That is the reality. Rising costs, attributable to control by monopoly interests in privatised markets, are killing small businesses. In every sector of the economy, small businesses are being eaten up and replaced by multiples, chains and big entities. This is what is happening in the recession. This Bill is just meaningless and will achieve absolutely nothing.

If the Government were in any way serious about dealing with the circumstances that led to the current economic crisis and the abuses and dominant position of super-wealthy individuals who use their wealth to exert power over key industries and sectors of the economy, it would take the vital sectors of the economy back into public ownership. Public ownership gave some control to ordinary people and public representatives who are at least notionally accountable to the public for industries' strategic priorities, prices and investment decisions. If the Government were serious about helping small businesses, which I agree comprise an important part of the lifeblood of the economy, it would do something about excessive rates, excessively high prices for small businesses, upward-only rent reviews and, more generally, stimulating the economy. These are the steps we need to take.

Shambolic optics, closing the door after the horse has bolted, legislating and pretence are but verbiage on paper. They achieve nothing and fly in the face of the real decisions being made by the troika to shore up and protect the interests of big corporate entities or the financial institutions whose blind competition for profit wrecks the Irish and European economies, and who are now trying to use the crisis to further centralise and consolidate their control over those economies. I have outlined for the Government what it needs to do but it has no intention of doing so because it is addicted to the failed economic dogma that got us into this mess in the first place.

Deputy Terence Flanagan: I support the Bill. Competition is extremely important within the market. One example of where it really made a difference was in the airline industry. In the 1980s, Aer Lingus was a dominant provider of air travel but Ryanair entered the market and forced prices downward. That very much helped consumers.

Deputy Richard Boyd Barrett: Are they not starting to rise now?

Deputy Terence Flanagan: That is an issue but consumers have the opportunity to shop around and do so daily.

Deputy Richard Boyd Barrett: They will not when Ryanair takes over at Aer Lingus.

Acting Chairman (Deputy Joe O'Reilly): Deputy Terence Flanagan without interruption.

Deputy Terence Flanagan: That may possibly occur. Who knows? I welcome the improvements in the Bill. The legislation was committed to under the EU-IMF agreement and was introduced in the third quarter of this year. It helps to strengthen the enforcement of competition law and provides more effective deterrents for individuals or organisations engaged in anti-competitive practices. It is extremely important that we see an improvement in the detection of offences by organisations involved in cartels and anti-competitive practices and that these organisations be prosecuted and subjected to the full rigour of the law. Many offences have been detected but, to protect consumers, we need to see more high-profile cases coming before the courts.

[Deputy Terence Flanagan.]

The Bill makes practical changes to competition law. The maximum prison sentence has been increased from five years to ten where an individual is indicted for hard-core competition offences such as the setting up of formal price fixing or market-sharing agreements. Under the Competition Act and the operation of the Competition Authority, a cartel immunity programme is available. It is helpful for any individual or organisation who wants to be a whistleblower and bring a matter to the attention of the Competition Authority to avoid prosecution. Legislation on this general area needs to be introduced at a later date.

The legislation proposes that fines for competition offences will be increased across the board. Private individuals who are affected by anti-competitive practices will need to prove an action for damages against a cartel once public enforcement proceedings have been successfully taken. In other words, the burden of proof will be eased for private plaintiffs taking on a follow-on case for damages. That is a new and positive provision in the legislation.

The courts can make a convicted undertaking liable for the costs and expenses incurred in relation to the investigation, detection and prosecution of the offence. Such court cases can be complex and considerable time, effort and cost can be involved in taking a case against a company. It is a good provision that the individual concerned will be made responsible for that. A person convicted of certain competition offences will not be eligible for probation. The Bill includes the dis-application of the Probation of Offenders Act 1907 to competition law offences. That is another provision that is an improvement on the current position.

A person convicted for the first time ever of a non-indictable competition offence cannot act as a company director. There have been cases in the past where that has happened and the people concerned continued on in their roles, but this provision will now outlaw that for the first time. The Bill provides for an amendment to section 160 of the Companies Act 1990. The court either on its own motion or on foot of an application from the Competition Authority or ComReg will order that a person shall not be appointed as a company director where he or she is guilty of infringement of offences under the Competition Act 2002, other than indictable offences which already result in automatic disqualification.

The Bill distinguishes between private enforcement and public enforcement of civil actions with regard to competition law and provides for separate public enforcement provisions to be taken by the Competition Authority. It also updates certain fines within the classifications contained in the Fines Act 2010.

Having regard to the state of our public finances, bid rigging by companies that agree to come together to bid for public procurement is covered in regard to the building of roads and schools. That is an important provision in terms of keeping an eye on the public purse.

Significant breaches of the Competition Act are viewed seriously. The Bill provides for an increase from €4 million to €5 million in the fine for indictable offences. The increases in fines and the provision of lengthy periods of imprisonment of up to five years will focus people's minds on this area and there are adequate deterrents in the Bill to persuade them not to get involved in practices that are indictable offences.

The Minister of States needs to examine the low level of detection of competition offences. Action needs to be taken on the more high profile cases, as the previous speaker said. The Competition Authority can prosecute offenders in the criminal courts or the civil courts and it examines the operations of cartels in particular. Irish Rail and Mayo waste companies were prosecuted, as were heating oil companies involved a cartel price fixing operation in Galway and other areas of the west in the recent past. Some of the fines imposed on these companies have been on the low side. Some of them were fined €5,000, €7,500 and €12,000. That increase in the level of fines in the Bill is an improvement.

The high level of professional fees, including solicitors' fees, doctors' fees and consultants' fees, is not addressed in this legislation but that issue must be tackled by the Government. We know from our constituency clinics and from knocking on doors that people find it difficult to keep up to date in the payment of their utility bills. Doctors' fees are €60 a visit, on average, and parents only bring children to the doctor now when it is absolutely necessary. The level of doctors' fees and consultants' fees have not decreased in line with the current economic circumstances and that issue requires attention.

Deputy Boyd Barrett referred to energy prices in terms of the ESB and Bord Gáis. That area also requires attention. It is subject to regulation but there must be a way of moving forward with the times and helping people who are in extreme difficulty. Another tough budget is on the way because the national accounts are not as good as they should be. We need to keep an eye on the cost of living for people and the various costs with which they are being hit. Will the Minister of State indicate whether there are there any large profile companies and cases pending, the statistics in this respect and how his Department monitors the position?

Competition is necessary and more competition is required in various markets. Anyone in business who is creating a dominant or monopoly position and not operating competitively for the benefit of consumers needs to be brought to task.

Deputy Mattie McGrath: I am delighted to speak on this Bill. While I welcome the changes proposed, they only tinker around the edges of what is required. The imposition of higher fines and the threat of imprisonment are not sufficiently substantial or anything like what is needed. The Government promised so much in so many areas that what is required in this respect might have gone under the radar. Considerable funding and resources need to be given to the Competition Authority for it to have inspectors on the road. Goodness knows there are enough inspectors in many other bodies such as NERA. Could they not be transferred from that area to this area?

Lack of competition is destroying our economy and that has been going on for decades. While the Government has only been in office for eight months and this measure is a starting point, the Government must know, as previous Ministers were aware, that cartels operate freely and above the law here. It is sickening what is happening across a wide sphere of activities, especially if one is involved in a family business or is a small independent operator. Such cartel operations range from the construction and retail industries to the agriculture sector.

I compliment the Minister of State, Deputy Sean Sherlock, on this appointment and wish him well. I know that he has strong views on this area and that he means well. In this context, I refer to the collapse of the banking system.

Debate adjourned.

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

Ceisteanna — Questions

Priority Questions

State Airports

1. **Deputy Timmy Dooley** asked the Minister for Transport; Tourism and Sport the efforts he has made to advance an agreement with the US administration to provide for cargo pre-

[Deputy Timmy Dooley.]

clearance of US customs at airports here; and if he will make a statement on the matter.
[33485/11]

Minister for Transport, Tourism and Sport (Deputy Leo Varadkar): The Ireland-US pre-clearance agreement signed by both Governments in November 2008 provides for the pre-clearance of commercial aircraft as well as general aviation, both private and business aircraft. General aviation pre-clearance at Shannon Airport was always considered an important feature of pre-clearance given the number of such aircraft that already land there for refuelling en route to the US. The agreement does not provide for cargo pre-clearance.

It has always been Ireland's position that when passenger pre-clearance was fully established, discussions on the pre-clearance of air cargo from Ireland would be opened up with the US. Accordingly, with the advent of commercial pre-clearance at Dublin Airport earlier this year following its commencement in Shannon in 2009 the issue has been raised in the context of the pre-clearance consultative group, which held its inaugural meeting in April. The group comprises US and Irish officials and was established to monitor progress in pre-clearance and deal with issues that arise. My Department will continue to pursue the matter with the US authorities with a view to achieving a positive outcome for Ireland.

Deputy Timmy Dooley: I do not want to be critical of the Minister because I am aware of the good job he is doing in his Department. However, given the length of time he has been in office I had hoped he would have engaged with this issue by now. While I accept the matter is not entirely the responsibility of his Department, pre-clearance of cargo at Irish airports can contribute to growth and employment. With that in mind, political contact should have already been made with the US Secretary of Homeland Security and Secretary of Transportation. The Taoiseach should also have engaged with the matter given that the global forum was organised at Farnleigh House to encourage business here.

This is a viable project which is supported by logistics companies worldwide. Lynx has indicated a willingness to participate in developing facilities in Shannon and the Minister and his Department have been helpful to the company. It is making its investment on the basis of the potential for long-term gains from the pre-clearance of cargo. Given that we have a fantastic opportunity to generate employment, will the Minister or his colleagues, the Ministers for Justice and Equality and Foreign Affairs and Trade communicate directly with the US Administration to advance the proposal?

Deputy Leo Varadkar: I agree that pre-clearance of cargo would be helpful in terms of offering a competitive advantage to Irish airports. That is being pursued but, as Deputy Dooley will be aware from his time on these benches, there is a way of handling these matters. Contacts are first made at official level and site visits are then carried out. There is a right time to raise the matter at political level. In the coming weeks I will meet the US director of Customs and Border Protection in Ireland to carry out a site visit. I will most likely visit the United States in the spring and if anything can be achieved at that stage I will seek to meet the Transport Security Administration or the Secretary for Homeland Security, Ms Napolitano. It is important that political contacts are made when a logjam needs to be broken but the work between officials is proceeding satisfactorily at present.

Deputy Timmy Dooley: I accept that it is at times necessary for a Minister to intervene to progress projects but, in an effort to set the tone for discussions among officials, it would be valuable to develop the political context. We need to engage in high level political discussions rather than waiting to take on the role of fixer whenever an obstacle emerges. I encourage the

Minister to establish political contacts. Perhaps the Taoiseach could raise the matter directly with the US President during his St. Patrick's Day visit.

Deputy Leo Varadkar: I have held discussions on the matter with the US ambassador in recent weeks. Opportunities will be taken at the right time and place and there will be visits in February or March. We do not want a Minister to fly to Washington for an unsuccessful meeting with the US Secretary of State because the groundwork was not done beforehand. The Deputy can rest assured that the Government sees the potential for competitive advantage this offers to our airports. However, we should not over estimate the benefits of pre-clearance. Much of the hype that accompanied the introduction of pre-clearance facilities for passengers has not materialised into additional business. We need to pursue the matter but we should also be realistic about the economic benefits.

Swimming Pool Projects

2. **Deputy Sandra McLellan** asked the Minister for Transport; Tourism and Sport the number of pools that were grant aided under the local authorities swimming pool initiative; the number of applications that were received for this scheme; if all of the funding available was spent; and if he will make a statement on the matter. [33487/11]

Minister of State at the Department of Transport, Tourism and Sport (Deputy Michael Ring): I recently announced an initiative under the local authority swimming pool programme for a combined grant of up to €400,000 per pool to enable local authorities to improve energy efficiency and enhance access for disabled people to swimming pools. Some 40 local authorities applied for funding for 63 swimming pools and three rounds of allocations were announced, on 28 August 2011, 19 October 2011 and 25 October 2011, respectively. A total of €10.67 million was allocated to 33 local authorities in respect of 56 pools. The names of the individual pools that are being funded are published on my Department's website.

Deputy Sandra McLellan: I thank the Minister of State for his comprehensive reply and the grant aid we received towards our swimming pool in Youghal. Any grant of sports capital funding is more than welcome in the fight against obesity in children and adults. Was funding made available for all of these projects and, if not, how many were refused and on what grounds?

Deputy Michael Ring: I thank Deputy McLellan for tabling this question because there was misinformation in the national and local media in regard to the applications. We received applications for 63 swimming pools and allocated funding for 56. In regard to the reasons the remaining seven pools did not get funding, some of the local authorities were offered funding by the Department under the jobs initiative but they were not able to draw down the funds by the end of the year and two local authorities recently received funding under the previous scheme. Given that every application would have received money, when Labour Party and Fianna Fáil councillors in Dublin make statements in future they might get their facts right. Every local authority could have been funded under this scheme but some of them could not draw down the funding on time or were funded under the previous scheme.

Deputy Sandra McLellan: Will the moneys remaining in the fund be ring-fenced for swimming pools and is it intended to accept another round of applications when this is open to the public?

Deputy Michael Ring: We have not made a decision in regard to another round. Any funding allocated thus far has to be drawn down by the end of the year. We will give further consider-

[Deputy Michael Ring.]

ation to the schemes to be brought forward next year and we are announcing our capital programme tomorrow. I cannot say anything more in that regard.

The local authority swimming pool programme provided opportunities to build swimming pools in various areas. As the major cost that local authorities face in respect of swimming pools is the heating bill, facilitating energy saving measures and wheelchair accessibility will be a godsend to local authorities. The Government and local authorities would benefit from the savings achieved on heating swimming pools. For now, I hope the pools that have received money will have the work completed by the end of the year. It is major investment and it is also part of the stimulus budget to create employment. Some of the councils expected me to give money to local authorities that did not make applications. We cannot do that. If they do not make an application, they cannot get funding.

Rural Transport

3. **Deputy Mattie McGrath** asked the Minister for Transport, Tourism and Sport in view of the tighter road traffic legislation introduced recently and the lack of public transport facilities in rural areas, if he will ensure that the rural transport budget is safeguarded in Budget 2012; his views that there is unequal access to transport facilities in rural areas as opposed to towns and cities; his further views that the lack of rural transport facilities leads to increased rural isolation; his plans to introduce initiatives such as rate supports or tax incentives for rural businesses in the tourism industry such as country pubs who are suffering as a result of the lack of rural transport facilities and who wish to provide a transport service for their customers; and if he will make a statement on the matter. [33645/11]

Minister of State at the Department of Transport, Tourism and Sport (Deputy Alan Kelly): The programme for Government acknowledges the importance of transport for rural communities and includes a commitment to maintain and extend the rural transport programme with other local transport services as much as is practical. Work in that regard is proceeding and I am very supportive of it. However, like all Government funded programmes, the rural transport programme, RTP, is being considered in the context of the ongoing central review of expenditure which is endeavouring to identify savings.

I assure the Deputy that I am very much aware that public transport is not just an urban issue, but one that is very real for rural areas. The issue of rural transport and preventing rural isolation is quite close to my heart, given that I, like the Deputy, come from a small village in Tipperary. Many people in rural areas have great difficulty accessing services, and schemes such as the RTP can and do transform life for those who benefit from it. I am very committed to this continuing as a way of trying to tackle rural isolation. I am examining this issue on two fronts, both as part of my role regarding rural transport but also in the context of the review of the taxi sector, where I am actively examining the role of taxis and hackneys in rural areas with a view to trying to tackle the rural isolation caused by a lack of transport in many areas, even in areas where the RTP is operating.

I am also aware of the importance of country pubs in the economy. A visit to an Irish pub is an acknowledged attraction for foreign visitors. A pub accreditation scheme is being rolled out by Fáilte Ireland throughout the country. Pubs are a central component of communities in rural areas. As regards tax incentives and local authority rates, these are the respective responsibilities of the Minister for Finance and the Minister for the Environment, Community and Local Government.

Deputy Mattie McGrath: I thank the Minister of State and wish him well in his new office. While I welcome parts of his reply, I am disappointed with the last part. The Minister of State

admitted that he comes from a rural area similar to mine. Somebody needs to tie the elements of this together. We have the new legislation in the Road Traffic Act, rural isolation and the lack of transport. This is despite the operation of the rural transport programme, RTP. It is not operating anywhere at night. Ring a Link has tried to do it. The Minister of State has met people from Ring a Link and I hope he will be able to meet the group from south Tipperary to examine what it is doing. Somebody needs to bring this issue together.

As regards rates and tax, we cannot simply say it is somebody else's responsibility. I acknowledge that it is but when the previous Minister was introducing legislation, he promised there would be tax incentives for publicans who wished to buy an eight-seater vehicle to help to keep their business alive. Remember, they are paying rates, tax, income tax, insurance, wages and so forth. This is vital if they wish to provide transport. Otherwise the tourists the Minister of State mentioned will not visit anywhere other than hotels. I hope the Minister of State will try to bring that together. Given his background, he should put together a working group to examine this. The budget is only a few weeks away so the Minister of State should see whether he can do something in that regard.

Deputy Alan Kelly: As part of the review of rural transport and considering greater integration of rural transport across a range of areas, including education and health, we will consult the Departments. In that context I will bring the issues the Deputy mentioned to their attention, as well as many other issues. A wide range of issues are involved. I will meet the group referred to by the Deputy. I have taken on board the issues the Deputy mentioned relating to the provision of services, particularly late at night and at weekends, when there is a greater demand for them. We will be examining those issues and having discussions with various groups, including the vintners, in the near future. As a consequence, through the policies for integrated rural transport and the review of the taxi and hackney services throughout the country, I hope to contribute positively to the supply of services across rural areas with a continuation of many of the services in the RTP and also possibly through the provision of additional services in the taxi and hackney sectors, which will be changing in the coming years.

Deputy Mattie McGrath: I welcome the Minister of State's comments and I look forward to having an input into the consultations on the taxi service for rural areas. It is non-existent, as the Minister of State knows. Anybody who has a family in a rural area that might be ten miles from a town cannot get a taxi out until everybody in the town is dealt with and that leads to all types of problems. I hope the Minister of State will fight to ring-fence the rural transport funding. It is less than the amount Derry International Airport gets from the Department and it is a life saver for many of the rural projects that have been established.

Deputy Alan Kelly: Deputy McGrath and I do not agree on many things but in this scenario we agree a great deal on the issues. I will take his comments on board. It will be a combined approach between the changeover in the integrated rural transport side and a renewed policy relating to taxis and hackneys. Between both we should have a better policy for rural areas.

Public Transport Projects

4. **Deputy Timmy Dooley** asked the Minister for Transport; Tourism and Sport the current status of the metro north project; and if he will make a statement on the matter. [33486/11]

Deputy Leo Varadkar: Funding for all transport capital projects for the next five years will be determined in the context of the capital review which will be published tomorrow. I will announce my Department's plans for such funding, including decisions relating to the large public transport projects in the Dublin area such as metro north, immediately thereafter.

Deputy Timmy Dooley: When I tabled this question I was not aware that the Government would take the decision it took on Tuesday on the amount it would spend and the projects on which it would be spent in the coming years. There is a clear indication in the announcement last week that €750 million is being cut from the capital budget for next year. It is not necessarily my job to remind the Minister of the commitments his party and the Labour Party made about their willingness and desire to put in place appropriate and necessary measures to ensure unemployment levels would be addressed through the creation of employment. One of the most obvious ways to do that is through State spending and the capacity to employ people through an effective capital programme. Given the significant cuts the Department will have to make in its capital programme, how does the Minister intend to assist in the recovery of the State through the creation of jobs?

The Minister attempted to create employment in the tourism sector earlier this year through the jobs initiative, but that has not materialised. It was a gamble at that stage. A recent paper published by the Economic and Social Research Institute, ESRI, clearly indicates that while a stimulus project or plan should generate extra employment and ultimately pay for itself, this has not and will not. Where do we go from here in terms of job creation and finding a solution to the current crisis?

Deputy Leo Varadkar: I do not accept that the measures introduced to boost tourism have not increased the number of jobs. The Restaurants Association of Ireland has indicated an increase in job numbers and we will see from the quarterly results whether job losses have stabilised or increased in the tourism and leisure sector. The ESRI report acknowledges that reducing VAT has increased the number of tourists visiting the State, but the revenue lost, in terms of the reduced VAT intake, is not compensated for in the additional revenue that has come in from those tourists. The ESRI does not comment on employment. That remains to be seen. However, with a 10% increase in tourist numbers this year, I would at least expect the number of people employed in the sector to stabilise or increase. I certainly hope it will increase next year.

As regards the capital budget, the announcements will be made tomorrow. Everyone on the Government benches understands that cutting spending and increasing taxes are not good for the economy. We are not stupid. We realise that increasing taxes and cutting spending will further depress the economy and make it more difficult to achieve growth and employment growth. The reason we are doing it is not because we think this is the way we will solve the country's problems but that we cannot afford to finance the State. We have a primary deficit of €12 billion, which is the gap between what we raise in tax and revenue and what we spend. That has nothing to do with interest repayments on debt, the banks or bondholders. It is simply our primary deficit and it must be addressed. We must work out the best way to address it. In that context, one must choose between current spending cuts, capital cuts and tax increases. The Government has taken the view that it wishes to honour its commitments not to increase taxes on work and not to cut social welfare rates as far as is practicable. It believes this is the most effective way to maintain demand in the economy as much as possible. Capital investment is a very expensive way to create jobs. The probable best way in which the Government can sustain employment is to try to keep wages up and taxes down and that is its priority.

Deputy Timmy Dooley: I believe the Minister's analysis of the impact of the VAT reduction within the tourism sector is flawed. It entails measuring growth in tourism against a very poor year, that is, the previous year, which was greatly affected by the ash cloud from the volcanic eruption. Clearly, the Minister's VAT reduction measure has not had the benefit it was set out or expected to achieve. My suggestion concerns the €400 million the Government has taken from the private pension funds. While I will not discuss the impact this measure had on such

pensions, it had a capacity to raise funds. Had the Government a more appropriate methodology for investing that sum in the economy, it could have had a greater potential to increase employment levels. I suggest it was a pool of funding that could have been used to provide for the Minister's capital programme, thereby sustaining investment in the economy in those shovel-ready projects many of the Minister's colleagues identified in advance of the election and which were going to be the panacea to create employment when the Government parties came to power. Sadly, that has not happened. Will the Minister review the €400 million grab on pensions and consider the use of that pot of money towards assisting in the capital funding available for those important projects?

An Leas-Cheann Comhairle: That seems to be a different question as we are discussing metro north. However——

Deputy Timmy Dooley: To clarify for the benefit of the Minister, he has set out the economic parameters in which he finds himself with the capacity to fund certain programmes that have been identified. I suggest there are alternatives.

Deputy Leo Varadkar: The 0.6% levy on private pension funds is a temporary measure and will only be in place for three to four years. It brings in approximately €450 million per year, which would not pay for metro north. To be clear, the cost of the project is significantly higher than that, even when spread over a prolonged period. The money that is being raised from the 0.6% levy on private pension funds has gone into a number of measures and not simply the VAT reduction. It also has gone into a reduction in employers' PRSI, which has not yet been assessed. Most people accept that reducing employers' PRSI, thereby reducing the cost of employing someone, will protect jobs and potentially will allow for employment to be increased. While the Government must make this judgment call, it is not yet necessary. It was introduced last June and has only been in place for less than five months. The VAT reduction will be reviewed at the end of 2012 with a view to the 2013 budget. The short answer to the Deputy's question is that the levy is temporary but is not sufficient to create significant jobs on the capital side. In addition, the VAT reduction will be reviewed for the 2013 budget.

Public Transport

5. **Deputy Dessie Ellis** asked the Minister for Transport; Tourism and Sport his plans to ensure that cost cutting measures and rerouting plans being put in place by Dublin Bus will not adversely affect service to those who most depend on same [33489/11]

Deputy Alan Kelly: As the Deputy will be aware, there is no ministerial role in the operation of Dublin Bus and the provision of services, including the rerouting of some services. It is a matter for the company in conjunction with the National Transport Authority, NTA. The funding of public service obligation, PSO, services is governed by a public transport contract between the NTA and Dublin Bus. That said, I have raised this issue with Dublin Bus repeatedly.

The Deloitte cost and efficiency review of Dublin Bus and Bus Éireann was published in January 2009 and identified some scope for greater efficiencies in Dublin Bus. Following the report's publication, Dublin Bus undertook an extensive review of its bus network and subsequently announced plans for the re-organisation of routes and timetables. The objective of the redesign was to provide current and future bus customers with a service that will be modern, accessible, integrated, easy to understand, punctual and frequent.

I understand that Dublin Bus has held more than 30 public meetings and 250 meetings with key stakeholders as part of its consultation programme. All changes are advertised in advance

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through national and local media and through social media, as well as house leaflet drops to areas serviced by the bus routes where changes occur.

I support the efforts of Dublin Bus to achieve greater efficiency and effectiveness under the Network Direct programme and significant efficiencies and savings already have been achieved. Given the losses recorded by Dublin Bus in 2010 and further reductions in the PSO subvention due over the coming years, it is important that the Deloitte report and the Network Direct programme are fully delivered on to ensure the viability of the service. In some instances, Network Direct has led to an increase in passenger numbers for some communities. I will continue to raise this issue with Dublin Bus to ensure the transport needs of many communities continue to be served. It is an iterative process.

Deputy Dessie Ellis: The Minister of State is aware that Dublin Bus has cut almost 200 buses in the Dublin region and the effects have been enormous. I disagree fundamentally with the premise that one must continue to cut and must make any system financially viable. It can be argued that Dublin Bus provides a great service and it is one of the least subsidised in Europe, which in itself speaks volumes. As an example of the bus cuts, four bus routes are being merged into one in one area of Finglas. The effect this has on communities and people such as old-age pensioners and those with wheelchairs who seek to get from A to B during the day is calamitous. It is highly unfair to communities that fought hard to get such services. I note the Minister of State stated that he has spoken to Dublin Bus but has asserted its operation is up to that company and the National Transport Authority. Ultimately, Members must ensure that people are serviced and that is the most important point.

An Leas-Cheann Comhairle: The Deputy should ask a question please.

Deputy Dessie Ellis: Moreover, this only pertains to Dublin and I would hate to see the effects this will have in other areas outside Dublin. The Minister of State should continue to argue. I have attended many meetings in this regard right across the entire north-western area and in a manner that is replicated throughout the city, people are unable to get buses, are obliged to walk long distances and areas are not being served. This is my main worry and we have experienced a huge increase in traffic as a result.

Deputy Alan Kelly: I understand the Deputy's comments and genuinely take them on board. As I have stated previously in the House, Members should by all means drop me a line regarding grievances they consider to be fundamental and I will bring them to the attention of Dublin Bus and have them looked into. That said, a serious quantity of money has been given to Dublin Bus. Between 2000 and 2010, €725 million has been paid in compensation for the public service obligation service. More direct routes have been put in place and there now are fewer diversions off quality bus corridors with bus routes being straightened up. Services are becoming far more frequent and 60% of customers now are being carried on the high-frequency routes. All Members will acknowledge that even the departure tables constitute a step in the right direction whereby people know buses will come at similar times each day. There are more frequent buses on many routes and from a customer service perspective in particular, the issue of better cross-city connections and better connections with the DART has come across well. I refer to improved punctuality with the highly successful real time passenger information, RTPI, signs of which the Deputy is aware. Moreover, additional use of technology, be it through applications or websites, also has increased effectiveness. Overall, it has become a more simple network. While I believe it needs time to bed in, the ongoing work is iterative and is having a dramatic impact for Dublin Bus and the Government will support it.

An Leas-Cheann Comhairle: A brief question from Deputy Ellis.

Deputy Dessie Ellis: As for the amount of transport and the number of people using it, in some cases two and three bus routes are being merged into one. Proportionately, passenger numbers obviously will be a lot higher if one puts them all into a single bus. One must be careful about throwing out figures like that and the Minister of State should take on board that sometimes this is what is happening.

Other Questions

Road Safety

6. **Deputy Derek Keating** asked the Minister for Transport; Tourism and Sport if he is satisfied that the drivers forum who inform the National Road Safety Authority regarding the standards required for driving instructors is adequate; and if he will make a statement on the matter. [33241/11]

28. **Deputy Derek Keating** asked the Minister for Transport; Tourism and Sport the functions of the drivers forum which informs the National Road Safety Authority in relation to driving instructors and driving tests; and if he will make a statement on the matter. [33240/11]

Deputy Leo Varadkar: I propose to take Questions Nos. 6 and 28 together.

The question relates to the drivers' forum that informs the Road Safety Authority regarding driving instructors and driving tests. Responsibility for regulation and oversight of driving instruction rests with the Road Safety Authority, RSA. In accordance with the Road Traffic (Driving Instructors Licensing) (No. 2) Regulations 2009, driving instructors are required to be approved by the authority before they can offer services to the public. In addition, the authority as part of its regulatory function maintains a register of approved driving instructors, ADIs.

I understand that for the purposes of interaction and consultation with approved driving instructors, the authority established a stakeholders' forum. It is important to note the RSA does not have an employer-employee relationship with ADIs, who generally are self-employed or employed by another entity.

While the specific functions of the forum are a matter for the authority, I understand the terms of reference of the forum include to act as a two-way channel of communication between the industry and the authority, to make or bring suggestions to the forum for improvements to the ADI scheme or the industry, to assess and evaluate the impact of proposed changes to or new developments under the ADI scheme or in the industry and to report any proposed changes or developments to stakeholders, as well as the authority through the forum.

The forum comprises 11 ADI and two RSA representatives. The ADI members of the forum are elected on a regional basis by approved instructors around the country. The next election of members is due to be held in October 2012.

Tourism Promotion

7. **Deputy Willie O'Dea** asked the Minister for Transport; Tourism and Sport the tourism initiatives other than the Gathering that emerged from the recent Global Irish Economic Forum; and if he will provide further details on some of the initiatives he intends to pursue over the next few years as a result of the forum. [33475/11]

Deputy Leo Varadkar: The question relates to the Global Irish Economic Forum and other initiatives, including the Gathering. Participants in the 2011 Global Irish Economic Forum discussed the Government's priorities for economic renewal, job creation and the restoration of our reputation abroad, and explored how people at home and abroad could work together to contribute to economic recovery. It was in this context that I presented proposals for the Gathering in 2013, potentially the biggest tourism initiative ever staged in Ireland.

The role tourism can play in Ireland's economic recovery was a major focus at the forum and several participants came from the travel, tourism and hospitality sector. A dedicated working group session considered the topic of "Improving our tourism product and promotion abroad — what is Ireland doing right and what further practical steps can we take to build growth in this sector?". The Minister of State, Deputy Ring, and I, with senior officials from the Department and the tourism agencies, attended these sessions and took the opportunity to meet a range of Global Irish Network members who made a number of contributions on the topic.

The formal report of the forum which includes the overall outcomes is being finalised by the Department of Foreign Affairs and Trade and will be published shortly. It will detail the various initiatives to be pursued, including those from a tourism perspective. However, some ideas were brought forward in the working session, which have considerable merit, including the following: an actor's-film forum, which would be a "Davos-style" forum for actors and-or the film industry, was mooted and could start with the Gathering in 2013 but with the potential to become a regular event; further visa reform, whereby a number of aspects of the current visa regime were discussed in order to make Irish immigration and visa arrangements more attractive for potential visitors; and using Irish films to promote tourism — the issue of finding ways to use films as a marketing tool for tourism was highlighted, particularly in developing markets, in building on recent successes in film-making in Ireland, for example, by making titles available with subtitles in Chinese and Indian languages. My Department, as well as the tourism agencies, is working to advance these proposals.

3 o'clock

Deputy Timmy Dooley: I thank the Minister for his comprehensive reply. The Gathering has the potential to be a very significant attractor for tourism and other inward investment in the coming years. However, there is a requirement for an action plan. As with many initiatives, there are good ideas, but unless they are progressed in a very comprehensive way, based on an action plan and with somebody taking charge, they tend to wither on the vine. What new moneys have been allocated to this initiative? Has a working group been established that will report to the Minister on progress made? Will the Minister confirm that no existing programmes funded by his Department such as for small festivals and other initiatives, whether in the arts or otherwise, will lose funding as a result of the investment made in the Gathering?

Deputy Leo Varadkar: With regard to the Gathering, a chairman, Mr. Tim O'Connor, has been appointed and is in place. The next step is to appoint a board to oversee implementation, which will happen soon. There will be a voluntary council of champions and individual well known celebrities who are being approached and asked whether they will promote the project. There will also be an executive team, the members of which will come from the existing tourism bodies, including Fáilte Ireland and, I hope, Tourism Ireland. We are also hoping to receive support from other public bodies and organisations. There is also the option of using interns for the project.

It is estimated that the project will cost perhaps €13 million or €14 million over two years, but there is no separate, dedicated funding stream for it at this stage. There have been some offers of support from private companies, which could prove helpful, but I cannot give the

Deputy a guarantee that it will not involve cutting back on other programmes. There will be cutbacks in the tourism budget next year. Obviously, some of the resources for the Gathering will have to be found from this. However, the Gathering is being designed in a particular way to complement what we are already doing. It is not supposed to comprise a series of new events or festivals which might flop but is instead an attempt to build on existing festivals and events and to do new things in different towns. Rather than closing a festival to provide for the Gathering, we wish to piggy-back on existing festivals.

Deputy Timmy Dooley: I am disappointed that such a relatively small amount, €13 million or €14 million, to establish the Gathering cannot be found through the provision of an additional measure. The Department has a limited amount of funding and is strapped in the support it gives to festivals and artistic endeavours within communities. The establishment and continuation of these events, as I know from the events in which I have been involved, are dependent on funding available in the current round. Anything that would inhibit these events from continuing to receive funding would have a detrimental impact on economic activity within the tourism sector. While the Gathering might ultimately do good work, I hope it will not be at the expense of existing initiatives. I appeal, therefore, to the Minister to try to find funding through whatever cost savings can be made at administration level, rather than taking money from small village groups.

Deputy Leo Varadkar: I appreciate the Deputy's comments. As I said, a dedicated funding stream has not yet been identified. We certainly have not agreed the budget for next year at this stage, as we are only beginning those discussions, having finished discussions on the capital budget side. Like all spending issues, I am sure there will be a reduction in the funding available for festivals next year, although it will not be huge. In fact, because of the Gathering, it may turn out that there will be an increase because festivals with a Gathering element will be supported, or at least it is intended that they will be supported. I accept the Deputy's remarks and agree with him in principle.

Pension Provisions

8. **Deputy Timmy Dooley** asked the Minister for Transport; Tourism and Sport the status of the pension fund at Aer Rianta and Dublin Airport Authority; and if he will make a statement on the matter. [33455/11]

Deputy Leo Varadkar: The Irish airlines (general employees) superannuation scheme, IASS, is a multi-employer scheme involving the employees of Aer Lingus, the Dublin Airport Authority and the now non-operational SR Technics. Following the enactment of the State Airports Bill 2004, all former employees and pensioners of Aer Rianta became employees and pensioners of the DAA and are, accordingly, covered by this same superannuation scheme. DAA pensioners and employees constitute a minority of the members of the IASS. DAA membership constitutes around 27% of the total, with Aer Lingus and SRT representing 69% and 4%, respectively. The scheme is closed to new entrants.

Pension entitlements and pensions in payment under the scheme are primarily matters for the trustees, the members and the companies participating in the scheme. I understand, however, that the trustees for the IASS have advised the participating employers and membership that the preliminary results of the March 2011 actuarial valuation of the scheme indicate a significant deficit as measured using the statutory minimum funding requirement. A final actuarial report is expected by the end of the year. I understand it is expected that the trustees of the scheme will make proposals at that stage on how to address the deficit. I have been

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informed by the DAA that it continues to work with the other stakeholders to identify solutions and that it remains hopeful of a negotiated resolution of the current pension challenges.

Deputy Timmy Dooley: I understand there is a deficit of somewhere in the region of €500 million. Obviously, this exerts significant strain on the capacity of the fund to remain solvent into the future. As the Minister said, there is no capacity for future new members, which is one issue. Aer Lingus has been privatised and there is a belief that it has no liability to plug a potential gap. However, I noticed during the week that one of its significant shareholders indicated that Aer Lingus would perhaps make a payment in this regard. Taking this in the context of the Minister's stated intention to progress the issue of the ownership and management of the three State airports, does he believe the State has a liability in this regard? Does he believe it will ultimately, through whatever structure is in place, have to find a way to plug what appears to be a substantial hole?

Deputy Leo Varadkar: Both Aer Lingus and the DAA maintain that they have no liability in this regard. We have to wait for the trustees of the pension fund to bring forward their proposals and I have asked for this to be done by the end of the year. That should be done in the normal way. The trustees will put forward options for how the deficit issue can be resolved. I want it to be resolved. DAA staff are employees of a semi-State company, while Aer Lingus staff are employees of a private company. Notwithstanding this, those who have contributed to a pension fund throughout their working lives should have a decent pension.

It is not the case that either the Exchequer or the DAA, a State company, is in a position to bail out a pension fund in significant deficit. This is an issue for An Post and other pension funds, and the ESB may provide the template. It dealt with its pension deficit largely via an agreement under which employees increased their contributions, the terms of the pensions they expected to receive were changed and the company made a contribution. A solution such as this may offer a good model for the companies in question to pursue.

National Sports Campus

9. **Deputy John Browne** asked the Minister for Transport; Tourism and Sport the current status of the developments at the Sports Campus in Abbotstown, Dublin; and the further developments he intends to undertake there. [33447/11]

Deputy Leo Varadkar: This questions relates to the national sports campus. At its meeting on 21 June the Government approved my proposals for the development of the national sports campus at Abbotstown-Blanchardstown on an incremental basis. In particular, I have asked the National Sports Campus Development Authority, NSCDA, to proceed with the development of a national indoor training arena, to include an indoor track. I am acutely aware of the difficulty in securing capital funding from the Exchequer because of the financial difficulties facing the Government. I have, therefore, asked the campus authority to explore other avenues of funding such as philanthropy and-or the sale of land.

I have also asked the authority to continue to pursue the policy of developing elements of the development control plan in partnership with the GAA, the FAI, the IRFU and Irish Hockey Association. As provided for in section 7(8) of the National Sports Campus Development Authority Act 2006, the Department of Agriculture, Food and the Marine is arranging for the transfer of the land to the NSCDA.

Abbotstown House is a protected structure in the Fingal county development plan. I believe the house would benefit from having an anchor tenant and that the Irish Sports Council would

be an ideal tenant in this regard. I have asked the campus authority to consider this suggestion and come back to me with proposals for the future use of the house.

In parallel with the core national sports campus project, the campus authority is also continuing its strategy of redeveloping and refurbishing existing buildings on the Abbotstown site for use by the wider sporting community, in particular the national governing bodies of sport. The OPW has approved tender documentation for the refurbishment of the former Marine Institute building as the sports headquarters and it is expected that a contract will be awarded before year end. Work on this project is scheduled to take approximately six months to complete.

Deputy Timmy Dooley: I thank the Minister for his comprehensive reply. While the national sports campus would be an effective flagship project for the development of sports facilities, it must be recognised that sports bodies and sporting endeavours in various communities need the continued support of the Government. Is there any hope the sports capital programme will be reinstated in the coming year?

Deputy Leo Varadkar: The sports capital programme announcement will be made tomorrow. This budget line is the responsibility of the Minister of State, Deputy Ring, and I am sure there will be information on it tomorrow.

The amount of Exchequer funding for the national sports campus is small. Given the state the country is in, we cannot put millions of euro into the project. We are, therefore, pursuing philanthropy and the sale of lands. In some cases, we are receiving co-operation from national governing bodies, some of which have their own resources. For example, many of the smaller sports organisations rent offices in Park West and will move to the new accommodation in Abbotstown to save money. We are also in discussions with Dublin GAA, the FAI and the IRFU on how we could, in partnership, develop training grounds on the campus. It is my intention to proceed with the project. There will not be stadiums and so on, while the commitment on the part of the taxpayer will be small.

Road Network

10. **Deputy Jonathan O'Brien** asked the Minister for Transport; Tourism and Sport his plans to renegotiate deals in place following public private partnership initiatives which means that the State must pay a penalty for reduced traffic on some roads. [33431/11]

Deputy Leo Varadkar: The question relates to the renegotiation of public private partnership, PPP, contracts. I have responsibility for overall policy and funding in regard to the national roads programme. The implementation of individual national road schemes, including PPPs, is a matter for the National Roads Authority. In particular, the statutory power to levy tolls on national roads, make toll by-laws and enter into toll agreements with private investors in respect of national roads is vested in the NRA under Part V of the Roads Act 1993, as amended by the Planning and Development Act 2000 and the Roads Act 2007. Contracts for privately operated toll schemes are commercial agreements between the NRA and the PPP concessionaires concerned. Two PPP contracts, the M3 Clonee-Kells and Limerick tunnel PPPs, incorporate a traffic guarantee mechanism.

With regard to the remaining PPP schemes, all traffic risks remain with the operator, while the State stands to benefit from the revenue share arrangement where average daily traffic volumes exceed scheme specific predefined thresholds. At current traffic levels, a revenue share only arises on two of these schemes, the M1 Dundalk-Drogheda bypass PPP and the M4 Kilcock-Enfield-Kinnegad PPP.

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With regard to the traffic guarantee mechanism, such difficulties will not arise because it is envisaged that future PPP projects will be funded by way of unitary-availability payments rather than through tolling. Under this arrangement, it is envisaged that availability payments would be made on a regular basis by the NRA for the duration of the contract, with penalties applying in the event that the road or particular road lanes were not available.

Deputy Dessie Ellis: PPPs have been a disaster in this regard, as the NRA put in place a mechanism, whereby if traffic levels dropped, the State would have to compensate companies. This does not make sense. The companies involved have been well paid, with many receiving significant sums from the State to undertake the projects. The Minister referred to the Limerick tunnel PPP. The NRA paid €1.8 million over a four-month period last year to the private operators of the N18, the Limerick tunnel and the M3 motorway. I am glad the Minister said private companies should not be compensated because of reducing traffic volumes. That should not have happened in the first place and I hope he is discussing how this issue can be addressed with the NRA. Is there any way of avoiding the payment of these penalties?

Deputy Leo Varadkar: These arrangements will not be made again under my watch and it would have been better if they had not been made. I will not gratuitously condemn the previous Government for agreeing to them because, at the time, nobody could have predicted the economy would crash by more than 20%. Perhaps their projections at the time were reasonable.

One must have two parties to renegotiate a contract. Many of the toll companies which do not have traffic guarantee clauses are losing money. For example, the toll company and PPP contractor for the Waterford bypass project have lost money and this will make it more difficult to agree new PPPs. One would have to offer something to renegotiate the current contracts. People will only agree to a change in a contract if they get something in return. The only thing these companies would want is a toll increase above the rate of inflation instead of a traffic guarantee mechanism. The Deputy would not support that either, which is why I am not pursuing a renegotiation of the contracts.

Deputy Billy Timmins: The Minister has stated it is more difficult to secure agreement on PPPs owing to the uncertainty about traffic flows. Has there been movement on the proposed Newlands Cross-N11 works, which may be subject to a PPP? Will he give an update on this proposal?

Deputy Timmy Dooley: Deputy O'Brien was well intentioned in tabling the question, but the Minister has outlined the difficulties involved and recognises that the previous Government had to make agreements to get projects up and running, which was the right thing to do. What else can the Minister do to advance projects such as that mentioned by Deputy Timmins and one close to my own heart, the N18 Gort-Tuam upgrade which would have a significant impact not only on County Clare but also on County Galway? I do not have the answer, but is the Government considering other financial mechanisms for PPP projects? Are we just looking at the standard way this was done in the past or has any other initiative been considered?

Deputy Leo Varadkar: At this stage there is major uncertainty with PPPs which does not relate to traffic levels. As neither road would be tolled, traffic levels are not relevant. The major issue with PPPs is that banks are not willing to lend money to Ireland on a 30 year basis at an interest rate we can afford. That could get even harder because next year. European banks must hoard capital to raise their tier 1 capital ratios and if there are defaults in Greece or elsewhere, banks will be badly hit. Money to invest in these projects is thin on the ground and investors do not want to invest in the eurozone and where they do, they do not want to

invest in Ireland because it is included in an IMF programme and there are Members in this House suggesting we should default on our debts. There is no way anyone would lend money to a country for 30 years when people are talking about that sort of thing. We must hope the country will return to the markets in the next few years and if we are in that position, money might become available. That is why the Newlands Cross-M11 project, the cheapest of the all the PPPs, is being continued and why we continue to engage with the banks and others who might fund it. We will be ready to start if we can secure funding and agree the appropriate guarantees. This project is still being pursued, but I cannot make any promises and it would be wrong for me to do so, given that I do not control the banks we want to lend us money.

Driving Licences

11. **Deputy Seamus Kirk** asked the Minister for Transport; Tourism and Sport if a new proposed credit card style driving licence will be mandatory when introduced next year; and if he will make a statement on the matter. [33461/11]

Deputy Leo Varadkar: Under EU Directive 126/2006, all member states are required to introduce a standard format plastic card driving licence by January 2013. Under the terms of the directive, the licence must feature the name and date of birth of the individual, the dates of issue and expiry of the licence, the licence number, and a photo and signature of the holder. The licence must also specify the category or categories of vehicle covered and any restrictions applying such as, for example, the need to wear glasses while driving. There is an option to include the holder's address, which we have chosen not to do, as it would represent a potential security risk and mean reissuing a licence each time a person changed address.

The Road Safety Authority has been tasked with delivering the project to introduce the plastic card licence. I have asked it to expedite this process to ensure the new Irish licence will be introduced in time to meet the requirements of the EU directive. The authority is progressing the project and my Department is maintaining close contact with it to ensure the project will be completed on time.

Once this form of licence is introduced, old-style paper licences will no longer be issued. However, existing paper licences will remain valid until their expiry date. They will be replaced by the new plastic licence as and when they come up for renewal.

Deputy Timmy Dooley: I fail to understand why it is not possible to switch those licences that are still valid and replace them with the plastic card when the time arrives. The cost would not be significant and if we want to standardise the licence, making it easier for law enforcement officers on inspection to recognise if someone is disqualified, we should ensure everyone will be issued with the new licence from the date it goes live instead of having a rolling programme under which the old licence will be eliminated over a period of ten years. Those who have had a licence replaced this year will hold it for ten years; therefore, there should be a swapping of licences to standardise them.

Deputy Leo Varadkar: We could do that, although we would need to pass legislation to invalidate the old paper licences from a certain date, but I do not rule it out. The first thing we should do, however, is get the new system up and running and then we can consider making the old licences invalid. The new licence will be so convenient — it will be a standard form of identity recognised across Europe — that many with paper licences will want the card and go ahead and order it. I would be one of those people. Whether we want to compel people to do it by invalidating their licences before the expiry date requires some thought, but the Deputy may wish to table an amendment to the Bill to achieve this if he thinks it is such a good idea.

Deputy Dessie Ellis: I welcome the introduction of the card, but I was not aware that the licence must mention the need to wear glasses. I do not remember seeing this before. It seems strange that we would include such a detail. For various reasons, a person could be driving without his or her glasses and I do not understand how this provision could be included in the legislation.

Deputy Leo Varadkar: It is included in the existing paper licence. If it is not included in the Deputy's, it should be; it is in mine. It states I must wear corrective lenses. I have since had laser surgery and no longer need them, although I have yet to have my licence amended.

Deputy Dessie Ellis: Is there a penalty for not wearing glasses?

Deputy Leo Varadkar: I do not know, but I will find out.

Deputy Dessie Ellis: I hope there is not.

Deputy Leo Varadkar: I hope there is because someone who requires glasses to drive should wear them.

Road Network

12. **Deputy Dessie Ellis** asked the Minister for Transport, Tourism and Sport his plans to remove tolls on all roads which are no longer required to be tolled either for recoup of expenditure or under contract with private partners. [33432/11]

Deputy Leo Varadkar: As Minister for Transport, Tourism and Sport, I have responsibility for overall policy and funding in relation to the national roads programme. The implementation of individual national road schemes, including toll roads, is a matter for the National Roads Authority. In particular, the statutory power to levy tolls on national roads, make toll by-laws and enter into toll agreements with private investors in respect of national roads is vested in the NRA under Part V of the Roads Act 1993, as amended by the Planning and Development Act 2000 and the Roads Act 2007.

The matter to which the Deputy refers does not arise as the privately operated toll schemes are subject to commercial agreements between the NRA and the public private partnership concessionaires concerned. In addition, public tolls are levied on the M50 and the Dublin Port tunnel, with all revenues raised being reinvested in the national road network. The toll revenues generated on the M50 are being used to cover the costs of the M50 phase 2 upgrade and the buy-out of the West Link Toll Bridge. In the case of the Dublin Port tunnel, the primary purpose of the toll is as a traffic and demand management mechanism.

Deputy Dessie Ellis: It has been reported that there will be increases in tolls in the new year. The Minister mentioned previously the tolling of different parts of the M50. Is that idea dead and buried? It would cause huge problems for people throughout the city, while adding huge volumes of traffic to secondary roads. Are there plans to toll the Jack Lynch tunnel? We should also lower the tolls for use of the Dublin Port tunnel to entice more people to use it. It is too expensive and does not make sense for it to be a white elephant. We must do something about this.

Deputy Leo Varadkar: The proposals for additional tolls on the M50, for using the Jack Lynch tunnel and in other places were originally made in the local government efficiency review report last year. No decisions have been made on the matter which is still open to consideration by the Government. As I have said several times, if it was to happen, it would not happen for

a number of years and would require EU approval. There would be upsides and downsides to doing this.

The existing tolls on the M50 are needed to pay back the money spent to pay for the bridge. The primary purpose of the Dublin Port tunnel toll is as a control measure. It has been reduced; it is now €3 off-peak and could be further reduced, but the tunnel is for use by HGV traffic from the port. While we would be open to considering a reduction in the toll in order that more people would use the tunnel, anyone who uses it ends up very quickly at the roundabout just before the River Liffey and the last thing we want is for the tunnel to be heavily used in order that traffic backs up into it, which would be unsafe.

Deputy Dessie Ellis: With the downturn, the number of heavy goods vehicles using the Dublin Port tunnel has lessened significantly. I accept the Minister's statement to the effect that we do not want huge volumes of traffic. However, we do want a reasonable amount of traffic to use it in order that it will be diverted from the main areas.

Deputy Leo Varadkar: I am not sure what the Deputy says is entirely true because port traffic has increased as a result of the rise in exports. I will take the matter under advisement. It is an option and I will certainly give it some consideration.

Swimming Pool Projects

13. **Deputy Denis Naughten** asked the Minister for Transport; Tourism and Sport if he will approve the development of a swimming pool in Ballaghaderreen, County Roscommon; and if he will make a statement on the matter. [33238/11]

Deputy Michael Ring: Under the local authority swimming pool programme, which is administered by my Department, grant aid to a maximum of €3.8 million is provided to local authorities towards the capital costs of new swimming pools or the refurbishment of existing pools. This is subject in both cases to the total grant not exceeding 80% of the eligible cost of the project or, in the case of projects located in disadvantaged areas, 90% of the eligible cost. Proposals must comply with the standards set out in the Department's "Procedures for the Planning, Approval and Financing of Swimming Pools and Technical Guidelines". Under these guidelines, there are four principal stages in a swimming pool project following the submission of a feasibility study. In order of progress, these are preliminary report, contract documents, tender and construction. The Department and its technical advisers in the Office of Public Works evaluate each stage. Local authorities cannot proceed to the next stage of a project unless prior approval issues from my Department.

When the current round of the local authority swimming pool programme closed to new applicants in July 2000, an application was received from Roscommon County Council on behalf of Ballaghaderreen. This project is already included in the current round of the programme but it is obviously a matter for the local authority to progress the project. A preliminary report in respect of this swimming pool is currently awaited in the Department.

Deputy Denis Naughten: I thank the Minister of State for his reply. He will be aware that a considerable level of local fund-raising has taken place in Ballaghaderreen over a long period. If everything is in order when the preliminary report is submitted, will the Minister of State indicate whether there are funds available to meet the commitment in respect of the €3.8 million required? Does Ballaghaderreen fall into the disadvantaged area category? How is disadvantage defined in this regard? The community that would be serviced by the swimming pool is located in a very rural and disadvantaged area.

Deputy Michael Ring: The funding is in place. We have already approved three pools this year. The Department is awaiting the relevant information from the local authority. If everything is in order with that information, then the project will be approved. As the Deputy is aware, the last round was in 2000 and there has been no activity since then. Ballaghaderreen is one of 12 swimming pool projects currently being dealt with. It is a matter for the local authority to produce the preliminary report. I am aware that a great deal of local fund-raising has taken place in respect of Ballaghaderreen and I understand that a substantial sum of money is now in place. As already stated, the Department's funding is in place. I am not sure whether Ballaghaderreen is located in a CLÁR area. If it is, the level of grant aid will be 90% rather than 80%.

Deputy Denis Naughten: Will the Minister of State provide a commitment to the effect that he will deal expeditiously with the local authority's application when it is received in the Department and that he will ensure there will be no further delays in respect of this project? As he is aware, there has been an ongoing saga in respect of Ballaghaderreen swimming pool. No one wants to see a repeat of the tragic events involving pupils from St. Nathy's College who lost their lives in Sligo a number of years ago. It is important to put facilities such as swimming pools in place for local communities.

Deputy Michael Ring: As Deputy Naughten is aware, many local authorities are finding it difficult to come up with matching funds. I will give the Deputy a commitment to the effect that as soon as Roscommon County Council submits its report, it will be dealt with. I will deal with Ballaghaderreen in the same way I dealt with Castlerea and Roscommon town. If the matter is put before me, it will be dealt with.

Deputy Luke 'Ming' Flanagan: The Minister of State is probably aware that there already is an enclosed swimming pool in the town of Ballaghaderreen. This pool is located in the local hotel, which has been shut down. Would the Department consider the option of allowing the council to lease that pool in order that it might save a great deal of money? There are those who would state that the pool to which I refer is not big enough. All I can say in reply is that if it were located in my town, the people there would be delighted.

If €3.8 million in funding is available, perhaps the Minister of State might consider releasing a small portion of that money — I will probably be informed that this is not possible — to develop further Castlerea swimming pool. I am involved with a not-for-profit organisation, Castlerea Swimming Pool Limited, which was established to try to ensure that Castlerea swimming pool will remain open all year round. We have everything apart from the sliding roof — in respect of which we have carried out a great deal of research — in place. We commissioned a study — I can supply the Minister of State with a copy — which indicates that it would be possible to have a 33-metre swimming pool in Castlerea that could open on a year-round basis and that could be an open-air facility in the summer and during periods of good weather. This would be a fantastic tourism attraction for the area and it would only cost €500,000 to fund. Will the Minister of State give consideration to this matter and will he meet representatives from Castlerea Swimming Pool Limited in order to discuss it?

Deputy Denis Naughten: I support Deputy Luke 'Ming' Flanagan's proposal in respect of Castlerea swimming pool. There is a commitment in place in respect of Ballaghaderreen and this must be protected. It is not impossible for miracles to occur in the House. If Deputy Luke 'Ming' Flanagan can wear a suit into the Chamber, which is a miracle in itself, surely it must be possible to fund a sliding roof for a swimming pool.

An Leas-Cheann Comhairle: We are not dealing with that matter now.

Deputy Michael Ring: I knew Deputy Luke ‘Ming’ Flanagan would show me some respect today. That is why he is wearing his suit. I thank him for that.

Deputy Luke ‘Ming’ Flanagan: I wore it especially for the Minister of State.

A Deputy: I will buy the Deputy a tie.

Deputy Timmy Dooley: It is a million dollar suit.

Deputy Michael Ring: The swimming pool to which Deputy Luke ‘Ming’ Flanagan refers in Ballaghaderreen is in private ownership and the hotel in which it is located has been shut down. If the county council makes a proposal to the Department in respect of this matter, we will consider it. I am not indicating that we are going to agree to it, I am merely stating that a proposal should be made.

In the context of Castlerea, the Deputy will be aware that the programme is closed. However, the Department recently provided €125,000 for the purposes of upgrading the pool at Castlerea and making it wheelchair accessible. I have no difficulty with meeting the individuals to whom the Deputy referred but there is nothing I can say to them. There has not been a programme in place since 2000. We are going to deal with the 12 swimming pool projects which remain outstanding. Until these are disposed of, we will not even consider whether a new round should be commenced.

Deputy Luke ‘Ming’ Flanagan: Did the council not make an application in respect of the private swimming pool to which I refer?

Deputy Michael Ring: That is a matter for the county council. It can bring forward a proposal and I will examine it.

Departmental Expenditure

14. **Deputy Aengus Ó Snodaigh** asked the Minister for Transport; Tourism and Sport his plans for capital expenditure on transport infrastructure outside of the major Dublin projects being explored. [33433/11]

Deputy Leo Varadkar: This question relates to capital expenditure on transport outside the major Dublin projects. Funding for all transport capital projects for the next five years will be determined in the context of the capital review which will be published tomorrow. I will announce my Department’s plans for capital expenditure immediately thereafter.

Deputy Dessie Ellis: Is the Minister in a position to confirm whether there was an underspend of €340 million in respect of capital projects? There is a commitment in the St. Andrews Agreement of 2006 in respect of the A5 Dublin to Derry road. The project relating to this road forms part of the cross-Border initiatives in respect of which the Government stated it would provide 50% of the funding. The road in question would link Dublin to Donegal. North-west Donegal is one of the areas which has been badly affected by recent events and has a major unemployment problem. The death rate on the roads in north-west Donegal is one of the highest in the country. The A5 project is vital in the context of trying to address the matters to which I refer. It would be disastrous if the project were not to proceed. The Minister, Deputy Varadkar, spoke to Mr. Pat Doherty MLA at some stage. He gave some form of a commitment in a written reply on 20 September 2011, stating “in the context of the March 2007 agreement between the Irish and British Governments on a funding package to support the restored Northern Ireland Executive, the Irish Government made a commitment to provide funding for a roads investment package for Northern Ireland to contribute to the upgrading of the A5 road

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from Aughnacloy to Derry/Londonderry to dual-carriageway status.” In the context of what is being rolled out in the next couple of days, will the Minister be able to make an announcement on this or will the Government scrap another commitment given to the people?

Deputy Leo Varadkar: This is a matter which, ultimately, must be decided at the North-South Ministerial Council next week. What I can say is that arising from the St. Andrews Agreement, the Government is committed to co-funding the construction of the A5 through Northern Ireland to Derry, thus improving access to Letterkenny and north Donegal. We remain politically committed to the project and expect some work to commence during the lifetime of the 2012-2016 capital programme. However, the exact timeframe and the sections to be commenced and completed during the programme must be worked out with the Northern Ireland Executive in the coming months.

Deputy Timmy Dooley: It is clear that the Minister has just mothballed the project. He clearly has a political desire or willingness, but he is not prepared to honour what was a significant decision taken by a previous Government in the context of an international agreement.

I could make all the political points — my colleague, Deputy McConalogue from Donegal, will do that in another forum — on the impact that funding would have had on Donegal. It is a significant part of that international agreement concluded in good faith by both sides and while I recognise the difficult financial circumstances in which we find ourselves, it is somewhat reprehensible if the Government is prepared in the current climate to shelve or mothball that project.

Deputy Leo Varadkar: Perhaps Deputy Dooley did not hear me correctly. I stated that we remain politically committed to the project and expect work to commence during the lifetime of the 2012-2016 capital programme. That is neither shelving nor mothballing.

However, the commitment of €560 million over the next four or five years is an enormous and difficult commitment to honour given the financial situation we face. This must be discussed at the North-South Ministerial Council. We remain committed to the project but the exact timeframe of the project and the sections of the road which can be commenced during that period must be worked out with the Northern Ireland Executive.

Deputy Dessie Ellis: I hear what the Minister is saying but this is a commitment. This is an international commitment as well as one between us and the northern authorities. We need a better idea, not merely to wait for the meeting of the North-South ministerial body to discuss this. We must have something concrete and we must say it will be done in a certain timeframe. The Minister is saying he is not scrapping it but, effectively, he is putting it on the long finger to such a point where it could be five or ten years down the line. That would be unacceptable given what has happened.

It does not say much for relations between North and South. We all are trying to build up the continuity between North and South to foster proper relations North and South. It is something that really needs to be addressed. It was a firm commitment and it should be adhered to.

Deputy Leo Varadkar: The situation we face North and South of the Border is difficult. I spent the bank holiday weekend in Belfast and one of the major issues being discussed when I was there was a decision of the Northern Ireland Executive, which includes members of Sinn Féin, to close the accident and emergency department at Belfast City Hospital. These are the kind of decisions being made North and South of the Border. It is interesting to see how good Sinn Féin is at cutting spending in the Six Counties——

Deputy Dessie Ellis: Unfortunately, we do not have fiscal control.

Deputy Leo Varadkar: —relative to the position it takes here.

Deputy Dessie Ellis: There is a big difference.

Deputy Leo Varadkar: Deputy Ellis states that his party does not have fiscal control in the Six Counties. We do not have fiscal controls in the 26 Counties either.

Deputy Dessie Ellis: But that is out of choice.

Deputy Leo Varadkar: This country is entirely dependent on the kindness of strangers, the IMF and the EU, to fund its budget deficit and pay its public servants and pensions. That is the situation we are in. In that context, difficult decisions must be made.

Written Answers follow Adjournment.

Messages from Select Committees

An Leas-Cheann Comhairle: The Select Sub-Committee on Transport, Tourism and Sport has completed its consideration of the National Tourism Development Authority (Amendment) 2011, and has made no amendments thereto.

The Select Sub-Committee on Agriculture, Food and the Marine has completed its consideration of the Veterinary Practice (Amendment) Bill 2011, and has made amendments thereto.

Topical Issue 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 27A and the name of the Member in each case: (1) Deputy Dessie Ellis — the need to clarify the position of Metro North; (2) Deputy Patrick Nulty — the closure of beds at Connolly Hospital in Blanchardstown; (3) Deputy Michael Healy-Rae — the need to extend the period for spreading slurry; (4) Deputy Ray Butler — the need for local authorities to prepare plans for rural and urban road networks in severe weather conditions; (5) Deputy Mattie McGrath — the need to re-organise the Valuation Office to ensure that property re-valuation is carried out by other than those who set the initial valuations; (6) Deputy Terence Flanagan — the provision of emergency funds to Dublin City Council to ensure that the remedial works needed at the Priory Hall apartment complex, Dublin, take place straight away; (7) Deputy Noel Harrington — the safety and transport issues involving the pier at the North Harbour, Cape Clear Island, County Cork; (8) Deputy James Bannon — the need to designate Longford as a sub-office of the newly amalgamated Longford/Westmeath VEC; (9) Deputy Brian Stanley — the need for the Minister for the Environment, Community and Local Government to co-operate closely with Dublin City Council in addressing the crisis at Priory Hall, Donaghmede, Dublin, including providing resources to enable the council to comply with the order of the High Court to meet the accommodation needs of the evacuated residents, ensuring that mortgage holders are not required by financial institutions to pay mortgages on properties that cannot be lived in and working with all concerned to address this crisis in a planned and comprehensive manner; (10) Deputy Catherine Murphy — the need to address the problems of customers of unguaranteed credit institutions; (11) Deputy Timmy Dooley — the need to retain a designated adult CF physiotherapist at the Mid-Western Regional Hospital Limerick; (12) Deputy Denis Naughten — the need for the Minister for Health to reinstate chemotherapy and warfarin clinics at Portiuncula Hospital, Ballinasloe; (13) Deputy Seán Crowe — in view of the Red Cross appeal for donations to support Irish flood victims, the need for the Minister to confirm that support will also be forthcoming from central government to help the many people whose homes and property were damaged recently in the

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period of heavy rain that fell in Dublin and parts of the east coast on 24 and 25 October; (14) Deputy Éamon Ó Cuív — an gá atá ann go gcuirfear freagra dearfach ar fáil don iarratas atá déanta chuig an Roinn Comhshaoil, Pobail agus Rialtas Áitiúil le cead a fháil cuid de na haonaid tithíochta sóisialta ag Áras Rónáin, Cill Rónáin, Árann a athrú ó thithe sóisialta go haonad cúram príomhúil faoi chúram an HSE agus nach n-iarrfaí aon aisíoc ar an deontas a tugadh don ionad ó tharla go mbeidh sé in úsáid ag an HSE (áisíneacht Stáit) don phobal; (15) Deputy Michael P. Kitt — the financing and feasibility of various transport alternatives in Galway city and county; (16) Deputy Paudie Coffey — the need to make provision for the building of a 50 bed unit following the closure of St. Bridget's Ward at St. Patrick's Hospital, Waterford; (17) Deputy Jim Daly — the need to introduce legislation to force banks to pass on ECB interest rate cuts; (18) Deputy Pearse Doherty — the need to introduce legislation to force banks to pass on ECB interest rate cuts; (19) Deputy Mary Mitchell O'Connor — the sale of Booterstown Marsh, County Dublin, as advertised on the NAMA website; (20) Deputy Aodhán Ó Ríordáin — the initiation of legislation dealing with a proposed levy on online gambling in the context of sports funding; (21) Deputy Pádraig Mac Lochlainn — the capture, continued detention and alleged abuse of 14 Irish citizens by the Israeli authorities; (22) Deputy Richard Boyd Barrett — the capture, continued detention and alleged abuse of 14 Irish citizens by the Israeli authorities; (23) Deputy Joe Costello — the provision of funding for Grangegorman Development Agency; and (24) Deputy Mick Wallace — the need to lift the moratorium on the recruitment to midwives to Wexford General Hospital.

The matters raised by Deputies Butler, Kitt, Ó Ríordáin and Catherine Murphy have been selected for discussion.

Topical Issue Debate

Road Network

Deputy Ray Butler: I thank the Ceann Comhairle for the opportunity to speak today on the preparation plans of local authorities for rural and urban road networks in severe weather conditions.

With the potential onset of severe weather conditions in the weeks and months ahead, I want to raise this matter today in light of a scheme I have become aware of in the UK that I believe could work well here in Ireland. In the UK, provision is made available to local borough councils for an amenity grant, which is allocated to farmers in rural areas to help with gritting rural road networks. Once successful in tendering for this grant, farmers then store banks of sand, grit and gravel on their land for use on the surrounding rural roads in the event of the onset of severe icy and snowy conditions. Payment is made to these farmers in the form of a nominal fee for their assistance in this scheme. These farmers have the responsibility for spreading the grit on all of the rural roads not covered by the borough council directly and in addition, local residents can also access these banks of grit for their own private laneways and surrounding areas, should it be required. This pooling of resources and co-operation among farmers and local residents has worked to the benefit of all in isolated rural areas, in particular, in Scotland where wintry conditions are more prevalent.

In our case, we have seen many hundreds of housing estates spring up during the Celtic Tiger years in rural areas, where planning permission was given by local authorities for these developments. Unfortunately, the vast majority of rural road networks surrounding these estates are not gritted by local authorities, which has resulted in residents being left stranded and unable to leave their homes. This was very evident last year in my constituency, in small townland areas such as

Kilmessan which has an approximate population count of 1,000 residents, as well as Kildalkey and Ballivor, to name but a few. Residents in these areas could not leave their homes to attend work, school and college for almost a fortnight because the surrounding roads were not gritted. I make the point that if local authorities see fit to approve planning for housing in rural areas, they should include rural road networks for road gritting as a priority.

Based on the UK model, I urge all local authorities to consider provision of this scheme. I have spoken to farmers in my constituency who certainly impressed upon me that they would be more than willing to participate and provide areas of their land for storage of banks of grit. They also indicated their willingness to use their own machinery to disperse grit on the roads that are not included on the national gritting route. It is also important to note at this point that public transport services still must use these rural road networks and without gritting in place, serious accidents are likely to occur.

As winter progresses and in light of the serious wintry conditions forecast, I hope the UK scheme I outlined will be considered by the Department of the Environment, Community and Local Government. This scheme could provide a workable solution and sustainable support to residents living in rural Ireland who otherwise would be completely imprisoned in their homes in severe weather conditions.

Minister for Transport, Tourism and Sport (Deputy Leo Varadkar): Within the emergency management framework structure, the lead Department for severe weather is the Department of the Environment, Community and Local Government. Following that Department's review of the overall emergency response to last winter's snow, ice and flooding, 62 recommendations were made impacting on various Departments. Of the recommendations, nine directly affect areas in respect of which responsibility for delivering solutions rests with my Department or agencies.

The development of the resilience planning of my Department and agencies is an ongoing activity with lessons being learned and solutions being developed where feasible in response to specific experiences. The achievements of the transport agencies last year are being used as a base to improve their responses for the future further. As with all emergencies, no two are alike and there is no one size fits all.

Regarding the road network as part of overall transport preparedness, the National Roads Authority, NRA's, draft winter maintenance guidelines were published in October 2010 and provided a comprehensive framework for local authorities to plan standard winter maintenance, including a schedule for severe weather. Local authorities were requested to select routes in their areas for treatment on a priority 1, 2 and 3 basis where all three priorities would be regular winter maintenance routes, namely, some 18,000 km out of our 96,000 km road network, but reverting to priority 2 and-or 1 as a severe weather event extended. Historically, all the three routes constituted regular local winter maintenance practices and the introduction of priority 1 and 2 was to maximise, if required, access to essential routes in the event of prolonged severe weather events.

I understand the Department of the Environment, Community and Local Government recently issued a circular to all local authorities confirming among many matters arrangements to be made locally in terms of grit, salt and sand plans for roads in areas not covered by regular winter maintenance. Local authorities have reviewed the selected priority routes in their areas for treatment on priority 1, 2 and 3 criteria and, building on last year's experiences, are catering for gaps that occurred, particularly in respect of county towns and suburban public transport routes. These routes are already or will shortly be published on local authority websites.

The route selection was supported by the NRA hosting two seminars this year for local authorities. I allocated an additional 10% — €1.25 million — from savings elsewhere within

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my Department towards the regional and local winter maintenance programme, bringing the total allocation to €11.25 million this year from my Department.

To ensure sufficient availability of rock salt, more than 200,000 tonnes have been procured and delivered and are now in storage around the country in time for the start of the winter season. The NRA was tasked with centrally co-ordinating the procurement of the salt supplies, but also leaving it open to local authorities to purchase additional supplies directly should they so decide. As a result, we will not be placed in the position that we were last year where we were waiting for shipments from the Mediterranean or further afield.

The level of salt will be topped up annually depending on usage to the 200,000 tonne level and has a shelf life of three years. Our salt stock allocations are 100,000 tonnes for use on the national roads network, 60,000 tonnes for regional and local roads and a strategic reserve of 40,000 tonnes for national and priority 1 routes. In addition, the public private partnership, PPP, contractors have made specific provision for their contracted sections of the interurban motorways. Some counties — Meath, Monaghan, and Roscommon — have purchased additional supplies directly. The cost of salt in 2010, including storage, averaged €80 per tonne. The cost of the early purchase-delivery this year averages €62.50 per tonne.

Our public transport companies have agreed with relevant local authorities measures to increase where possible access to those areas and estates on their networks that were inaccessible last winter. My Department's website, www.transport.ie, will continue to act as a portal for the public to access information from our various agencies. This morning, I attended the launch of the "Winter Ready Guide" for use by the public in preparing for this winter. The winter ready booklet, available on www.winterready.ie, gives information on being prepared, providing practical advice for coping during episodes of severe weather, as well as giving contact details of organisations and agencies that can provide guidance and assistance. The booklet was prepared by the Government task force on emergency planning in co-operation with many Departments, including my own.

The main message is simple — be prepared, stay safe and know where to find help should it be necessary. As part of winter ready week, my Department will publish on our website a severe weather transport information guide encompassing website details for our operators with web access and, for those without web access, their customer service telephone details. This guide will be electronically distributed to all media outlets, local authorities, Members of the Oireachtas, members of local authorities, Citizens Information and other outlets for reference purposes.

My reply covers what we are planning to do but, in many ways, does not address the issues raised by the Deputy. In fairness to my Department, his suggestion was not quite covered in the notice he submitted. I would be open to his idea, but it would need to be organised by local authorities, not my Department. Many people living in rural areas, including farmers, did that work voluntarily last year. We would ask people to volunteer, as we are not in a good enough financial position to pay people for this work. Were salt made available, they might agree to spread it on a voluntary basis instead.

Deputy Ray Butler: Much of the issue pertained to insurance. One local authority gave people permission to grit roads whereas another local authority stated people would not be covered. Many local authorities do not have sufficient manpower or machinery, given the cut-backs. My proposal represents a simple way forward. If many people in rural areas knew there were grit and gravel banks available to them, they would make use of them. Many farmers would use their machinery free of charge. Will the Minister consult the local authorities or the

Minister for the Environment, Community and Local Government, Deputy Hogan? It is an achievable way forward.

Deputy Leo Varadkar: I will discuss the proposal with my officials and the Minister, Deputy Hogan. Deputy Butler might do the same. It was not his fault, but this issue should have been raised with the Minister's Department rather than mine. His proposal has merit.

Deputy Ray Butler: I thank the Minister.

Public Transport

Deputy Michael P. Kitt: I thank the Ceann Comhairle for allowing me to raise this issue. Some months ago, a €6 million package to do away with roundabouts in Galway was announced, but there was little consultation at the time. I learned much more about the money and the work to be done when I attended a meeting of the joint policing committees of the Galway city and county councils last Monday. I hope the Minister of State will learn about the proposals in respect of Galway. While the idea of getting rid of roundabouts is fine, as are the proposals to get rid of traffic lights and signalling, we should be provided with further details and have more consultation.

Comparisons will be made with Dublin city. The principle is the same, but a comparison in this respect is difficult. There are great opportunities for public transport in Galway as part of the package of measures to be introduced. For example, the provision of extra bus lanes and the role of private buses, matters under the Minister of State's responsibility, must play important parts in the new scheme to get rid of roundabouts.

I am impressed by the frequency of buses in Dublin and the fact that information can be found at bus stops and bus shelters. These elements would be welcome in any town or city.

The Galway public transport feasibility study was funded by the then Department of Transport in 2009 to determine the potential of introducing new transport modes, including bus rapid transit, light rail transit and associated park-and-ride facilities. At last Monday's meeting of the joint policing committees, many references were made to these issues as well to the Galway outer city bypass, the western rail corridor and the Gort-Tuam road.

4 o'clock

There have been many meetings concerning the Galway public bike scheme. The Dublin bicycle rental scheme has been successful. Studies have been carried out on the number of people using bicycles. In particular, the student populations of Galway's two third level institutions — National University of Ireland, Galway, NUIG, and Galway-Mayo Institute of Technology, GMIT — use bicycles to attend lectures.

I hope the Minister of State will take the proposals made by the city and county councils on board and that we can make progress in developing public transport and alternative transport in the county and city.

Minister of State at the Department of Transport, Tourism and Sport (Deputy Alan Kelly): I thank the Deputy for the opportunity to address this issue in the House. The Department has been providing funds to local authorities for bus priority green routes and park and ride measures in the four regional cities of Cork, Galway, Limerick and Waterford for a number of years. This programme is now being managed by the National Transport Authority, NTA, on behalf of the Department. It is a matter for the local authorities in each city to prioritise projects and apply for funding each year.

As the Deputy stated, since 2007 funding of approximately €6 million has been provided by the Department for two green routes in Galway city, one on the Dublin Road and the other

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on Bóthar Uí Eithir and Forster Street and for the Claregalway quality bus corridor, QBC, in County Galway. These are now fully operational.

In addition €2.3 million has been allocated to Galway City Council in 2011 under this programme to advance the Seamus Quirke Road bus corridor scheme and part-fund the Galway transportation unit. This will be the first QBC west of the Corrib in the city. Work on this scheme commenced in late 2010 and Galway City Council expect it will be completed by the end of this year. It will be of great benefit to commuters in Knocknacarra, Barna and other areas on the western side of Galway city, which I know quite well.

As part of the Department's smarter travel funding programme, funds were provided for a greenway walking and cycle route in Galway city. The Fisheries Field project is situated in the heart of Galway city and will revitalise a former under-utilised canal towpath, providing the missing link in a looped greenway of the city centre along its waterways. The greenway will link NUI Galway's internal greenways to the city centre.

With regard to the feasibility study mentioned by the Deputy, in March 2010, Galway City Council published a report entitled Galway Public Transport Feasibility Study. This report set out an analysis of transport issues in Galway city and proposed an overall transport strategy for the city. The recommendations of the study included reconfiguration of the bus network, development of an east-west bus rapid transit system, traffic management measures, transport integration and other measures. The NTA will work with the city council and the other relevant agencies to deliver some of the key components of the transport report, within the funding envelope that will be made available.

The NTA, which is responsible for the licensing of public bus passenger services nationally, recently undertook two reviews of public transport services in Galway city and county. The Galway city area public transport review assessed the existing public transport network, identified gaps in the network and made recommendations for interventions. These recommendations are being considered by the authority for implementation in early 2012. The Dublin to Galway rail service review assessed the service from a customer, operations and business perspective. These recommendations are also being considered by the authority for implementation in early 2012. Much work is being done as a result of both reviews.

With regard to the possible introduction of a bike sharing scheme in Galway city, an initial feasibility study, which I requested on behalf of the Department, was completed earlier this year by the NTA. This report identified that a scheme could be introduced in Galway city but that capital and ongoing operational costs would arise. I am reviewing this matter. I have organised a number of symposiums in the four cities. Two have been completed. I was in Waterford this morning and in Cork earlier in the week. I will be in Galway next Tuesday.

Notwithstanding the current difficult economic situation, I hope to be in a position to retain a budget for public transport measures in the four regional cities for the next five years. I look forward to advancing a number of the projects I outlined for Galway.

Deputy Michael P. Kitt: I thank the Minister of State for his comprehensive reply. What he said with regard to the symposium to be held next Tuesday is very welcome. He also had positive news on the bike sharing scheme which would be of great benefit in Galway. As the Minister of State probably knows, Galway has good potential for these public transport models and modes. However, we have lost some of our air services from Galway Airport and we cannot afford to lose other forms of transport. Galway railway station is in the centre of the city in Eyre Square, and any development of our rail services would be important because of the great access the location of the station allows.

I hope the Minister of State will keep an eye on the work being done on getting rid of roundabouts. The traffic signals, traffic lights and information generally must be computerised and working so people know exactly the location of traffic blockages in Galway. It is a lovely city but the amount of traffic in the city, particularly in the summer, can create difficulties. There was a particular problem last summer because of roadworks. It would be of great benefit to the tourism industry if we had better traffic signal and traffic light systems in the city.

Deputy Alan Kelly: I thank the Deputy for his comments. The symposium on the bike rental scheme will take place in Galway next Tuesday and I will be in attendance. Such a scheme for Galway is very feasible. The symposium intends to deliver on the commitment in the programme for Government and I worked on it when I was in Galway during national cycle week earlier this year. We believe Galway's size would be a natural fit with such a scheme but we must consider how it will be funded. It would be a great endorsement for the city with regard to tourism and would be of benefit given the volume of tourists that visit. I hope it will be a success and this is certainly our aim.

The changes to the roundabouts are an attempt to facilitate more public transport and additional QBCs and greenways. I take on board the Deputy's comments on the two reviews on bus and rail services. I am monitoring progress and I will work with all the agencies involved to facilitate a broader picture for public transport in the city. I keep a very close eye on this and I will continue to monitor it.

Sports Funding

Deputy Aodhán Ó Ríordáin: I appreciate the opportunity to raise the matter of the horse and greyhound fund in the context of overall sports funding and promised legislation on online gambling. Approximately €30 million a year is raised through a levy on gambling in Ireland. Regardless of what one's bet is placed on, the levy goes directly to the horse and greyhound fund under the terms of the Horse and Greyhound Racing Act 2001. This is despite the fact that only 10% of bets placed relate to these two industries. A total of 80% of the fund goes to the horse racing industry and the vast bulk of this is spent on prize money. The prize money on offer in the Republic of Ireland is 60% higher than that in the UK. Also, the chief executive of Horse Racing Ireland received a pre-tax bonus of €57,000 in 2009.

This year, Irish Sports Council funding amounts to €25.6 million for 57 national governing bodies, 32 local sports partnerships and 18 high performance sports. Given our sporting endeavour, next year's Olympic Games and the fact we all enjoy sports so much, one could argue that in the current recession sport is one of the only things keeping communities alive. It keeps children occupied and families entertained and gives us all a lift. This Friday, everybody's eyes will be turned towards Tallinn hoping the Irish soccer team can go halfway towards qualifying for the European Championships.

The Minister for Justice and Equality indicated a levy on online betting will be introduced in spring next year. We believe this could raise approximately €90 million. Can I have a commitment that it will be spent on sports funding? Does the Minister intend to investigate the current funding criteria for the horse and greyhound industry? Has he asked the industry for indications of how the money is spent? Everyone accepts that the horse racing and greyhound industries are of great benefit, are fantastic employers and act as wonderful tourism magnets. At the same time, can we justify a situation where the vast bulk of the funding goes to prize money and the money spent on prize money is 60% higher here than in UK? I also referred to the figures on bonuses for the chief executive of Horse Racing Ireland.

There is inequity in sports funding, with €25 million going to the Sports Council, which looks after so many national governing bodies, local sports partnerships and high performance sports.

[Deputy Aodhán Ó Ríordáin.]

At the Olympic Games next year we will talk about the performance of our athletes, how they are funded and how well they have performed. Is it justifiable that €25 million of our taxpayers' money goes to that while €30 million of taxpayers' money goes to the horse and greyhound industry? Is it justifiable that 100% of the levy raised on betting in this country goes to an industry when only 10% of the bets placed relate to that industry? If Paddy and Joe put €5 on Manchester United versus Chelsea, the levy raised on the €5 bet goes to the horse and greyhound industry.

Will the proposed levy on online gambling be funnelled back into the sports industry? Can we be assured it will not go in the same manner to the horse and greyhound industry and that it will be more equitably distributed?

Minister for Finance (Deputy Michael Noonan): Some of the issues raised by Deputy Ó Ríordáin are more appropriate to the Minister for Agriculture, Food and the Marine. I will reply to the matter in respect of a levy on online gambling and we can have a conversation about the other issues.

I am pleased to take this opportunity to speak on the subject of extending the betting duty to remote betting firms, including betting exchanges that offer their services to consumers in the State. Work has been ongoing in the context of the draft betting (amendment) Bill towards widening the tax base in respect of betting duty with the view to extending the duty to remote bookmakers and betting exchanges. This widening of the base has always been regarded as difficult to do from a legal and practical perspective because online and phone betting services are primarily offered by offshore, out-of-State entities.

The main provisions of the betting (amendment) Bill are to amend the Betting Act 1931 with the objective of bringing remote betting, including betting exchanges, within the existing regulatory framework, including measures to enforce the regulatory framework. It provides that any remote bookmakers or betting exchanges that wish to offer their services to consumers in the State must obtain a licence to do so. A condition of that licence will be to pay betting duty or betting intermediary tax in respect of bets accepted that originated in the State.

Betting duty of 1% on turnover has applied to bets placed with traditional bookmakers since 2006. The 2006 legislative provision also moved the liability for the tax from the punter to the bookmaker, the context for this being an attempt to stem the migration of consumers from traditional bookmakers to remote bookmakers. However, the lowering of the rate to 1%, together with a significant reduction in betting activity due to the downturn in the economy and a growing share of bets being placed over the phone or online with offshore non-taxed entities has seen betting duty receipts fall from a high of €54 million in 2007 to an estimated €30 million this year.

Historically, betting receipts have been tied to funding for horseracing through the horse-racing and greyhound fund. This fall in betting receipts has widened the gap between the level of Exchequer funding seen as desirable for the sector. Some €57 million has been provided in 2011, along with the receipts from the betting duty. What is now being proposed will allow us to recapture much of the revenue lost to online or remote outlets. The extension of betting duty to remote bookmakers is necessary to ensure, first, that firms that offer their betting services to residents in the State, regardless of what platform is used, are treated equally in terms of the taxation of that activity and, second, that the extension of the betting duty will widen the tax base and protect the Exchequer from the leakage of potential tax revenue.

The Deputy will be aware that what is being prepared by my Department for the provision of a regulatory and licensing regime to enable the taxation of remote betting is an interim solution, pending the outcome of the major overview on the regulation of all gambling in the

State being conducted by the Minister for Justice and Equality. In this regard, in July the Government approved proposals from the Minister for Justice and Equality for the preparation of a comprehensive Bill on gambling, which will include, *inter alia*, the regulation of remote gambling services, including betting services, and provide for the repeal the Betting Act 1931, as amended.

Consequently, the Finance Act 2011 contained measures to allow for the extension of the betting duty to remote bookmakers and betting exchanges, including respective licence fees, which are based on the level of turnover, and annual commission earnings, respectively. The provisions in the Finance Act 2011 are subject to a ministerial commencement order. The provisions in the Finance Act cannot be commenced, however, until the betting (amendment) Bill, which contains the necessary regulatory and licensing provisions, is enacted.

The level of taxation provided for in the Finance Act is 1% on turnover in respect of remote betting firms, the same level that currently applies to their bricks and mortar counterparts. To take account of the particular business model of betting exchanges, a tax on the commission an exchange charges its customers will apply. This is in line with the level of tax elsewhere.

Enforcement and compliance will be a key aspect to the successful regulation and taxation of remote betting firms. That potential difficulties in that regard should not be underestimated, especially with regard to firms that have no presence in the State. However, it is desirable to make such offshore providers subject to the betting tax.

Deputy Aodhán Ó Ríordáin: A cross-departmental response is required. What is the Minister's instinct in respect of the equity of sports funding? The Minister's response shows that €57 million has been provided this year for the horseracing and greyhound fund. No one wants to question the justification of funding for that industry, which is a wonderful industry and one Ireland is famous for. However, how does the Minister square giving €57 million to that industry in the current crisis, in view of the prize fund amounts, with the €25 million given to the Sports Council, which looks after 57 national governing bodies, 32 local sports partnerships and 18 high performing sports? Does the Minister accept there is an anomaly and will he commit to investigating a way in which we can address it?

Deputy Michael Noonan: These are the figures in the Estimate put together by the previous Government in the last budget in December 2010 for 2011. The Minister for Public Expenditure and Reform, Deputy Brendan Howlin, is negotiating with line Departments on the appropriate amount for each head for next year. In that context, he has had discussions with the Minister for Agriculture, Food and the Marine. I am sure discussions included this issue. My responsibility is simply to enact legislation and it is up to the two other Ministers to decide what the expenditure should be. Up to now, the principle was that whatever was raised by the levy went into the fund. There was a shortfall and, instead of the Estimate of €47 million being raised, the fund dropped to €30 million. That was as a result of what happened in 2006, when the then Minister for Finance reduced the levy from 2% to 1% without applying a new tax to the online aspect of the betting industry which was then taking much of the activity. In the last Finance Bill, my predecessor sought to correct this but the correction was subject to separate legislation being brought in for on-line betting. Those sections in the Finance Bill would be implemented subjected to a ministerial order. The on-line betting Bill has not been produced yet and obviously the new Government will have to have sight of it before the issues of principle and detail in it are ratified. I will try to get things done quickly and, if possible, in advance of the budget.

Uncovered Credit Institutions

Deputy Catherine Murphy: I thank the Ceann Comhairle for selecting this topic for discussion. I have come across a number of business people who are trying to sustain the jobs of those they employ in the face of heavy-handed activity by some banks. I wish to focus in particular on banks that are not covered by the guarantee. What can the Minister do about such practices? I will cite examples from my constituency, although this is happening throughout the sector. I spoke to an individual who employs 40 staff in a business that is in its third generation. On a monthly basis, that business is being hauled in and asked to provide figures. The bank's overriding concern is not how sustainable the business is, but how quickly it can get repayments. Some of these banks have an exit strategy which is dominating how they interact with their customers.

The second example is a business that employs in excess of 120 people. Once again, the bank meets them on a monthly basis. In this case it is a collection of businesses run by several family members, but it is one company. They had been doing very well except that they invested in upgrading their properties. As I said, the bank is not covered by the guarantee. They were hauled in and eventually asked to undertake expensive research on what would improve their margins. They were also asked whether, if they invested in something, it would improve the company's sustainability. The outcome was that an investment of €30,000 in some technology would improve things significantly. When they asked the bank for a loan to make the improvement that the bank itself had sought, the bank refused the loan request. They questioned why they were being asked to make that investment in a report when the bank clearly had no intention of providing the funds.

The problem is that the exit strategy of some banks that are not covered by the guarantee has the potential to put many people out of work. I saw ISME's press statement today and, while I would not agree with all of ISME's views, one can see from its language the frustration the organisation feels on behalf of its membership. ISME is focusing on the bailed-out institutions, but people who have debts with banks that are not covered by the guarantee are in a much more exposed position.

What kind of powers does the Minister for Finance have to deal with these institutions? How can we get a more sensible arrangement that would give viable businesses more time to repay? Some businesses may lose viability because of the pressure being put on them to pay back what is owed more quickly than is possible. The pressure being put on such people is making the situation unsustainable because they are clearly unable to focus on running and developing their businesses due to the pressure from these banks.

Deputy Michael Noonan: I thank Deputy Catherine Murphy for raising this important issue.

I am concerned that customers are not being treated in an even-handed and fair manner by financial institutions. To that end, the Central Bank has introduced three codes of conduct designed to protect customers, both personal and business, in their dealings with such institutions. These are the consumer protection code, the code of conduct on mortgage arrears, and the code of conduct for businesses lending to small and medium-sized businesses.

The consumer protection code is binding on financial institutions authorised, registered or licensed by the Central Bank. It also applies to the provision by financial institutions of services in the State, which are authorised by an equivalent financial regulator in another EU or EEA member state.

The code contains a number of general principles that financial institutions must adhere to in their dealings with all their customers. The requirements imposed on financial institutions under these general principles include: acting honestly fairly and professionally in the best

interests of customers; acting with due skill, care and diligence in the best interests of customers; employing effectively the resources and procedures, systems and control checks that are necessary for compliance with the code; seeking information from the customer relevant to the product or services requested; and making full disclosure of all relevant material information, including all charges in a way that seeks to inform the customer.

The code places more detailed requirements on financial institutions when they are dealing with private consumers. These include limiting the number of times a lending institution may contact a consumer, by phone or otherwise, who is in arrears with his or her payments. For the purposes of the code a “consumer” is defined as: a natural person acting outside his or her business, trade or profession; unincorporated bodies such as partnerships, clubs and trusts; incorporated bodies with an annual turnover of €3 million or less in the previous financial year; or a member of a credit union.

The code was recently revised by the Central Bank following detailed consultation with interested parties. The revised code will come into effect next January. The Central Bank considers that the provisions in the code strike the right balance between requiring lenders to engage with customers to encourage them to deal with arrears and with protecting customers who are already stressed from dealing with financial difficulties.

The next code is the code of conduct on mortgage arrears. This code applies to mortgage lending activities with borrowers in respect of their principal private residence in the State. Compliance with the code is mandatory on all mortgage lenders registered with the Central Bank. Lenders must have in place the required systems and trained staff necessary to support the implementation of the code. The code sets out the framework that lenders must adhere to when dealing with borrowers who are in arrears or are in pre-arrears. For the purposes of the code a “pre-arrears” case arises when the borrower contacts the lender stating that he or she is in danger of getting into financial difficulties and/or is concerned about getting into mortgage arrears.

The third code I have mentioned is the code of conduct for business lending to small and medium enterprises. On 4 November last, the Central Bank published a revised version of the code setting out new requirements for lenders when dealing with SMEs in or facing financial difficulties. The SME code revisions build on the Central Bank’s ongoing programme of work for protecting the interests of borrowers in or facing arrears. The introduction of the new provisions in the SME code follows a review of the financial difficulties requirements in the existing SME code as part of the Central Bank’s commitments under the EU-IMF work programme.

The revised SME code will come into effect from 1 January 2012. A full review of the SME code will be undertaken in 2012. It will provide key stakeholders, including SMEs and their representatives, with an opportunity to engage further in the operation and effectiveness of the code, including the new requirements relating to the treatment of financial difficulties cases.

The House will be aware of the large number of initiatives taken to ensure SMEs are able to get the credit they need. There is a need to ensure credit is only extended to viable businesses that can meet repayment schedules, and it is normal that some businesses are not able to obtain credit, even in good times.

Deputy Catherine Murphy: The phrase that struck me is: “in the best interests of customers”. I fully accept a bank is entitled to seek the repayment of the loan taken out but, in the case I outlined, in respect of which there was a requirement to pay for a report in spite of the business concerned having been hard pressed, there was no obligation on the lender to act in the best interest of the company by facilitating investment in technology. One would wonder why the

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company was put to the expense. This sort of practice puts more pressure on a small business that is really struggling at the margins.

Are complaints about the code monitored? It is only from complaints that we will determine how the code functions for those who feel they are being dealt with inappropriately by a lending institution. The monitoring arrangements will be really important from this perspective. While we may all have anecdotal experience, general feedback would be very useful.

The Minister said there will be an upgraded code in operation from next January. Will there be an examination in the interim of the experience with the existing code? If experience shows there is a deficiency in the new code, I presume it can be modified.

Deputy Michael Noonan: The reason the Central Bank is revising the existing codes is that, having consulted interested parties, it realised they are inadequate. One is operative since 4 November and the other will be operative from January next. The Central Bank normally puts the relevant documentation on its website. I do not know whether these codes are posted but I assume they are and that the Deputy will be able to gain access to them in detail on the website.

The other issue, which is related to the example the Deputy raised, concerns the reason lending institutions are refusing loans to companies that appear to be viable. A case could be referred to the director of credit control. If there is a refusal, the director will examine all the documentation, without any particular cost to the applicant. If he feels the case is one in which credit should have been extended, he contacts the lending institution involved and advises it of his decision. His decision is not binding but there is an agreement with the credit institutions that they honour his recommendation. To date, they have done so. Approximately one third of the cases the director has examined have been reversed. There is, therefore, potential for reversal. The Deputy may be aware of the website of the office of credit control. This office, rather than the codes of practice, seems to be fitting in the case mentioned by her.

Competition (Amendment) Bill 2011: Second Stage (Resumed)

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

Deputy Mattie McGrath: This subject is very relevant, especially in view of topical issue raised by Deputy Catherine Murphy. It is a very important issue.

While the Minister is doing his best, the policy of having two pillar banks, which was also the policy of the previous Government, is absurd. While we must save the banks and have functioning banks, having only two strikes a blow against competition. We know now it is a fallacy. I am not saying the Minister for Finance or the Minister of State at the Department of Jobs, Enterprise and Innovation, Deputy Sherlock, is giving us spin but I contend the banks are lying through their teeth. They lie in every survey and lied to the previous and current Ministers for Finance, and they are getting away with it.

The Competition Authority's mission statement claims its brief is to ensure that competition works well for consumers and the Irish economy. Nothing could be further from the truth. The Competition Authority was set up in 1991. There have been resignations of former chairpersons and comments by other chairpersons. The authority had been an abject failure and it has stood idly by. If it has board members, why do they not offer their resignation? The authority is toothless. I do not make these comments because finances are scarce but because, during the Celtic tiger years when there was plenty of money, it did nothing. With the compliance of the previous Government, of which I was a member, it allowed big cartels to take over everything and put out of business the very people Deputy Catherine Murphy was speaking about, the

small businesspeople who represent the backbone of the economy. They have been wiped out, hoovered up, closed down and cast to the winds. This is unbelievable and is the practice in a huge array of sectors, including the agriculture and cement industries and all industries in between.

In every town, including Clonmel, big businesses have been encouraged to set up on the outskirts and have got preferential rate deals. They have squeezed the commercial lifeblood from the towns, and squeezed it from the hard-working ratepayers, including the Minister of State at the Department of Jobs, Enterprise and Innovation, Deputy Perry, who are involved in many businesses. These ratepayers have been in towns for generations, three in some cases, but have been destroyed. Our following of the aforementioned pattern ten years after America, England, France and elsewhere is ludicrous.

The Minister for Finance referred to codes of practice introduced by the banks, but these are a joke. The Competition Authority cannot ensure competition and — I hate saying this in the House — one might as well bring in paper from the toilets as codes of practice because they are ignored by the greedy people who got us into this mess. Why would they not ignore them when the Government, following the example of its predecessor, paid a promissory note of €700 million only last week? They are laughing all the way to the bank — pardon the pun — and laughing at us. The ordinary taxpayer and small businessperson are crucified. We must keep some of the hard-earned taxpayers' money, but not to bail out the speculators, gamblers, bankers and others whom the Government said it would burn. I stated last night the Government was to have a fire hotter than hell's fire in order to burn so many of them. It has not burnt any of them; it just followed blindly the path of the previous Government, which represents an abject failure. When we consider what occurred in Greece and what is happening in Italy, we realise there is hope that we may change our ways. We are being forced to change our way.

I referred to the big conglomerates. The county council in south Tipperary gave planning permission for a Tesco store in Cahir and it was upheld by An Bord Pleanála. It was going to close the premises of a businessman across the road and put in a facilitatory new roundabout. The businessman was told by the council to talk to Tesco on the grounds that it might buy him out. Is that what we want? The businessman was a self-employed young man, younger than I am, employing 14 people. Stores such as Tesco export all their money and invest nothing in the community. Although they create a few jobs, we lose twice as many in other sectors. They have got away with murder because of “hello money” and everything else.

If we have only two pillar banks, they know they will be able to mop up and threaten the people about whom Deputy Catherine Murphy talks. The code of practice limiting the number of telephone calls or business transactions is baloney. One is living in fear of the banks. The dirty look on a manager's face when one enters a bank is telling because it demonstrates banks do not want the aforementioned businesses anymore because they know they will be bailed out by successive Governments. Why would they care? They do not care. Codes of practice are a waste of time. I want to focus on the operations of CRH. It was fined €28 million by the Polish Government. It only expanded its operations there since this economy subsided. It has brought down many a small business in my constituency. I cite the Tarrant brothers which was tremendous family owned business that gave valuable employment and a wonderful service to the ordinary people, including me and my colleague, Deputy Tom Hayes, who lives closer to it than I do. That company gave credit, it knew the people and looked after them. Roadstone came in and blew it out of the water with unfair competitive practices while the Competition Authority sat idly by. I do not know what we pay its members or why we have that authority as it is a pure waste. It has been set up since 1990 and it should be suspended forthwith because it is not doing its job. It has been an abject failure. It has been said by more eminent people than me that the Competition Authority in its negligence has had as detrimental effect on our

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economy as have the bankers who brought us to our knees. The authority has sat idly by. Previous Regulators did nothing to regulate the financial services industry. They sat idly by and were rewarded. The Competition Authority has done the same in regard to business practices. What Roadstone has done to small companies around the country is a disgrace.

Cemex is another company in my constituency and I have received e-mails from concerned groupings about it. That company was taken over recently and all the workers have been tossed to the wind. The practices in which CRH engage will result in similar companies having to close. The practices they employ are a smokescreen to close companies in order that CRH can continue its monopoly. That is happening on a daily basis before our eyes. We need to wake up and smell the coffee. Why do we have the Competition Authority and codes of practices? They are nothing more than smokescreens. People have been paid to draw up such codes of practice.

I wish I had more time to speak but I appreciate the Chair's forbearance. CRH is one of the companies that must be dealt a blow and stopped in its tracks. Our economy is being swallowed up by the greed of the bankers. Business people who are trying their best in spite of the bankers are being subsumed, attacked, taken over and being literally evicted from their rightful businesses even though they have paid rates and taxes. The Minister of State, Deputy Perry, understands what I am talking about. I know his background in business. This Bill is some effort in this respect but it only tinkers with the real problem.

Deputy Thomas Pringle: I welcome this opportunity to speak on the Bill. It is estimated by the former director of the Competition Authority that anti-competitive practices cost this State approximately €4 billion per year. That is a huge amount of money when one considers, as Deputy Mattie McGrath mentioned, that €700 million was paid to bondholders of Anglo Irish Bank last week. If we could address unfair competitive practices the State would be in a much better position and we would not be in the ridiculous position in which we are now of having to pay off bondholders and implement massive cutbacks in the social welfare budget in the coming weeks.

Deputy McGrath mentioned the price fixing cartel that operates in the concrete industry, which has received a good deal of publicity recently. It highlights the extent of the problem we face. It is a huge burden on the taxpayer, given that the State and the taxpayer are the biggest customers of the concrete and quarry industry. Through our capital programme we pay over the odds to companies that have agreed the prices they would charge for products. I have seen figures that estimate the cost to the State and the taxpayer from the price fixing operated within the concrete and quarry industry to be €2 billion. It is amazing that practice has been allowed to continue and there has been no serious examination of it. In preparing for my contribution on the Bill I read that complaints were made going back to the 1990s about the operation of price fixing and cartels within the concrete and quarry industry, yet no investigation was commenced, nobody was pursued for it and the Competition Authority has been toothless in dealing with it.

There was an announcement in recent days that CRH is moving its share transactions and its centre of business from Dublin to London and to the stock exchange there. Perhaps it is doing that because it was conscious of the bad publicity that has surrounded the cartel in which it is the main operator to ensure it inflated its profits and prices and put other businesses and operators out of business. Perhaps there is a further reason other than its dealings in shares and trading that it is moving its centre of business from Dublin to London.

Deputy McGrath said that the Competition Authority is ineffectual, of that there is no doubt. I do not know how effective it could be but I have read that its directors complained in October

last year that the embargo on public service recruitment has resulted in the staff in the office of the Competition Authority being reduced from 59 to 40. How can it be effective in monitoring competition in the economy when the blunt tool of the embargo has reduced the number of staff in its office? When one considers the cost effect of price fixing by the cartel operating in the concrete industry on the State and the industry's customers, it would be in the interest of taxpayers to ensure that the Competition Authority can investigate that practice, yet the State, in the interests of taxpayers, is enforcing the embargo on the authority which has resulted in a reduction in its staff. The Competition Authority cannot assist the Director of Public Prosecutions in pursuing prosecutions because it does not have the necessary staff. It can carry out only one investigation per year and can only hope to complete that if it is not required to do other work on mergers and takeovers. It is a farce. This legislation will be useless, when enacted, unless the Competition Authority has the necessary staff resources to investigate these practices. We hear a great deal about cost benefit analysis from the Government side of the House and given that anti-competitive practices are costing the economy €4 billion a year, great benefit would be derived from giving the Competition Authority powers and resources to ensure it can fulfil its remit and investigations, pursue prosecutions and ensure that these practices do not continue.

When introducing the Bill yesterday the Minister said that section 4 will give the Competition Authority new rights to pursue several enforcement measures or several remedies in cases it pursues. These remedies include forcing companies to discontinue their unfair practices, to cease or adjust their dominant position within the market in which they operate and that is it. The remedies do not include the imposition of civil fines, therefore, there is no deterrent for companies to cease what they are doing. They can be sure that the Competition Authority does not have the resources to investigate and pursue them and if the authority were to pursue them, all the companies would have to do is give an undertaking in the court that they will discontinue what they are doing from this point on. There is no remedy available to the State to punish such companies for all the profits and unfair practices from which they have benefited during the years in which they have been engaged in them by way of imposing fines that will hit their directors and owners in their pockets.

There is an argument that civil fines may not be constitutional under Article 38.1°, the interpretation of which is that the imposition of fines is the imposition of a punishment and should be treated as a criminal matter. Surely we should test that. This legislation, which should include provision for civil fines, could be tested in the courts and they could establish if it is constitutional. We should address that once and for all rather than having competing legal opinions as to whether it is constitutional. We should strengthen this legislation to provide for the imposition of civil fines and it should be tested by the courts. Civil fines can be considered without requiring the full rigours of a criminal prosecution and proving a case beyond a reasonable doubt. Civil cases could result in civil fines being imposed on a company where a jury reaches a conclusion based on the balance of probabilities. Companies will only be deterred if they realise their market dominating practices can hit them in their pockets.

The debate on this Bill refers repeatedly to the role of deterrents in ensuring competitive practices. However, deterrents will not stop these criminal practices because criminals only worry about getting caught and paying for their crime. If people see an opportunity they will grasp it. Unfortunately, this Bill does not provide a real deterrent and for this reason I ask the Minister to consider amendments on Committee Stage to include civil remedies.

Deputy Tom Hayes: I am sharing time with Deputies Corcoran Kennedy and Kyne. I am grateful for the opportunity to speak on the Competition (Amendment) Bill 2011, which has been welcomed by many of my colleagues in this House. There is no doubt that anti-competi-

[Deputy Tom Hayes.]

tive practices have cost the State billions of euro in recent years. It is estimated that the abuse of company law costs the State approximately €4 billion per year. Under no circumstances should such abuse be tolerated, particularly at a time when the country is in dire economic straits. There is an old saying that competition is the life of trade. It is important, however, that competition is always fair.

The Bill will strengthen the enforcement of competition law in this country. It provides for new or increased penalties, introduces more effective deterrents and ensures an improved sanctions regime for those who engage in anti-competitive practices, such as price fixing and cartels. The fine on criminal conviction for hard-core offences will be increased from €4 million to €5 million and the maximum prison sentence will increase from five to ten years. Fines for summary convictions will be increased from €3,000 to €5,000 and judges will no longer be able to dismiss cases based on the trivial nature of the offence.

Experts have regularly highlighted the expense associated with investigations into infringements of competition law. Provision is made in the Bill to order a person convicted of an offence under the Competition Act 2002 to pay costs to the Competition Authority or ComReg.

The aforementioned provisions will act as a deterrent for potential offenders but it is also important to prevent offenders from repeating their crimes. This is why a person convicted of a breach of competition law is automatically disqualified from being a company director or involved in the promotion, formation or management of a company. This provision will be extended to all contraventions of sections 4 and 5 of the 2002 Act and will serve to protect law-abiding companies against those who seek to make profit with disregard for the law.

The issue of price fixing by Irish concrete companies has been raised in my constituency and is now getting the national attention it deserves. In June 2011, Thomas Goode of Goode Concrete claimed to be involved with his rivals in illegal practices aimed at maintaining prices at artificially high levels. Deputy Mattie McGrath spoke about CRH and the smaller companies which were driven out of the market in the constituency we represent. A number of companies which were established in Tipperary South to quarry limestone rock have gone out of business over the years.

Thomas Goode's allegation is particularly important given the amount of business the companies he cited do with local authorities. They are paid out of the public purse with money that is difficult for the local authorities to find. When budgets are being drawn up for roads and other local needs or when councils have to make decisions on road repairs, they have to bear in mind the cost of materials. Why, at a time when house prices and labour costs are falling dramatically, is the cost of building materials not decreasing? I have been told by builders that the cost of building materials is not decreasing. I urge the Competition Authority to investigate this issue. Departments and local authorities are going to great efforts to cut costs but their suppliers need to respond.

Retailers and supermarket chains are another group which is being ignored in regard to investigations and regulations. The IFA was subjected to searches but it was not the other way around. Certain major supermarket chains have a lot to answer for and, if competition is the life of trade, we should reconsider the maximum size permitted for outlets on the edge of our towns. Small retailers are coming under considerable pressure from the large supermarkets outside many towns.

The issue of the below cost sale of alcohol by certain major supermarket chains is regularly raised with me by my constituents. This kind of marketing is not only irresponsible but also puts local shop owners under pressure. It is a major problem, although I note it has been addressed by the Government in recent days.

With more people choosing to drink at home, it is time to address this issue before any long-term damage is done to society. If we address it, we will not only send the right message about enjoying alcohol responsibly and in moderation but also help countless small businesses throughout the country which are struggling to make ends meet. I urge that this issue be dealt with.

Publicans have gone through major changes. Consider the number of pubs that have closed. We are losing a great way of life. The pub scene, regardless of what one might say about it, attracted tourists and neighbours who came in to chat. Where we are going with the sale of alcohol, particularly in the big supermarkets, is causing huge difficulties. This is an issue we must address.

Deputy Seán Kyne: I welcome the opportunity to speak to the Competition (Amendment) Bill. Its speedy introduction is proof of the commitment to overhaul sections of legislation to help to create a business environment which promotes job creation, job retention, fair competition and choice for consumers. That this legislation was the subject of a commitment in the memorandum of understanding between Ireland and the European Union and the IMF is secondary to the recognition among the new Government parties of the need for law reform in key areas.

The amendments made in the Bill will provide for valuable reform in competition law and introduce enhanced penalties and sanctions for breaches of the law. The banking and financial crisis shone a light on an area which had operated in a light touch regulatory framework. The activities that have been uncovered so far demonstrate the need for strengthened laws to combat so-called white collar crime. I dislike the euphemistic connotations associated with the phrase “white collar crime”, as if such acts are less serious and dishonourable than others. The effect of what has been uncovered from the activities and practices at some financial institutions and businesses during the latter half of the last decade is criminal in terms of the damage done to Ireland and its reputation. The creative accounting, share buying schemes and so forth all flew in the face of existing competition law. When enacted, this Bill will provide for tougher fines and custodial sentences and remove the use of the Probation Act, indicating the seriousness of the criminal acts committed in this area.

The value of competition has been undermined in the recent past. Competition helps to drive efficiencies and creates benefits for everyone. It helps customers by making goods and services more affordable, accessible and of a higher standard. That is why the provisions in the Bill to increase the scope of enforcement of competition law by private citizens are so welcome. Competition also helps business. The drive to increase efficiency and research and develop new products and services or just new ways of doing things is incentivised by competition. One often hears people speak about a company’s competitive advantage, in other words, the edge it has over other companies. The Bill will be a vital tool in helping not only businesses to regain competitive advantages but also the country.

Of major benefit in the Bill is the provision that will empower the courts to place a costs order against the person who has been convicted. This will make the offending person or organisation responsible for the very considerable costs associated with investigating infringements of the law. Such costs include the cost of the initial investigations, researching documents and electronic transactions, the examination of witnesses and so forth. That costs may now be awarded against the offenders will act as a solid deterrent.

Competition, however, cannot be a free-for-all. It must be regulated with effective regulation and component regulatory alternatives. We experienced the downside of competition in the recent past and are living with the consequences. One example was the intense competition between banks to lend too freely at unsustainable rates. Obviously, we once had many more

[Deputy Seán Kyne.]

banks than we have today in competition with each other, fighting for customers and offering packages without recourse to a person's ability to repay. This culminated in the offer of 100% mortgages and also higher percentages for house furnishing and a car purchase for good measure. Once the first bank went down this slippery slope, others followed, fuelled by bankers' bonuses. The subsequent effects saw several banks leave the Irish market, to the detriment of consumers.

We must acknowledge the Bill's provisions relating to the rights of citizens. These will facilitate an increase in private enforcement of competition law by way of private actions, thereby empowering citizens in enforcing their rights. I agree with Deputy Tom Hayes about the out-of-town outlets which, through below cost selling or anti-competitive behaviour, can undermine the fabric of smaller shops and retail units.

In its report, Ireland's Competitiveness Scorecard, the National Competitiveness Council highlighted that Ireland had lost 31% of its cost competitiveness between 2002 and 2008. This affected Ireland's attractiveness as a location in which to do business. Everybody knows how attractive it was at the start of that period as a destination for investment owing to it being so competitive and able to manage costs and have a low inflation rate, despite the growth achieved. Competitiveness played a huge part in the country's growth during our realistic boom period before the property boom. There are many ways to reverse the trend and the provisions included in the Bill will help to restore Ireland's competitiveness, a crucial component for its recovery, both economic and social.

Deputy Marcella Corcoran Kennedy: I welcome the amendments proposed in the Bill which will further strengthen existing competition laws and make them more effective. I thank the Minister and his staff for their work in bringing the amendments before the House.

Competition is the engine that drives business and productivity and is good for consumers. Without it, the people would have poor choices and quality of produce and increased prices, all of which would be detrimental to the economy's recovery. The well-being of the economy is critical to the country's financial revival and the cornerstone of the work of the Government. Protecting consumer interests is a key part of this work and will benefit not only the people but also business, big and small, if anti-competitive practices such as cartels are further penalised and sanctioned.

For the economy to recover, people must have confidence that they are getting the best value for money in all sectors. They must know that if they are not getting fair treatment, the legislation is in place to allow them to pursue those who are taking advantage of them. If, for example, individuals or organisations are involved in hard core offences such as price fixing or anti-competitive practices or non-hard core offences such as the abuse of their dominant position in the market, people will have the protection of legislation to investigate and prosecute them. To this end, I welcome the increase in fines proposed in the Bill, including those for hard core offences, from €4 million to €5 million; the doubling of the sentence on conviction of an offence to ten years; the possibility that the costs of investigation and court proceedings could be paid by a body convicted of competition offences; disqualification from being a company director and being ineligible for probation. I particularly welcome the proposal which will make it easier for private individuals to prove an action for damages against a cartel once public enforcement proceedings have been successfully taken.

The Competition Authority is due to merge with the National Consumer Agency in the near future and I look forward to the new body enforcing competition and consumer rights. The new agency's support for consumers is vital, as one individual can feel very small in the face of a powerful company. On this note, is legislation being considered to give the new agency

powers which would enable it to take action on behalf of multiple consumers, similar to that granted to the Consumers Association which trades as Which? in England? This can occur after proceedings have been taken and an appeal has been concluded against a business, where it was ruled that an infringement of English or EU competition law had taken place such as price fixing between cartels. The Consumers Association can present the case on behalf of more than two consumers that those affected should be paid damages. It then collects and distributes the funds to consumers. An example of this occurred in 2007 when the association launched its first representative action on behalf of consumers who had been unlawfully overcharged for football shirts owing to price fixing. The absence of civil fines in this Bill disappoints me, as I understand the Competition Authority and others have identified them as the best sanction for those found to be guilty of non-hard core offences. While I acknowledge there are concerns in respect of its constitutionality, I urge the Department to reconsider such fines in the near future.

Crime in business must be exposed. Those businesses and their executives must be subject to severe civil and criminal sanction. In the past in Ireland, there has not been much evidence of white collar criminals being brought to justice. Every effort must be made by the Government to so do, with particular emphasis on the pursuit of those who contributed to the ruination of our economy and fiscal sovereignty. I look forward to the enforcement of these laws and to seeing white collar criminals behind bars in the near future.

Deputy John Paul Phelan: I am glad to have the opportunity to speak on this legislation. I fully support the Bill and the objectives behind it and as Deputy Kyne noted previously, it is a sign of the Government's commitment to the importance of competition in reigniting the economy over the next few years. I wish to mention specifically a couple of areas pertaining to this legislation. It is to be welcomed that the fines and sanctions available to the Competition Authority and the courts are to be increased in line with the seriousness of the offences under discussion. Deputy Kyne was right when he referred to how people talk about white collar crime as though it was a better category of crime than any other. Serious action must be taken against those who are found to be in breach of competition law, although this has not always been the case heretofore. The updating of this area of law through this Bill is to be welcomed. The Probation of Offenders Act 1907 is hardly legislation that could be considered to be relevant to competition law in present day Ireland and this Bill, among other things, will remove references to that Act from competition law.

I wish to mention a couple of areas in respect of which the Minister might respond in his concluding remarks. Specifically, I refer to the controversial role of the Competition Authority in respect of agriculture. Most of the activities of the authority, which is an important body in that area, have focused on its dealings with the IFA and I note its seizure of electronic equipment from that organisation, as well as the entering of its offices in Dublin. The authority must engage in a firm examination of both the relationship between the consumer and the shopkeeper or multiple grocer and the relationship between the multiples and the producers, that is, their suppliers. This aspect of competition has not been successfully investigated in the past and some practices, such as the payment of so-called hello money and so on that are known to exist in Ireland, have not been rooted out by the Competition Authority. The Minister should indicate the current position with regard to the provision of a statutory code of conduct for the aforementioned relationship between the large multiples and their suppliers, the primary producers. The Government has stated it is interested in pursuing a statutory code rather than the mooted voluntary code between those two sectors.

I also agree with Deputy Tom Hayes on the issue of below cost selling of alcohol. All Members are familiar with large advertisements, particularly in the Sunday newspapers, that

[Deputy John Paul Phelan.]

usually are led by banner headlines regarding the sale of alcoholic products considerably below cost. The large multiples are in a position to use these products as a loss leader to get people in the doors to spend money on other items. At the same time, I refer to smaller suppliers, whether it be smaller off-licences or local public houses. I am not here to hold a particular candle for publicans but I believe the local pub is an intrinsic part of the community in many rural areas. Many of them have closed and I believe more will do so unless something is done about the abuse of power by the large multiples on the issue of below cost selling of alcohol.

In addition, while this may be straying a little from the remit of the Department of Jobs, Enterprise and Innovation, the issue of the licensing laws themselves is an intrinsic part of this problem. The system that operates in this State at present is that owners of public houses pay their licence fees based on their turnover. However, owners of off-licences or large multiples with off-licences attached pay a standard annual fee, regardless of the volume of alcohol sold through those outlets. We have moved in recent years to a position where the majority of alcohol is sold in the off-licence business. The aforementioned large multiples are in a unique position to be able to use these alcohol products as a loss leader to get people in the doors for other purchases. It is a highly unfair system whereby publicans continue to pay a licence fee based on turnover, whereas the multiples pay a flat rate. As the Department of Justice and Equality deals specifically with the issue of licensing, I ask the Minister of State, Deputy Perry, to convey to that Minister the inequities that exist in the current system with regard to the fees being paid by the large multiples and off-licences in general and in respect of the sale of alcohol in the future.

This Bill is quite technical and I support it fully. The idea of upgrading the sanctions available is appropriate and updating the legislation that applies to competition is important. However, this should be a first step by the Government, which I am sure it is, towards introducing further rigorous enforcement of competition to different sectors of the economy.

Deputy Bernard J. Durkan: I am glad to have an opportunity to speak on this important legislation. There have been many examples in recent years where the fixing of prices has had a large-scale negative impact on the consumer, and consequently this legislation is important. Equally important, however, is the legislation's effectiveness, and I have raised this point in respect of all legislation introduced to this House. Since I entered the Dáil, which was more than a year or two ago, I have seen countless examples in which the House, with the best of intentions and the best will in the world, passed legislation that was meant to address a particular issue. Two, three or four years later, however, Members found that despite such good intentions, for some unknown reason someone had decided to circumvent it and the situation had continued.

There have been anti-competitive practices within the banking system in recent years. A number of banks have pulled out of the country having created competition that was not positive but was extremely negative. It undermined the economy, after which having reached a certain point, the aforementioned banks withdrew from the situation when the going got tough, thereby leaving the economy and the consumer in this jurisdiction in a highly serious position. This has been done on countless occasions.

I refer to another graphic example. Local authorities receive much criticism and abuse, some of which is justified, but they used to operate a waiver system for refuse collection services throughout their respective functional areas. It then was decided that private enterprise could do the job more cheaply. The only difference was that private enterprise operators, while competing on the same routes and providing the same service, did not provide such a waiver. Consequently, after four or five years, all the waiver applicants would be left with the local

authority and a classic example of this took place in County Kildare. This development left local authorities carrying a huge social responsibility burden and effectively created an indirect subsidy for those against whom the local authorities were competing. I could never understand the reason this issue was not tackled. I brought it to the attention of certain people, both in the local authority and elsewhere, at the time as it unquestionably was anti-competitive. It gave a hugely unfair advantage to those who were competing on the basis that, on the one hand, there was one group providing a service that entailed a cost by way of a social responsibility or social charge, while on the other hand, another group was providing the same service at a much lower rate and which was of precisely the same amount involved in the waiver system. This is not a criticism, simply a statement of fact. I cannot understand how this was allowed to continue and why the Competition Authority did not get involved, but that is what happened.

Although I accept the legislation envisages it, many anti-competitive practices are ongoing at present in regard to both the financial markets and the market speculation that takes place in regard to commodities. We know that at times of low interest rates commodities become very acceptable areas for speculation and investment, including short selling. The competition authorities, not just in Ireland but throughout Europe, need to focus on this area as a matter of urgency with a view to ensuring the consumer and the broader economy does not suffer as a result of the playful antics, for want of a better expression, of those who can afford to speculate and invest in a way which removes competition from the area by virtue of the strategic approach they adopt in regard to certain investments.

One can apply this point to many areas. Even in broadcasting, complaints are regularly received from independent broadcasters to the effect that they are not being fairly treated in regard to the public broadcaster. There are swings and roundabouts, and points for and against on this issue, but it is an area that needs to be examined to ascertain the extent to which competition is applied on an even basis — on the so-called level playing field we hear so much about. If it is not, we must ensure at least some attempt is made to address the issue and set matters right or, if not right, at least come to grips with identifying the full extent of the problem and trying to ascertain what can be done to make the system fair.

Anything that is fair, equitable and open should be proofed. Whether it may give the appearance of fairness, openness and competitiveness, it needs to be proofed. The practices going on from time to time are a clear indication that everything is not above board and that some peculiar practices occur which seem to be incredibly supportive of or conducive to certain forces in the market to an extent that is above and beyond the ordinary.

The last speaker referred to the use of certain products as loss leaders. This issue has been submitted to the Members of the Oireachtas in recent months and a question mark arises as to why it should be so convenient and essential that alcohol is used as a loss leader. Of course, the purpose of this exercise is to target a certain group of people at a time of economic stress. When the younger generation feel times are tough, they feel bad and they need some release from what they see as their imprisonment. Therefore, they tend to take this route which is readily provided for them.

We must address the possible damage being done to society as a result of the cynical use of alcohol as a loss leader, which both promotes the sale of alcohol itself and seriously disadvantages those who operate licensed premises. We need only consider the falling numbers of those patronising licensed premises to find proof of this. In addition, we must remember the extent to which the use of alcohol as a loss leader by the major multiples is having a detrimental effect on rural society and changing the whole structure of that society. Instead of going to a pub for a drink, people find it more convenient to go to a house party, where there are no controls over consumption, sale, times or anything else. As a result, damage is being done to our society.

[Deputy Bernard J. Durkan.]

There are many such practices, although I do not propose to go into all of them as we all know what they are. It is high time we made the legislation work and challenged the people for whom the legislation was intended with a view to saying to them that this legislation is here for a purpose, not for somebody to circumnavigate or to come around by a devious route on the advice of some clever dude who puts its upon him or herself to say they have found the ultimate in ways and means to get around this and they can now ignore the legislation. Now is an appropriate time to do this. It is a time when people are more focused on making sacrifices and, as a result, they do not want to see somebody erode their hard-won gains.

Minister of State at the Department of Jobs, Enterprise and Innovation (Deputy John Perry):

I thank all Deputies who spoke on the Bill for their very useful contributions to the debate. First, I welcome Deputies' broad expression of support for the content of the Bill. I also look forward to examining the amendments that Deputies indicated their parties will propose on Committee Stage and which the Minister, Deputy Bruton, will certainly consider. I remind Deputies that the focus of the Bill is to strengthen the enforcement of competition law by providing a more effective deterrent and an improved sanctions regime. However, a number of other interesting points have been made. I will certainly study them and give them serious consideration in the context of other legislation being prepared, where relevant.

A number of Deputies, including Deputy Pringle, raised the issue of civil fines in their contributions. As indicated by some Deputies, the Competition Authority did indeed call for court-imposed fines as a remedy in civil proceedings to be taken by it in respect of certain breaches of competition law. However, in calling for such fines to be introduced, the authority recognised there were constitutional difficulties with the concept. In effect, what was being requested was that certain criminal breaches of competition law, which are currently criminal in nature, would be decriminalised but the breach would continue to attract very substantial and punitive fines. The balance of proof in such proceedings would then be the lower standard, that is, on the balance of probabilities, whereas in a criminal prosecution the Director of Public Prosecutions would be required to prove the breach to the high standard, that is, beyond reasonable doubt.

However, the concept of civil fines espoused by the Competition Authority is not provided for in Irish law in any sector, and I am advised by the Attorney General that providing for such fines would pose legal difficulties having regard to Article 38.1 of the Constitution which provides that no person shall be tried on any criminal charge save in due course of law. In the scenario outlined by the authority, the infringements and the penalties attached would stay the same. That being so, the courts would consider the infringements to be criminal, thereby requiring the protections afforded by Article 38.1 to be given to an accused. Thus, based on the advice from the Attorney General, civil fines were not included in this Bill.

Similar opinions were expressed by the previous Attorney General and these are shared by many practitioners and members of the Judiciary. The Competition Authority has also now accepted that the introduction of civil fines is not feasible, and it has been actively working with me and my Department on strengthening sanctions and penalties under competition law through the means being proposed in this Bill.

Some Deputies also raised the issue of the impact of the current legislation and the effectiveness of the Competition Authority. Since 2000, the authority has secured an impressive total of 33 criminal convictions. In the area of civil actions, it has won two cases and settled another three out of court. It has also issued a series of market studies on areas such as the professions which is helping improve competition in those areas for the benefit of the economy as a whole. The issue of sentencing is a matter for the courts in the first instance. While no one has been imprisoned for committing a competition law offence to date, it is notable that the courts have

moved a long way towards the imposition of custodial sentences. In the Duffy case, Mr. Justice McKechnie expressed regret that due to the need for parity of treatment of offenders, he was precluded from such a custodial sentence on account of a previous decision in respect of the same offence. However, he stated that he saw “no room for a lengthy lead in period before jailing convicted persons becomes commonplace under this legislation”. This view, taken together with the signal that the Oireachtas will send out by the adoption of the proposed measures, will undoubtedly lead to the imposition of custodial sentences in the future.

Deputy Tóibín raised the issue of the response to the various Competition Authority recommendations from such market studies. Of the 174 recommendations made to date, more than 120 have been considered and addressed by Government. Those remaining are still under consideration by the relevant Ministers, approximately 20 of which will be addressed in proposed legislation relating to the legal and medical professions. Thus, it is not the case that the excellent advocacy work by the authority is being ignored by Government.

A number of Deputies raised the issue of practices in the grocery goods sector. The programme for Government contains a commitment to enact legislation to regulate certain practices in the retail sector. Deputies may recall that in advance of legislating for the introduction of a statutory code of practice in the grocery goods sector, a facilitator was appointed to explore with stakeholders the possibility of agreeing a voluntary code of practice in the sector. Unfortunately, despite the best efforts of the facilitator, it was not possible to secure agreement on the development of a voluntary code. In light of this, the Government intends to give effect to the commitment in the programme for Government by including an enabling provision in the legislation to merge the NCA and the Competition Authority, which will allow for the introduction of a statutory code of practice to regulate practices in the grocery goods sector.

It is expected that this legislation will be published in the first half of 2012. In advance of the publication of the legislation, my Department published an outline draft code prepared by the facilitator as part of the facilitation project. Interested parties were invited to submit their views on the outline draft code and its provisions. The responses to this invitation are currently being considered in the context of framing the legislation to give effect to the commitment in the programme for Government.

I refer to two other issues raised in the debate. First, dominance, *per se*, is not an offence under competition law; rather, it is the abuse of any such dominance that constitutes an offence. Second, the Competition (Amendment) Act 2006 prohibits certain practices such as demanding “Hello money”. The Government is strongly committed to ensuring Ireland continues to have vibrant agrifood and retail sectors, particularly given the importance of these sectors to the economy. The Government considers it important, therefore, that there should be a balance in the relationship between the various players in the grocery goods sector. The introduction of a code of practice is intended to achieve such a balance, taking into account the interests of all stakeholders in the grocery goods sector, including the interests of the consumer and the need to ensure that there is no impediment to the passing on of lower prices to consumers.

A number of Members raised the issue of not applying the provisions of the Probation of Offenders Act 1907 to offences under sections 6 or 7 of the Competition Act 2002. Breach of competition law, particularly hard core conduct such as price fixing and other cartel behaviour, constitutes serious white collar crime and does not constitute “minor offences”. The reference to offences of a “trivial nature” in the Probation of Offenders Act 1907 could not be considered to apply to such hard core offences. The proposal to not apply the Act sends a strong signal to potential offenders that certain competition law infringements are recognised for the serious white collar crimes that they are and that they will be sanctioned accordingly. This is consistent with the message on white collar crime in the Criminal Justice Act 2011.

[Deputy John Perry.]

I am aware that the Competition Authority, as the statutory independent body responsible for enforcing competition law in the State, has received information relating to alleged anti-competitive behaviour in the concrete industry. The Competition Act 2002 provides that the authority is independent in the performance of its functions. Under that Act, it is responsible for investigating breaches of the legislation. As investigations and enforcement matters generally are part of the day-to-day operational work of the authority, I have no direct function in the matter and it would be inappropriate to comment on any of its investigations.

Deputy Dowds raised certain practices engaged in by insurance companies. I remind the House that the regulation of the insurance industry is primarily a matter for my colleague, the Minister for Finance. I understand that the arrangement between insurance companies and approved repairers appears to be one where approved repairers are selected on the basis that they meet various qualitative standards with the approved repairer in return being guaranteed a minimum flow of work. The Competition Authority is aware of the practice and has previously advised my Department that such arrangements do not appear to breach competition law and appear to result in a more cost effective service being provided to the public.

A number of issues relating to the Competition Authority were raised by Deputies. Like all State bodies, the resources of the authority are kept under review in the context of the overall strictures applying to public sector numbers as a whole. On the issue of how it handles complaints, I understand that the authority operates a triage-type system to prioritise its work. Members may not be aware that the authority has published an informative series of booklets, both in hard copy and on its website, giving information to both consumers and business on the issue of competition law.

A query was raised about representative bodies being prevented from taking actions on behalf of consumers. However, representations can be made by the NCA, which can pursue action under section 81 of the Consumer Protection Act 2007 on behalf of affected consumers.

On the issue of alcohol abuse and substance misuse, the Minister of State at the Department of Health, Deputy Shortall, will issue a report on substance misuse shortly. This will deal with this issue, which is a concern for many people.

I thank Deputies who contributed to the useful and informative debate on this Bill. I look forward to constructive engagement on Committee Stage on the detail of the proposals in this Bill.

Question put and agreed to.

Competition (Amendment) Bill 2011: Referral to Select Committee

Minister of State at the Department of Jobs, Enterprise and Innovation (Deputy John Perry):

I move:

That the Bill be referred to the Select Sub-Committee on Jobs, Enterprise and Innovation pursuant to Standing Order 82A(3)(a) (6)(a).

Question put and agreed to.

Energy (Miscellaneous Provisions) Bill 2011: Second Stage (Resumed)

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

Deputy Éamon Ó Cuív: I welcome the opportunity to contribute to the debate. Most of the objectives of the Bill are unexceptional and can be fully supported. For example, the Bill

proposes the introduction in primary legislation of a legal framework to increase energy efficiency as it relates to energy suppliers and distributors. Anything that contributes to energy efficiency must be welcomed. The amendment to the Electricity Supply Board (Superannuation) Act 1942 is also included in the legislation to restate in primary legislation the superannuation arrangement for certain former employees of the ESB. This is unexceptional. The legislation contains an amendment to the Gas Act 1976 to restate in primary legislation the superannuation arrangement for certain former employees of Bord Gais who transferred to Gaslink.

The amendment of the Energy (Miscellaneous Provisions) Act 1995 will reduce the risk of theft of gas and electricity, and obviously anything that reduces theft of anything is welcome. There are also provisions to amend the Electricity Regulation Act 1999 to improve electricity and gas safety and I welcome those. The main provisions of the Bill are welcome and there is little in it that is controversial.

In the Minister's speech, however, he said things that were both controversial and contradictory to answers he gave earlier in the day during Question Time. During his speech he referred again to the privatisation of ESB. He had indicated during Question Time that there would not be a fire sale of assets happening in the immediate future. He later came into the House and said, "As Deputies are aware, a group co-chaired by my Department and the Department of Public Expenditure and Reform has been mandated by Government to report back by end November as to the best approach to the proposed sale of a minority stake in ESB. Subject to a positive decision by Government after consideration of the report of this group, I would envisage the specific transaction being progressed through 2012." One minute the Minister was saying we would not have a fire sale, that there is no rush and we would get full value, and then later the same day he stood up and said we would sell it all in 2012 as a fire sale.

What are the real facts? Is one view his personal view of the matter, that he would take from his Labour Party background, and is the other the script provided by Fine Gael or the Civil Service? It is important the real Pat Rabbitte stands up and clarifies the matter as he is trying to face in two directions at the same time.

Ministers should remember they have now been in Government for nine months and this has given them plenty of time to form their own views on many matters and plenty of time to confirm what they said in opposition and what we said in government: that the troika does not mind as long as we adhere to the bottom line and as long as the necessary structural change is made to ensure stable finances in the future. It cannot be argued that selling an entity like ESB has long-term structural benefits in terms of price or benefit to the economy because we will lose the dividend that would be brought in. It is different if pension age is changed, that would have a long-term structural effect and saving. Policy must be sustainable in the long-term and the ESB has proven to be sustainable in the long-term.

This is and always was an ideological decision on the part of Fine Gael and it is sad to see the party of James Connolly, which holds the balance of power in this Dáil, siding with the hawks in Fine Gael rather than with the consensus of all other parties in the Dáil. I do not envy the Minister's position and I suggest he follow his gut feeling in the matter and not back this issue. If he stands firm and does the right thing he will find that the colleagues who share Government with him are so fond of power, they will relent. He will also find the troika is not an immutable body and it too will relent as long as the bottom line is right. The Minister will then be the hero of the hour and in such circumstances I will be the first to salute him. If he gives in to Fine Gael, he will always be remembered as the Minister who betrayed the principles of his party and sold the family silver for short-term expediency.

[Deputy Éamon Ó Cuív.]

Fianna Fáil in Government made a firm decision that the power lines were not for sale, in part or in whole. Sinn Féin opposes the sale, as does the ULA and the other Independent Members behind me, with one or two exceptions. The majority in the Dáil opposes this sale, as long as the Labour Party stands with its principles. I ask the Minister to think seriously about this issue again, to stand firm and protect strategic infrastructure. I have outlined again and again the dangers that will arise if we privatise the electricity transmission and network system where shareholder interest will predominate, no matter how small the minority stake is, because it will be an obligation of the board to recognise the fiduciary responsibility of the minority shareholder.

I welcome the energy reduction demand target and energy efficiency fund. This will add nationally to energy conservation, reduce imports of oil and gas and result in a reduced carbon footprint. I am concerned, however, at the Minister's remarks when he talked about going from an Exchequer funded system to a "pay as you save" framework, where he tries to use the fund to offset Exchequer investment. That is happening at a time where the Minister is answering parliamentary questions to say he cannot give a second warmer homes scheme grant to people on low incomes because he does not have the money to do it, even though we know the poor in this country suffer significantly from fuel poverty because of a lack of thermal quality in their houses.

The Minister must be more ambitious. The warmer homes scheme focuses on those in fuel poverty and on low incomes and we should be making more resources available for this work, not less. In government, we provided €43 million in 2008, €92 million in 2009, €100 million in 2010 and €109 million in 2011. The Government provided another €30 million for the scheme in the jobs initiative. At the time, the Government claimed this €30 million would create 2,000 jobs. As we pointed out last week, every job created in terms of extra PAYE and PRSI and reductions in job seeker's allowances is worth €20,000. According to the Government's own figures, for expenditure of €30 million, the Exchequer will get a direct return of €40 million. There is, therefore, no limit to the funds that can be put in place because the scheme will fund itself. The argument from the Department of Finance about dead weight has been made many times: people do it anyway, according to the Department. If that is the case, many are doing it on the black market and the State is not getting its share. We know the building industry is on its uppers so if activity is stimulated and the grant is 35% or less for those on higher incomes, the scheme pays for itself immediately through reductions in the numbers on welfare and increases in PRSI and taxes. It is extremely difficult to persuade the Department of Finance to accept this argument which I made on many occasions when I served as a Minister.

It is important that the Government recognise that a scheme of this nature must be self-financing. If one is seeking a return on capital spending in respect of a 100% State-funded a project to build a school or a road and if one takes it that the clawback in tax, PAYE and PRSI contributions will be approximately 35%, one will be obliged to find the other 65%. If, however, one provides a grant of 35% and one bears in mind the fact that once people begin to do certain things to their homes, they will automatically want to do others, in real terms the grant will amount to approximately 10% or 12% of the total expenditure involved. In such instances, the State is getting its money back with interest. Members must continue to make this argument until those who never seem to perceive the logic of the position are convinced that what I have outlined is a mathematical certainty.

The only counter-argument is that which contemplates the theory of dead weight. I do not accept that there is dead weight in the economy. It would be fine to make this counter-argument if people were in the mood to borrow and spend money, but they are not willing to do this at present, unless they are provided with incentives. As a result, there is very little dead weight

which really refers to someone who does the work, even if a grant is not available. One of the major challenges we face relates to the black economy. I refer to people who have work done, not all of which is put through the books. If it is a grant-aided scheme, it is not possible to obtain a grant unless all the work is put through the books. Any dead weight would, therefore, be more than offset by removing people from the black economy.

What are the Minister's proposals in respect of persons on low incomes who need the benefit of immediate savings? The pay-as-you-save scheme is fine for those on high incomes. I put solar panels in place on my house and, owing to the fact that I would not get my money back for seven years, I did so because I wanted to save the environment rather than for any other reason. However, I was in a position where I could happily make a saving in meeting my energy needs over a seven-year period. The idea that someone who is already in financial difficulties should borrow money from his or her utility company and then pay it back while not making a gain for seven years is incredible. What will happen in respect of the pay-as-you-save system brought forward by the Minister which will be operated by utility companies is that those who can afford to have the work carried out or borrow from the ESB or whomever will be fine. However, those who have really been put to the pin of their collar financially will not be able to afford to have the work done.

The old system was best. Those participating in community employment schemes or rural social schemes, etc. such as the Te Teolaí scheme in the Gaeltacht were actually carrying out the work that was necessary in people's homes. Not only was there no cost involved, this led to the creation of social employment. There is one very successful project in Galway that is staffed by members of the Traveller community. The individuals concerned are involved in carrying out work under the warmer homes schemes. There is an extra social benefit in this regard in that people's perception of the Traveller community is being altered.

When dealing with schemes, it must always be remembered that the weakest in society encounter the greatest difficulties in completing forms, etc. There is an urban myth that those to whom I refer know about everything. Some of them do and some do not. Elderly people, in particular, find completing forms daunting. It is much easier for them to have someone from the warmer homes scheme come to their house and help them complete the form. The work is generally done for them by community groups and they benefit from other intangible supports. I am not seeking to denigrate the excellent work being done in this regard by private companies throughout the country, I am merely trying to emphasise the contribution made by community groups.

If we are serious about reducing our dependence on oil and gas imports, the simplest way to do this would be through the conservation of energy in all its forms. The greatest hedge against the future — the troika must love this — would be to reduce the amount of heat lost from people's houses as a result of bad insulation, etc. Such lost energy merely pollutes the atmosphere with CO². If the Government wants to create jobs and change the structures which obtain in order that we might import less oil and if it wants people, particularly the less well-off, to be comfortable, it should invest its money in the way I have outlined. It should see the money for which provision is made in the Bill as additional rather than as substitute funding.

As stated, the Bill is unexceptional from the point of view of substance. I will be examining it in much greater detail prior to Committee Stage in order to discover whether any technical issues arise. I cannot argue with the principle underpinning the Bill which my party will be supporting. I look forward to a detailed debate on the provisions of the Bill on Committee Stage.

Deputy Martin Ferris: I wish to share time with Deputy McLellan.

An Leas-Cheann Comhairle: Agreed.

Deputy Martin Ferris: I welcome the Bill as it provides an opportunity to debate the issues legislated for in its provisions and also to debate wider energy matters. The matters to which I refer include fuel poverty which is inseparable from any debate on energy and which is impacted upon in various ways by some of the issues covered in the Bill.

A number of matters with which the Bill deals seem relatively straightforward. I refer, for example, to those which relate to the safety functions of the Commission for Energy Regulation, changes to existing legislation regarding the investigation of breaches of the Electricity Regulation Act and measures designed to address the theft of electricity and gas. Provision is also made for legislating for the transfer of pension entitlements from Bord Gáis and the ESB to the new companies established in the relevant sectors. The provisions to which I refer all appear to be uncomplicated in nature. If there are any issues that arise, we can deal with them via amendment on Committee Stage.

The main sections of the legislation which could have a major economic impact are those which deal with the energy demand reduction target programme. This is one of the key parts of the State's commitment to reduce energy consumption by 20% by 2020. The programme seeks to place efficiency obligations on suppliers and distributors. According to the explanatory memorandum accompanying the Bill, the programme has the potential to bring about significant savings for consumers, as well as reducing the overall level of carbon emissions from energy consumption within the economy. If all of this results in savings for the consumer, it must be welcomed, particularly in the context of rising energy costs and the burden, often unsustainable, these costs are placing on many families around the country.

We must forge ahead with other means of reducing the economic burden of energy costs which form a significant and growing component of household and business costs. There is also the massive cost to the economy which is still hugely dependent on importing fossil fuels — to a level of almost 90% of current requirements. In that regard, we must press ahead with developing our own indigenous renewable resources. There will continue to be a great deal of discussion about this matter. The State has signed up to meet some ambitious targets and some have questioned whether these can be met. Among the reasons they cite are the high start-up costs of and the difficulty in capitalising projects such as those to which I refer. They also highlight planning issues, particularly where wind energy projects are concerned. Good progress has been made in wind energy generation, but we could certainly do a great deal more. The same applies to wave energy generation, which is at a much less developed stage. I am aware, however, that a number of important projects are being developed.

Given that it has been estimated that there is €100 billion in potential energy to be generated from wave power around our coastline, the incentive is not lacking. I mention tidal energy, as distinct from wave energy. There are significant opportunities to develop that if there is the political will to push it through. Not only could we be in a position where much of our energy requirements are met from a renewable indigenous source, but the development of that resource could lead to a massive economic stimulus and help to create many thousands of jobs. It has also been forecast that were this island to develop this resource to anything like its potential, we could become an exporter of wave generated energy to countries that do not possess our natural advantages.

To return to the concrete proposals in the Bill, there appears to be general agreement on the part of those involved in energy suppliers with the Energy Demand Reduction Target Programme. Bord Gáis, for example, believes that the programme has the potential to increase employment through the provision of energy efficient boilers, insulation, and so on. However,

the company raises the possibility that the added costs involved, while benefiting the suppliers of energy efficient products, could add such a burden to consumers that they would further reduce demand for energy. That obviously applies to business and domestic consumers. The company's point regarding the impact of these measures at a time of overall economic downturn needs to be borne in mind when framing programmes such as this.

The ESB, in its submission to the consultation process on the programme, also made the point that there is insufficient data on how consumers are likely to react, and on final energy use. It also makes the point that there will be inevitably higher costs. Given that the ESB claims that these will be passed on ultimately to the consumer, the programme must be clear about where and when the promised savings to the consumer will come.

We can all accept that making a house more energy efficient through better insulation will lead to less use of electricity and gas for heating purposes and, ultimately, to lower household bills, but care must be taken to ensure that those are not offset by prohibitive initial costs. Care must also be taken to ensure that the suppliers do not offset any additional costs to themselves simply by increasing the prices they charge to consumers in which case the consumers see no benefit in terms of their own budgets, which is a far more important consideration to them than reducing the level of carbon emissions, however worthy that objective might be. Realistically, in the current economic climate where people find themselves struggling to put food on the table, the practice of reducing their overall energy costs by denying themselves adequate heating could increase unless the area is properly regulated to ensure that it will not be a further burden on the consumer.

On the issue of increasing the costs on households, I note the Tipperary Energy Agency's submission which claims that the programme of increasing household energy efficiency would only work in consultation with the local authority suppliers of social housing and with 100% long-term support. That is indicative of how many would regard the costs involved. That would not apply to private households which, presumably, would have to meet the extra costs themselves.

The ESB also recommended that a levy be imposed on all energy users in order to fund the EDRT. This raises the spectre of further costs. Considerable caution must be exercised before such a measure would be imposed given the current economic situation and the burden that is placing on households and businesses.

I certainly agree with the ESB on its linking of the programme to the targets for the production of energy from renewable sources. That would complement what I said earlier on the need to press forward much more aggressively on that and have a much more long-term and imaginative vision of what is possible in the energy sector rather than concentrating on measures such as this.

In a reply to a question on fuel poverty recently, the Minister referred to the energy efficiency of homes as being a key factor, along with what I would regard as the even more important factors of energy prices and actual household income. A report based on statistics gathered over the winter of 2006-2007 showed that there were 1,300 excess deaths which in large measure can be attributed to illness caused by persons being unable to properly heat their homes. The vast majority of those deaths were of those aged 65 and over. In his reply, the Minister stated that enhancing the energy efficiency of low-income homes through permanent structural improvements is the most effective means of addressing energy affordability. He went on to list the energy efficiency improvements made in almost 76,000 homes under the Better Energy: Warmer Homes scheme, and that 14,543 homes had been retrofitted this year. He promises to publish the affordable energy strategy within the next few weeks.

[Deputy Martin Ferris.]

Clearly, the emphasis of the affordable energy strategy will be to concentrate on improving the energy efficiency of the homes in which people who are struggling to pay energy bills are living. I have no difficulty with that approach but I would question whether enough is being done about the other causes of fuel poverty.

I have also had a number of representations on the warmer homes insulation scheme. The position as it stands is that people can only apply for one form of insulation, either attic or cavity wall. While I understand that such is the current criteria, it is something that ought to be addressed. Those who have responsibility for administering the scheme admit that it is a deficiency that they are currently unable to address due to the limits on the amount of funding available. That is something I hope the Minister might address as part of implementing the strategy which he promises will be unveiled shortly. That is a significant difficulty. While there will be an argument that in the current economic environment the extra funding cannot be made available, surely the logic of tackling fuel poverty in this way would indicate that the extra funding would prove to be cost effective in a relatively short period. That would come about as energy costs and the burden on the State through social welfare in this area fall, not to mention the cost of coping with health issues brought on by the inability to properly heat homes.

I have had a number of representations on this issue from people who have had attic insulation installed in their homes but who, because they do not now qualify also for cavity wall insulations, are still experiencing problems. In one case of which I am aware, this is leading to a worsening of respiratory and other health problems due to inadequate heating and insulation. Most of the houses of which I speak were built in the 1930s, 1940s and 1950s. It is essential that there is adequate heating in those houses. Many of those householders are the second, and in some cases third, generation living in those houses.

Where they have applied, through various agencies, for attic insulation, the greatest energy saving for houses such as those is what I would call the wrap-around outside insulation. It costs approximately €4,500 to the Exchequer per home but it is invaluable to those who reside in such houses due to the amount of energy it saves. In most instances, in houses such as those which I have encountered the householders are persons on the wrong side of 60 — a little like the Minister of State, Deputy O'Dowd and me — and it is of significant value to them.

Deputy Fergus O'Dowd: Deputy Ferris may speak for himself.

Deputy Martin Ferris: I look my age. What is the Minister of State's excuse?

Apart from improving the energy efficiency of homes, there is the overall issue of cost. Obviously, as with the inability to meet the cost of anything, income is the key issue and we all are aware of why people's incomes are under such pressure at present. I will park that for the moment.

There are other major contributory factor. Actual energy cost is something that can and should be addressed by the State. We have seen significant increases in energy prices imposed by the main suppliers with the result that energy costs take up a greater proportion of household budgets. That is happening to so many people. I concur with Members from the Government side of the House that during the election of February of this year when the winter was terrible, one of the most striking aspects was that those in the low to middle-income bracket found themselves turning on their heating for an hour in the morning and an hour in the evening because they could not afford any more. Another striking aspect is that those who had oil or kerosine heating in their homes no longer fill their tanks because they cannot afford to do so. They go out with five gallon drums to buy ten or 15 gallons of kerosine so that they can

have hot water and heat their homes for a limited period of the day. It is a terrible indictment of the system. Significant price increases are taking up a greater percentage of household budgets. This is true for all sectors of society, including business, but it is particularly the case for those in receipt of social welfare payments and the working poor on the minimum wage or close to it, for whom basic costs such as food and energy inevitably comprise a much higher proportion of their household budgets than they do for those on higher incomes. This matter can and ought to be directly addressed by the State as part of any programme to address fuel poverty. Through the regulator, the State should refuse requests for price increases on the basis of the overall social and economic costs as opposed to the short-term possible falls in income on the part of the suppliers who have in any event done well in recent years in terms of profits.

An Leas-Cheann Comhairle: I apologise for interrupting, but the Deputy is sharing time and has already spoken for 15 minutes.

Deputy Martin Ferris: Ten minutes are to go to Deputy McLellan.

An Leas-Cheann Comhairle: Five minutes are remaining to Deputy Martin Ferris.

Deputy Martin Ferris: I will not even take that. I will be brief.

The Government's commitment to tackling fuel poverty must be called into question, given the cuts to the amount of free gas and electricity units available under the household benefits scheme. This situation needs to be reversed to allow those most in need some relief from rising energy costs. The Minister of State has probably encountered people who are hurting — the most vulnerable, those with small incomes, old age pensioners or those with no incomes and only slight contributory pensions, assuming they even qualify for them. They must deprive themselves of proper heating for their homes because of their financial position. Will the Minister of State and the Government take this fact on board and ensure that people will at least be able to live in some form of comfort in these terrible economic times?

I welcome the Bill in principle. We will study it in great detail and table any amendment we draft. I hope the Bill will be passed as soon as possible and will take people's needs into consideration. The Bill offers an opportunity to debate all of the issues for which it proposes to legislate. I look forward to being part of the debate.

Deputy Sandra McLellan: Most of the specifics of the Bill have been adequately dealt with and my colleague, Deputy Martin Ferris, has addressed the issue of fuel poverty, which is central to the energy sector and is particularly important as we enter winter when many people find it most difficult to heat themselves and their homes properly. I hope this will be taken into account when framing the budget and that some concrete income measures can be introduced to tackle fuel poverty alongside the plans to address fuel efficiency within homes.

The wider issue is one of where to access our energy. Central to this is increasing the proportion of our energy needs that are met from indigenous renewable sources. The State has signed up to ambitious targets for renewable energy generation, but there are questions regarding how they will be achieved in the context of overall policy. One matter is certain, namely, in common with other possible job creation initiatives, the targets require positive engagement from the State sector. This appears to be frowned on at present and goes against the obvious ideological bias that apparently dictates the IMF's approach. For example, the development of renewable energy sources ought to be led by State agencies. In this context, it is vital that the ESB, Bord Gáis and Coillte be kept in public ownership to be the driving forces in the sector. The Government plans to establish the NewERA company, which will be involved in the bio-

[Deputy Sandra McLellan.]

energy sector, and we will watch with interest how it develops in the context of possible objections by the IMF and EU to State investment.

The scale of our energy dependency is indicated by the fact that we import to meet 90% of our needs and consume approximately 8 million tonnes of oil per year. Most of it is used by private car owners. There is considerable scope for the replacement of a significant part of that through substituting bio-fuels. It is an undeveloped sector in Ireland despite what one might imagine to be the natural advantages of an agricultural country. My party has published proposals to revitalise the sugar beet sector as a source for such fuels following the scandalous closure of the sugar sector by Greencore under the previous Administration. The closure impacted on my county in particular through the closure of the factory at Mallow. Thanks to the European Court of Auditors, we now know that this was not done in accordance with any EU decision or recommendation, as was claimed. My party and others would argue that it is not too late to retrieve that situation and revive the traditional sugar sector. As part of that effort, we should divert a substantial part of the crop into the production of bio-fuels.

I have recently seen a proposal that explored the possibilities for bio-diesel production. A factory established for this purpose could utilise all aspects of the crops, including the end production of fuel. One estimate is that a factory processing a crop from 50,000 acres of tillage land could employ 250 people. This would give a local economy a significant boost and address the need to lessen our dependence on imported fossil fuels via an indigenous substitute.

We have almost 3 million acres of tillage land. Their potential is considerable, even if only a relatively small proportion of that land is diverted into the production of crops for use as inputs into alternative fuel production. Given the forthcoming review of the Common Agricultural Policy, CAP, this consideration ought to be examined as part of facilitating farmers who are in receipt of the decoupled single farm payment to venture into alternative farm-based enterprises. Research into bio-fuel production indicates high returns to the primary producer. Nor would it threaten food production, as the same crops can be processed for food prior to being utilised in fuel production.

There is also an argument in favour of producing and operating electric cars. The potential savings from replacing petrol are indicated by the fact that petrol imports cost in the region of €6 billion per year. Some people who have conducted research into this matter are convinced that having a direct input into the production of such vehicles could be possible.

Apart from the fact that replacing imported fuel with indigenous sources would have a considerable impact on our energy balance of payments, it could have a significant impact on the economy in general. The Government has recognised this potential in its proposal for NewERA and we will watch how that develops with interest, particularly given the question of whether the establishment of such a public company and its direct involvement in job creation would be tolerated by the IMF and EU in light of their insistence that the proceeds from sales of State assets — they should not be sold in the first place — be used instead to pay the bank debt.

The main benefit of large-scale alternative fuel production from native sources would be to create sustainable domestic employment and help to reduce our dependence on overseas direct investment, thereby strengthening the economy overall. It has been estimated by the Spirit of Ireland group, which has conducted extensive research in the energy sector, that an indigenous energy economy could create more than 80,000 jobs. In the current climate, surely this is something worth striving for, particularly as it would be based on our own natural resources and would return to us a significant level of control over our economic destiny.

I hope that the Bill can form part of an overall debate on the energy sector and that the Government's plan to tackle fuel poverty goes beyond the measures and restrictions that have been indicated to date.

Deputy Catherine Murphy: May I share time with Deputy Mattie McGrath?

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

Deputy Catherine Murphy: This Bill should fit into a superstructure, namely, the climate change Bill. I regret that the publication of that Bill has been postponed. One element of the Government may have been enthusiastic about including the Bill in the programme for Government, but it has not been endorsed wholeheartedly. This is regrettable. It is important that the heads of the Bill are published so we can see some progress on it.

That said, I welcome the Bill before the House as part of the wider cultural shift we have been seeing in recent years towards smarter use of our energy. Heavy emissions models and widespread inefficiencies have been common in industry for years and I am glad to see the Bill reflects the change which is already under way and establishes legal compulsion on energy suppliers. As competition develops in our internal market we run the risk of an under-regulated market losing sight of the urgent need to achieve efficiencies. Therefore, I welcome the fact that the Bill seeks to address this potential problem.

The Bill is also very welcome in so far as it provides for an energy demand reduction target programme and I hope it will go a long way towards achieving our 20% efficiency target under the national energy efficiency action plan and help to reduce carbon emissions. I suggest this target is too modest. Nonetheless, the measures are a help.

Sustainability will come much more to the fore in future years. I used the Ecology Foundation as the source of the following statistics. A total of 90% of Ireland's energy mix comprises fossil fuels, namely, oil, gas and coal. Ireland has the fourth highest dependency in Europe on imported fuels. Imported fuels cost Ireland more than €6 billion per annum. We are getting used to the difference between millions and billions and we understand the impact €1 billion can have. If we could reduce the balance of payments of our fuel bill it would make a significant difference. We import all of our oil and coal and 95% of our gas, which will come as a surprise to people.

A total of 55% of our electricity is generated from gas, and it is only when one considers this statistic that it brings into sharp focus how exposed we are, as Ireland has only 11 days gas supply stored compared to 92 days in France and 84 days in Germany. This is a very high risk strategy. We need only consider the earthquake in Japan which knocked out a major nuclear plant. Not only was there an impact on the local population but also on the industrial sector. It takes considerable time to replace such an energy loss. Energy security is a very important issue and our dependence on the importation of fuels is a serious problem for us. It is a high-risk strategy.

If Germany had an Atlantic coast similar to Ireland's would it have made much more of it as a resource than we do? It provides a great opportunity but it is under-performing. I hope we do significantly more with regard to wave and wind energy because the Atlantic is a wonderful resource and it will become incredibly important in terms of our future energy security.

In recent years progress has been made in home energy retrofitting. I hope the Bill will help many people who until now have not had an opportunity to access grants or financial arrangements to allow them offset some of the cost of insulating their homes and other efficiency measures. There is no doubt it makes a sizeable difference. I live in a very modest terraced house and a few years ago I installed very good insulation in the attic. During the very bad weather I could see the difference made because the frost and snow stayed on the roof. It was clear the energy was being contained in the house rather than heating the environment.

[Deputy Catherine Murphy.]

The establishment of an energy efficiency fund is a particularly interesting aspect of the Bill and I look forward to seeing the type of projects it will help to fund.

I welcome the regulatory power the Bill confers on the Minister and the Commission for Energy Regulations. However, I am concerned about some aspects. Will the Minister elaborate on what the Bill considers to be “small energy suppliers” as referred to in section 11(1) in Chapter 4? What are the criteria used by the Department in drafting the definition? Conflict could arise at the edge of this. Does the Minister have any estimates on how much money will typically be taken in by the energy efficiency fund? I presume it will be a rolling fund because it will be paid off over time and will have new entrants.

Does the Minister envisage any adverse effects on smaller retrofitters? An issue which was raised very early was the opportunity for people who formerly worked in the construction sector to retrain and obtain the accreditation required to do the work. However, some people who did this were concerned about larger suppliers dictating who the contractors would be. I would like to know how this is likely to roll out and how this aspect will be managed. It will be quite important for people who have diverted from a particular type of job to this profession. Opportunities exist if they are properly harnessed.

What impact on the Department does the Minister envisage the administration of the energy efficiency order system and the oversight of voluntary energy efficiency agreements will have? Will additional staff and resources be required? How will it play out from an institutional point of view? It may well be that these will be teased out on Committee Stage but I would welcome a response to know the type of amendments to table.

The Bill seems to introduce a number of sensible measures in respect of pension entitlements for Bord Gais and ESB employees who transfer to other sector organisations and this is needed.

I was interested in some documentation from the Sustainable Energy Authority of Ireland. We were fortunate to have had a briefing with it several weeks ago. While we would like to think that in the first instance consumers think about the environment, what motivates people to take up initiatives such as the warmer home scheme are comfort gains and energy savings. According to research, the environmental benefit was a weak motivator. A total of 65% of people believe the value of their home increased after they upgraded so it will be important. Comfort is also an important factor as the majority of participants cited energy savings followed by comfort gains.

It has been well established that most households do not know their energy costs or prices, which is interesting. That brings us into another area that was touched on by previous speakers, concerning fuel poverty. Often, those who receive free units of electricity or gas do not use them in full because they are terrified of receiving a bill. They find it almost impossible to quantify what they are using. Devices exist to do so and it is important that they become better known among those in receipt of social welfare. One of the arguments made about fuel poverty is that someone who is housebound should receive the fuel allowance for the whole year. The eight months fuel allowance allocated by the Department of Social Protection is very welcome and it is unfortunate that it was reduced in recent months. Paying it for eight months is a false economy in respect of someone who is housebound if people end up in hospital because of inadequate heating.

I refer to sustainability. If we are not at peak oil, we are very close to it. Sustainability must become one of the cornerstones of all policy. We are very exposed due to the lead-in time for the importation of fuel. We have only 11 days of fuel. The ecosystem, the increasing population of the world and the demands of the newer economies would make the issue of sustainability more important. This type of scheme will be important in reducing demand but not necessarily

reducing the quality of people's lives when we can retrofit homes and make them more fuel efficient.

Deputy Mattie McGrath: I am glad to make a contribution on this Bill. It is stated in the objectives that this Bill tidies up old Acts, which have served us well but need to be tidied up. We need changes to modernise and to bring us to where we are in 2011. This country is far behind others in energy conservation. We have paid lip service to it over many years in spite of a number of fuel crises. I welcome the energy reduction programme, which is necessary. We have commitments to our European partners and within our world remit. We must be serious about this. We must use the carrot and stick approach and bring people with us other than using only the big stick and trying to compel people to do something. The Irish people will follow if they are encouraged but they will not be driven. This is right because we were driven for long enough by a foreign occupation and we have an inherent feeling about that. We have a view on being told what to do, what to use and what not to do.

Oil companies leave much to be desired. Some have disappeared, others have entered the market. Where is the competition in the market? There is price-fixing. We had a debate on the Competition Authority today. The Competition Authority may as well not be there. I am told that it has been in existence since 1991 but former chairpersons of the authority have resigned. During the Celtic tiger years, the authority could not function due to a lack of funding. I would like to see the energy regulator get serious with big oil companies. There is price-fixing in terms of the prices paid at the pumps. This leaves a role for those who launder fuel. There has been a clampdown on it recently, which is welcome. Not only is the fuel of poor quality, people are supporting the black economy and putting money into the pockets of gangsters. Sometimes people are driven to go to those areas but they are foolish because it is penny-wise and pound foolish.

I am shocked at the price of fuel at the pumps. It was very bad this time last year, increased in the spring, decreased over the summer but has increased again. At the thought of winter, oil companies increase prices and add charges because they know the nights are getting longer and the climate is getting colder. This is an opportunity for the energy regulator to do some meaningful work and impose controls. The Bill mentions our national commitments but these people must be compliant and must draw the line. The Competition Authority is ineffectual so someone with teeth and resources must be appointed. NERA is my bugbear and it has plenty of people going around trying to close down businesses that are on their knees. Some of these people should be directed to bigger companies that have the power and wherewithal to fight off any investigation by going to the High Court. We must turn our attention there.

Many speakers have referred to the fact that 90% of our fuel is fossil fuel. We import almost all of it, including all our coal and oil, which is a pity. We cannot produce coal here and we have a poor history of mining. This is a worrying situation because we are vulnerable. We are at the whim of world prices, price-fixing and cartels. Cutting turf and bringing it home for the winter is a pastime of many families and communities but now that has been prohibited. All sorts of threats have been issued for next spring if people attempt to cut turf. They will all be locked up and their vehicles will be impounded. That is wrong because turf cutting is part of our heritage and our culture. Fuel poverty may be forced on those who are not allowed to carry on practices that have been handed down from generation to generation.

It is shocking that we only store 11 days of gas and oil supply. In times of unrest in parts of the Middle East, we have seen what can happen with shortages. We are too vulnerable. The Joint Committee on Communications, Energy and Natural Resources of the last Dáil visited Ringaskiddy and other plants. We saw the valuable work that goes on but it is far too small a supply to have on stand-by. Eleven days is not even two weeks. This is a major issue.

[Deputy Mattie McGrath.]

I had many battles and fundamental disagreements with the previous Minister, Mr. John Gormley. He had many issues on the Climate Change Bill and I was concerned about it with regard to agriculture. The baby should not have been thrown out with the bath water.

The Minister, Deputy Hogan — or Big Phil as I know him affectionately — dropped the ball. Kilkenny are good at putting the ball into the net but he dropped the ball, or one could call it a bombshell, regarding the Climate Change Bill. He even caught some of his Cabinet colleagues by surprise. Knee-jerk reactions like that send out the wrong signals to all our partners.

Deputy Jerry Buttimer: What was the knee-jerk reaction?

Deputy Mattie McGrath: It was that announcement. Could I carry on now uninterrupted, if the Deputy does not mind?

Deputy Jerry Buttimer: Is the Deputy having a go at the Minister, Deputy Hogan?

Deputy Mattie McGrath: I am.

Acting Chairman (Deputy Charlie McConalogue): No interruptions, please.

Deputy Mattie McGrath: I disagree with the way he announced it.

Deputy Jerry Buttimer: What is the Deputy for?

Deputy Mattie McGrath: May I speak through the Chair?

Acting Chairman (Deputy Charlie McConalogue): Can we have some order?

Deputy Jerry Buttimer: This is not the plinth.

Deputy Mattie McGrath: The Deputy interrupts morning and evening, every time he is here.

Acting Chairman (Deputy Charlie McConalogue): Can we have some order, please?

Deputy Mattie McGrath: The Deputy would get the award for being the best heckler this year.

Deputy Jerry Buttimer: We are getting tired of Deputy McGrath's double standards.

Deputy Mattie McGrath: He is continuously heckling every morning on the Order of Business and elsewhere.

Deputy Jerry Buttimer: He is like the wind.

Deputy Mattie McGrath: It is time that the Ceann Comhairle was fair to people and reprimanded him. I am not criticising Deputy McConalogue who is doing his best. The Ceann Comhairle is showing a very unfair bias towards that side of the House. Whether he cannot hear or whatever, I do not know, but it is most unnerving when these Deputies are heckling. Deputy Buttimer and Deputy Durkan are past masters at it on a daily basis.

Deputy Jerry Buttimer: Is he for climate change or against it?

Acting Chairman (Deputy Charlie McConalogue): Can we have some order, please? Deputy Buttimer will have a few minutes to speak when Deputy McGrath has finished.

Deputy Mattie McGrath: He will.

Acting Chairman (Deputy Charlie McConalogue): It is not appropriate to refer to the Ceann Comhairle in his absence. The Deputy should address any issues he has to the Chair. Please allow Deputy McGrath to continue uninterrupted.

Deputy Mattie McGrath: Go raibh maith agat. I apologise for what I said about the Ceann Comhairle but when it continues it is not nice. We should respect each other's views and opinions here and be allowed to express them without fear or favour. We have all been equally elected to this Chamber and we do not have to be lectured by anybody else.

The Minister, Deputy Hogan, made his announcement last week but I do not think the farming organisations or anybody else expected it. When we were trying to deal with issues of concern he decided to announce that, unbeknownst to anybody.

Deputy Jerry Buttimer: Does the Deputy want the Climate Change Bill back?

Deputy Mattie McGrath: That is what he announced. We were dealing with a Bill that was brought before us by the last government. I would be the first to admit that we had problems with it. We were trying to amend it but this was certainly a bolt from the blue.

The Bill also covers matters such as energy safety and energy theft, which are of vital importance for a number of reasons. Energy safety is paramount for industry practitioners, householders and the agriculture sector. I welcome those intentions as laid down in the Bill's provisions. I also welcome the stronger powers to combat energy theft. Businesses and families must carry their fair share of energy costs but energy theft is both dangerous and wrong. The Bill proposes powers to allow for entry to property and carrying out assessments and investigations where such ongoing problems are apparent.

There is a big difference between a person refusing to pay energy bills and being unable to do so. Such a refusal should be dealt with strictly but inability to pay is a different matter. I do not support recent cuts to the free fuel allowance that were introduced by the Government through sleight of hand because they will have a big effect on needy families. The figures on fuel poverty are very stark.

The Sustainable Energy Authority of Ireland has outlined energy conservation schemes, which I welcome and support, although they are too intermittent. They were introduced by the last government and are being continued by the current Government, and they are badly needed. I do not know why it is that when we want to introduce such an innovative scheme, which is long overdue, there must be so much red tape, delays and intermittent funding. I am involved with Muintir na Tire, a national organisation that was awarded the contract for delivering this scheme in South Tipperary. I spoke earlier to the manager there who described the delays, form filling and transposition of invoices into the SEAI before rebates were paid. It beggars belief. In addition, it is bizarre that our friends in the banks are not playing their part. A company has been established which took 28 people off the live register who are doing wonderful work on the fuel allowance scheme. Nonetheless, there is a large amount of red tape involved. One cannot operate any business without some kind of bank overdraft but they were flatly refused an overdraft. This is despite the fact that Muintir na Tire has been in operation since 1937 and has good relations with the banks. Thankfully, they got an overdraft through the credit union which got them out of a hole. They have big cash-flow problems because they must assess the houses concerned, buy materials, supply and install them, have them satisfactorily assessed and then submit their invoices. There are huge logjams there which cause delays. It is not fair to have managers in charge who must fight with the banks on a daily basis.

[Deputy Mattie McGrath.]

Deputy Catherine Murphy raised a topical issue earlier concerning the impact of banks that are not Government-supported. She outlined the problems that small businesses have with such banks, as they try to survive from day to day and week to week. The banks are just not playing ball. In the case of South Tipperary, whether the logjam is in Departments or the SEAI, it is heart-rending and unfair. Those concerned with the project do not know if they will be able to keep people off the live register for another week or so, in spite of having commitments to assess houses within deadlines. This is a wonderful scheme but its operation needs to be streamlined. At this stage, it should be running correctly. If the budget is available it should be free-flowing, albeit with checks and balances. We are way behind in energy conservation and are inefficient. I welcome the energy reduction programme, which is important.

The energy efficiency fund is another important feature of the Bill, which is welcome although it will require a great deal of work to implement. I also welcome the security of tenure for workers who transferred from companies such as the ESB and Bord Gáis Éireann to other areas. The numbers of those involved may be small but the Bill takes care of those issues. They were encouraged to move so they must receive the protection to which they are entitled.

I am glad to have been able to address the aforementioned issues concerning the Bill. I thank the Chairperson for providing some protection against interruptions. I believe that my views are as important as anybody else's in this House. The social implications of this Bill are most important, including the links between fuel poverty, energy efficiency and energy theft. These are vital areas that must be sorted out and protected.

Deputy Dara Murphy: I welcome the opportunity to speak on this Bill, which has broad cross-party support. The key objective of the legislation is to reduce energy demand through a targeted programme which will place energy efficiency obligations on energy suppliers and distributors. This is very welcome.

Some time ago, people visited my constituency office to seek primary legislation concerning the pension entitlements of Bord Gáis Éireann employees who transferred to GasLink and, equally, those who transferred from the ESB and ESB Networks to EirGrid.

The energy efficiency obligation scheme for energy suppliers and distributors has the potential to result in significant savings for consumers. Ultimately, it has the potential to reduce national energy consumption and associated carbon emissions. While the legislation seems fairly straightforward, it ticks several very important boxes that the Government and country have been trying to tick, there will be an Exchequer cost but the cost-benefit analyses in Ireland and abroad suggest this will be outweighed significantly by the benefits.

The first benefit relates to competition. Yesterday and today, the House considered legislation on cartels and the encouragement of competition in the economy. Welcome data published recently show Ireland's competitiveness has been improving steadily over recent months. This is crucial to encouraging foreign direct investment. Reductions in the cost of energy, particularly for businesses, have lagged behind other reductions. I very much welcome the fact that this Bill may, in a significant way over time, add to the competitiveness bundle we are trying to achieve. The bundle includes other reduced costs associated with doing business in the State.

The Bill refers to the Government's energy efficiency target of achieving energy savings in the order of 20% by 2020. It will ensure compliance with EU legislation and that competitiveness is supported. It will provide a robust electricity and gas safety regime. We should all be extremely concerned about safety.

I welcome the manner in which the Bill will help those who are less well off. Energy affordability and health and comfort levels of vulnerable members of society must be borne in mind. The programme will assist by prioritising energy upgrades for those on low incomes. This will be written into the targets to be imposed on energy suppliers. Suppliers will be compelled to meet the targets, which may not have been the case to date. The Bill will have other direct consequences for socially excluded and vulnerable groups.

I noted the interaction between Deputy Mattie McGrath and my colleague Deputy Buttimer. There is no doubt that there will be an environmental benefit to the Bill. The reduction in energy consumption will result in reduced emissions of carbon dioxide and other greenhouse gases. The announcement by the Minister for the Environment, Community and Local Government, Deputy Hogan, was very much welcome to me, a Member representing a constituency that is half rural. I agree with Deputy Buttimer's point that it is not really possible to criticise the former Minister, Mr. John Gormley, for what he did and also seek to criticise the current Minister for doing the exact opposite. This is a ridiculous argument and anybody would be forgiven for reacting to it.

Like many of our semi-State bodies, the energy companies have continued to serve this country extremely well. In these difficult times, there remains the potential to obtain more benefits from them. The companies make profits, they have reserves and have great technical experience, and they have very well-qualified engineers and other technical staff. Their experience can be used to a greater extent.

Let me refer to the Hibernia Atlantic cable that is to extend from London to New York. It offers the potential for tier-1 connectivity into what might be described as the western corridor. I am aware that negotiations are ongoing in this regard and do not want to refer to the matter specifically; suffice it to say we should seek to determine how existing large semi-State companies could develop new and more energy-efficient forms of energy supply. I refer also to initiatives such as the provision of broadband connectivity. The companies in question are some of the few in our economy that have access to the capital required to carry out the projects to which I refer. I do not expect the Minister of State to comment on this but to take my points on board.

Deputies referred to those who are in difficulty paying their utility bills. The pay-as-you-go metering that has been rolled out has been of great benefit. I encourage the energy companies to become aware that there are people who are unable to pay. It is not that they do not want to pay. This has been addressed on many occasions.

I very much regard this legislation as part of a joined-up government approach to a large number of issues that have started to arise. It marries well with the competition legislation dealt with yesterday and today, which legislation is to improve our international competitiveness through combating monopolies and cartels. It is remarkable that, after years of inaction, such steady steps can and will return this country to the position to which we know it can be returned. I refer to an economy that is competitive, dynamic and efficient. While this Bill is a small block in that building process, it is definitely a step in the right direction. I compliment the Minister of State and encourage him to keep his eye on the potential of a company such as Bord Gáis with regard to my native county, Cork, and with regard to linking into a broadband cable at some time in the near future.

Deputy Jerry Buttimer: Cuirim fáilte roimh an Aire Stáit, Deputy O'Dowd. I join Deputy Dara Murphy in referring to the Hibernia Atlantic corridor. The issues of tier-1 connectivity and the cable are important, as he rightly stated.

[Deputy Jerry Buttimer.]

This is a very important Bill. Deputy Mattie McGrath's remarks tonight certainly demonstrated some cheek. One cannot be against the former Minister, Mr. John Gormley, and against the current Minister, Deputy Hogan. The Government has been quite clear regarding climate change. One cannot speak out of both sides of one's mouth; it is disingenuous to do so. Deputy McGrath was against Mr. Gormley and is now against the Minister, Deputy Hogan. One must be for one or the other. Let us call a spade a spade.

This is very important legislation that I hope will reduce the cost to the consumer.

The onus of ensuring energy supply and security is important. I hope we will have a discussion with energy suppliers in order that we can be assured they can absorb costs and will not pass the extra charges on to their customers. It is important that, collectively, we assist people in terms of energy costs and that we work to increase energy efficiency.

The issue of energy is critical. We are dependent on fuel imports to the level of 89%, which is too high. The Bill deals with energy safety and energy theft. Another aspect of the Bill is energy efficiency, the achievement of which requires major leadership and impetus. In terms of energy efficiency targets set for 2020, we have a job to do. I compliment the Sustainable Energy Authority of Ireland on its work on the important challenges in the energy sector and in the area of energy efficiency. Public bodies, the Houses of the Oireachtas, county councils and semi-States all have an important role to play in the promotion of energy efficiency and homeowners and landlords must also play a role in this. Over-dependency on fossil fuels is becoming unacceptable. We must reduce our energy usage and the Government and its agencies must take the lead. I compliment the Government on this and, in particular, the Minister of State, Deputy Ring, who recently announced grants to improve the energy efficiency of local authority pools, which is to be welcomed.

In any campaign we launch in this area it is important we focus on and adopt measures to cut our consumption costs and costs for the taxpayers having regard to the current economic climate. The old adage of reduce, reuse and recycle still stands.

I wish to refer to fuel poverty, an extraordinarily difficult problem for many homeowners and households. There was a protest by widows and widowers outside these Houses today and one of the big talking points they raised was energy costs. The Minister of State knows from his extensive canvassing in Louth that many elderly people refuse to put on the heating, they are afraid to do so, and they wear jackets and coats indoors. We must address fuel poverty. As incomes have fallen, the proportion of household income spent on fuel has increased. Fuel poverty, by definition, is where a household spends 10% of income on energy and the number of households experiencing fuel poverty will have increased in recent years. To paint the picture of people suffering from fuel poverty, many people on low incomes live in older buildings with poor heating and poor insulation and such houses have been badly maintained in the case of some rental properties and in the case of local authority houses there is a cycle of replacing windows, doors and so on and that work has not been done as often as it should have been.

I welcome the €30 million increase in the allocation for the better energy scheme, which will target the problem of fuel poverty. The programme for Government, for those who do not know, is clear where it proposes the phasing out of direct State supports for energy efficiency and a movement towards a more "pay as you save" model. That is to be welcomed. We must reduce upfront the cost to the household and, in doing that, we must start with the concept of energy efficiency. Speaking from the experience of having been a school teacher in my previous incarnation, the green schools programme is a fantastic initiative. I visited my school, Scoil an Spioraid Naoimh buachaillí agus cailíní, before the summer holidays and it had won its second green flag award. That is fantastic. Young boys and girls together with their parents are being

made aware of green issues. If the pupils of that school and their parents can become aware of those, why can the rest of us not?

The issue of energy theft is important and must be tackled. The Bill proposes that the Commission for Energy Regulation would be able to prosecute offenders. The current system where only the ESB and Bord Gáis can prosecute offenders for the theft of energy is not suited to a deregulated market and the Bill extends theft provisions to all consumers and not only to the ESB or Bord Gáis but to all independent suppliers. It is estimated that energy theft of €32 million per annum occurs here. It is estimated such theft costs almost £10 sterling per household per annum in the United Kingdom. That is an extraordinary amount of money. As energy prices increase, energy theft will increase in value and become a more pronounced problem. We must make a decision that we will not tolerate it because it undermines efforts to increase the security of supply, improve energy efficiency and the targeting of resources where they are most needed.

The provision in the Bill that obliges a consumer who is aware that a meter has been interfered with, and who is not registered with the ESB or Bord Gáis, to take all reasonable steps to ensure that such interference is discontinued is appropriate. Failure to do so will be an offence. We must send a message that people who interfere with a meter and engage in such theft damage not only the energy supplier but their fellow neighbours. Sergeant Tony Davis was interviewed on Newstalk yesterday in a nice segment on the issue of theft from ESB substations and equipment. People are going into substations and stealing equipment. Such theft poses not only a physical risk to those directly involved but to neighbours and young children who might be playing outside and it causes financial losses for the energy supplier. In some cases, it causes a cut off in supply of the energy source, electricity in this instance in the case of the ESB. In addition to the existing criminal code, this provision in the Bill may assist in tackling the problem of energy theft. It is worth recording that the Bill provides for deemed contracts which will also help in the prevention of energy theft and will provide for charges to be applied where energy is used but contract provisions have not been formally accepted. In essence, it provides that if one uses electricity or gas, even if one does not have a formal contract, one is still responsible for paying the cost. I welcome the provision that charges imposed under deemed contracts are not to contain any penalties. That is a welcome provision. There is also provision for the commission to make regulations in regard to deemed contracts. It is important that such regulations only impose charges which are similar to actual contracts. Charges should not be limited to pure usage: other elements such as standing charges should also be included. It is important that aspect is examined.

I wish to refer to the issue of energy costs and the process whereby Bord Gáis is able to pass on costs to their consumers. That company made a profit of close to €120 million in 2010. It also announced, and the Minister of State can correct me on this, that it had applied to the energy regulator and received approval for an increase in its charges to be passed on to its customers. More than 100,000 Bord Gáis customers are in arrears and any increase in such energy costs to the consumer will put a further strain on customers and increase pressure in terms of the payments of their bills. In terms of fuel and energy, surely there is an obligation on the energy supplier, be it the ESB or EirGrid, to absorb such a cost and not to pass it on to its customers. People have a difficulty in being able to afford to pay their bills - many people are struggling. If we are serious about creating a more energy efficient State and tackling fuel poverty, Bord Gáis in particular and other energy suppliers must be asked to absorb costs given that they have made inordinate profits.

Acting Chairman (Deputy Charlie McConalogue): Deputy McLoughlin has six minutes.

Deputy Tony McLoughlin: I welcome the opportunity to speak on Second Stage.

Acting Chairman (Deputy Charlie McConalogue): I must interrupt the Deputy as the next speaker is Deputy John Brown. Deputy Brown has 20 minutes. My apologies about that.

Deputy John Browne: I will not use all my allocated time.

I welcome the opportunity presented by the Second Stage debate on the Energy (Miscellaneous Provisions) Bill 2011 to discuss a range of issues pertaining to the future well-being of the country. Various speakers have noted that the proportion of imported fuels, at 89%, is too high and that our over-reliance on fossil fuels is not good for our future economic development.

Fianna Fáil supports the Bill in principle, although we will be seeking clarity on whether the streamlined better energy homes programme will result in reduced Government support for energy efficiency schemes. The Minister must also clarify whether energy companies will be prevented from passing on the costs of the new scheme to families already facing large increases in energy costs.

The Bill introduces measures to increase energy efficiency among energy suppliers and distributors. The Electricity Supply Board (Superannuation) Act 1942 is being amended to restate in primary legislation certain pension arrangements for former employees of the Electricity Supply Board who transferred to Eirgrid. These are welcome measures, as is the amendment of the Energy (Miscellaneous Provisions) Act 1995 to reduce the risk of theft of gas and electricity.

While the Bill's objectives are laudable and the issues outlined by the Minister relevant, a number of issues arise. Deputy Buttimer spoke about green flag days in schools. I have attended many flag waving day events and it is tremendous to see teachers, parents and children working in partnership to acquire a green flag. At my end of the country Wexford County Council has designated an official to work with schools on this welcome initiative. It is easier to convince youngsters of the importance of the environment than it is to convert older people because schoolchildren like to protect the environment and celebrate environment days.

Although the Wexford team has not often played in Croke Park in recent years, the greening of that stadium was a great achievement on the part of GAA officials and the ESB. It is one of the flagship stadiums worldwide in terms of energy efficiency.

It is difficult to quantify fuel poverty, but we all know from canvassing and dealing with people in our clinics that there are significant difficulties in this regard, particularly given the increases in fuel costs in recent years. I was involved in the oil business for 13 years before I was elected to this House. Oil men have told me that the quantities of oil they are selling to older people and others who are suffering the effects of the recession have decreased from 500 or 1,000 litres to 100 litres this year because people are finding it difficult to find the money to pay for fuel. I recognise that the budget will be difficult, but the Government should consider ways of helping those on low incomes to provide heat. We should increase the fuel allowance or, at least, maintain it at the current level in order to deal with oil poverty.

Having worked in the oil business, I question whether it is being operated properly. Oil companies are engaging in rip-off practices. When I was Minister of State at the Department of the Environment, Community and Local Government, I tried to deal with this issue and have called on the companies to answer our questions. It is baffling that they can increase their prices immediately when spot prices rise on world markets but are slow to decrease them when they go down. We are told they must cover the cost of keeping oil in storage, but there is a monopoly or cartel operating in the business that needs to be broken. It is time that explanations were sought from the companies for the variances in oil prices and their slowness to decrease them.

The provisions included in the Bill on electrical and gas safety are important. Electrical investigation officers and gas safety officers will be given statutory powers, while gas safety provisions will be extended to include liquefied petroleum gas, LPG. Gas companies have until now been self-regulating, but that has not worked to the satisfaction of the public or this House. There have been a number of accidents and fatalities and the Minister is right to address this issue. A number of housing estates around the country are connected to LPG supplies rather than the natural gas grid. I understand these estates will now be covered by the safety regulations.

County Wexford does not have access to a natural gas supply, even though the neighbouring counties of Waterford, Kilkenny and Wicklow are connected to the grid. I have raised this issue on numerous occasions, including as a Minister of State, but Bord Gáis offered every excuse in the world for its failure to connect us. A new company has taken over the former ESB generating station in Campile, New Ross, and plans to invest considerable amounts in upgrading its capacity. However, it needs a supply of natural gas. Given that it has been quoted a high price for connecting to the grid on its own behalf, perhaps the time has come to provide a natural gas supply for the county. It is important that the company which intends to invest significant amounts of money in County Wexford is facilitated in its endeavours.

The energy efficiency fund will be managed by the Minister. While I have no problem with that, perhaps the Minister will explain how and on what type of programmes the fund will be used. How much does he expect will be in the fund? How will it be spent? It is important that he explain fully how it will operate. It is a little unusual that the Minister will manage the fund, but that might be a good thing. However, he should explain fully how he will do that.

The better energy programme, formerly known as the national retrofit programme, is designed to ensure there are more opportunities for householders and businesses to reduce their energy consumption, leading to real and lasting cost savings. The better energy programme will replace the three existing SEAI grants. Will the Minister ensure no costs will be passed on to the customer as a result of these changes?

There is a great deal of talk at present about the construction industry being on its knees. There is a great opportunity for that industry to become actively involved in the new scheme. I read recently that there are approximately 900,000 homes and 100,000 public and commercial buildings that are energy deficient and could be upgraded. This would be a great opportunity for the construction industry. Already, approximately €84 million has been paid out under the home energy savings scheme and 100,000 home owners participated in the scheme. There were 200,000 retrofit measures. If there are 900,000 energy deficient homes, it presents a great opportunity for the building industry to come on board with the Minister, Deputy Pat Rabbitte, who addressed the construction industry last June and appealed to it to co-operate and become actively involved in the scheme. I agree with Deputy Buttimer that it is important that the industry put forward ideas and suggestions on how it could get involved in this area.

I wish to raise a matter involving a company in my home county. I have sent correspondence about it to the Minister for Finance and the Minister for Communications, Energy and Natural Resources, Deputy Rabbitte. The company, located in Wexford, employs 68 people and has a suggestion or proposal for the Minister. More than 1 million houses in Ireland have inefficient glazing, be it single glazing or inefficient double glazing. The company proposes to upgrade those houses with energy efficient glazing without changing the window frames. We have seen much advertising about this in recent times. The company says this can be done at a fraction of the cost of a complete replacement, as the householder does not need to redecorate. It is the glass that makes the difference. Current double glazing is up to 60% more efficient than double glazing installed before 2004.

[Deputy John Browne.]

The company launched its service last May and has generated in excess of 800 inquiries so far. Its conversion rate is between 20% and 25%. The reason the company raised the issue with me and other Deputies from Wexford is that in nearly every inquiry to the company people have asked if any grant is available for the upgrade. Unfortunately, the company must tell them there is not. The company recognises there is not much money in the Government coffers at present so it proposes that the Government consider making this service VAT free to householders in that the householder could claim back the VAT element of 13.5%. The suggestion should be considered. I am sure there are other companies that have the same idea and are carrying out the same project. It should be considered. Many houses have been upgraded under the schemes that existed in the Department in recent years, but there has been no grant for windows. Much of the heat in a house goes out through the windows owing to the inefficiency of the glass, so the suggestion should be considered by the Minister.

The ESB has been involved in some schemes in recent times with the Department and the Government of the day. It still feels it is in a monopoly situation even though some of the market has been opened to competition. Last week I discovered a case where a business in Wexford had to close down two years ago owing to the economic situation in which it found itself. The company had paid huge sums of money to the ESB to connect three-phase electricity and so forth. The owner of the factory managed to lease the factory in the last two months to a new company, but when that company applied for an ESB connection it was asked to pay the same amount of money again because it was more than two years since the factory closed. It was asked to pay €3,000 even though the previous company had paid that amount. That is not helpful to industry and to communities that wish to re-establish a business in an area.

I thank the Minister for bringing the Bill before the House. Most of what he proposes is welcome, but he must explain some of the issues I and other Deputies have raised. The key question is whether energy suppliers will pass on increased costs to customers or whether the Government will be able to prevent this. That important question is worrying people.

Wind and wave energy must be given serious consideration. They cannot be considered in isolation. In the case of wave energy in particular, or electric seas as it is called by some, the Minister must set up a project involving Scotland, Northern Ireland, England and the Republic. There is a tremendous opportunity to do that. Mr. John Barry is assistant director of the Institute for a Sustainable World at Queen's University Belfast, and last year he presented a very good paper on how the four countries, if they came together, could generate huge amounts of electricity from the seas which could be sold on the world market. The Minister should examine this suggestion.

I thank the Minister for introducing the Bill and giving us the opportunity to speak on it.

Deputy Tony McLoughlin: I welcome the opportunity to speak on this important Bill. I wish to highlight a number of objectives, including the introduction of primary legislation to increase energy efficiency as it relates to energy suppliers and distributors, the amendment of the Energy (Miscellaneous Provisions) Act 1995 to reduce the risk of theft of gas and electricity and the amendment of the Electricity Regulation Act 1999 to improve electricity and gas safety.

The Bill proposes to provide the legal framework for an energy efficient obligation scheme for energy suppliers and distributors. To achieve this the Bill proposes to put in place the framework to enable the Minister for Communications, Energy and Natural Resources to implement an energy utility energy efficient obligation scheme, the energy demand reduction target, EDRT. This will quantify a quantity of energy savings to be achieved collectively by all retail energy sales companies and energy distributors over a specified period. Under the energy

services directive, ESD, member states may exclude small distributors, small distribution system operators and small retail energy sales companies.

Debate adjourned.

Message from Seanad

An Leas-Cheann Comhairle: Seanad Éireann has passed the Welfare of Greyhounds Bill 2011, without amendment.

Private Members' Business

Promissory Notes: Motion (Resumed)

The following motion was moved by Deputy Pearse Doherty on Tuesday, 8 November 2011:

That Dáil Éireann:

noting that:

- following the transfer of its assets to the National Asset Management Agency (NAMA) in 2010, Anglo Irish Bank was left with toxic debt of €30.6 billion;
- from March to December 2010 the Government issued a series of promissory notes to Anglo Irish Bank and Irish Nationwide Building Society totalling €30.6 billion;
- these promissory notes placed an obligation on the State to pay Anglo Irish Bank €30.6 billion;
- the interest rate charged on these loans by Anglo Irish Bank will cost the State an additional €16.6 billion;
- this debt, totalling €47 billion, amounts to 27% of the State's debt-to-GDP ratio;
- the repayment of this debt will take place over a twenty year period from 2011 to 2031;
- as the State will have to borrow money to service this debt, it is reasonable to assume that an additional cost of at least €28 billion will be incurred by the State in interest payments on monies borrowed to pay the €47 billion to Anglo Irish Bank;
- this additional cost is calculated at an interest rate of 4.7% based on average cost of funds raised by the National Treasury Management Agency (NAMA) in the bond market in 2009 and 2010;
- on this basis, the cost to the State and the taxpayer arising from the promissory notes will be at least €74 billion up to when the final payment is made in 2031;
- a number of economists argue that this is a conservative estimate and the cost of servicing this debt will be much higher, possibly four times greater than all the combined 'austerity' spending cuts and tax increases to date;

- the first transfer of money to Anglo Irish Bank arising from promissory notes took place on 31st March, 2011, totalling €3.1 billion;
- annual transfers of €3.1 billion will be made every year on 31st March from 2011 through to 2023;
- from 2024 the annual transfers will gradually decrease from €2.1 billion in 2024 to €0.1 billion in 2031;
- these annual payments do not include the additional cost of the interest on monies borrowed to service the €47 billion transfer to Anglo Irish Bank;
- alongside these payments Anglo Irish Bank, now operating as Irish Bank Resolution Corporation, will continue to use taxpayers' money to pay unguaranteed, unsecured senior bondholders;
- on 2nd November, 2011, the Government allowed Anglo Irish Bank to pay a single unguaranteed, unsecured senior bond to the value of \$1 billion despite enormous public opposition;
- on 25th January, 2012, Anglo Irish Bank will pay out a single unguaranteed, unsecured bond to the value of €1.2 billion;
- on 28th June, 2012, Anglo Irish Bank will pay out a single unguaranteed, unsecured bond to the value of €454 million; and
- twenty four additional unguaranteed, unsecured senior bonds with a combined value of €800 million will be paid out from January 2012 through to April 2018;

agrees that:

- the former Fianna Fáil-Green Party Government were wrong to issue these promissory notes;
- this decision undermined the public finances, increased the deficit and damaged the social and economic stability of the State;
- the current Fine Gael-Labour Government must make clear that it is not in a position to pay this toxic private banking debt;
- the Taoiseach, Enda Kenny T.D., and the Minister for Finance, Michael Noonan T.D., should enter into immediate discussions with the European Central Bank to have the promissory note withdrawn and to remove this toxic private banking liability from the State and the taxpayer;
- the Government should seek support from our European partners in this endeavour on the grounds that removing the obligation created by the promissory note would reduce our debt-to-GDP ratio to approximately 87%, easing the State's tran-

sition back to the international bond markets and assisting in reducing the deficit and returning the economy to sustainable social and economic development; and

- the practice of using taxpayers' money to repay the promissory note must end; and

calls on the Government to intervene to prevent Anglo Irish Bank from using taxpayers' money to repay unguaranteed senior bondholders.

Debate resumed on amendment No. 2:

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

- “ — recognises that the Government inherited a situation in relation to the banking sector and specifically in relation to Anglo Irish Bank and Irish Nationwide Building Society which resulted directly from the decisions taken by the previous Government;
- recognises that decisions taken by the previous Government included the decision to guarantee the debts of the covered institutions. This decision and consequential decisions taken by the previous Government have effectively transferred the liability for private bank debt to the taxpayers of this State and contributed to the need for the EU-IMF bailout;
- recognises that the overall cost to the State of promissory notes provided to Anglo Irish Bank and Irish Nationwide Building Society currently stands at €47.4 billion;
- acknowledges that the Government should not act unilaterally in relation to the repayment of unguaranteed senior debt and should have regard to the views of our partners who are providing the requisite funding for the financial institutions;
- acknowledges that the Government is working with our partners in the EU and IMF to address the situation and is actively involved in discussions with a view to reducing the overall cost to the State;
- affirms that the approach being pursued by the Government, given the situation the Government has been presented with, is the optimum approach which will produce the best medium to long-term outcome for the State and the taxpayer; and
- encourages the Government to press ahead with discussions and negotiations around a range of support measures that recognise the contribution made by the State in support of the stability of the Eurozone.”

Deputy Shane Ross: I wish to share time with Deputies Boyd Barrett and Pringle, if that is all right.

I congratulate the Sinn Féin Party for tabling this motion, although I suppose the Government response is somewhat like a long-playing record and is not one that contributes much to the debate. In the extremely limited time I have available, I wish to state how disappointed I am, as an Independent Member, with the Government's reply. On issues such as this and in particular in respect of Anglo Irish Bank bondholders and the banks, the Government was

[Deputy Shane Ross.]

elected to do something a little bit different. However, its response to this motion indicates that Government policy on the banks is completely unchanged. The seven reasons given for opposing and amending the motion contain a bit of rhetoric. Three reasons simply consist of turning around and blaming the last Fianna Fáil-led Government. While that may be rhetoric, it is not policy. It is somewhat tiresome and it is tiring to listen to it all the time. Two of the reasons consist of blaming the European Central Bank, ECB, and I challenge anyone to explain the seventh reason to me because it is utterly and totally meaningless.

The Government's amendment states it "acknowledges that the Government should not act unilaterally", which I suspect sums up the entire flaw in Government policy as it stands at present. The Government now is hopelessly paralysed, particularly with regard to the financial sector, accepts it is paralysed and almost makes a virtue of being paralysed. In response to charges it has acted dishonourably and wrongly in the case of the Anglo Irish Bank bondholders, the Government blames Fianna Fáil and states it no longer is in command of its own economy. It no longer is in command of its own economy by choice, because it had a choice. It had several choices but the easiest choice of all has been funk'd in the case of Anglo Irish Bank. There was an option not to pay the Anglo Irish Bank bondholders. I do not refer to the more radical suggestions made from this side of the House, in which I believe, that we should have considered the possibility of defaulting on our debt and this still should be considered. However, although the easiest and first choice is contained in this motion, the Government hides behind the excuse that it cannot act unilaterally and that according to two of the excuses listed, the ECB will not allow it to do so. The amendment covers this well by noting the Government must consider the views of our partners but that is code for the ECB telling us what to do. This simply is unacceptable as the Government bends the knee to the ECB in every case.

However, the choice in this regard was simpler. Moreover, it was a choice made by the Minister for Finance himself when in America. In a spirit of bravado, he stated his intention to burn the bondholders. I do not know what injection he took or what was in the American air that morning-----

An Leas-Cheann Comhairle: The Deputy must conclude.

Deputy Shane Ross: I am just finishing. However, the moment he came home, he spoke to Mr. Trichet or one of his apparatchiks and changed his mind. He then stated Ireland could not make any unilateral decisions but would do what the ECB told it. The lesson for the Government from this motion should be that it does have choices. It has a choice to act unilaterally and have some independence. However, it has chosen to bend the knee to the ECB.

Deputy John Perry: It is not that simple.

Deputy Richard Boyd Barrett: I also commend Sinn Féin on tabling this motion. It brings into sharp focus the obscenity that is being perpetrated against the Irish people by the Government. It was started by the previous Government, about which there is no doubt regarding its guilt and complicity in conniving with the greedy, the financial elites, the developers and so on to land us in this mess and sign us up to a deal that will force ordinary people here to pay for it. However, the present Administration had a choice to break from that. It dishonestly led the electorate to believe it would do something different but now it carries on doing exactly the same thing. Moreover, the contrast is clear, as €700 million will be taken from the poorest and most vulnerable people via the social welfare budget in December. Rent allowance payments and God knows what else will be slashed for the poor and the vulnerable even though just weeks earlier, the Government was willing to hand over more than €700 million to unsecured,

unguaranteed Anglo Irish Bank bondholders. The Government claims it is broke, has no money and has no choice but to impose this austerity. However, it can afford to hand over more than €700 million to unsecured, unguaranteed gamblers in the casinos of the international financial markets. This is unbelievable.

Moreover, next March and each year for 12 years thereafter, a further €3.1 billion is to be handed over to this toxic zombie bank that was really a casino run by gamblers and knaves. While we apparently can afford to do that, we must take €3.8 billion from working people, the poor, the vulnerable and unemployed citizens in the budget. This is absolutely disgusting. Let the public know that when Ministers turn around and state the Government is bankrupt and has no money, this is not true because it has the money to give to the toxic banks.

Why is all this being done? It does not simply pertain to the ECB, although I agree with Deputy Ross. It does not even relate to the theatrics involving Silvio Berlusconi, Merkel, Sarkozy or Papandreou. It covers up something much more fundamental, which has become very obvious in the last few days. I refer to these things called markets, which comprise young guys in their 20s in the City of London or in trading rooms in some of the major financial centres around the world making decisions to make themselves money. This means that democracy itself in Ireland, Italy and Greece is being demolished simply to satisfy the greed of these traders and these things called markets, to which our Government kowtows. I appeal to the Government to stop it because the country is sinking.

Deputy Thomas Pringle: I welcome the opportunity to speak on this Private Members' motion tabled by Sinn Féin. I commend Sinn Féin on having laid out in stark terms and language the actual implications of the promissory notes that admittedly were signed up to by the previous Government. Members are constantly told by the Government that it is carrying the can for its predecessor, that it has no choice and so on in that regard. I believe this excuse ended on 2 November last, when the Government decided to pay €700 million to unsecured Anglo Irish Bank bondholders. Moreover, I believe it will mark a real sea-change, whereby the Government henceforth will have complete ownership of this programme. As other speakers noted, the Government could have taken the decision to stand by its election promises. It could have dealt with this matter in a completely different way. It could have stated it had no commitments or obligation to unsecured bondholders in this defunct bank. It could have told our so-called partners in Europe that this was the position to which the Irish people had agreed and over which the Irish sovereign Government intended to stand. However, the Government chose to pay the €700 million last week; it chooses to pay €1 billion in January of next year and it chooses to set this country on the course of paying back €47 billion over the next 20 years. As the Sinn Féin motion states, that sum could grow to €74 billion or more over the lifetime of the interest payments. That is the Government's decision, for which it has total responsibility.

Deputy Dara Murphy: I welcome the opportunity to speak on the simplistic and populist amendment put forward by Sinn Féin.

Deputy Jonathan O'Brien: The amendment is put forward by the Government.

Deputy Dara Murphy: Once again, we have to ask the Sinn Féin Members the very straightforward question, namely, what exactly would they do. Some months ago, the Government secured a reduction in the interest rate we are paying-----

Deputy Brian Stanley: Thanks to Greece.

Deputy Dara Murphy: -----which will deliver €10 billion in savings to the Exchequer.

[Deputy Dara Murphy.]

It is important to consider the language of a promissory note. It is a promise of the State to repay the sovereign debt that we as a people owe. Sinn Féin, it has to be remembered, supported the very ill-fated debt guarantee at the time, as did Fianna Fáil.

Deputy Jonathan O'Brien: As did Fine Gael.

Deputy Dara Murphy: We have inherited a situation relating to the banking sector generally which leaves the State with very little room to manoeuvre. However, to criticise and to suggest that Ireland should move and act unilaterally is to suggest that perhaps we should not have taken the €10 billion in interest rate savings. It is not as straightforward and ridiculous a position as those on the opposite benches try to suggest, namely, on the one hand, we cannot pay our promissory notes and, on the other hand, we are willing to accept a €10 billion saving over a decade. If we were to do that, we would have a net loss of €5 billion to €6 billion.

The message we are delivering in straightforward terms, as a Government, is that we are unlike other countries, in particular one country. No one takes any satisfaction in seeing the Greek people in the position they are in. However, Ireland is a country that is open for business and that will pay its way. We are a democratic State that will undo the damage of the reckless governance and Government we had in the past.

We have to respect the integrity of the Taoiseach and Ministers when they go into a very difficult forum in the very fraught eurozone which we have at present, with leadership that is, to be fair, struggling to bring us out of this economic crisis, and we must accept that our Government is negotiating in good faith in the best interests of our people. Many members of this House suggested from the Opposition benches, almost in a hopeful fashion, that we would not secure interest rate reductions.

With regard to the much-maligned term “austerity”, we should remember that it is the principle of economies balancing their budgets, so that what they take in is equal to what they pay out. That has not happened in much bigger countries than Ireland, such as Germany and France, and, significantly, it does not happen in the United States. It is through economies like Ireland's showing that we can pay our own way that, from a position of strength, we can move towards a renegotiation down the line of some of the elements of the cost of the total debt to our people and the State.

Deputy Patrick O'Donovan: I welcome the opportunity to speak on the motion. Deputies referred to choices, in particular the choices open to the Government. To be fair, we have a choice to either try to get the country out of the economic hole we are in or to go down the road of total economic ruination, which would basically be the result if we tell the European Central bank to cart off the money it is using to keep the doors of the country open.

While it is very easy to say that, Members on the other side of the House have never explained the consequences of that. The Members opposite might take the opportunity the Taoiseach offered this morning in regard to the costings that can be provided by the Department of Finance for the upcoming budget. I would like to know where the €30 billion deficit in the State's balance sheet could be filled. Even apart from the banks, where would the money come from to pay nurses and teachers and to make sure we have social protection if we did not have the European Central Bank? The reality is that the money is not there. We have a massive budget deficit. We are bringing in about €20 billion per year and we are spending €50 billion, so we have a €30 billion gap and, therefore, we are dependent on the European Central Bank.

While I agree with many of the speakers in regard to how the banking debts were accumulated, regardless of who was in Government, once the State guaranteed that debt, it then became the sovereign. Last week I likened this to walking into a credit union to borrow €5,000 to buy a car. If I come back to that credit union two years later and say I will not bother paying it back, but thanks very much for the €5,000, does anyone honestly believe that, with no negotiation with the credit union, I will get further credit in the future. The reality is that I will not. They would not trust me and they will not trust us. We cannot act unilaterally.

The Taoiseach, the Minister for Finance, the Minister for Public Expenditure and Reform and the Tánaiste have offered the facility to Members to come up with credible, costed proposals that can bridge the budget deficit, not to mention the white elephant which is the banking situation. All we have heard so far is “Isn’t it desperate to be putting €700 million into Anglo Irish Bank?” Yes, it is desperate, but if we do not do it, where do the Members opposite propose that we get the money to keep the doors of the country open?

As a responsible Opposition, they challenge the Government and that is their job. I ask them to show me where we can make savings on a day-to-day basis so we can pay teachers and nurses, and provide the agricultural grants and many other payments that are needed to keep the State open without the European Central Bank, the European Commission and the IMF in town. If they can come up with €30 billion per annum in the magic black hole of their Alice in Wonderland-type school of economics, will they please let us know? Everybody else in the world, and every economic commentator, has been bamboozled by this, but the answer to the global economic crisis is here in Dáil Éireann, although they are afraid to share with us. Do not be afraid. Bring on the solutions. If they are credible, we will implement them.

Deputy Richard Boyd Barrett: We told the Government many times — it should tax its rich friends.

Deputy Patrick O’Donovan: The Deputy tells us many things but he never costs them.

Deputy Alex White: I have listened to all of this debate and there is a bit of knockabout involved, which is to be expected. However, there is a real urge, not just in this House but nationally, that we should have an opportunity at some point, whether in committee or otherwise, to have a serious, clear-headed, considered look-back at what happened in the past three years, five years or perhaps a longer period than that - I hope that happens in these Houses, notwithstanding the outcome of the recent referendum. However, for us to have that type of debate and discussion, we will have to look at the issues that are before us. I can engage in the knockabout just the same as the next man, and if Members want to have that for the next four minutes, I will do it. However, I do not want to do it because I believe this issue is capable of being debated and capable of being resolved on its own merits. It is a decision that has to be made, and one part of the decision was made last week when these moneys were paid over, as other speakers have said.

With respect to Deputy Boyd Barrett and others, they are well capable of looking at the decision that is required to be made at this time. All decisions have consequences. There is no decision any Government takes that does not have a consequence, and in particular this one does. There is no question people are right to be angry and frustrated and I would not take from that for one minute. I am angry and frustrated about this but every Member must weigh up the arguments. We are responsible politicians elected to this House not just to engage in a knockabout for our own entertainment or that of those who care to watch us but to debate what is the best decision to be made for the people.

Deputy Doherty summarised his opposition to the Government’s position by saying it was “nonsense, dishonest and, at worst, amounted to scaremongering”. Nobody has sought to

[Deputy Alex White.]

respond to the Minister's contribution last night. I look at this in a dispassionate way and we should all do that and leave the knockabout aside for a minute. I refer to the decision facing the Government and the Parliament, by extension. All actions have consequences and the Minister set out in detail one of the clearest statements to the House on banking policy and the current position that has ever been made. It bears reading, even by those who are always on the opposite side of the argument. He stated:

If we now consider the impact of withdrawing the promissory notes from the institutions at this time the implications are similar - the institutions will be insolvent. Quite simply if you remove €30.6 billion as an asset from the balance-sheet of the institution you have to fill it from some other source or the institution fails. This situation will require payment of all amounts due under all contracts, even the guaranteed ones, so the State may have to pay up a large amount of cash.

He then pointed out Central Bank funding would not be maintained. People say it is not a certainty and Deputy Doherty described it as scaremongering but Deputies Ross, Doherty and others must accept that there is a least a downside risk in taking the action they advocate. I cannot take them seriously at all if they will not even acknowledge that. I can certainly accept them taking the robust view that the money should not be paid but if they are in any way honest, they have to accept that there is some risk in taking the position they have adopted.

The Minister set out the risks as he sees them and no Opposition Member has answered him regarding the downside risks associated the action advocated in the motion.

Deputy Peadar Tóibín: We have.

Deputy Alex White: I have read the contributions that I did not watch or hear. Nobody has sought to deal with the issue on its merits and to tell us why it would not be more risky to take the position advocated by Sinn Féin. Opposition Members have not done that.

Deputy Peadar Tóibín: That is not true.

Deputy Alex White: Let us start being serious about the decisions we have to make. We can have knockabouts in the House but we have been sent here to do a job. Let us assess the position and by all means take partisan positions. This issue will be suffused with partisan argument but, sooner or later, we will have to address these issues as a House in a way the people deserve and expect from us rather than engaging in a policy of "don't pay, won't pay, never pay" as if such a decision would not have consequences. Get real and get serious.

Deputy Colm Keaveney: There is little to be achieved in reliving the failures of the policy approaches of the previous Administration but it would be wrong of me and the House to close the door on the past and not learn from the chronic policy errors that are the subject of the debate. As the Minister stated last night, "Suffice to say that the initial response of the Government of the time in September 2008 was to provide a full unconditional guarantee for bank debt of the covered institutions. In effect the Government guaranteed hundreds of billions of private bank debt and in that single decision transferred the liability for private bank debt to the taxpayers of the State."

The motion sets out three primary objectives. The first is a call on the House to agree that the previous Government was wrong to issue the promissory note. We can take it for granted that the promissory note was not a good idea. I suspect even the Fianna Fáil Members, who are not present, believe it was wrong in the context of the country's interests. The motion also

calls on the Government to intervene to prevent Anglo Irish Bank from using taxpayers' money to repay unguaranteed senior bondholders. It, in effect, calls for a unilateral default.

I respect the input of Deputy Boyd Barrett to this ongoing debate and we have had discussions previously, particularly on the risks associated with default. I once argued with him about the consequences of the scale of deleveraging that would have to take place. Default would facilitate a frenzy of bottom feeding among the people he opposes who would attempt to secure the balance sheets of the institutions covered by the bank guarantee. His approach would facilitate that form of capitalism. In one default, his policy would crystallise the total liability to the State to be called in immediately. That would trigger a set of consequences equal to those faced by the Greek people over the past ten days. This was a difficult decision and we did not want to pay the €700 million last week but one must calculate the cost of not paying it. I appreciate the argument made by Deputy Boyd Barrett but it must be followed through in the context of where we are at now and the immediate interest of our people.

The motion further sets out that the Government should enter discussions regarding the promissory note, which should be withdrawn. That would have devastating and unforeseen consequences for the country. This situation is a paradigm, moving day by day, hour by hour and the prescriptive nature of the devastating solution prescribed by Deputy Boyd Barrett would destroy the country. We are trying to navigate difficult circumstances in the interests of this country and opening up another front equal to that of Greece would not be a good idea. The Deputy referred to the market manipulating Italian bonds and we will not subject our people to that.

The blanket guarantee and the subsequent nationalisation initiative have resulted in the promissory note, which is an IOU. It is a scandalous legacy of the previous Administration. It is a debt understanding that can be best described as a liability transferred rather than paid immediately involving a punitive interest rate payable until the debt is settled.

8 o'clock

Currently, the total cost of that financial arrangement to the State is €47 million effective until 2031. The Government is committed to renegotiating it. While I welcome Sinn Féin's proposal, it is not as if the Government is acting to engage in a renegotiation of the conditions set out in the promissory note as a consequence of it. This is work in progress for the Government to reduce the liability on ordinary people who are being scared by the language and the rhetoric relating to the promissory note. I hate the notion of the note but it is a fact. We have inherited this and we have an obligation to honour the debt. If we do not do so, we will destroy the international credibility we are working daily to restore. This would open up a debate around the country that we could not survive. We would be caught in the squeeze of a vice grips driven by Sarkozy and Merkel, as Deputy Boyd Barrett described it. We will work our way out of this.

Deputy Liam Twomey: The Government will negotiate and it will not act unilaterally because there will be consequences for the people if we act in such a rash manner. Opposition Members understand that. They can allow themselves the luxury of getting it completely wrong and completely arseways on some of the decisions they would like the Government to make but we have to be a bit more responsible and make sure that decisions are made in the best interests of the people. As a Parliament, we were bounced into supporting Anglo Irish Bank in September 2008 but we should not allow ourselves to be bounced from the frying pan back into the fire by making more hasty decisions like those made that night.

Some of the information presented to the Houses in the course of that debate was clearly wrong. The Minister and the Taoiseach may have kept some information back, as officials and certainly the banks did. We are now clearer about what is happening and have far more information. It is genuinely dishonest, therefore, of the Opposition to talk like this without outlining

[Deputy Liam Twomey.]

the consequences of their actions. Opposition Members have softened their stance in what they have written down, but their remarks are the same. They know they are wrong.

In the next few months the euro crisis will settle.

Deputy Richard Boyd Barrett: We have been hearing that for two years.

Deputy Liam Twomey: The Deputy can be as simplistic as he wants, but it will take a long time. He does not understand how the European Union works if he continues the nonsense that this could be cured overnight. That is not how it works.

Deputy Richard Boyd Barrett: I will take a bet with the Deputy on it.

Deputy Liam Twomey: Fine, we will settle the matter afterwards.

Other measures will be introduced such as eurobonds, quantitative easing and changes to promissory notes. This will happen over a period of time. We only need to look at the evolution of the crisis in recent months and our own position. We went to the edge of the abyss in November but are now slowly pulling ourselves back. Italy and Greece are at that point and I hope they too will pull themselves back. With the help of all of our partners in Europe, we can put ourselves back on track. Shouting our mouths off and coming up with crazy decisions is nonsensical.

Deputy Richard Boyd Barrett: When the speculators are back in six months, will the Deputy admit he was wrong?

Deputy Liam Twomey: The Chairman of the Joint Committee on Finance, Public Expenditure and Reform and I have discussed the idea of inviting the troika to appear before the committee to hear its views on what is happening and since no one else has looked for it to be democratically accountable to us, that might be a good start.

We must be realistic; in recent months the Opposition has been coming out with crazy stuff. I ask it for an idea of the consequences of the proposals made. I was on the Opposition side of the House as spokesperson on health and we always had to bring forward our own proposals and explain their consequences. It is not much to ask of the Opposition and it should do so.

Deputy James Bannon: Speaking on a topic that will impact on the country for the next two decades is a daunting prospect for all of us. For the first time since I was elected to the Dáil, I will forgo my role as a politician with party affiliations for the purposes of participating in this debate. Instead, I will talk across parties as one of the people whose feelings of hopeless despair I share. The issue is not one over which we should haggle like dogs with a bone, savaging the opposition and seeking dominance. It is time we came together on this dilemma and made collective decisions to shape the future of the country that all of us fought so hard to establish in so many ways.

Prior to the 2 November deadline, we all received huge numbers of emails; I received more than 1,000 in a few days. While obviously syndicated, these emails bore individual messages from people seeking a say in decisions relating to the process that would impact so adversely on their lives. Some of the messages were extremely emotional and struck a chord with all of us. The person who had witnessed a man committing suicide by jumping from a bridge painted a picture of despair that was almost too much to bear. This person was vividly portraying the human face of the destruction of lives. While it was highly emotive of one correspondent to refer to a betrayal of the nation, perhaps it is time for emotion. We coldly cut those lifelines to which so many citizens cling but think nothing of pouring money into rogue banks and their

bondholders. Anglo Irish Bank should have been closed, as I said when the news broke in 2008, and I hold the same view today. Criminal proceedings should have been taken against those who appear to have been let off the hook. That is what people say to us, that those responsible for wrongdoing in the banking sector should be put behind bars and I want to see that happen in the lifetime of this Dáil.

Why is this? I suspect the answer is not completely linked with debt avoidance. What are the missing links? Few of us can understand the payment of our hard earned taxes to unsecured bondholders who are very wealthy. Talk of shoring them up is incomprehensible. A Harvard economist recently stated Ireland should not stretch out the bank process, saying we should not have death by a thousand cuts. He failed to comment, however, on the human consequences of the cuts. The Taoiseach shares the public dismay at the cost of honouring banking debts, considering the banks' role in the economic crisis. He is, however, constrained by the fact that part of our agreement with our external partners is not to allow any Irish bank, including Anglo Irish Bank, to default on debts to bondholders for fear of paralysing wider European markets.

The Government has adopted a determined approach based on the common goals we share with our partners in both the European Union and the IMF. This is seen as the only way to solve our problems and make progress. It is undeniable, but the pain and hardship caused to the old, the ill and the vulnerable are also undeniable. That cannot be dismissed.

The anger of taxpayers has focused on this aspect and it is legitimate. Many are very angry that the vulnerable are being hit again. We want to see fairness in the forthcoming budget in order that it will impact equally on all citizens. We must give up cronyism and looking after friends when budgets are announced. It is one thing to bail out our own country but quite another for people to understand why bondholders who took risks are being shored up for fear of destabilising European markets. To the average person, by placing ourselves in hock to the European Union, we took on not only an obligation to pay back our loans but also to protect the wider European Union at great personal cost. How much of this has been satisfactorily explained to citizens since 2008?

I am disturbed by the anonymity of bondholders. We can read in newspapers the names of those who were driven to commit suicide and engage in other acts of despair by the poverty imposed on them. We read about people whose homes have been repossessed or who cannot feed their families, while wealthy bondholders who take our money have the right to remain anonymous. I want to see their faces and names; I want them to explain why they think they have the right to cream off the hard-earned incomes of the people of Ireland if it is necessary to pay them off to appease European sensibilities. I want them to accept payment and then give the money straight back to the people of Ireland. I do not care whether they do so willingly or unwillingly.

There must be a way out of this mess and I am sure taxation could solve our dilemma. When it appears that there are no more moves remaining on a chess board, a grandmaster will always find a solution. We need such an individual in order to win the game we are currently playing. The Government is committed to closing Anglo Irish Bank at the earliest opportunity. While I am a member of a party which is part of the Government, I am conscious of the concerns of those who cry that we have closed the stable door after the horse has bolted. In this instance, the horse was loaded down with every cent possible and the stable has been left bare.

An Leas-Cheann Comhairle: I apologise but I must interrupt the Deputy, whose time is exhausted. In fairness, he has been given a good opportunity to air his views.

Deputy Jonathan O'Brien: A great deal of what can be said about this matter has already been uttered and I do not intend to repeat the comments of others. However, until Fine Gael

[Deputy Jonathan O'Brien.]

and Labour begin to understand the position, we must continue to state that paying €74 billion in public money to nameless and faceless bondholders in respect of private debts is morally wrong. The figure of €74 billion is a conservative estimate. Some commentators believe the final cost could be as much as €90 billion. I will seek to put that into context because sometimes when we refer to billions, what we have to say goes over people's heads. The debt to which I refer is going to cost every man, woman, and child in the State over €16,000. Like most people, I struggle to understand the reasoning behind the Government's insistence on proceeding down the road it is on. To put this matter in simple terms, we cannot afford to repay the debt. When the Government eventually recognises that fact, we will be faced with the reality of considering what type of Ireland is going to emerge from the current crisis.

Previous speakers referred to the consequences of not paying the debt. Has anyone considered the consequences of our continuing to pay it? Perhaps the Government should explain those consequences to people. During the past two weeks, Members have been inundated with thousands of e-mails from people expressing their anger and dismay at the recent payment to bondholders. This is a matter to which the previous speaker referred. There was one particular e-mail which summed up exactly the feeling which exists among members of the public. In such circumstances, it is difficult to understand how members of the Government can keep a straight face when they state that they have a mandate to continue to do what they are doing. They went before the people earlier in the year and stated that they were going to do things differently. However, they have done nothing differently. In fact, they are continuing to do exactly what the Fianna Fáil crowd did before them. Nothing has changed.

Last April, the Government introduced what it described as a jobs initiative. It invested €135 million in that initiative but we do not know how many jobs were created. We are now facing into a budget in which there will be a reduction in capital spending to the tune of €750 million. The Department of Finance's figures indicate that this will have the effect of cutting approximately 7,500 jobs. It is, therefore, extremely difficult to understand the economic policy of the Government. I find it amusing when Members on the opposite side of the House state that our economic policies are off the wall. From my point of view, the only such policies which are off the wall are those of the Government because they are just not working.

I wish to address a point made by Deputy McCarthy of the Labour Party in respect of the bank guarantee. I understand the Deputy has trotted out the same speech for three successive Private Members' debates now. He continues to try to make political gains by referring to the bank guarantee and stating that Sinn Féin supported it. That is simply not true. The record on this matter is clear. The legislation which gave legal effect to the bank guarantee was passed in this House on 17 October 2008 and Sinn Féin voted against it. Those are the facts. I am not surprised that Deputy McCarthy has chosen to mislead the House. Having opposed the bank guarantee, it must be deeply embarrassing for him and his colleagues in the Labour Party to be part of a Government which is implementing that guarantee. Deputy McCarthy accused my colleague, Deputy Doherty, of donning the green jersey. I would much prefer to don the green jersey than to don the blue shirt worn by Deputy McCarthy and his party colleagues since last March.

Deputy Aengus Ó Snodaigh: Last week, the Government handed over €711 million in order to pay an unsecured, unguaranteed bond or bonds in Anglo Irish Bank. Media reports this morning indicated that the social welfare budget is to be cut by virtually the same amount. What the Government is literally doing is taking money out of the pockets of the poorest and handing it over to nameless gamblers. The promissory notes which are the subject of the motion

- they were dreamed up by Fianna Fáil and have been odiously adopted by the current Government - must be either scrapped or drastically renegotiated at the very least.

The programme for Government contains a commitment to protect social welfare rates. As I have stated on numerous occasions, social welfare recipients should not pin much hope on that commitment because the Government has made another commitment to the EU and the IMF to the effect that it will reduce spending on social protection. Before she announced her cuts to the household benefits package and the fuel allowance in July, I pointed out to the Minister for Social Protection, at a meeting of the Joint Committee on Jobs, Social Protection and Education, the contradictions between these two commitments. She admitted that she could not stand over the Government's commitment to maintain social welfare rates. We will wait to see what happens a few weeks from now. I am of the view that the Government intends to remove €700 million from the social protection budget in order to recoup the money it threw away last week when it paid the unsecured, unguaranteed bond in Anglo Irish Bank.

The Government will use various methods — such as changing eligibility rules and cutting secondary benefits for those who are dependent on social protection — to recoup the money to which I refer. For example, thousands of carers throughout the country will be concerned that their half-rate allowance will be removed. The National Association of Widows in Ireland, NAWI, protested outside the gates of the Oireachtas today and its members are going to be worried about further social welfare cuts. Thousands of families that are dependent on welfare payments will be living in fear of losing supports relating to rent, fuel and school costs.

I call on the Minister for Finance and the Government to live up to their pre-election promise to protect the vulnerable by giving a commitment to remove the incomes of social welfare recipients from the budgetary process. Any cuts to social welfare payments will be counter-productive as well as immoral. Cuts of this nature ultimately mean that the social welfare bill will increase. That is the case because those in receipt of social welfare have less to spend and this results in further job losses and, consequently, longer dole queues. It is no surprise that the Government's medium-term fiscal statement revised employment projections downwards once again. That is the predictable and logical consequence of four years of austerity. If the Government continues to cut social welfare payments and supports, the chances of there being a revival in the context of job creation are extremely bleak.

There are important political decisions which the Government can and should make. In the first instance it should refuse to pay the promissory notes relating to Anglo Irish Bank and should use the money involved to retain social welfare payments and invest in job creation. Doing this would reduce the demand for social protection. A conservative estimate puts the total cost of repaying the promissory notes at €74 billion. That amounts to the entire social welfare budget for four years. When pressed on this matter by my colleague, Deputy Doherty, in June, the Minister for Finance claimed that he was trying to negotiate a rescheduling of these payments. However, no substantive negotiations have taken place on this issue and it was not even on the agenda for the most recent European Council meeting. It is clear the Government is not pursuing this matter effectively, forcefully, persistently or at the highest level because reports which emerged earlier today indicate that there is no process of negotiation in respect of it. A spokesman for the European Commission said he was not aware of it being raised by Irish officials at all. So much for the Minister negotiating. God love us if we are depending on the Minister to negotiate anything because he has failed miserably to date to have any major effect on the cost of debt in Ireland.

Deputy Seán Crowe: The German-born physicist, Albert Einstein, coined the phrase that insanity is doing the same thing over and over again and expecting different results. It is a quote that would aptly describe the Government's determination to press ahead with the failed

[Deputy Seán Crowe.]

policies of its predecessor and pay billions of euro of Irish taxpayers' money into a failed banking system.

The Anglo Irish Bank promissory note is a national scandal and one of the worst policy decisions to have come out of the banking crisis. It is estimated that by 2031, it will have cost Irish taxpayers at least €74 billion, with some economists believing the final amount could be as much as €90 billion — a lot of money, a lot of hard work and a lot of sweat and tears. A terrible burden is being placed on all our citizens and we are forcing future generations to shoulder the burden of massively flawed policies that were implemented by the previous Fianna Fáil-Green Party Government.

In February last, the majority of Irish people voted for real and meaningful change. They believed political parties and their candidates when they said they would reverse the awful policies of the outgoing Administration, and yet they got more of the same. Along with many others in this Chamber, I fought an election believing that there was a fairer and better way, and I still believe that.

It is insane for Fine Gael and Labour to continue to pay endless sums of money into toxic banks continuing the same policy over and over again and expecting different results. The next ten years will see Anglo Irish Bank getting €3.1 billion of Irish taxpayers' money. When additional interest payments are added, the total cost to the taxpayers rises to more than €74 billion.

This payout comes at a time when the Government admits that even if it implements all of its current policies without a hitch over the next three years, the most optimistic estimates suggest that at least 390,000 people will remain unemployed. How much more can working people and their families take? The three cornerstones of health, education and social welfare, on which any just and fair society is built, are being shredded by cut after cut.

The Government's growth estimates are continually being revised downwards, yet it continues to implement policies that are failing to regenerate the economy. They are also failing to create jobs and the promised stimulus that is needed to get our country out of this recession has not materialised.

We see the same bad policies that were pursued by the discredited Fianna Fáil-Green Party Government. Despite all of their pre-election rhetoric, Fine Gael and Labour have reneged on their promises to protect the rights of working people and, as a result, hard-pressed families are bearing the brunt of rising prices, cuts to essential services and having their disposable income slashed.

Sinn Féin has repeatedly proposed that the Government take a stand against the ECB-IMF and the unsecured bondholders. We believe a new deal can be negotiated even within the existing memorandum of understanding. The troika has already confirmed this is possible and it should also be remembered that the Anglo Irish Bank promissory notes and bonds are outside the scope of the memorandum of understanding.

Apart from the Government, the ECB and bondholders, few others believe such payments should be made to unguaranteed and unsecured bonds, especially when the Anglo Irish Bank bond of €715 million was sold at a discount. Despite this, the Government presses ahead with paying it out in full and the gamblers and the speculators rub their hands, unable to believe their luck.

The people voted for change but we have not seen it. "When did the debt become mine?", is what everyone — those in the Gallery and those at home — is asking. When did the debt become ours? I do not know anyone from my community who built up the debt. I suppose the

question being asked at the end of this debate will be when it became our debt Why is the taxpayer having to bail out these unsecured and unguaranteed bondholders? No one on the Government side has explained that to anyone at home. That is the big question people want answered because they are the ones who must suffer these cuts being implemented.

Deputy Dessie Ellis: The ultimate question the Government needs to deal with in this motion is not whether it is dedicated to the EU, the euro or the European banking system, rather whether it is living in reality. Is the Government for real about creating a thriving economy and society which provides for the people? Is it serious about standing up for Ireland? Most of all, is it willing to deal with the cold hard facts and own up to the glaringly obvious, that this bailout has not worked, is not working and never will work? It is not even that it will not work for Ireland, but that it will not work for anywhere else either. We have been tied to a debt we cannot pay. It is as simple as that. Three years of austerity have left us with 450,000 unemployed, cuts to vital services and an unprecedented race to the bottom. This is not to say the solution is simple. That is another matter, but we can only get to where we need to go when the members of the Government have pulled their heads from the sand and remembered all the empty rhetoric they spouted in Opposition.

The bailout seeks to gift €47 billion to Anglo Irish Bank and to pay €28 billion back in interest from this loan. Shockingly, this is a conservative estimate of what this will cost. As my colleague, Deputy Doherty, said, it will cost every man, woman and child €16,157. It is the States own NINJA loan and we will get nothing but more grief for it. The plan will bleed this money out of the people over the next 20 years to the detriment of the vulnerable, the sick and the young. The obscenity of the Government paying unguaranteed unnamed bondholders while the elderly are on trolleys, teachers' jobs are cut, children with special needs are neglected and the best and brightest emigrate or rot on the dole is hard to believe. It propagates this terrible idea that the markets come before the people and that pleasing those who created this mess is more important than tending to the rights of those who have given us their mandate. It makes a mockery of this House, and any words of concern uttered by the Government. The promissory note which was issued by the Fianna Fáil-Green Government and continues to wreak its havoc on the economy and the lives of the people was wrong then and certainly is no closer to being right today. It must be said repeatedly until the Government accept this fact of which the majority of ordinary people in Ireland are aware and on which independent economists agree, that we cannot pay this debt and we should not attempt to do so for the sake of the country and its future.

The Government must be honest with itself, with Europe and with the people and tell them that this toxic debt is not ours to pay, is unpayable anyway, and withdraw the promissory note as soon as possible. It is high time the Government started to live up to its responsibility to the people who elected it, not to some perceived responsibility to the bankers and gamblers of the world. It is quite obvious to anyone who meets members of the public that the majority of them oppose this deal. They know it is wrong, they know it is unworkable and they do not want it. They are insulted by the prospect of facing further taxes and cuts to line gamblers' pockets, some of whom have only recently stuck their head in the trough to benefit from our troubles.

We need to solve this debt problem. We will not get any benefit from seeking to be the best boy in the class and cleaning up someone else's mess. The Government needs to stop talking about meeting Europe's targets and start talking about meeting the needs of the State and its people. I call on Members of the Government parties to support this motion. None of them sits here tonight wanting to play a part in the betrayal of their country and their people, but that is what the continuation of this policy is doing.

Deputy Martin Ferris: While the figures involved in the Anglo Irish Bank bailout are sometimes difficult to comprehend, it is nice to be able to put a human face on some of the beneficiaries. Although An Taoiseach was reluctant to divulge any of the senior bondholders' names to Deputy Adams last week, we know who they are. Among them are our good friends in Goldman Sachs. I say "good friends" because a good friend and former member of the Fine Gael Party, Mr. Peter Sutherland, is an employee of that prestigious firm. Not just any humble employee, either, but chairperson and managing director of Goldman Sachs International. Despite his connection with Fine Gael, in the spirit of good will Mr. Sutherland was asked by the previous Government to advise it on where cuts needed to be made so that his employers would get their money as quickly as possible. It is a convenient arrangement when one thinks about it.

The current Administration has continued to look after Goldman Sachs and other bondholders. Only last week and on behalf of children who have been deprived of their special needs assistants, SNAs, and other generous sections of our community, it selflessly handed over another massive sum of money to the bondholders. Yet some ungenerous people resent this. For example, Matt Taibbi of *Rolling Stone* magazine described Goldman Sachs as "a great vampire squid wrapped around the face of humanity". It is an apt description. According to him, not only does Goldman Sachs thrive on economic misery, it has also helped to bring about many of the better known economic catastrophes of the past 100 years, including the 1929 stock market crash. It was up to its neck in the junk bonds, sub-prime mortgages and credit swaps that contributed to the more recent financial disasters. No coincidence, then, that it was attracted to our own disaster in Anglo Irish Bank.

While many millions of people have lost out as the Irish people are losing out, Goldman Sachs has thrived. Last year, it had a net profit of \$8.4 billion and it currently controls assets worth \$911 billion. While much of the world economy and many hundreds of millions of people globally have suffered, Goldman Sachs has managed a significant increase in earnings on the back of bailouts, including that of AIG in the United States, which earned Goldman Sachs \$13 billion. Anglo Irish Bank has become a similar source of money for the vampire squid.

These are the sorts of people to whom we are told the Irish owe a "debt of honour". These are the people on whose behalf the citizens of this State have been indentured to a massive and unsustainable debt that is no more theirs than were the profits made by Anglo Irish Bank when it was up to its neck fuelling the scams and speculations of a corrupt and now bankrupt so-called elite.

Among the bondholders, too, is Aviva, which demonstrated its gratitude to the Irish people for picking up its gambling tab by announcing a few weeks ago that it was letting go 1,000 of its employees. Is anyone seriously claiming that the State, the Government and the Irish people have any moral obligation to Aviva? The Minister for Communications, Energy and Natural Resources, Deputy Rabbitte, recognised as much last weekend when he stated that it was "excruciatingly difficult" to hand over the latest €700 million plus to Anglo Irish Bank but that the Government had no choice.

However, the Government has choices and we must make them. The Government's choices will determine the plight and misery of our people. Its choices to date have been disgraceful. It has pauperised a large part of our population and continues to do so, following in the footsteps of the previous Government. Given that more people are becoming unemployed, this is a disgrace. There is no moral or economic justification for the road the Government is travelling.

Deputy Pádraig Mac Lochlainn: I have listened with great interest to the Government's terminology, particularly that used by the Minister for Finance, Deputy Noonan, in the House

last night. According to the Government, this is a solemn sovereign agreement into which the previous Government entered on behalf of the Irish people. Therefore, even though the people overwhelmingly rejected the previous Government and elected a new one, we must honour this solemn sovereign agreement. The Minister's speech, which was handed to us last night, read: "I respectfully suggest that unilateral action or "gun boat diplomacy" will not serve the country's best interests". This is the Government's rationale.

Here I stand, a Teachta Dála for Donegal North-East. Sitting beside me is the Teachta Dála for Donegal South-West, Deputy Doherty. Along with other political, business, tourism and community representatives in the north west, he and I have campaigned for many years for equality in road infrastructure for our people. Motorways go from Dublin to Galway, Limerick, Cork, Waterford and Belfast. It is right that each of these regions is linked to the capital city, but 500,000 people in the north west are not linked to it. This injustice was to have been addressed under the solemn sovereign agreement made by the Government at St. Andrew's in 2006. Deputy Doherty and I were present at the time and understood that the agreement would be honoured. Today, we found out that the Government was walking away from the agreement unilaterally. Those opposite can call it "gun boat diplomacy" if they like, but it has a devastating impact on the people of our region.

In recent days, the Government paid €715 million to unsecured, unguaranteed bondholders, yet we do not know who they are. The leader of our country could not tell us who they were. In January, the Government will hand over a further €1.2 billion, some three times the contribution promised by the previous Government to the people of County Donegal and the north west as part of the peace process, a binding, international, solemn agreement.

Government Members are complete hypocrites. Their arguments in the House today have no credibility. When they all line up along the Government benches in approximately 30 minutes to do their duty as usual and vote with the Government, they will have no credibility in the eyes of the people of County Donegal, the north west and the Six Counties. The suggestion that this project should be pushed back five years is outrageous. I remind the Government that, with all of the hardship across the island, counties Donegal, Derry and Tyrone have the highest levels of unemployment and economic deprivation. We have no rail link with Dublin, never mind a motorway link. We will not wait the five years suggested by the Government, but ten years. How is that solemn sovereign agreement being honoured?

The Government will honour its agreements with bondholders, gamblers and hedge fund speculators who made 50% gains by believing it would not do what it claimed it would before the election in February, but it will renege on the people on this island who need help the most, the people of the north west who have endured these economic circumstances for many years. Government Members have no credibility in their arguments. The Sinn Féin motion should be passed and the Government should make a stand. I implore it to have consistency, courage and dignity at this stage.

Minister of State at the Department of Public Expenditure and Reform (Deputy Brian Hayes): I thank the Leas-Cheann Comhairle for the opportunity to address a timely and appropriate motion for the House. Despite the speeches, there is a fair degree of common ground on all sides of the House. We are all agreed that every effort must be made to reduce the cost to the Exchequer of the promissory notes. We are all agreed to various degrees that the State should, first, continue discussions with our international partners on how this reduction can be achieved and, second, not act unilaterally in this regard.

There is a clear recognition that the eurozone situation is evolving and that developments in this regard may provide opportunities for the State to revisit certain matters. As an independent State we have taken the initiative to deal with our problems. We have taken the hard decisions

[Deputy Brian Hayes.]

and we will take other decisions necessary to get the country back on track as quickly as we can. We must ensure, and our international partners must have regard to our need to ensure, that the debt burden of the State is fair and sustainable. This is in all our interests. The necessary adjustments to State expenditure have impacted and will impact on the level of services and the standard of living our people can enjoy.

The Government accepts that the impact of the adjustment must be fair and appropriate. It also accepts that it is galling to have to pump in State resources to support the financial sector. However, these actions are necessary. Our economy will not operate without a banking system. We need to return to the financial markets for funding, re-establish our financial credibility, return to growth and prosperity for the good of all our people and we need to do all of these things so as to exit the programme of financial assistance from the IMF-EU as soon as we possibly can. It is the historic task of the Government and all Deputies in the House to return this country to our independence and to get out of this programme as soon as we can.

As indicated yesterday by my colleague the Minister for Finance, Deputy Noonan, we are committed to looking at the promissory note to see what, if anything, can be achieved in terms of reducing the overall cost. However, two issues arise which need some clarification. The total cost of the note is €47 billion and not €70 billion to €90 billion as is being claimed. In simple terms, consider the promissory note as a mortgage; the cost of the promissory mortgage is principal plus interest, which is €30 billion principal and €17 billion interest. Therefore, the total cost of the promissory note mortgage is €47 billion.

There also appears to be some suggestion that it may be possible to ignore the promissory note and that it will go away, and that the central bank or ECB would continue to fund the institution to do the work out of the remaining loan book. I refer Deputies to the balance sheet of the bank in this regard. In the first instance, the Central Bank and the ECB are effectively funding the bank at present. If the promissory note is removed from the balance sheet, certain real consequences will flow. These are not imaginary consequences, they are real consequences which the proposers of the motion need to address honestly and not just forget about.

The gap must be filled on the asset side of the balance sheet and in the absence of this asset the bank would fail which would lead to immediate insolvency. This would require repayment of all amounts due under all contracts, even the guaranteed ones, and this would happen immediately. The Central Bank and the ECB would not be able to continue to fund the bank under their rules as the institution would no longer be a going concern or a licensed bank. The Central Bank and ECB funding of approximately €45 billion would have to be repaid. This €45 billion is predominantly State-backed and it would fall to the State to repay it. The assets of the bank would have to be disposed of in a fire sale scenario which would increase losses to the taxpayer immediately.

Therefore, with respect to colleagues, it is simply not realistic in the current environment to consider a default as an option or to assume that the Central Bank or the ECB would continue to fund the bank in circumstances described. The €110 billion liquidity we obtained from the ECB at a rate of 1.5% is the reality of the situation we face.

As indicated yesterday by the Minister, Deputy Noonan, we are eager to have the promissory notes redesigned in a better way for the State, for example by lengthening their maturity or reducing the interest rates on them or both. Discussions have commenced with the relevant authorities at a technical level but as yet there is no indication of a successful outcome. On behalf of the country and its people we will continue to fight for the best deal. With the continued support of this House, the Government will achieve its objectives in the teeth of the most volatile and difficult economic environment in a generation. Brick by brick and step by

step progress is being made. Our plan is clear. Success is not guaranteed but working with our international partners and all Deputies and political parties in the House we can get the country to a better place. I commend the counter-motion to the House.

Deputy Caoimhghín Ó Caoláin: I wish to share time with Deputy Peadar Tóibín.

The usual practice at this stage in Private Members' business is for the proposers of the motion to rebut points made by the Government side yesterday and today. However, I would begin by wholeheartedly endorsing something stated yesterday by a Government Deputy, Peter Mathews, who stated:

I wish to give the Minister every support in putting the stone in the slingshot, aiming it and ensuring it hits Goliath between the eyes in order that he might wake up. The Goliath to which I refer in this context is our European partners.

Well done. I wish the Deputy luck because he will need it in his endeavour to turn the Government into a David fighting against the EU Goliath. The problem is that, like all its predecessors, the Government has a fawning, submissive attitude to the EU institutions and to the big players who call the shots in Europe. The record shows that since 1972 Fine Gael, the Labour Party and Fianna Fáil have been unquestioning yes-men and women, content to go along with every step in the erosion of Irish economic sovereignty. Remember, that sovereignty was already seriously undermined before the IMF-ECB-EU troika rode into town and flattened it altogether.

Our EU partners regard the political establishment in this State as a complete push-over. After all, these three parties all united to overturn the will of the people as expressed in referendums on two EU treaties, namely, the Nice and Lisbon treaties. In both cases the people voted "No" and then were faced with a campaign of brow-beating and scare-mongering, including threats of expulsion from the EU, if they did not reverse their decision and vote "Yes".

However, Fine Gael and Labour had a golden opportunity to leave behind this legacy, open a new chapter and send a clear signal to our EU partners when they were elected last February. Let there be no mistake about this. Armed with an electoral mandate that any Government would envy, they could and should have gone to their EU partners and done exactly what Sinn Féin proposes in this motion. They should have made clear that their mandate was to unburden the Irish people of the Anglo Irish Bank debt.

Not only do I find common sense of the proportion of all of this with Deputy Mathews. Deputy Costello of the other Government party stated yesterday that many in the Labour Party in their hearts favour what Sinn Féin proposes. I would say many of them would also favour it in their heads and this is very important because they know what Sinn Féin proposes is the right thing to do. It is the sensible course and the only course if people are not to be burdened with intolerable debt for many years to come.

As the motion states, the Taoiseach and the Minister for Finance should immediately enter discussions with the ECB to have the promissory note withdrawn and to remove the toxic private bank liability from the State and the taxpayer. The Government should seek support from our EU partners in this because it is the only way to reduce our debt to GDP ratio to manageable levels.

The people have every right to expect that Fine Gael and the Labour Party would have taken this course already. Prior to the general election they were told by Fine Gael that paying billions of euros to Anglo Irish Bank bondholders was obscene; this was their language. They were also told it would be Labour's way or Frankfurt's way.

[Deputy Caoimhghín Ó Caoláin.]

It is still not too late for the Government to change course. I will close with these words which are sincerely expressed. The Government has been in office for only nine months. I use this opportunity to appeal to it to do the right thing, to choose the national interest and not the bondholders' interest and to choose a road to economic recovery and not a road to deeper recession, mass unemployment and poverty. This Government would have the overwhelming support of the Dáil and of the people across the State if it was to do the right thing now. I urge the Government to grasp the nettle, withdraw the amendment, accept the Sinn Féin motion and vote accordingly.

Deputy Peadar Tóibín: Over the past 48 hours we have listened to a number of important contributions. Strangely, there has been a certain level of consensus on the debate but not on the primary issue. No one has said that the promissory notes are a good thing and no one has said that continuing to hand over money to bondholders and failed banks is a good thing. Few have disagreed with the figure in the region of €74 billion. The Minister of State erroneously claimed it would add up to €47 billion. If we had it in the bank, €47 billion would pay for it but, due to the amount of money that must be drawn down, the sum accumulates to €74 billion in the long run. No one has disputed that it will take 20 years to pay off the debt associated with this bank. No one has said that money is better paid to the bondholders rather than to create jobs, build schools or employ doctors, nurses, gardaí, or teachers. From talking to them in the corridors, it appears that Government Deputies do not believe this is the right thing to do but, unfortunately, they are holding the Government line on this and are continuing to allow the Government to pay this debt.

The Government is faced with zero sum options. Does it prioritise the people or the speculating bondholders of private banks? It cannot do both. On one side, it is pumping billions into the pockets of bondholders. My colleague, Deputy Pearse Doherty, estimated it to be €16,157 per man, woman and child in this State. By the Government's estimate, 390,000 people will be unemployed by 2015 while 450,000 people are unemployed at present. Some 70,000 people are forced to emigrate annually. In whole swathes of this State, the so-called GAA generation has been erased. This Government, like those before it, is cynically using emigration as a safety valve for its economic policies.

Public services have been undermined and class sizes have been increased. Investment in first, second and third level education is being reduced. Many of the State's competitive advantages are being eroded. Health service waiting lists are lengthening and some people are being driven to early graves owing to the despair caused by these policies. The number of gardaí is being reduced. Low and middle income earners are being put to the pin of their collars and beyond because of the Government's flat taxes.

Vital parts of our national infrastructure will be sold, resulting in lower levels of investment, higher costs to the people and future profits being diverted to private pockets. Whole sections of our towns and cities are morphing into ghost towns, with dereliction and empty shopfronts replacing vibrant communities. All of these negative outputs are symptoms of this Government's decision to prioritise toxic banks over Irish people. The bailout of private bondholders and its associated austerity is the biggest threat to the Irish economy and people.

Some on the Labour Party benches have made much of their opposition to the initial bank guarantee and told untruths about Sinn Féin's position on the guarantee. Let us be clear that the Minister for Finance has stated that the decision that gave weight to the bailout happened on 17 October 2008. The record clearly shows that both Labour and Sinn Féin voted against the Bill on that day.

The history books will be clear on this economic catastrophe. Fianna Fáil, Fine Gael, Labour and the Green Party are the only parties that bailed out unguaranteed, unsecured bondholders. In Opposition, the Labour leader accused the former Taoiseach of economic treason. He said “if the Taoiseach’s Government knew Anglo Irish Bank was insolvent and ... asked the Irish taxpayers to bail it out and to pay the cost we are now paying for it, that was and is economic treason”. This Government knows that Anglo Irish Bank is insolvent yet it forces the Irish people to pay the bill. The Labour Party, by its own charge, is engaged in economic treason.

The most insipid response has been that there is nothing we can do about this because it is an agreement with the troika. Some stated during this debate that the Government inherited the mess but this Government received a massive mandate for change last February. This Government is not bound by the agreements of previous Governments.

There is real and palpable anger throughout Ireland over what this Government has done. Often, backbenchers wring their hands and shake their heads but Government back bench Deputies hide behind their Ministers and the Whip. In my county, Fine Gael and Labour Deputies voted to impose a levy on the pensions of former Tara Mines workers which will reduce their pensions by one month’s income every year. At the same time, the Government is putting €700 million into the pockets of speculators who bought bonds on the secondary market for a fraction of the price we paid in the end.

I ask people up and down this State to contact a local Deputy who is individually responsible for the damage being done to this State. Let local Deputies be in no doubt as to the damage they are wreaking on families and that they know what people will do in future. This Government should deliver on its pledges during the election or it should seek a new mandate based on its new priorities.

The Government claims it has no choice, yet it has abdicated leadership to France and Germany. The herd mentality throughout Europe is contributing to the ratcheting up of this crisis. Today, Italian bonds crossed the 7% unsustainable red line that was earlier crossed by Greece, Ireland and Portugal and brought EU and IMF intervention. The fallacy that debt write-down is impossible has been exposed by the Greek deal. Today we have a banktocracy, as it were; a situation whereby Irish citizens are allowed fail but banks are not.

There is an alternative. We need proper stress tests throughout Europe, with all toxic derivative debt and sovereign debt being fully analysed. We need to separate sovereign from commercial debt. Commercial debt needs to be dealt with in a commercial way. It happens every day in every other sector. Investors have already hedged against the losses they expect from this type of solution. We see this in their sales of bonds at a fraction of the prices at which the Government is paying them back.

At an EU level, EU nations need to work together as equal partners and not subjects to the big two, who are appealing to their internal electorates. The ordinary citizen in the other 25 member states needs to be represented. We need to stop recapitalising bad banks. They are black holes as we know only too well in this State. Some banks will have close.

9 o'clock The ECB should be lender of last resort and they should recapitalise. A real investment stimulus is necessary in this State to provide jobs and confidence. I urge Fine Gael and Labour Deputies not to continue with policies that are causing destruction to the Irish economy and to support the Sinn Féin Private Members’ motion.

Amendment put:

The Dáil divided: Tá, 94; Níl, 47.

Tá

Bannon, James.	Kehoe, Paul.
Barry, Tom.	Kelly, Alan.
Breen, Pat.	Kenny, Seán.
Broughan, Thomas P.	Kyne, Seán.
Burton, Joan.	Lawlor, Anthony.
Butler, Ray.	Lynch, Kathleen.
Buttimer, Jerry.	Lyons, John.
Byrne, Catherine.	McFadden, Nicky.
Byrne, Eric.	McHugh, Joe.
Carey, Joe.	McLoughlin, Tony.
Coffey, Paudie.	McNamara, Michael.
Conaghan, Michael.	Maloney, Eamonn.
Conlan, Seán.	Mathews, Peter.
Connaughton, Paul J.	Mitchell O'Connor, Mary.
Conway, Ciara.	Mulherin, Michelle.
Coonan, Noel.	Murphy, Dara.
Corcoran Kennedy, Marcella.	Nash, Gerald.
Costello, Joe.	Naughten, Denis.
Coveney, Simon.	Neville, Dan.
Creed, Michael.	Nolan, Derek.
Creighton, Lucinda.	Noonan, Michael.
Daly, Jim.	Nulty, Patrick.
Deasy, John.	Ó Ríordáin, Aodhán.
Deenihan, Jimmy.	O'Donnell, Kieran.
Deering, Pat.	O'Donovan, Patrick.
Doherty, Regina.	O'Mahony, John.
Donohoe, Paschal.	Penrose, Willie.
Dowds, Robert.	Perry, John.
Doyle, Andrew.	Phelan, Ann.
Durkan, Bernard J.	Phelan, John Paul.
English, Damien.	Rabbitte, Pat.
Farrell, Alan.	Reilly, James.
Feighan, Frank.	Ring, Michael.
Fitzpatrick, Peter.	Ryan, Brendan.
Flanagan, Charles.	Shatter, Alan.
Flanagan, Terence.	Sherlock, Sean.
Griffin, Brendan.	Shortall, Róisín.
Hannigan, Dominic.	Spring, Arthur.
Harrington, Noel.	Stagg, Emmet.
Harris, Simon.	Stanton, David.
Hayes, Brian.	Timmins, Billy.
Hayes, Tom.	Tuffy, Joanna.
Heydon, Martin.	Twomey, Liam.
Howlin, Brendan.	Varadkar, Leo.
Humphreys, Heather.	Wall, Jack.
Keating, Derek.	Walsh, Brian.
Keaveney, Colm.	White, Alex.

Níl

Boyd Barrett, Richard.	Flanagan, Luke 'Ming'.
Browne, John.	Fleming, Tom.
Calleary, Dara.	Grealish, Noel.
Collins, Joan.	Halligan, John.
Collins, Niall.	Healy, Seamus.
Colreavy, Michael.	Healy-Rae, Michael.
Cowen, Barry.	Higgins, Joe.
Crowe, Seán.	Kirk, Seamus.
Daly, Clare.	Kitt, Michael P.
Doherty, Pearse.	Mac Lochlainn, Pádraig.
Donnelly, Stephen.	McConalogue, Charlie.
Dooley, Timmy.	McGrath, Finian.
Ellis, Dessie.	McGrath, Mattie.
Ferris, Martin.	McGrath, Michael.

Níl—*continued*

McGuinness, John
 McLellan, Sandra.
 Martin, Micheál.
 Moynihan, Michael.
 Murphy, Catherine.
 Ó Caoláin, Caoimhghín.
 Ó Cuív, Éamon.
 Ó Fearghaíl, Seán.
 Ó Snodaigh, Aengus.
 O'Brien, Jonathan.

O'Dea, Willie.
 O'Sullivan, Maureen.
 Pringle, Thomas.
 Ross, Shane.
 Smith, Brendan.
 Stanley, Brian.
 Tóibín, Peadar.
 Troy, Robert.
 Wallace, Mick.

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

Amendment declared carried.

Amendment No. 1 not moved.

Question put: "That the motion, as amended, be agreed to."

The Dáil divided by electronic means.

Deputy Aengus Ó Snodaigh: Given that some people forgot to vote and the colossal amount of money involved — some €74 billion — and its potential to bankrupt the State, I am calling for a vote by other than electronic means.

Question again put: "That the motion, as amended, be agreed to."

The Dáil divided: Tá, 94; Níl, 48.

Tá

Bannon, James.
 Barry, Tom.
 Breen, Pat.
 Broughan, Thomas P.
 Burton, Joan.
 Butler, Ray.
 Buttimer, Jerry.
 Byrne, Catherine.
 Byrne, Eric.
 Carey, Joe.
 Coffey, Paudie.
 Conaghan, Michael.
 Conlan, Seán.
 Connaughton, Paul J.
 Conway, Ciara.
 Coonan, Noel.
 Corcoran Kennedy, Marcella.
 Costello, Joe.
 Coveney, Simon.
 Creed, Michael.
 Creighton, Lucinda.
 Daly, Jim.
 Deasy, John.
 Deenihan, Jimmy.
 Deering, Pat.
 Doherty, Regina.
 Donohoe, Paschal.
 Dowds, Robert.
 Doyle, Andrew.
 Durkan, Bernard J.

English, Damien.
 Farrell, Alan.
 Feighan, Frank.
 Fitzpatrick, Peter.
 Flanagan, Charles.
 Flanagan, Terence.
 Griffin, Brendan.
 Hannigan, Dominic.
 Harrington, Noel.
 Harris, Simon.
 Hayes, Brian.
 Hayes, Tom.
 Heydon, Martin.
 Howlin, Brendan.
 Humphreys, Heather.
 Keating, Derek.
 Keaveney, Colm.
 Kehoe, Paul.
 Kelly, Alan.
 Kenny, Seán.
 Kyne, Seán.
 Lawlor, Anthony.
 Lynch, Kathleen.
 Lyons, John.
 McFadden, Nicky.
 McHugh, Joe.
 McLoughlin, Tony.
 McNamara, Michael.
 Maloney, Eamonn.
 Mathews, Peter.

Tá—*continued*

Mitchell O'Connor, Mary.
 Mulherin, Michelle.
 Murphy, Dara.
 Nash, Gerald.
 Naughten, Denis.
 Neville, Dan.
 Nolan, Derek.
 Noonan, Michael.
 Nulty, Patrick.
 Ó Ríordáin, Aodhán.
 O'Donnell, Kieran.
 O'Donovan, Patrick.
 O'Mahony, John.
 O'Reilly, Joe.
 Penrose, Willie.
 Perry, John.
 Phelan, Ann.

Phelan, John Paul.
 Rabbitte, Pat.
 Ring, Michael.
 Ryan, Brendan.
 Shatter, Alan.
 Sherlock, Sean.
 Shortall, Róisín.
 Spring, Arthur.
 Stagg, Emmet.
 Stanton, David.
 Timmins, Billy.
 Tuffy, Joanna.
 Twomey, Liam.
 Varadkar, Leo.
 Wall, Jack.
 Walsh, Brian.
 White, Alex.

Níl

Boyd Barrett, Richard.
 Browne, John.
 Calleary, Dara.
 Collins, Joan.
 Collins, Niall.
 Colreavy, Michael.
 Cowen, Barry.
 Crowe, Seán.
 Daly, Clare.
 Doherty, Pearse.
 Donnelly, Stephen.
 Dooley, Timmy.
 Ellis, Dessie.
 Ferris, Martin.
 Flanagan, Luke 'Ming'.
 Fleming, Sean.
 Fleming, Tom.
 Grealish, Noel.
 Halligan, John.
 Healy, Seamus.
 Healy-Rae, Michael.
 Higgins, Joe.
 Kirk, Seamus.
 Kitt, Michael P.

Mac Lochlainn, Pádraig.
 McConalogue, Charlie.
 McGrath, Finian.
 McGrath, Mattie.
 McGrath, Michael.
 McGuinness, John.
 McLellan, Sandra.
 Martin, Micheál.
 Moynihan, Michael.
 Murphy, Catherine.
 Ó Caoláin, Caoimhghín.
 Ó Cuív, Éamon.
 Ó Fearghaíl, Seán.
 Ó Snodaigh, Aengus.
 O'Brien, Jonathan.
 O'Dea, Willie.
 O'Sullivan, Maureen.
 Pringle, Thomas.
 Ross, Shane.
 Smith, Brendan.
 Stanley, Brian.
 Tóibín, Peadar.
 Troy, Robert.
 Wallace, Mick.

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

Question again declared carried.

The Dáil adjourned at 9.35 p.m. until 10.30 a.m. on Thursday, 10 November 2011.

Written Answers.

The following are questions tabled by Members for written response and the ministerial replies as received on the day from the Departments [unrevised].

Questions Nos. 1 to 14, inclusive, answered orally.

Taxi Regulations

15. **Deputy Brendan Smith** asked the Minister for Transport, Tourism and Sport if he will provide further details on when the review of the taxi sector will be completed in November; if he will publish the review; and if he will commit to providing additional resources to ensure a better system of regulation for the taxi sector. [33477/11]

Minister of State at the Department of Transport, Tourism and Sport (Deputy Alan Kelly): The review is examining all aspects of taxi regulation and will make specific recommendations on matters concerning licensing, enforcement, vehicle standards, supply issues in rural and urban areas and future dialogue with the taxi sector. The review will enable the necessary further reforms of the sector to allow consumers to have confidence in the taxi system while also ensuring that legitimate and competent operators and drivers can be rewarded by operating fairly under a regulatory framework that is adequately enforced.

Good progress is being made on the review and I envisage that the the review steering group, which I am chairing, will complete its work this month. Some of the priority areas under consideration in the review include new powers to suspend or revoke a licence, measures to ensure revenue and social welfare compliance and the use of technologies to further consumer protection and enforcement. In addition, the conclusions of the economic analysis of the taxi market being carried out by the consultants, Indecon, will also be considered by the review group.

Publication of the review will of course be subject to Government approval and I would expect to submit the review proposals for Cabinet consideration at an early date. Any additional resources that might be required to implement the review recommendations will also be considered then.

Public Transport

16. **Deputy Michael McGrath** asked the Minister for Transport, Tourism and Sport the efforts he has made to date to bring about a more diverse bus service provision; his plans to bring in

[Deputy Michael McGrath.]

competitive tendering in the bus licensing market; and if he will make a statement on the matter. [33466/11]

Minister for Transport, Tourism and Sport (Deputy Leo Varadkar): In accordance with the commitment in the Programme for Government to explore the benefit to the public transport passenger of more diverse bus service provision, I am examining the options available.

The Dublin Transport Authority Act 2008 enabled the granting of contracts for public service obligation (PSO) services on a direct award basis to Dublin Bus, Bus Éireann and Iarnród Éireann in respect of existing services and on a public tender basis for new services.

The existing contracts with Dublin Bus and Bus Éireann were for 5 years and expire on 3 December 2014. The NTA must publish information regarding proposed tenders and direct award contracts, and the services and areas potentially covered by the award, in the Official Journal of the European Union at least 1 year in advance of an invitation to tender or direct award. In that event the NTA will be required to tender for the provision of subvented bus passenger services by 3 December 2013. It is within that timeframe that I am developing proposals and it is my intention to consult with my Ministerial colleagues on this subject in the near future.

Greenhouse Gas Emissions

17. **Deputy Catherine Murphy** asked the Minister for Transport, Tourism and Sport if he was consulted in advance of a decision (details supplied) to abandon a legislated emissions reduction plan; if he proposes any new domestic emissions reduction strategies within his own Department in order to help achieve the long term goal of a reduction of 40% of greenhouse gas emissions in Ireland by 2030 set by the previous Government; if not, if his attention has been drawn to any plans to make alternative domestic proposals in the absence of a legislated emissions reduction plan; and if he will make a statement on the matter. [33446/11]

Minister of State at the Department of Transport, Tourism and Sport (Deputy Alan Kelly): My colleague, the Minister for the Environment, Community and Local Government, has not abandoned the objective of underpinning national climate policy with legislation. His position is clearly set out in the reply to various written questions on 2nd November 2011, including Question No. 257, in which he states:

“My immediate priority is to finalise a review of national climate policy in the light of existing and anticipated national greenhouse gas mitigation targets up to 2020. The review will be made available on my Department’s website in the coming days (*published Thursday 3rd*) and will provide the background for future policy development.

It is my objective, in line with the Programme for Government, to introduce climate legislation within the lifetime of this Government. As indicated in the Government legislation programme, published on 14 September 2011, I expect that it will be 2012 at the earliest before any legislation can be published, taking account of the need also to progress the broader climate policy agenda under the aegis of the Cabinet Committee on Climate Change and the Green Economy.”

Beyond 2012, when the current commitment period under the Kyoto Protocol has expired, the binding greenhouse gas emissions reduction targets which Ireland must meet under EU law relate to the period 2013-2020. Overall, the level of mitigation to be achieved by 2020 equates approximately to 20% below 2005 levels the achievement of which will represent a major challenge.

With regard to how the transport sector is addressing this challenge, I would note that Greenhouse Gas Emissions from this sector have been declining in recent years and I understand that the latest estimates show that they have fallen by about 14% from their 2007 peak in the last three years. While much of the reduction in emissions much of this, unfortunately, can be attributed to the decline in economic activity, specific measures such as the changed motor tax system, mobility management schemes, and the biofuels obligation all yield emissions savings on an annual basis. End of Take

Sports Capital Programme

18. **Deputy Sandra McLellan** asked the Minister for Transport, Tourism and Sport when he intends to open up a new round of applications for the capital sports grants; and if he will make a statement on the matter. [33409/11]

Minister of State at the Department of Transport, Tourism and Sport (Deputy Michael Ring): Under the Sports Capital Programme, which is administered by the Department of Transport, Tourism and Sport, funding is allocated towards the provision of sports facilities at national, regional and local level. It is the primary vehicle for promoting the development of sports and recreational facilities in Ireland.

€33 million has been provided in the Department's vote in the 2011 Estimates to meet payments in respect of projects which have been allocated funding under the Sports Capital Programme. Over 1,000 payments were made last year to projects which were being developed across the country. Such projects allow clubs to increase the opportunities for people to engage in sports at all levels.

No decision has been made in regard to the timing of a new round of the Programme.

Harbours and Piers

19. **Deputy Richard Boyd Barrett** asked the Minister for Transport, Tourism and Sport his plans in relation to job retention and creation at Dún Laoghaire harbour and at Dún Laoghaire Harbour Company; and if he will make a statement on the matter. [33440/11]

33. **Deputy Richard Boyd Barrett** asked the Minister for Transport, Tourism and Sport if he has been in contact with a company (details supplied) in relation to the ongoing threat to jobs and downgrading of ferry services from Dún Laoghaire; and if he will provide an update on the actions taken regarding same; and if he will make a statement on the matter. [33439/11]

Minister for Transport, Tourism and Sport (Deputy Leo Varadkar): I propose to take Questions Nos. 19 and 33 together.

The situation regarding employment in Dun Laoghaire harbour remains unchanged since my response to the Deputy's oral PQ on the matter on 29 September last.

Stena Line, as an independent commercial company, has taken a decision to introduce greater efficiencies and reduce their overall operating overheads. The number of passengers and cars using Stena Line's Dun Laoghaire to Holyhead ferry service and the number of sailings on the service has been falling for a number of years. The HSS Stena Explorer, operating on the Dun Laoghaire Holyhead route, generates most of its turnover during the period May to September. I understand that this, coupled with high fuel operating costs, leaves the remaining months unsustainable.

The company say they will continue to operate the route on a seasonal basis and services on the route are scheduled to resume in April 2012. Passengers and freight customers can still

[Deputy Leo Varadkar.]

avail of the company's route between Dublin Port and Holyhead. This route is served by two vessels and the company operates a year round schedule.

As stated previously, the HSS Stena Explorer is a UK flagged vessel and I have no function in relation to employment on board the vessel. It is my understanding that the company has commenced consultations with their staff on board the vessel and those on shore in Dun Laoghaire and their trade union representatives to discuss the implications of the proposed changes.

Yesterday I met with a senior executive from Stena Lines with whom I discussed the matter and we agreed to a follow up meeting.

Over recent years the Dun Laoghaire Harbour Company has been restructuring its business in order to keep it on a sustainable financial footing and to enable the harbour to develop and operate on a commercial basis into the future. This has inevitably led to some job losses. The company has also been pursuing a twin strategy of developing alternative income streams from marine leisure and tourism related business, whilst also reducing its high cost base. The Board formally adopted its Masterplan describing its vision for the future of Dún Laoghaire Harbour on 4 October last.

Sports Capital Programme

20. **Deputy Michael Colreavy** asked the Minister for Transport, Tourism and Sport the discussions he has with the National Asset Management Agency in relation to making NAMA properties available as local sports facilities; and if he will make a statement on the matter. [33413/11]

Minister of State at the Department of Transport, Tourism and Sport (Deputy Michael Ring): Under the Sports Capital Programme the Department provides funding at local, regional and national level to sporting clubs and organisations; voluntary and community organisations and, in certain circumstances, local authorities and schools/colleges towards the provision of sporting facilities. The Programme does not provide funding towards the purchase of land or buildings.

My officials have had discussions with NAMA with regard to how NAMA properties can be made available to sporting organisations. From these discussions, I understand that NAMA has already made arrangements with some sports groups to lease land controlled by NAMA and that NAMA tries to accommodate these requests where it is possible.

Public Transport

21. **Deputy Eoghan Murphy** asked the Minister for Transport, Tourism and Sport his views regarding the Smarter Transport Bill 2011; and if he will make a statement on the matter. [33235/11]

Minister for Transport, Tourism and Sport (Deputy Leo Varadkar): I welcome the Smarter Transport Bill 2011 which the Deputy recently published. The Bill makes provision for local authorities to make bye laws for the provision and use of charging bays on public roads for electrically powered and plug-in hybrid vehicles and for the control and regulation of parking by car club vehicles on public roads.

I believe the Deputy's Bill is important as it will, if enacted, provide the legislative basis to encourage greater and more widespread use of electric cars as well as making car clubs a more viable option for members of the public. Therefore, I look forward to the Bill being debated in the House in the coming months, and giving general support to the proposals contained within the Bill.

Dormant Accounts Fund

22. **Deputy Seán Crowe** asked the Minister for Transport, Tourism and Sport if he will be in a position to reinstate funding for the grants to support sport in disadvantaged areas; and if he will make a statement on the matter. [33414/11]

Minister for Transport, Tourism and Sport (Deputy Leo Varadkar): The funding referred to by the Deputy relates to funding provided through the Dormant Accounts Fund for the appointment of Sports Inclusion Disability Officers (SIDOs) in Local Sports Partnerships. The Department of Environment, Community and Local Government has overall responsibility for dormant accounts spending. The funding through my Department was an element of a larger set of economic and social disadvantage funding measures.

Any funding secured from the Dormant Accounts Fund is clearly time bound and the SIDO appointments were made on that basis. In 2010, the Irish Sports Council agreed a funding mechanism to ensure the continuation of the SIDO scheme beyond the dormant accounts funding.

Road Network

23. **Deputy Denis Naughten** asked the Minister for Transport, Tourism and Sport if he will approve the construction of the Ballaghaderreen bypass, County Roscommon; and if he will make a statement on the matter. [33239/11]

Minister for Transport, Tourism and Sport (Deputy Leo Varadkar): As Minister for Transport, Tourism & Sport, I have responsibility for overall policy and funding in relation to the national roads programme. The planning, design and implementation of individual road projects is a matter for the National Roads Authority (NRA) under the Roads Acts 1993 to 2007 in conjunction with the local authorities concerned.

Within its capital budget, the assessment and prioritisation of individual projects is a matter in the first instance for the NRA in accordance with Section 19 of the Roads Act. However I can advise the Deputy that the NRA has allocated €7.65m to the Ballaghaderreen By-Pass in 2011.

Tourism Promotion

24. **Deputy Peadar Tóibín** asked the Minister for Transport, Tourism and Sport if he has had any discussions with Trinity College Dublin regarding the possible return of the Book of Kells to the town of Kells, County Meath; and if he will outline his position on the matter. [33415/11]

Minister for Transport, Tourism and Sport (Deputy Leo Varadkar): As the Deputy may be aware, Fáilte Ireland earlier this year allocated €2.7 million to Trinity College to develop a new setting for the Book of Kells exhibition within the grounds of the college. The proposal is to improve the overall visitor experience of the attraction including redesigned layout, increased space as well as the interpretation of the exhibition. The exhibition featured prominently in the recent itinerary of Queen Elizabeth II when she visited Ireland and the funding will allow the attraction to fully exploit the tourism potential of the exposure it received during that visit. I have not had any discussions with Trinity College on the issue referred to by the Deputy as the location of the Book of Kells is primarily a matter for the College.

Departmental Bodies

25. **Deputy Mary Lou McDonald** asked the Minister for Transport, Tourism and Sport if he

[Deputy Mary Lou McDonald.]

plans to review the semi-State bodies operating under his aegis in the area of tourism; and if he will make a statement on the matter. [33410/11]

Minister for Transport, Tourism and Sport (Deputy Leo Varadkar): Fáilte Ireland was established under the National Tourism Development Authority Act 2003 to encourage, promote and support tourism. Its primary functions are the development of quality tourism product, domestic tourism marketing, tourism standards, enterprise support, capability building and human resource development for the tourism industry.

Tourism Ireland is accountable to the North South Ministerial Council and is funded by the Department of Enterprise, Trade and Investment in Northern Ireland, and by my Department. It promotes the island of Ireland as a tourist destination overseas. The company works closely with Fáilte Ireland, NITB, and the tourism industry in delivering its remit.

There is a close working relationship between the organisations. The CEO of Fáilte Ireland sits on the board of Tourism Ireland and the Tourism Ireland CEO regularly attends Fáilte Ireland board meetings on an observer basis. The boards of the two agencies, the chief executives and senior management teams also meet on an ongoing basis to discuss issues of mutual interest on tourism and to co-ordinate their activities.

I am satisfied that the two principal tourism agencies act in a cohesive manner in delivering their tourism remits. The Government believes it is important that all State agencies constantly review and monitor their operations to ensure optimal returns are received for public investment. I am aware that the tourism agencies are already working to share services, where possible, with a view to driving economies.

All semi-state bodies were reviewed as part of the Comprehensive Review of Expenditure. Whereas any change to Tourism Ireland would require agreement with the Northern Ireland authorities in the overall North-South framework, all agencies will be expected to deliver efficiencies with fewer staff, lower budgets and rationalised structures.

Clamping Industry

26. **Deputy Alan Farrell** asked the Minister for Transport, Tourism and Sport if he will carry out a review of the unregulated clamping industry in a bid to create legislation that will be in the interest of drivers; and if he will make a statement on the matter. [33232/11]

Minister for Transport, Tourism and Sport (Deputy Leo Varadkar): I am aware of a range of issues which have been raised by members of the public regarding difficulties they have encountered with elements of the private clamping industry. While current legislation permits local authorities to clamp vehicles in public places, either directly or by contract with a clamping company, there is no legislation specifically covering clamping on private property.

In line with the commitment in the Programme for Government to regulate the vehicle clamping industry, I intend, in the near future, to present outline proposals on the matter to the Joint Oireachtas Committee on Environment, Transport, Culture and the Gaeltacht in order that the Committee's views on the subject can be obtained, prior to finalising my legislative scheme. I hope to be in a position to bring forward legislation on this matter in 2012.

Information and Communications Technology

27. **Deputy Aengus Ó Snodaigh** asked the Minister for Transport, Tourism and Sport his plans to improve the tourist experience here through the use of mobile Internet devices and applications similar to and including the Culture Fox application; and if he will make a statement on the matter. [33416/11]

Minister for Transport, Tourism and Sport (Deputy Leo Varadkar): The provision of information to tourists including through facilities such as mobile internet devices is an operational matter for Fáilte Ireland. I am aware, for example, that this Summer, Fáilte Ireland launched a free Discover Ireland app for Apple and Android mobile operating systems. For further information, I have referred the Deputy's Question to Fáilte Ireland for direct reply. Please advise my private office if you do not receive a reply within ten working days.

Question No. 28 answered with Question No. 6.

Cycle Facilities

29. **Deputy Peadar Tóibín** asked the Minister for Transport, Tourism and Sport his plans, in conjunction with bike schemes similar to that in Dublin, to make cycling in urban centres safer and more viable for everyone. [33434/11]

36. **Deputy Mary Lou McDonald** asked the Minister for Transport, Tourism and Sport his plans to aid the development of strategies for local authorities to put in place and achieve resourcing for bike schemes similar to that operated in Dublin. [33430/11]

46. **Deputy Michael Colreavy** asked the Minister for Transport, Tourism and Sport his plans to ensure that the expansion of the bike scheme in Dublin to other urban centres will be based on a joined-up national system. [33436/11]

Minister of State at the Department of Transport, Tourism and Sport (Deputy Alan Kelly): I propose to take Questions Nos. 29, 36 and 46 together.

Recognising the success of the Dublinbikes scheme, the Programme for Government commits my Department to seek to extend the scheme to other cities and integrate the scheme more effectively with public transport links. The National Transport Authority has, at my request, had an initial analysis of the potential for similar bikes schemes in the regional cities carried out. My Department and the NTA are currently considering the findings of that analysis including how to address key issues identified such as the changed commercial environment to that pertaining when the Dublinbikes scheme was negotiated and different characteristics of scheme provision in smaller cities. What is clear is that the way the scheme is funded in Dublin cannot be easily replicated in other cities so we do need to think outside the box a little bit.

I am committed to exploring a range of mechanisms to seek to secure public bike schemes in other cities and to that end I have arranged symposiums in Cork, Waterford, Limerick and Galway with the National Transport Authority and the City Councils to inform and involve key business and civic stakeholders, to consider the various issues involved and to provide a defined channel via my office or the National Transport Authority, which any interested parties can avail of to discuss engagement with the scheme publicly or in commercial confidence. The symposiums are taking place this week and next and any decisions regarding whether procurement of any further public bike scheme or schemes should take place on a national or individual city basis will need to await the outcome of those consultations.

Many more cyclists have taken to the streets and are learning the benefits and experiencing the safety of cycling following the introduction by Dublin City Council of the Dublinbikes Scheme. It has been hailed internationally as a great success and we will continue to examine ways it can be rolled out to other cities.

Public Transport

30. **Deputy Caoimhghín Ó Caoláin** asked the Minister for Transport, Tourism and Sport his

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plans to expand the real-time information displays for Dublin Bus services throughout the city. [33438/11]

47. **Deputy Pearse Doherty** asked the Minister for Transport, Tourism and Sport his plans to ensure that a free official smartphone application for the most common operating systems is available with real-time information on all public transport options. [33437/11]

Minister of State at the Department of Transport, Tourism and Sport (Deputy Alan Kelly): I propose to take Questions Nos. 30 and 47 together.

Following the establishment of the National Transport Authority (NTA) on 1 December 2009, the implementation of infrastructure projects in the Greater Dublin Area (GDA), such as the Real Time Passenger Information (RTPI), now comes under the remit of the NTA.

I have been informed by the Authority, however, that the first phase of RTPI on the web encompasses all 5000 Dublin Bus stops. This information is taken from the Dublin Bus automatic vehicle location system and it is currently available on *TransportforIreland.ie* and *dublinbus.ie/rtpi*. The same information also feeds the current free Dublin Bus iPhone App with the app being available on android at the end of the month. RTPI for Bus Éireann will be available in early 2012 and information for other bus and rail transport operators will follow once their data is available in a reliable and standard format. The Transport for Ireland website will therefore continue to develop, and to offer integrated real time information on a multi-city, multi-operator, bilingual basis. The NTA will also develop an official free *TransportforIreland* iPhone and Android app based on this multi-operator information. With regard to the expansion of RTPI, currently 300 signs have been installed in the GDA and a further 200 are being deployed. It is not feasible to have an RTPI sign at every bus stop. However the real-time information for all 5000 Dublin Bus stops is available on the web, via the Dublin Bus iPhone app and the text service. The level of usage of these channels of information will feed into a review of any proposed expansion of the RTPI on-street signs programme.

Sport and Recreational Development

31. **Deputy Pádraig Mac Lochlainn** asked the Minister for Transport, Tourism and Sport the role he sees for sport in the promotion of the national image; how he intends to ensure this is realised; and if he will make a statement on the matter. [33406/11]

Minister of State at the Department of Transport, Tourism and Sport (Deputy Michael Ring): Sport undoubtedly showcases Ireland around the world and we have a proud tradition in the international sporting arena where we consistently punch above our weight. Tourism Ireland is continuing to capitalise on the excellent publicity overseas surrounding Ireland's top golfers. The recent Home of Champions campaign is helping to promote golfing holidays on the back of the recent major wins by Irish golfers.

As Minister of State with responsibility for both Sport and Tourism, I want to ensure that Ireland's position as a leading location for international sporting events is further developed and enhanced. The Programme for Government includes a provision that event tourism will be prioritised to continue to bring major events to Ireland. The hosting of sports events gives an opportunity to show that a small country can host big events, such as the Tall Ships, Volvo Ocean Race or the Solheim Cup, in an efficient and capable manner.

The hosting of sports events also provides a great showcase for Ireland as a country. Millions around the world watch big sporting events on their television screens and this provides a great opportunity for people to view a positive image of Ireland. The media coverage of sports

tourism events helps to put Ireland onto travel itineraries as a holiday destination. Fáilte Ireland continues to support the sports tourism sector under the festivals and events initiative and has allocated €3.8 million in 2011 for direct financial support to festivals and events, including sports. The Volvo Ocean Race will return to Ireland in 2012 with its finale in Galway while Dún Laoghaire will host the World Youth Championship sailing event next year.

Road Network

32. **Deputy Mick Wallace** asked the Minister for Transport, Tourism and Sport if he has the authority to instruct Wexford County Council to lift planning restrictions along the preferred route for the Oilgate — Rosslare motorway in view of the fact that the restrictions prevent residents from developing and selling properties even though the project has been postponed indefinitely; and if he will make a statement on the matter. [33442/11]

Minister for Transport, Tourism and Sport (Deputy Leo Varadkar): As Minister for Transport, Tourism and Sport, I have responsibility for overall policy and funding in relation to the national roads programme. The planning, design and implementation of individual road projects is a matter for the National Roads Authority (NRA) under the Roads Acts 1993 to 2007 in conjunction with the local authorities concerned. I have no function in relation to the planning process and, as previously indicated, it is a matter for the local authority in its capacity as the planning authority to assess how best to balance planning needs and the protection of route corridors for future road upgrades.

Question No. 33 answered with Question No. 19.

Inland Waterways

34. **Deputy Caoimhghín Ó Caoláin** asked the Minister for Transport, Tourism and Sport about the discussions he has had with the Department of Arts, Heritage and the Gaeltacht and his counterpart in the Northern Ireland Assembly regarding the potential re-opening of the Ulster canal between Clones and Enniskillen as a major tourist attraction in the Border area; and if he will make a statement on the matter. [33407/11]

Minister for Transport, Tourism and Sport (Deputy Leo Varadkar): As the Deputy may be aware, the Ulster Canal project is being progressed by Waterways Ireland, which is the responsibility of my colleague, the Minister for Arts, Heritage and the Gaeltacht, Jimmy Deenihan T.D. He is liaising with his Northern Ireland counterpart, the Minister for Culture, Arts and Leisure on this project. I have had no role in the development of the project to date but I am open to having the implications for tourism development considered at the appropriate time.

Job Creation

35. **Deputy Bernard J. Durkan** asked the Minister for Transport, Tourism and Sport the extent to which an audit has been done of the total employment throughout the transport and tourism sectors with particular reference to the potential to absorb into the sector a greater proportion of those currently long-term unemployed; the extent to which he can or will engage with the relevant, interested parties, such as the stakeholders, with a view to maximisation of the economic impact of the sectors for which he has ministerial responsibility; and if he will make a statement on the matter. [33384/11]

Minister for Transport, Tourism and Sport (Deputy Leo Varadkar): My Department does not directly audit the employment in the transport and tourism sectors but does keep under

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review the statistics which are available. According to the most recent CSO Quarterly National Household Survey, the numbers employed in the “transportation and storage” sector stood at around 95,000 in Quarter 2 of 2011. An estimate of all jobs in the tourism and hospitality industry based on the Fáilte Ireland survey of businesses indicates total employment in the sector at approximately 180,000.

The Government’s plans as set out in the programme for Government place a heavy emphasis on tourism as one of the key areas for the generation of employment and on the delivery of effective transport services. I have also outlined my own priorities to 2016 for the transport, tourism and sport sectors on my Department’s website. The tourism sector was the subject of specifically targeted measures in the Government’s Jobs Initiative. In addition, just last week I announced more than €6.6 million in tourism capital funding for nine projects.

Transport demand is primarily derived from the outputs of other economic sectors. One would expect increases in demand and employment within the transport sector to result from increased economic outputs generally.

My Department has consulted recently with all stakeholders in the transport, tourism and sport areas in the context of the preparation of a new statement of strategy. The views expressed by stakeholders have helped to formulate the proposed strategies which I will be publishing by the end of the year.

Question No. 36 answered with Question No. 29.

Tourism Promotion

37. **Deputy Brendan Griffin** asked the Minister for Transport, Tourism and Sport his views on the development of off-peak tourism here; and if he will make a statement on the matter. [33236/11]

Minister for Transport, Tourism and Sport (Deputy Leo Varadkar): The matter raised is an operational matter for the State tourism agencies, Fáilte Ireland and Tourism Ireland. I have referred the Deputy’s question to both agencies for direct reply. Please advise my private office if you do not receive a reply within ten working days.

Economic Competitiveness

38. **Deputy Bernard J. Durkan** asked the Minister for Transport, Tourism and Sport further to Parliamentary Question No. 56 of 6 July 2011, the extent to which he and his Department have examined and pinpointed the various factors affecting tourism costs and, ultimately, the competitiveness of that sector in this jurisdiction; if updated comparisons have been made with the prevailing situation in other eurozone or non-eurozone EU jurisdictions; the extent to which stakeholders in the sector have expressed their concern to him or his Department with a view to achieving the most advantageous and competitive position for this industry here; and if he will make a statement on the matter. [33383/11]

201. **Deputy Bernard J. Durkan** asked the Minister for Transport, Tourism and Sport the degree to which he has had discussions with the catering and tourism sector with a view to identification of any State-generated costs likely to impede the competitiveness of the sector; and if he will make a statement on the matter. [33694/11]

202. **Deputy Bernard J. Durkan** asked the Minister for Transport, Tourism and Sport the extent to which the total number of hotel accommodation units has been utilised throughout

the country in the past 12 months; if he intends to introduce any measures to address any issues arising; and if he will make a statement on the matter. [33695/11]

Minister for Transport, Tourism and Sport (Deputy Leo Varadkar): I propose to take Questions Nos. 38, 201 and 202 together.

I am in regular contact with stakeholders in the tourism sector which keeps me advised of issues of concern to the industry. Recent statistics show Ireland in the second most favourable position from the top of a league table across the EU measuring the annual percentage change in harmonised CPI for restaurants and hotels to August 2011. Ireland has recorded a decrease of 0.7% in the period while the EU average has increased by 2.6%. These statistics clearly demonstrate the increased competitiveness of the tourism industry within Ireland and by comparison with our European counterparts.

Fáilte Ireland's most recent accommodation occupancy statistics cover the period January to August 2011. It records improved occupancy rates over the period January to August compared to 2010. While there was no change in room capacity between 2010 and 2011, demand for hotel rooms rose by 6% over the same period.

The Government's Jobs Initiative introduced a new lower VAT rate of 9% from July 1st for a range of tourism services and also significantly reduced the cost of employing people by halving employers' PRSI for those on modest wages, further enhancing the competitiveness of the sector.

I am aware that there are a range of other costs that are of concern to tourism businesses including labour costs. Following the conclusion of the consultation period launched by the Minister for Jobs, Enterprise and Innovation on proposals for the reform of the State's employment rights and industrial relations structures and procedures, I look forward to the implementation of the revised structures.

I have received copies of the pre-budget submissions made by tourism representative bodies to my colleague, the Minister for Finance in recent weeks. I will be taking account of their concerns in discussions on the framing of next year's budget.

North South Co-operation

39. **Deputy Gerry Adams** asked the Minister for Transport, Tourism and Sport the position regarding the North-South areas of co-operation being advanced in the area of tourism; if he will report on decisions made with his ministerial counterpart from the Northern Assembly on 5 October; and if he will make a statement on the matter. [33418/11]

Minister for Transport, Tourism and Sport (Deputy Leo Varadkar): Tourism was identified in the Good Friday Agreement as one of the key areas for North/South cooperation, and consequently it is one of the sectors on which the North/South Ministerial Council meets in Sectoral format. The Council meets in this format in order to make decisions on common policies and approaches in the area of tourism. It also takes decisions on policies and actions to be implemented by Tourism Ireland Limited in its role to promote the island of Ireland overseas as a tourist destination. Amongst the likely discussion items at the next North/South Ministerial Council meeting in Tourism Sectoral format are a review of this year's visitor numbers to the island of Ireland, Tourism Ireland's Business Plan for 2012 and major tourism opportunities North and South in 2012 and 2013.

There is also ongoing cooperation between the tourism agencies and Government departments north and south in a number of other areas including the selection of suitable tourism projects to benefit from Peace/Interreg funds and in work to harmonise and share tourism

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statistics north and south. I had an informal meeting with the Minister for Enterprise, Trade and Investment for Northern Ireland, Arlene Foster MLA when she visited Dublin on the 5th October for the launch of Northern Ireland 2012. We discussed a range of tourism issues including the planned events in 2012 to mark the Titanic Anniversary and “The Gathering” event in 2013.

Road Network

40. **Deputy Alan Farrell** asked the Minister for Transport, Tourism and Sport if he will request that local authorities carry out a national review of speed limits on all national primary and secondary roads. [33233/11]

Minister for Transport, Tourism and Sport (Deputy Leo Varadkar): The Road Traffic Act 2004 establishes default speed limits that apply to defined categories of roads and which can only be changed by county and city councils through the making of special speed limit bye-laws. Section 9 of the 2004 Act sets out the range of special speed limits that may be applied by local authorities through bye-laws. In accordance with Actions identified in the Road Safety Strategy 2007-2012, my Department issued guidelines on speed limits in January of this year to all local authorities. The onus is on local authorities to take these guidelines into account in relation to the speed limits to be set for all roads in their area of responsibility.

The purpose of these guidelines is to provide advice and guidance in relation to the making of speed limit bye-laws by county and city councils for the purpose of applying special speed limits. After taking the guidelines into account it is considered best practice for local authority officials to advise the elected members of their respective councils on what a suitable speed limit regime should be for different roads in their areas of responsibility. For new roads the local authority will have the relevant information on the speed for which the road was designed. As part of a Direction given in January 2011, all local authorities were requested to undertake an assessment of special speed limits in their functional areas and the results of that assessment are expected to be available to my Department shortly.

Ferry Services

41. **Deputy Charlie McConalogue** asked the Minister for Transport, Tourism and Sport if he will liaise with his counterpart in the Northern Ireland Assembly to find a long-term strategic solution to ensure the continuation of the ferry service on Lough Foyle; and if he will make a statement on the matter. [33237/11]

Minister for Transport, Tourism and Sport (Deputy Leo Varadkar): As I previously advised the Deputy on 13 October 2011, and again on 25 October, neither my Department nor any of its agencies has any function in respect of, or finance for, the provision or subsidisation of ferry services on this or any other route. It is not the practice of my Department to subsidise loss-making ferry services nor are there any funds available to my Department for this purpose. As stated previously the subsidisation of loss-making ferry services across the board would result in significant financial costs to the State, and moreover, could potentially result in other transport providers being disadvantaged.

Tourism Industry

42. **Deputy Martin Ferris** asked the Minister for Transport, Tourism and Sport the discussions he has had with the National Asset Management Agency or with other Departments on the impact that NAMA has on the hotel industry; and if he will make a statement on the matter. [33411/11]

Minister for Transport, Tourism and Sport (Deputy Leo Varadkar): NAMA has purchased eligible land and development loans and certain associated loans from participating institutions. Hotels loans have transferred only because they have been advanced to debtors who also have land and development loans. I understand from NAMA that it has acquired loans secured by some 83 hotels located within the State, of which 81 are open for business, with an estimated 8,500 rooms. There are approximately 900 hotels in the State.

I am informed by NAMA that it has developed a comprehensive strategy to deal with the hotels that are within its portfolio. The agency assures me that a key criterion in its assessment is the debt servicing capacity of each hotel relative to its income. It will not support hotels that do not demonstrate long-term viability. However, it acknowledges that there are hotels for which, ultimately, alternative uses will have to be found.

NAMA has also expressed concern that some hotels are being supported by institutions that are not participating in the NAMA scheme and are offering rooms at unsustainable rates. NAMA point out that this practice causes as much difficulty for hotels with loans on NAMA's books as it does for other hotel operators.

I have not met with NAMA since my appointment. Officials from my Department and Fáilte Ireland met with NAMA last year to discuss overall policy in the Hotels Sector and brief them on Fáilte Ireland's analysis of the sector. The Agency welcomed receipt of the analysis and I am pleased to say that NAMA will take account of overall tourism policy considerations as their own strategy development evolves.

43. **Deputy Jonathan O'Brien** asked the Minister for Transport, Tourism and Sport the efforts he has made to ensure a viable and sustainable bed and breakfast sector here; and if he will make a statement on the matter. [33417/11]

Minister for Transport, Tourism and Sport (Deputy Leo Varadkar): The development of particular accommodation sectors including the Bed and Breakfast Sector is an operational matter for Fáilte Ireland. I am aware that Fáilte Ireland has done a considerable amount of work to assist the sector in recent times particularly in the development of a voluntary classification and categorisation system, supported by a new brand. The sector will also have benefitted from the Government's Jobs initiative earlier this year where there was a particular focus on stimulating tourism and hospitality. I have referred the Deputy's Question to Fáilte Ireland for direct reply. Please advise my private office if you do not receive a reply within ten working days.

44. **Deputy Sandra McLellan** asked the Minister for Transport, Tourism and Sport in view of the recent report from the Irish Tourism Industry Confederation entitled New Directions for Tourism in the West, the efforts he has made and will make to ensure a viable tourism industry in the west of Ireland; and if he will make a statement on the matter. [33405/11]

Minister of State at the Department of Transport, Tourism and Sport (Deputy Michael Ring): I welcome the publication of the report by the Irish Tourism Industry Confederation on the challenges facing overseas tourism to the western seaboard. The report highlights a number of key trends and issues facing the region, where tourism is an important sector. The Government has already taken measures to assist the tourism sector generally including reductions in VAT and employers' PRSI, the National Internship Scheme and the short term visa waiver programme.

The report points to successful tourism initiatives, such as Galway's focus on events and the development of the Great Western Greenway. Both of these initiatives have benefitted very considerably from funding from Fáilte Ireland under the Festivals and Events and the Tourism

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Capital Investment Programmes. Tourism enterprises in the region also benefit from the wide variety of business supports provided by Fáilte Ireland, such as training, sales and marketing, web enablement, and quality and standards.

Tourism Ireland is currently targeting millions of potential holidaymakers and capitalising on late booking trends and on the many events that take place on the western seaboard and across the island at this time of year. The growth in overseas visitor numbers of 11% for the first eight months of the year is welcome news, even allowing for the poor weather and volcanic ash disruptions last year. However, we know that the distribution of visitors is uneven and some areas are performing better than others.

Tourism Ireland will be launching their marketing plans for 2012 towards the end of the year and will detail how they plan to build further tourism growth for Ireland, including the western seaboard, next year and in the years ahead.

Road Signage

45. **Deputy Martin Ferris** asked the Minister for Transport, Tourism and Sport his plans to carry out a review of road signage and its effectiveness in informing drivers of dangers in areas throughout the State which experience higher than average road traffic accidents. [33429/11]

Minister for Transport, Tourism and Sport (Deputy Leo Varadkar): The new 2010 Traffic Signs Manual (TSM) published in January this year constitutes a direction given to road authorities under section 95(16) of the Road Traffic Act 1961 in relation to the provision of traffic signs, other than regulatory signs. It provides details of the traffic signs which may be used on roads in Ireland, including their layout and symbols, the circumstances in which each sign may be used and the rules for positioning them.

Sections 6.1, 6.5 and 6.6 of the 2010 TSM further standardise treatment of warning road signage for locations with accident problems and also for difficult bends, corners and sharp changes of direction where motorists might experience difficulty in negotiating. Taking cognisance of the clear guidelines within the TSM, it is a matter for each road authority to determine the location of traffic signs to ensure that clear and effective signing is in place for the efficient operation of the road network, the enforcement of traffic regulations and for road safety purposes.

In addition to the recently published TSM, the European Communities (Road Infrastructure Safety Management) Regulation 2011 transposes the four pillars of the EU Road Infrastructure Safety Management Directive, namely: road safety impact assessments; detailed systematic and technical safety audits; ranking of high accident concentrations on particular sections of the road network and periodic safety inspections of the network. This, together with the implementation of the 2010 TSM guidelines, should increase the safety of motorists, cyclists and pedestrians on our road network. Bearing in mind the initiatives outlined, my Department has no proposals to carry out a further review of road signage on our road network at this time.

Question No. 46 answered with Question No. 29.

Question No. 47 answered with Question No. 30.

Departmental Schemes

48. **Deputy Seán Crowe** asked the Minister for Transport, Tourism and Sport his plans to put in place incentives for car pooling and other measures to reduce congestion on our roads. [33435/11]

Minister of State at the Department of Transport, Tourism and Sport (Deputy Alan Kelly):

In line with the commitment in the national smarter travel strategy a national car sharing database is now available at *carsharing.ie*, launched by the National Transport Authority in July 2011.

Carsharing offers people a cost effective and a more sustainable way of travelling by car, where public transport, walking or cycling are not viable options. Carsharing can also ease destination parking pressure.

Carsharing.ie is an all-island service for the public, which is free of charge to use. The service can be used by any individual or group looking to promote carsharing, for example:

- To set up a private carsharing group for regular trips to a workplace, community group or sports club.
- To set up private carsharing groups for one-off trips, for example to music festivals, weddings or sporting fixtures.
- To generally seek or offer lifts.

By the end of July 2011, 31 large organisations had signed up to the car sharing database.

Tionscal Turasóireachta

49. D'fhiafraigh **Michael P. Kitt** den Aire Iompair, Turasóireachta agus Spóirt an polasaí atá aige chun an turasóireacht a fheabhsú sa Ghaeltacht; an bhfuil an Ghaeltacht sa phlean don, Gathering, sa bhlian 2013; agus an ndéanfaidh sé ráiteas ina thaobh. [29842/11]

Minister for Transport, Tourism and Sport (Deputy Leo Varadkar): Is ábhar feidhmiúil do Fáilte Ireland é an tábhar seo a ardaíodh. Táim taréis Ceist Pharlaiminte an Teachta a chur faoi bhráid Fáilte Ireland le freagra díreach a chur amach. Muna bhfaigheann tú freagra laistigh de dheich lá oibre bheinn faoi chomaoin agat dá bhféadfá mo oifig phríobháideach a chur ar an eolas faoin scéal más é do thoil é.

Rural Transport Services

50. **Deputy Nicky McFadden** asked the Minister for Transport, Tourism and Sport if the rural transport network will be included as an integral part of the local integrated transport services; his views on the ten point action plan proposed by the RTN; and if he will make a statement on the matter. [33234/11]

Minister of State at the Department of Transport, Tourism and Sport (Deputy Alan Kelly):

My Department is currently exploring efficiencies that can be made by bringing together aspects of HSE transport, school transport, the Rural Transport Programme and other transport services. The overall aim is to reduce duplication and costs while increasing efficiency and maintaining service provision. All stakeholders will have a role to play including the Rural Transport Network. The ten point action plan proposed by the RTN will be considered in that regard. Indeed, my Department has already met with the RTN and is due to do so again shortly.

I will take this opportunity to re-affirm my commitment to the rural transport programme. Rural transport is specifically mentioned in the Programme for Government and while there is a need to find savings, it is vital to the needs of many rural areas and for tackling social isolation.

Irish Language

51. **Deputy Pearse Doherty** asked the Minister for Transport, Tourism and Sport the way he will contribute to the maximisation of the potential of the Irish language and cultural tourism; and if he will make a statement on the matter. [33408/11]

Minister for Transport, Tourism and Sport (Deputy Leo Varadkar): The issues raised are operational matters for Fáilte Ireland and Tourism Ireland. I have referred the Deputy's question to the agencies for direct reply. Please advise my private office if you do not receive a reply within ten working days.

Overseas Development Aid

52. **Deputy Micheál Martin** asked the Tánaiste and Minister for Foreign Affairs and Trade if the commitment of 0.7% of GNP target for overseas development aid will be achieved; and if he will make a statement on the matter. [32723/11]

Minister of State at the Department of Foreign Affairs and Trade (Deputy Jan O'Sullivan): Ireland's overseas development programme, managed by my Department, has an enviable international reputation and is rightly recognised as one of the best in the world. Its priority is the fight against extreme poverty and hunger, and it is concentrated in some of the poorest countries of sub-Saharan Africa. The programme has a rigorous focus on achieving results and provides strong international leadership in making aid more effective. The latest mid-term OECD Review of our aid programme, published last month, stated that Ireland is one of the best performing members in relation to aid effectiveness.

In this House, Ireland's aid programme enjoys strong cross party support and consistently receives high levels of support from the wider public. This Government is strongly committed to the programme, which is central to our foreign policy, and we are proud of its achievements. The Programme for Government underlines our commitment to the UN target of spending 0.7% of GNP on Overseas Development Assistance (ODA). We remain focused on this 0.7% target and are working towards its attainment.

We were elected to restore growth and prosperity to the economy and rebuild our international reputation on the world stage. Although we have made steady progress, we continue to face considerable challenges in ensuring our public finances are put back on a sound and sustainable footing. However, despite our current difficulties we are not willing to turn our back on the world's poorest and most marginalised, and are working hard to ensure Ireland meets its international commitments on Overseas Development Assistance.

The Government is ambitious for our aid programme, and is committed to maintaining its high international reputation, but above all, we want to ensure that we continue to deliver real and sustainable improvements to the lives of the world's poorest citizens.

International Agreements

53. **Deputy Micheál Martin** asked the Tánaiste and Minister for Foreign Affairs and Trade if he is positively disposed towards Ireland joining the Commonwealth; and if he will make a statement on the matter. [30793/11]

Tánaiste and Minister for Foreign Affairs and Trade (Deputy Eamon Gilmore): Ireland engages regularly with countries which are members of the Commonwealth on matters of shared interest in a number of international fora, most notably the European Union and the United Nations. We also have strong bilateral trade, investment, cultural and diplomatic

relations with many countries which are members of the Commonwealth. In addition to this, we also have development cooperation programmes with some Commonwealth members.

The Government believes the current arrangements are well suited to the promotion of relations between Ireland and members of the Commonwealth, and has no plans for changes in this regard.

Northern Ireland Issues

54. **Deputy Micheál Martin** asked the Tánaiste and Minister for Foreign Affairs and Trade if he will support additional legal measures to oblige the British Government to hold a proper inquiry into the murder of Pat Finucane. [31047/11]

Tánaiste and Minister for Foreign Affairs and Trade (Deputy Eamon Gilmore): Following the meeting of the Finucane family with Prime Minister Cameron in Downing Street on 11 October last when they were informed of the British Government's decision to proceed with a non-judicial Review, rather than a judicial Inquiry, into the Pat Finucane case, I was in contact with the Secretary of State to inform him personally that our Government fully shared the family's disappointment with the decision. A meeting with the family was subsequently arranged and I met Geraldine Finucane and members of the family, together with their legal representative, on 17 October. I reiterated the Irish Government's long-standing support for the family and confirmed our commitment to the fulfilment of the obligations made by both the British and Irish Governments at Weston Park. It was agreed that we would continue consultations with the family and their legal representative with a view to determining how best to proceed. This process is ongoing.

55. **Deputy Micheál Martin** asked the Tánaiste and Minister for Foreign Affairs and Trade if he will provide an update on discussions regarding the cross-Border implementation bodies. [31048/11]

Tánaiste and Minister for Foreign Affairs and Trade (Deputy Eamon Gilmore): Discussions regarding the cross-border implementation bodies, as well as Tourism Ireland, are ongoing within their different spheres of operations. Sectoral meetings of the North South Ministerial Council (NSMC) involving the cross-border bodies and the relevant Departments have been taking place on a regular basis. There was a discussion about the cross-border bodies at the NSMC Institutional meeting on 3 October in Belfast in which I myself participated, as did the First Minister, Deputy First Minister and Minister Kennedy on the northern side.

The Council noted progress in respect of the bodies' Corporate and Business Plans and the implementation of cumulative efficiency savings. A review of Financial Memoranda of the cross-border bodies is underway, and a report on progress will be provided to the next NSMC Institutional meeting in spring 2012.

The Council noted that the Boards of the cross-border bodies are due for renewal in December 2011 and that nominations will be brought forward for approval at the NSMC Plenary meeting, which will take place later this month in Armagh. Revised reduced remuneration rates for Board members were agreed, to take effect from December 2011.

EU Presidency

56. **Deputy Micheál Martin** asked the Tánaiste and Minister for Foreign Affairs and Trade his plans for the Presidency of the European Council in 2013. [31198/11]

57. **Deputy Micheál Martin** asked the Tánaiste and Minister for Foreign Affairs and Trade if he has developed early priorities for the Presidency of the European Council in 2013. [31199/11]

58. **Deputy Micheál Martin** asked the Tánaiste and Minister for Foreign Affairs and Trade if he has put in place arrangements to ensure regular contact with the leaders of the other members of the troika for our EU presidency. [31200/11]

Tánaiste and Minister for Foreign Affairs and Trade (Deputy Eamon Gilmore): I propose to take Questions Nos. 56 to 58, inclusive, together.

In 2013, Ireland will hold the Presidency for the seventh time. As in the past, our objective will be to demonstrate that Ireland is a strong supporter of the European project and a committed member that is capable of contributing to progress on the EU's wide agenda. Ireland will adopt a determined approach to ensure that its stewardship of the Council contributes to tackling the key challenges facing the Union, and promotes smart, sustainable and inclusive growth and jobs.

As with all EU Presidencies, Ireland's Presidency will, to an extent, be shaped by proposals and policies already under consideration. The European Commission is expected to publish its next annual Work Programme shortly and this will highlight many of the issues that are likely to figure prominently on the EU agenda during the Irish Presidency in 2013. Work has begun within Government Departments and the Irish Permanent Representation in Brussels to identify issues that are likely to be priorities in 2013.

National priorities will also figure prominently on Ireland's Presidency agenda that are important to all EU citizens. These will include the next Multiannual Financial Framework which sets out the EU budget after 2013, and linked to this debate, the future of the Common Agriculture Policy and Common Fisheries Policy. A key focus for Ireland will continue to be the economic and financial situation and how we secure competitiveness, growth and jobs. Our Presidency, falling as it does in the first half of the year, coincides with the European Semester and the process of coordinating Member States' economic and budgetary policies. The Government will also be placing a strong emphasis on research and innovation and securing agreement on Horizon 2020; the future framework programme for research and innovation. Climate change and environmental issues are also likely to figure prominently on the EU agenda.

Negotiations have also begun at official level with Ireland's Trio partners, Lithuania and Greece, on the common Trio programme to be published in December 2012. I have met with my Lithuanian counterpart on two occasions in recent months but have also proposed a joint Trio meeting with the Lithuanian and Greek Trio Foreign Ministers to discuss Presidency issues. The Minister of State for European Affairs has met with her both her Greek and Lithuanian counterparts in recent months. The frequency of meetings and contacts at all levels will continue to increase over the coming months.

OSCE Chairmanship

59. **Deputy Micheál Martin** asked the Tánaiste and Minister for Foreign Affairs and Trade to outline his personal involvement in our forthcoming OSCE chairmanship. [31201/11]

Tánaiste and Minister for Foreign Affairs and Trade (Deputy Eamon Gilmore): As the Deputy will be aware, Ireland will assume the chairmanship of the Organisation for Security and Cooperation in Europe (OSCE) in January 2012 for one year. Comprising 56 participating States from Europe, Central Asia and North America, the OSCE is the world's largest inter-

governmental regional security organisation, dealing with a range of issues in the areas of democratisation, human rights, arms control and economic and environmental security.

As this is the first time Ireland will chair the organisation, it offers us a welcome opportunity to assume a leadership role on the global stage, consistent with our strong commitment to effective multilateralism and the promotion of human rights and democratic values. In my capacity as Minister for Foreign Affairs and Trade, I will hold the position of Chair-in-Office of the OSCE for the duration of Ireland's Chairmanship of the organisation in 2012. I will bear overall responsibility for the executive action of the OSCE next year and the co-ordination of its activities. I will be closely involved in the handling of all major challenges facing the OSCE in 2012 and will have ongoing contact with the key players. I hope to bring the lessons of the Northern Ireland peace process to bear in these contacts and in the work of advancing conflict resolution within the OSCE region. The OSCE Chairmanship involves a considerable work programme and I will have a key leadership and supervisory role.

Ireland was one of the founding States of the OSCE and we have always recognised the organisation's vital role in maintaining peace and security in the Eurasian region. During 2012, I will emphasise the strong commitment of the OSCE to the defence and protection of human rights, focus on the need for commitments agreed upon in the analogue age to be adapted to our digital age and stress the benefits of good governance across the OSCE area.

I look forward to the support and advice of the House in carrying out my duties as Chair-in-Office.

60. **Deputy Micheál Martin** asked the Tánaiste and Minister for Foreign Affairs and Trade if any officials from his Department or the Department of the Taoiseach will be involved in the forthcoming OSCE chairmanship. [31202/11]

Tánaiste and Minister for Foreign Affairs and Trade (Deputy Eamon Gilmore): In my capacity as Minister for Foreign Affairs and Trade, I will hold the position of Chair-in-Office of the OSCE for the duration of Ireland's Chairmanship of the organisation in 2012. I will bear overall responsibility for the executive action of the OSCE next year and the co-ordination of its activities. Officials in my Department have been actively engaged since autumn last year in preparations for our Chairmanship. As part of these preparations, Ireland is participating this year in the OSCE Troika with the current chair of the organisation, Lithuania, and previous chair, Kazakhstan. Weekly Troika meetings take place at OSCE headquarters in Vienna.

A dedicated OSCE Task Force was established in my Department last October. This comprises a total of twelve Dublin-based officials, with fourteen officials working at Ireland's OSCE Mission in Vienna. Two special representatives on the protracted conflicts in the OSCE area have also been appointed. Officials working on the OSCE Chairmanship-in-Office have been sourced from officers reassigned from other duties, internships, secondments from other countries and a small number of retired civil servants.

The OSCE's activities cover a broad spectrum of activities and I want to ensure that all Government Departments are in a position to contribute to and gain from our chairmanship. To this end, regular consultations take place with officials from other Government Departments, including the Department of the Taoiseach, who will also contribute relevant expertise over the course of Ireland's chairmanship.

Official Engagements

61. **Deputy Micheál Martin** asked the Tánaiste and Minister for Foreign Affairs and Trade if he has met any attendees to the Global Economic Forum before or since the forum in October 2011. [32726/11]

Tánaiste and Minister for Foreign Affairs and Trade (Deputy Eamon Gilmore): As the Deputy will be aware, I attended the first Global Irish Economic Forum in Farmleigh in 2009 where I met many of the attendees at the 2011 Forum. Since taking up my post as Tánaiste and Minister for Foreign Affairs and Trade in March, 2011, I have made a point of meeting with Global Irish Network members on my travels abroad.

I met a number of the Network members in the US both during St Patrick's Day period and during my visit for the UN General Assembly last September. Likewise during my visits to London and Paris in May, 2011, I had the opportunity to engage with British and French based members.

Since the Forum, I met with Japanese network members during my visit to Tokyo while my visit to Korea provided an opportunity to re-engage with a number of the Asian attendees who were in Korea for the Asia Pacific Ireland Business Forum and the Asian Gaelic Games.

On 6 November, I attended a round table with Russian Network members, while yesterday I met with members of the Irish Technology Leadership Group.

I have also met with key Irish members of the Network in recent months including John McColgan ahead of the launch of his worldirish.com website.

Human Rights Issues

62. **Deputy Finian McGrath** asked the Tánaiste and Minister for Foreign Affairs and Trade the position regarding the arrest of a person (details supplied). [33606/11]

Tánaiste and Minister for Foreign Affairs and Trade (Deputy Eamon Gilmore): As the Deputy will recall from my reply to him on 29 September, PQ No 44, I gave an undertaking that my Department would contact him when the Embassy received a response from the Isle of Man authorities in respect of this case. I understand that an official of the Consular Assistance Section of my Department contacted the Deputy's office on 19 October to let him know that the police authorities in the Isle of Man reverted to our Embassy in London to confirm that the enquiry in this case was complete and that there would be no further police action against the person mentioned. I am informed that the police officer involved indicated that he also informed the person concerned of the fact and that she no longer had to answer bail on the 16th October.

Therefore, I am satisfied that my Department has responded to the Deputy as agreed. As mentioned earlier I am informed that the Isle of Man police have stated that they have responded directly to person concerned.

However, should the person concerned feel aggrieved at having been arrested in the first place, it is open to her to pursue the matter directly with the Isle of Man Police and they can be contacted in writing to Isle of Man Constabulary, Police Headquarters, Glencrutchery Road, Douglas, Isle of Man, IM2 4RG or by telephone to 0044 1624 631461.

63. **Deputy Maureen O'Sullivan** asked the Tánaiste and Minister for Foreign Affairs and Trade if he is concerned about the loss of civilian life in Libya; if he has raised this matter on the international stage; if he is cognisant of human rights reports on Libya; and if he will make a statement on the matter. [33656/11]

Tánaiste and Minister for Foreign Affairs and Trade (Deputy Eamon Gilmore): I welcome the end of the conflict in Libya which, according to some estimates, has resulted in the deaths of more than 20,000 Libyans. I represented Ireland at the High-level Meeting on Libya which UN Secretary General Ban Ki-moon convened in New York on 20 September on the margins of the sixty-sixth session of the UN General Assembly and was impressed by the new auth-

orities' vision of an inclusive and democratic future for all Libyans and their well-judged plans for achieving it. The Libyan people suffered greatly under Colonel Gaddafi's long despotic rule, with no respect shown for their basic rights. The upholding and defence of those rights must be the greatest priority of the National Transitional Council which has now assumed full power in Libya, pending the election of a new government and adoption of a new constitution by the Libyan people. I welcome the NTC's commitment, as stated following the Declaration of Liberty pronounced by Chairman Abdul Jalil in Benghazi on 23 October, to the holding of democratic elections by next June.

There is no doubt that very major human rights violations occurred during the recent conflict in Libya, including cases of extra-judicial killings, which according to reports were perpetrated by both sides to the conflict. Respect for human rights and the rule of law will be crucial in the new Libya and must be a key priority for the National Transitional Council and its international partners. I welcome the commitment of the NTC and its leaders to protect and promote human rights, to fully investigate allegations of human rights violations, and to fully cooperate with the Commission of Inquiry established by the UN Human Rights Council to investigate all alleged violations of international human rights law in Libya. I also welcome that the NTC has extended an open invitation to the UN High Commissioner for Human Rights and Special Rapporteurs of the Human Rights Council to visit Libya.

The ending of impunity in Libya and accountability for any violations committed during the conflict must also entail a full, impartial and credible investigation into the circumstances surrounding Colonel Gaddafi's death. I welcome the NTC's commitment to conduct such an investigation which is essential if Libya is to move forward on a path towards full democracy in which the rule of law and basic human rights are fully respected.

Libyans can now look forward to a better future for their country and one in which they can hopefully have confidence that their basic human rights will be fully protected and vindicated. Ireland along with our EU Partners will continue to be supportive throughout the crucial transition period, as will the UN which has been assigned the lead role in coordinating international support to the new Libya.

64. **Deputy Mary Mitchell O'Connor** asked the Tánaiste and Minister for Foreign Affairs and Trade his approach to the current repressive policies against Tibet; if he will confirm if he will call for the introduction of international independent observers in Tibet; and if he will make a statement on the matter. [33659/11]

Tánaiste and Minister for Foreign Affairs and Trade (Deputy Eamon Gilmore): The Irish Government conveys its concerns about the situation in Tibet and related human rights issues directly to the Chinese authorities, through regular diplomatic contacts in both Dublin and Beijing. The European Union, on behalf of its Member States, also raises human rights issues on a regular basis with China. This includes human rights problems in Tibet and the disturbing events in Kirti Tibetan monastery in Sichuan Province in China. The High Representative, Catherine Ashton, speaking on behalf of the European Union, has also expressed her concern at the situation at Kirti monastery and has urged the Chinese authorities to allow Tibetans to exercise their religious, cultural and educational rights. These issues are also discussed as part of the formal comprehensive human rights dialogue between the European Union and China. The most recent of these formal dialogues took place in June of this year. Human rights issues in China, are also the subject of attention and debate at the United Nations in New York and at the Human Rights Council in Geneva.

A group of United Nations experts, led by the Special Rapporteur on freedom of religion or belief, Mr. Heiner Bielefeldt, an independent human rights expert appointed by the Human

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Rights Council, voiced concern on 1 November over reports of human rights restrictions on the Tibetan Buddhist monasteries in China's Sichuan province, including allegations of intimidation, security raids and surveillance of the sites and religious activities. Such restrictive measures, the UN experts noted, not only curtail the right to freedom of religion or belief, but also serve to further exacerbate existing tensions.

The Deputy will be aware that the Irish Government is committed to the One-China policy, which acknowledges Tibet as part of China. We believe that constructive dialogue between the Chinese Government and representatives of the Dalai Lama is the best way forward to address differences and tensions in Tibet over issues of culture, language, religion and identity. It is essential, for long-term peace and stability in the region, that these two sides reach an agreement on the future of Tibet. To this end, we encourage an early resumption of dialogue by the parties.

Official Engagements

65. **Deputy Gerry Adams** asked the Tánaiste and Minister for Foreign Affairs and Trade if he will report on his attendance at the Global Irish Economic Forum in Dublin Castle on 7 and 8 October 2011. [29504/11]

Tánaiste and Minister for Foreign Affairs and Trade (Deputy Eamon Gilmore): The second Global Irish Economic Forum was held in Dublin Castle on 7 and 8 October. The primary purposes of the Forum were to engage fully with the Irish Diaspora in developing Ireland's global business and trade relations; to discuss face-to-face the Government's priorities for economic renewal with key members of the international business community; and to strengthen ties with the Irish Diaspora as a key part of the Government's efforts to restore Ireland's international reputation abroad. There was an exceptional uptake on the Taoiseach's invitation from among members of the Global Irish Network. In addition to the members of the Network, attendees also included members of the Government, Secretaries General of Government Departments, CEOs of State Agencies and members of the Opposition and leading members of the Irish business and cultural sectors.

Over the course of the two days, I made an address at the opening session and took part in the opening plenary debate which discussed "Ireland: the road to recovery". I was also a panellist for other debates including "Ireland's image abroad: communicating the message" and the closing plenary discussion, alongside the Taoiseach and President Clinton.

In response to requests from participants at the 2009 Forum, a considerable amount of time was devoted to small break-out working groups. Each working group focussed on a topic of relevance to the Programme for Government and, in most cases, involved the participation of the relevant Minister, Minister of State and/or representatives from appropriate Departments or State Agencies. I took part in two working groups, "Ireland's reputation abroad" on 7 October and the "Job Creation" group on 8 October. I also delivered the closing address to the Forum.

The Forum was marked by a high level of enthusiasm among the participants, with candour and frankness characterising the discussions. The feedback to date from all who attended has been extremely positive with participants expressing significant satisfaction with the quality of the discussions and the management of the event.

The Report of the Forum, including the outcomes, is being finalised by my Department and will be published shortly.

Proposed Legislation

66. **Deputy Terence Flanagan** asked the Minister for Finance further to Parliamentary Question No. 103 of 31 May 2011 the date in 2011 on which he proposes to introduce this legislation; if a title for the Bill has been introduced; and if he will make a statement on the matter. [33593/11]

Minister for Finance (Deputy Michael Noonan): There have been a number of Parliamentary Questions on this matter dating back to March 2010 when the first question asked whether the rules concerning Approved Minimum Retirement Funds (AMRFs) would be amended to allow the AMRF owner access to the fund before the age of 75 years. The reply to that question indicated that it had been decided to allow such individuals, who meet the specified income requirements after retirement and before age 75, to have their AMRFs treated as Approved Retirement Funds (ARFs) to which they would have access. The reply also indicated that this change would be legislated for in due course. In my reply of 31 May last to the same question now being put to me, I stated that section 19 of Finance Act 2011 provided for the legislative change referred to.

Under the regime of flexible options on retirement introduced in 1999 and extended in Finance Act 2011 to all main benefits from retirement benefit schemes (other than Defined Benefit arrangements), the options to

- invest in an ARF, or
- receive the balance of the pension fund in cash (subject to tax, as appropriate) are subject to conditions. Prior to Finance Act 2011, the conditions included the requirements that the individual be over 75 years of age or, if younger, that the individual has a guaranteed level of pension income (specified income) actually in payment for life at the time the option to effect the ARF or cash option is exercised. Finance Act 2011 increased the guaranteed level of pension income required from the previous fixed amount of €12,700 introduced in 1999, to a variable amount equal to 1.5 times the maximum annual rate of the State Pension (Contributory) bringing the “specified income” limit to €18,000 per annum at present.

Prior to Finance Act 2011, if the minimum specified income test was not met at the time the option to effect the ARF or cash option was exercised and the individual placed a “set aside” amount in an AMRF, that capital sum was effectively “locked in” and could not be accessed by the individual, other than to purchase an annuity, until he or she reached 75 years of age (at which point the AMRF automatically becomes an ARF) though any income generated by the fund could be drawn down subject to tax. This was the position even if the minimum specified income test was met after retirement. Finance Act 2011 changed this rule so that where the minimum specified income test is met at any time after retirement and before age 75, the AMRF automatically becomes an ARF with full access to the funds.

As a transitional measure, Finance Act 2011 allows the previous lower guaranteed income requirement of €12,700 per annum to continue to apply for a period of 3 years from the date that Act was signed into law (6 February 2011)—

- for individuals who had retired before that date and who already had an AMRF, and
- for individuals who availed of the deferred annuity purchase option*, had exercised the ARF (or cash) option within one month of the date of passing of Finance Act 2011 and who in exercising that option had transferred the requisite amount to an AMRF within that one month period.

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This means that if such individuals satisfy the guaranteed income requirement of €12,700 within that three-year period their AMRF becomes an ARF. After this three-year period expires, the new higher guaranteed income test will have to be satisfied before the AMRF can become an ARF. The amount of guaranteed income required to meet the test will change in line with any future change in the maximum annual rate of State Pension (Contributory).

*The deferred annuity purchase option was introduced with effect from 4 December 2008 for members of defined contribution occupational pension schemes and allowed them to defer the purchase of an annuity for an initial period of 2 years, in light of the fact that pension funds had been adversely affected by the falls in equity markets and the more general falls in assets values. The deferral option was operated administratively by the Revenue Commissioners. The period of deferral was subsequently extended to 6 March 2011 i.e. one month beyond the passing into law of the Finance Act 2011.

Tax Reliefs

67. **Deputy Joanna Tuffy** asked the Minister for Finance if he will provide an update on application for tax relief on student contribution charges; the amount that will be repayable to taxpayers with more than one child attending third level college for this tax year; when applications for this tax relief may be applied for and by whom; and if he will make a statement on the matter. [33602/11]

Minister for Finance (Deputy Michael Noonan): Section 473A of the Taxes Consolidation Act 1997 provides, subject to certain conditions, for tax relief at the standard rate of income tax (20%) as regards qualifying fees paid by an individual in respect of a third level education course including a postgraduate course. Qualifying fees means tuition fees in respect of an approved course at an approved college and includes what is referred to as the “student contribution”. For the tax year 2011 and subsequent tax years, the maximum annual relief for tuition fees (including the student contribution of €2,000) is €7,000 per course.

The tax relief is confined to tuition fees only. Tuition fees that are, or will be, met directly or indirectly by grants, scholarships, employer contribution or other means are to be deducted in arriving at the net fees qualifying for tax relief.

An individual can claim tax relief on fees paid by him/her in respect of an approved third level course pursued by him/her and on fees paid by him/her in respect of an approved course pursued by other individuals (e.g. a son or daughter).

A claim for relief may be in respect of a number of students — the maximum amount allowable (i.e. €7,000) applies per course rather than per claim. However:

- the first €2,000 of all fees claimed by an individual does not attract tax relief where any one of the students to whom the claim refers is a full time student;
- the first €1,000 of all fees claimed by an individual does not attract tax relief where all of the students to whom the claim refers are part-time students.

The disregard of €2,000 or €1,000, as the case may be, applies to each claim, the subject of which may be one or more students. The general effect of this approach is that all claimants will get full tax relief on an amount equal to the student contribution of €2,000 for the second and subsequent students in their claim.

The examples below are premised on a claimant who is within the tax net paying the third level fees. Different scenarios may arise where the student pays the fees or where a parent is not in the tax net to benefit from tax relief.

Example 1.

Claimant with one student in third level education.

Student	Student Contribution	Less Disregard	Tax Relief @ 20%
Full time in public college	€2,000	€2,000	NIL

Example 2.

Claimant with three students in third level education.

Student	Student Contribution	Less Disregard	Tax Relief @ 20%
Student 1 — Full time in public college	€2,000	€2,000	NIL
Student 2 — Full time in public college	€2,000	Nil	€2,000 @ 20% = €400
Student 3 — Full time in public college	€2,000	Nil	€2,000 @ 20% = €400

Example 3.

Claimant with one student in part-time third level education.

Student	Student Fees	Less Disregard	Tax Relief @ 20%
Part time in public college	€4,000 (including student contribution)	€1,000	€3,000 @ 20% = €600

Example 4.

Claimant with two students in third level education.

Student	Student Fees	Less Disregard	Tax Relief @ 20%
Student 1 — Full time in public college	€2,000	€2,000	NIL
Student 2 — Part-time in public college	€4,000 (including student contribution)	Nil	€4,000 @ 20% = €800

The relief can be claimed either on the individual's tax return at the end of the tax year, or a claim can be made during a tax year for that tax year once the fees have been paid. The relief can be granted in the determination of tax credits and standard rate cut-off point certificate.

Banking Sector Regulation

68. **Deputy Terence Flanagan** asked the Minister for Finance the powers he has to ensure that the ECB interest rate cut is passed on by all banks that operate here; his plans to legislate for this; and if he will make a statement on the matter. [33669/11]

Minister for Finance (Deputy Michael Noonan): As Minister for Finance, I have no statutory role in the setting of interest rates charged by financial institutions regulated by the Central Bank. While I have no plans to introduce legislation to force lending institutions to reduce

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their variable mortgage rates, the matter will be kept under review in the context of decreases/increases announced by the ECB.

The Central Bank has responsibility for the regulation and supervision of financial institutions in terms of consumer protection and prudential requirements and for ensuring ongoing compliance with applicable statutory obligations. Each institution determines the rate it charges its customers, depending on a number of factors, such as cost of funds and commercial considerations, competition in the market, risk pricing, and the impact on deposit rates.

If the Central Bank and the Financial Regulator require additional legislative measures to enable them to carry out their activities more efficiently, I will consider their request with a view to bringing proposals to Government.

Departmental Appointments

69. **Deputy Michael McGrath** asked the Minister for Finance the changes he has made to the banking policy division of his Department since taking over as Minister; and if he will make a statement on the matter. [33702/11]

Minister for Finance (Deputy Michael Noonan): My Department works in close liaison with all relevant agencies, particularly the Central Bank and the NTMA, in relation to banking sector issues. The Government, in March 2011, approved the appointment of Mr John Moran at Second Secretary level in the Department, on secondment from the Central Bank, to oversee the Banking Division. In June 2011, following a TLAC competition, Mr Neil Ryan was appointed at Assistant Secretary level in the Banking Division of the Department. In August 2011, the NTMA Shareholder Management Unit, lead by Mr Michael Torpey, moved into the Department of Finance to enhance the oversight of the Banking Division.

A financial markets training programme was initiated in September 2011 to enhance the general understanding and awareness of the financial markets within the Department of Finance. The programme delivery is led by a Professor of Finance from DCU who has delivered similar courses at the Central Bank as well as the Dutch National Bank.

In addition, the establishment of a financial stability unit within the Banking Division to examine systemic risks across the financial sector, and their interaction with macroeconomic factors, should enhance the focus and analysis in this area. The financial stability team will work closely with the Economic Policy, Forecasting and Analysis Unit as well as the Central Bank's financial stability team and the NTMA to try to provide a co-ordinated approach towards this important theme.

Banking Sector

70. **Deputy Michael McGrath** asked the Minister for Finance if there are new management teams in place in Allied Irish Banks and Bank of Ireland; and if he will make a statement on the matter. [33703/11]

Minister for Finance (Deputy Michael Noonan): The Executive Committee of AIB is currently comprised of the following individuals:

- David Hodgkinson, Executive Chairman,
- Stephen Bell, Acting CRO,
- Bernard Byrne, Director of Personal & Business Banking,

- John Conway, Human Relations Director,
- Keith Davies, Group Services & Transformation Director,
- Marcel McCann, Operations & Technology Director,
- Jerry McCrohan, Director of Corporate & Institutional and Commercial Banking,
- Gerry McGinn, Managing Director, First Trust Bank,
- Fergus Murphy, Managing Director, EBS,
- Ronan O'Neill, Managing Director, AIB UK,
- Peter Spratt, Head of Non Core Unit,
- Paul Stanley, Acting CFO.

None of these individuals were members of the Executive Committee of AIB at the time of the bank guarantee in September 2008. In addition, the Board of Directors of the Bank has been entirely renewed since September 2008.

Bank of Ireland is engaging in an ongoing programme of change including board and management renewal.

The Executive Committee of BoI is currently comprised of the following individuals:

- Richie Boucher, Group Chief Executive,
- Julie Sharp, Head of Group HR,
- Des Crowley, Chief Executive Officer — Retail (Ireland & UK),
- Denis Donovan, Head of Non-Core Division,
- Liam McLoughlin, Head of Group Manufacturing,
- Vincent Mulvey, Chief Credit & Market Risk Officer,
- Peter Morris, Chief Governance Risk Officer,
- John O'Donovan, Group Chief Financial Officer.

Significant management renewal at Group Executive level has already been undertaken with 50% of the team as at 1 January 2009 having left the Bank including the Group CEO, Chief Risk Officer, Head of Manufacturing and Head of HR.

Schools Recognition

71. **Deputy John Paul Phelan** asked the Minister for Education and Skills the position regarding the support and funding for ABA schools for children on the autistic spectrum; and if he will make a statement on the matter. [33504/11]

Minister for Education and Skills (Deputy Ruairí Quinn): It is understood that the Deputy's question refers to the ABA pilot scheme which was funded by my Department for the past decade. All of the centres which participated in this scheme have been granted recognition as special schools for children with autism. These schools will operate in line with my Department's policy. Following their recognition the new schools are currently progressing well in the

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transitional phase. All thirteen schools have opened and it is my intention to continue to support this transitional process.

The pilot scheme was established in the absence of a network of school-based special classes for children with autism which is now available. The establishment of this network of autism-specific special classes in schools across the country to cater for children with autism has been a key educational priority in recent years. In excess of 450 classes have now been approved around the country at primary and post primary level, including many in special schools.

English Language Students

72. **Deputy Ciarán Lynch** asked the Minister for Education and Skills the number of students who come to Ireland each year to study English; the number who come from China, Taiwan, Singapore, South Korea, and Japan; the visa requirements such as educational qualification and the maximum and minimum period of stay permitted; and if he will make a statement on the matter. [33540/11]

Minister for Education and Skills (Deputy Ruairí Quinn): According to the annual survey of approved language schools carried out by Fáilte Ireland, an estimated 96,250 overseas English language students studied in Ireland in 2010.

The following number of English language students studied in Ireland in 2010 (or 2009, where current figures are not available):

	No. of Students
Japan	2,000
South Korea	3,100
China	2,098 (2009 figures)
Taiwan	89 (2009 figures)

English is one of the official languages of Singapore, and is the primary language of instruction in the education system, so there is no major market for English language instruction there. Visa regulations are a matter for the Minister for Justice and Equality. Student visa requirements for English language students are, however, set out on the website of the Irish Naturalisation and Immigration Service www.inis.gov.ie.

Special Educational Needs

73. **Deputy Pat Deering** asked the Minister for Education and Skills if his attention has been drawn to the fact that there is no language unit for pupils with speech and language difficulties in counties Carlow and Kildare; and if he would consider locating such a unit in a school (details supplied) in County Carlow. [33546/11]

Minister for Education and Skills (Deputy Ruairí Quinn): I wish to advise the Deputy that the National Council for Special Education (NCSE) through its network of local Special Educational Needs Organisers (SENOs), is responsible for processing applications from primary and post primary schools for special educational needs supports. This includes the allocation of resource teaching hours to schools as well as the establishment of special classes, including special classes for Specific Speech and Language Disorder (SSLD), in various geographical areas, as required, and the discontinuation of such classes where the need no longer exists. The NCSE operates within my Department's criteria in allocating such supports.

Schools in the area referred to by the Deputy may apply to the NCSE to establish a special class for Specific Speech and Language Disorder (SSLD), subject to criteria, and where they have a sufficient number of qualifying pupils.

Pupils who are not enrolled in a special class for SSLD and who meet the criteria for Specific Speech and Language Disorder, as outlined in my Department's Circular 0038/2007, may qualify for additional teaching support where he/she is enrolled in mainstream school. Applications for such support may be made to the NCSE through the local SENO. Pupils with mild speech and language difficulties may qualify for supplementary teaching support from within the school's general allocation of learning support/teaching support.

All schools have the names and contact details of their local SENO. Parents may also contact their local SENO directly to discuss their child's special educational needs, using the contact details available on www.ncse.ie.

Higher Education Grants

74. **Deputy Jack Wall** asked the Minister for Education and Skills his views on a matter (details supplied) regarding cuts to education; and if he will make a statement on the matter. [33550/11]

Minister for Education and Skills (Deputy Ruairí Quinn): As the Deputy will be aware, the reality of our economic situation presents significant challenges that have to be reconciled with limitations on public resources. This is a very stark reality, which, unfortunately, means that changes to any public service, including the student grant scheme, cannot be ruled out.

I empathise with students and I am very conscious of the fundamental role played by the student grant scheme in supporting families who are putting their children through further and higher education. However, the state of the public finances is such that tough decisions have to be made to control public expenditure and to ensure sustainability in the long run. For this reason it is the responsibility of Government to take into consideration all areas of public services when formulating Budget 2012. Ultimately, our budgetary decisions now will play a major part in creating a sustainable economy and in regaining our economic independence. I will take the concerns of students into consideration during the budgetary process in this context.

75. **Deputy Jack Wall** asked the Minister for Education and Skills the actions he plans to take to address concerns (details supplied) regarding the student contribution charge and cuts to the maintenance grants; and if he will make a statement on the matter. [33553/11]

Minister for Education and Skills (Deputy Ruairí Quinn): As the Deputy will be aware, the reality of our economic situation presents significant challenges that have to be reconciled with limitations on public resources. This is a very stark reality, which, unfortunately, means that changes to any public service, including the student grant scheme, cannot be ruled out.

I empathise with students and I am very conscious of the fundamental role played by the student grant scheme in supporting families who are putting their children through further and higher education. However, the state of the public finances is such that tough decisions have to be made to control public expenditure and to ensure sustainability in the long run. For this reason it is the responsibility of Government to take into consideration all areas of public services when formulating Budget 2012. Ultimately, our budgetary decisions now will play a major part in creating a sustainable economy and in regaining our economic independence. I will take the concerns of students into consideration during the budgetary process in this context.

Special Educational Needs

76. **Deputy Jerry Buttimer** asked the Minister for Education and Skills the reason the teacher allocation ratio for schools catering for children with severe and profound disability is six to one is also applied to schools who cater for children with severe and profound disability and ASD; if he will consider revising the teacher allocation ratio for schools catering for children with severe and profound disability and ASD; and if he will make a statement on the matter. [33558/11]

Minister for Education and Skills (Deputy Ruairí Quinn): I wish to advise the Deputy that the National Council for Special Education (NCSE) is responsible for determining the appropriate staffing levels in relation to the support of pupils with special educational needs in mainstream and special schools. The NCSE operates within my Department's policy in allocating this support. The staffing of special schools is determined by reference to the recommendations outlined in the Report of the Special Education Review Committee, 1993, also known as the SERC Report. These ratios range from 6:1 to 11:1, depending on the level of disability. The staffing ratios for special schools in respect of the various disability categorisations, based on SERC recommendations, are set out in my Departments Circular 0038/2010.

Circular 0038/2010 details that the pupil-teacher ratio for classes in schools catering for children with severe and profound disability, or multiple disabilities, is 6:1. It also sets out that the pupil-teacher ratio for classes in schools catering for children with Autism is 6:1. Therefore, the staffing allocation ratio for pupils with either severe and profound general learning disability, multiple disabilities, or Autism, is 6-1, which is the lowest pupil to teacher staffing ratio applicable. There are no plans to amend disability category staffing ratios, however, my Departments Circular 0042/2011 advises that special schools, going forward, will be staffed based on their actual current pupil profiles and the disability category of each pupil, as opposed to primarily by school designation.

77. **Deputy Dara Calleary** asked the Minister for Education and Skills if he in receipt of correspondence from a school (details supplied); his views on the matter contained within this correspondence; and if he will make a statement on the matter. [33572/11]

Minister for Education and Skills (Deputy Ruairí Quinn): As the Deputy will be aware the National Council for Special Education (NCSE) is an independent agency with responsibility for determining the appropriate staffing levels in relation to the support of pupils with special educational needs in mainstream and special schools. The NCSE operates within my Department's policy in allocating this support.

Circular 0042/2011 provides information to schools regarding the staffing arrangements which apply in special schools in the current school year.

My Department has corresponded with the school in question in relation to the matter raised by them with regard to the filling of a staffing vacancy at the school. The position, which has been outlined to the school, is that if there is a surplus permanent teacher on a redeployment panel within 45 km of a Special School that has a vacancy, then the vacancy may be filled on a permanent basis through the redeployment of the surplus permanent teacher. Absences in respect of Career Breaks, secondments etc., are covered through the employment of a fixed term (temporary) teacher.

If there is no permanent teacher awaiting redeployment through redeployment panels then the vacancy is to be considered to be fixed term (temporary) and should be filled in the normal manner.

School Transport

78. **Deputy Patrick O'Donovan** asked the Minister for Education and Skills if he will review a situation (details supplied) regarding school transport; and if he will make a statement on the matter. [33657/11]

Minister of State at the Department of Education and Skills (Deputy Ciarán Cannon): Under the terms of the Primary School Transport scheme pupils are eligible for school transport if they reside 3.2 kilometres or more from and are attending their nearest national school having regard to ethos and language.

Bus Éireann has advised that the pupils referred to by the Deputy in the details supplied are not attending their nearest school and are therefore not eligible for school transport under the terms of the scheme.

Pupils who are not eligible for school transport may apply for concessionary transport provided there are spare seats available on an existing service. I am working to make the charge for concessionary transport more equitable. There is no provision within the scheme to waive charges for pupils who are not eligible for school transport.

Special Educational Needs

79. **Deputy Terence Flanagan** asked the Minister for Education and Skills if he will deal with a matter (details supplied) regarding special needs assistants at a school; and if he will make a statement on the matter. [33660/11]

Minister for Education and Skills (Deputy Ruairí Quinn): The Deputy will be aware that the National Council for Special Education (NCSE) is responsible, through its network of local Special Educational Needs Organisers (SENOs) for allocating resource teachers and Special Needs Assistants (SNAs) to schools to support children with special educational needs. The NCSE operates within my Department's criteria in allocating such support. This now includes a requirement for the NCSE to have regard to an overall cap on the number of SNA posts.

The policy position of my Department in relation to the provision of Special Needs Assistant support, including in relation to the school referred to by the Deputy, has previously been provided to the Deputy in response to his Parliamentary question 28925/11 of 12th October, 2011.

The school in question has been allocated 3 SNA posts and 44.1 Resource Teacher hours for the current school year.

It is worth noting that SNAs are a school based resource and the allocation of SNAs to a school are subject to change over time. For example, children may have diminishing care needs or some children in a school may progress on to second level. Allocations are made by SENOs who have considerable professional experience and formal qualifications in the assessment of children with special educational needs.

The allocation of SNAs, while allocated on the basis of an assessed need of an individual child, are allocated to the school and should be deployed with discretion by the school in a manner which best meets the support requirements of all the children. If the parent concerned feels their child has experienced a regression due to changes in the school's overall SNA allocation they should raise this matter directly with the Principal and the local SENO.

I have also arranged for the Deputy's additional query in relation to the specific application for support for an individual pupil to this school to be forwarded to the NCSE for their attention and direct reply.

Third Level Courses

80. **Deputy Brendan Smith** asked the Minister for Education and Skills his plans for developing the international education sector here over the next few years. [33674/11]

81. **Deputy Brendan Smith** asked the Minister for Education and Skills the steps he has taken to develop the international education sector here since his appointment. [33675/11]

82. **Deputy Brendan Smith** asked the Minister for Education and Skills the number of overseas students attending third level education institutions in September this year; the number of overseas students attending third level education institutions for each of the past five years; and if he will make a statement on the matter. [33676/11]

83. **Deputy Brendan Smith** asked the Minister for Education and Skills the targets set for increasing the number of international students studying in third level institutions here this year and over the next few years; if he is on track to meet these targets. [33677/11]

84. **Deputy Brendan Smith** asked the Minister for Education and Skills the amount of fee income generated this year and in each of the past five years as a result of international students studying in third level institutions here; and if he will make a statement on the matter. [33678/11]

Minister for Education and Skills (Deputy Ruairí Quinn): I propose to take Questions Nos. 80 to 84, inclusive, together.

The Government is strongly committed to promoting Ireland as a centre for international education. The Programme for Government sets out an ambitious target of doubling international student numbers over the coming five years, through full implementation of the international education strategy, Investing in Global Relationships.

The strategy contains ten strategic actions to improve Irish performance in attracting international students. Significant progress has been made in the first year of implementation, and the High Level Group will shortly be developing an implementation timetable for year two. Since the Government took office, we have taken a number of specific initiatives to promote international education, including:

- The launch of a new international brand and marketing campaign for Irish education, Education in Ireland, managed by Enterprise Ireland.
- The development of agreed priority markets by the High Level Group on International Education and the development of market-specific plans, starting with the USA.
- The roll-out of market specific initiatives, such as a trusted agents programme in India.
- The launch of a targeted scholarship programme for English teachers in priority markets including Korea, Japan and Turkey.
- Ministerial level visits to strategic markets including the USA, Malaysia and Singapore and official level visits to India and Russia. Figures on the number of international students in Irish higher education institutions, and the revenue generated (fee income plus student expenditure), are set out in the table.

Tuition fee income amounted to €209m in 2011, an increase of €20m from 2010. No comparable data is available for the years 2007/8 and 2008/9.

Year	Revenue	Student numbers
2010-2011	€460 million	29,376
2009-2010	€428 million	25,781
2008-2009	No available data	No available data
2007-2008	No available data	No available data
2006-2007	€372 million	27,275
2005-2006	€335 million	25,319
2004-2005	€300 million	22,947

Third Level Facilities

85. **Deputy Brendan Smith** asked the Minister for Education and Skills the most recent percentage occupancy rates of teaching and research facilities in each of the third level institutions here in terms of the number of hours that these facilities are used. [33679/11]

86. **Deputy Brendan Smith** asked the Minister for Education and Skills the most recent percentage occupancy rates of teaching and research facilities in each third level institution, broken down on a monthly basis in terms of the number of hours that these facilities are used. [33680/11]

87. **Deputy Brendan Smith** asked the Minister for Education and Skills the most recent percentage occupancy rates of teaching and research facilities in each third level institution during the day, evening time and weekends, in terms of the number of hours that these facilities are used. [33681/11]

Minister for Education and Skills (Deputy Ruairí Quinn): I propose to take Questions Nos. 85 to 87, inclusive, together.

The detailed information requested by the Deputy is not readily available. However, the Higher Education Authority has commenced an exercise to assess the efficiency of utilisation of existing higher education space with a view to determining whether spare capacity exists within the sector critically during holidays, night-time, weekends and which may be used to absorb increased student numbers or for other relevant purposes. It is anticipated that data collected from the exercise may become part of a space management tool that may be used by institutions to more effectively manage their physical estates.

Third Level Expenditure

88. **Deputy Brendan Smith** asked the Minister for Education and Skills if he will provide a breakdown of the amount each third level institution here spent on advertising this year and over the past few years. [33682/11]

Minister for Education and Skills (Deputy Ruairí Quinn): The information sought by the Deputy is not readily available in the Department, however, the Higher Education Authority has been requested to contact each institution seeking a response and I will forward the available data to you as soon as possible.

Third Level Courses

89. **Deputy Brendan Smith** asked the Minister for Education and Skills if he has carried out any research into the duplication of courses in Irish third level institutions; and if he will make a statement on the matter. [33683/11]

90. **Deputy Brendan Smith** asked the Minister for Education and Skills if he has any role in determining the kind of courses on offer in third level institutions. [33684/11]

Minister for Education and Skills (Deputy Ruairí Quinn): I propose to take Questions Nos. 89 and 90 together.

Universities and Institutes of Technology are autonomous institutions within the meaning of the Universities Act 1997 and the Institutes of Technology Act 2006 and my Department does not have any function in relation to their academic affairs, including decisions concerning course provision. This kind of autonomy is a hallmark of a high quality, modern higher education system. My Department and HEA, in partnership with our higher education institutions are now together implementing the wide ranging reforms set out in the National Strategy for Higher Education. An element of these changes, currently under consultation, includes the development of regional clusters of institutions. The HEA will engage with all higher education institutions in a strategic dialogue in a systematic way to ensure that there are clear pathways and higher education opportunities available to students on a regional basis, while avoiding unnecessary duplication. I expect the HEA to develop clear guidelines for these clusters before the end of the year.

Departmental Expenditure

91. **Deputy Brendan Smith** asked the Minister for Education and Skills the steps he has taken to date to tackle the salaries and allowances paid to senior academic staff in third level institutions; and if savings can be made in this area. [33685/11]

Minister for Education and Skills (Deputy Ruairí Quinn): The Government is taking measures to reduce salary costs at the highest levels across the public sector through the application of salary ceilings. We are also committed to delivery on the public service reforms agreed under Croke Park. Policy on rates of pay in the Education sector forms part of wider public pay policy, including related commitments and reforms under the Croke Park agreement.

Historically, academic grades in Irish universities are linked to civil and public service grades and in the past therefore received pay increases in line with their public service counterparts. These grades were subject to pay reductions from January 2010 along with the pension levy provisions. With effect from January 2011, new recruits to these grades are subject to a 10% reduction in pay rates, as is also applicable to persons recruited for the first time to direct entry grades in the Public Service. Staff in the Higher Education Sector are covered by the provisions of the Croke Park Agreement, which provides that their pay will not be further reduced. Future appointments to Heads of Universities will be subject to the €200,000 pay ceiling applying across the Public Service.

There are believed to be 99 employees in the Higher Education sector earning more than €200,000 per annum. Of these, 89 are Academic Medical Consultants. Academic Consultants represent about 3.5% of the approximately 2,500 Medical Consultants employed in the Health Service. Since January this year, all new appointees to medical consultant posts are subject to a 10% pay reduction.

Under a Government Decision made earlier this year, the issue of the implementation of pay ceilings for medical consultants is to be considered in terms of ongoing contacts between the Minister of Health and the consultants in relation to the Consultant Contract. This process is ongoing. Of the other 10 posts paid in excess of €200,000 per annum: — 4 relate to Heads of Level I Universities — 6 are appointments made under Section 25(5)(a) of the Universities Act 1997.

The revised pay ceiling will apply to future appointments as Heads of Level I Universities while current incumbents may make voluntary waivers of salary. I have written to all of these incumbents since entering office asking them to make voluntary waivers. The remuneration of appointments made under Section 25(5)(a) of the Universities Act 1997 are not subject to the sanction of either the Minister for Public Expenditure and Reform or the Minister for Education and Skills as the Act provides that a university may depart from sanctioned levels of remuneration where the governing body is satisfied that such departure is necessary to meet the objects of the university. In this context, having regard to statute, a pay ceiling may not be imposed. However a review of the mechanisms and procedures underpinning such appointments is being undertaken by the Department of Education & Skills, the Department of Public Expenditure and Reform and the Higher Education Authority (HEA). Again current incumbents may make voluntary waivers of salary.

Departmental Research

92. **Deputy Brendan Smith** asked the Minister for Education and Skills if he has carried out any research comparing the pay of academic staff here with international academic staff; and if any significant differences exist in salary scales. [33686/11]

Minister for Education and Skills (Deputy Ruairí Quinn): I refer the deputy to the following document which has been prepared by the Higher Education Authority, and which seeks to outline and compare the salary levels of academic staff in Irish universities with those in Australia, Canada, New Zealand, the UK and the USA. Academic Pay Scales in Ireland and Other Countries. This note seeks to outline and compare the salary levels of academic staff in Irish universities with those in the UK and elsewhere. The information provided in this note is limited by a number of factors:

It does not benchmark academic salaries against other salaries in the public sector or private sector either in Ireland or other countries;

The salary information provided in the note is based on a straight currency conversion. Such an approach does not provide information on the standard of living that accompanies salary levels in different countries. A study of the purchasing power parity (PPP) would be required to show the relative value of salary levels across different currencies and economies.

Ireland

Under Section 25(4) of the Universities Act 1997, the remuneration, fees, allowances and expenses paid to employees of a university require the approval of the Minister for Education and Skills with the consent of the Minister for Finance.

Professor

The highest academic grade in Irish Universities is Professor and the remuneration for it is set by the Review Body on Higher Remuneration in the Public Sector. The Review Body's Report No. 42 published in September 2007 set out a common salary scale for the grade of Professor and recommended an average increase of 5.5% for it.

[Deputy Ruairí Quinn.]

The current salary scale (w.e.f. 01/01/2010) for the grade of Professor in Irish Universities is as follows:

	€
1	113,573
2	120,049
3	126,525
4	133,001
5	139,478
6	145,952

Other Academic Grades

There is no common grade or salary structure for remaining academic grades in Irish universities. Therefore, different titles and pay structures are used for what may be similar grades.

Outlined below is a summary of other academic grades in universities and the approximate salary scales that would apply. Salaries are w.e.f. 01/01/2010:

	Salary
Associate Professor	€82,970-€112,759
Senior/Statutory Lecturer	€67,071-€100,398
College Lecturer/Lecturer Above Bar	€50,807-€81,459
Junior Lecturer/Lecturer Below Bar	€35,355-€72,024

It should be noted that historically academic grades in Irish universities are linked to civil and public service grades and therefore received pay increases in line with their public service counterparts.

All academic grades in Irish universities have been in receipt of pay increases as provided for in national pay agreements e.g., Sustaining Progress, Towards 2016. In line with the rest of the public sector, these grades were also subject to reductions in pay w.e.f. 1st January 2010 under the terms of the Financial Emergency Measures in the Public Interest (No. 2) Act 2009.

UK

A nationally negotiated single pay spine or scale is in existence for all staff (academic and non-academic) in UK universities. This spine currently has a minimum point of approximately €15,000 and a maximum of €63,000 and would generally apply to lower and middle-range academic grades. However, universities in general may supplement pay rates for each grade in the form of attraction and retention premia where labour market conditions dictate. This would appear to be particularly common for the grade of Professor.

In University College London, the following academic pay levels apply (August 2009) <http://www.ucl.ac.uk/hr/salary—scales/final—grades.php>:

	Salary
Lecturer A	€37,199-€40,653
Lecturer B	€41,872-€50,007
Senior Lecturer	€54,644-€59,711

	Salary
Professor Band 1	Starting at €67,205
Professor Band 2	Starting at €80,606
Professor Band 3	Starting at €124,009

Staff also receive a London allowance of €3,189.

In Queen's University Belfast, the following academic pay levels apply (August 2009)
<http://www.qub.ac.uk/directorates/HumanResources/PersonnelDepartment/PayandAdvancement/SalaryScales/>:

	Salary
Lecturer and Other Academic Grades	€37,287-€67,347
Professor Range 1	€65,871-€69,827
Professor Range 2	€74,483-€98,424
Professor Range 3	€101,070-€114,374
Professor Range 4	€117,044-€129,002

In the University of Greenwich, the following academic pay levels apply (August 2009)
<http://www.gre.ac.uk/offices/personnel/pay/>:

	Salary
Grade AC1	€27,728-€33,105
Grade AC2	€34,099-€39,529
Grade AC3	€40,731-€50,109
Grade AC4	€51,612-€59,833
Grade AC5	€61,650-€73,613

Professors may also receive salaries up to €120,784 as a result of a number of factors e.g., recruitment and retention, merit and contribution.

Staff also receive a London allowance of €3,744.

USA

The following are the average salaries paid to academics in American universities in 2009/10. The information is based on the Annual Report of the American Association of University Professors (AAUP) which conducted a survey of salaries across all institutions
<http://www.aaup.org/NR/rdonlyres/AFB34202-2D42-48B6-9C3B-52EC3D86F605/0/zreport/>:

	Salary
Professor	€79,085
Associate	€55,125
Assistant	€46,410
Instructor	€34,280
Lecturer	€38,261
No Rank	€43,787

These figures exclude additional payments for e.g., summer teaching, administrative stipends,

[Deputy Ruairí Quinn.]

Canada

The following are the average salaries paid to academics in Canadian universities in 2008/09. The information is based on a research paper prepared for Statistics Canada <http://www.statcan.gc.ca/pub/81-595-m/81-595-m2009076-eng.pdf>:

	Salary
Full Professor	€61,352-€83,555
Associate Professor	€50,205-€70,911
Assistant Professor	€41,280-€58,284
Lecturer	€34,863-€45,576

Australia

There is no common pay scale for academic staff in Australian universities. Each university sets its own pay scales based on local “enterprise” agreements.

The following are the salaries currently (April 2010) applying in Monash University, Melbourne <http://adm.monash.edu.au/enterprise-agreements/academic-professional-2009/s1-academic-salary-rates.html>:

	Salary
Professor	€97,541
Associate Professor	€75,723-€83,421
Senior Lecturer	€62,888-€72,513
Lecturer	€51,337-€90,963
Assistant Lecturer	€35,935-€48,770

New Zealand

Under New Zealand legislation each Vice-Chancellor (President) is the employer of the staff of the university and each university negotiates its own employment agreements (including salary scales) with the relevant representatives of staff.

The following are salary scales applicable to academics in the University of Otago (July 2009) <https://docushare.otago.ac.nz/docushare/dsweb/Get/Document26992/AcademicStaffNon-MedicalandDentalPayScale.pdf>:

	Salary
Professor	€71,476-€87,274
Associate Professor	€62,018-€68,420
Senior Lecturer	€47,399-€59,444
Lecturer	€37,285-€44,970
Assistant Lecturer	€27,666-€31,468

Teaching Qualifications

93. **Deputy Ciara Conway** asked the Minister for Education and Skills if he will supply an official definition as to the qualifications that are required for a literacy and numeracy teacher

as same is being queried by a person (details supplied); if he will clarify the requirements; and if he will make a statement on the matter. [33689/11]

Minister for Education and Skills (Deputy Ruairí Quinn): The recognition of teacher qualifications in this State is a matter for the Teaching Council, the body with statutory responsibility for establishing and maintaining standards in the teaching profession. While it would not be appropriate for me to intervene in individual cases, I have forwarded the Deputy's correspondence on to the Teaching Council for a direct reply.

Schools Building Projects

94. **Deputy Ciara Conway** asked the Minister for Education and Skills the reason a school building project (details supplied) has not progressed at the same pace as the other schools on the 2011 schools building programme; the date on which the tender for the building contract for the project will be released and awarded; the date on which construction on this project will commence and the expected completion date of same; when he will formally supply the board of management with these dates and meet with them to outline the relevant steps which need to be taken when transferring from a temporary building to a permanent building; and if he will make a statement on the matter. [33704/11]

Minister for Education and Skills (Deputy Ruairí Quinn): The Deputy may be aware that the project to which she refers was tendered in 2009 and a preferred bidder was identified to do the works. Unfortunately a number of issues outside of my Department's control delayed the progression of this project. However, I am pleased to inform you that most of these issues have now been resolved.

Provided there are no further issues, it is intended that the project will be re-tendered in the coming months. Officials from my Department have written to the school authorities recently to appraise them of the situation.

Departmental Staff

95. **Deputy Thomas P. Broughan** asked the Minister for Public Expenditure and Reform if there are plans for the recruitment of further new staff for the Revenue Commissioner; and if he will make a statement on the matter. [33530/11]

Minister for Public Expenditure and Reform (Deputy Brendan Howlin): I am advised by the Revenue Commissioners that the Top Level Appointments Committee is currently conducting a recruitment campaign to fill one Revenue Commissioner post and Revenue is conducting a campaign to recruit up to 30 Administrative Officers with specific information and communications technology skills. Revenue has also received sanction to recruit up to 10 Executive Officers with information and communications technology skills and the timing of this recruitment campaign will depend on progress with the Administrative Officers. These posts will have to be filled within existing resources and the Employment Control Framework for the Revenue Commissioners.

Flood Relief

96. **Deputy Kevin Humphreys** asked the Minister for Public Expenditure and Reform the financial resources such as humanitarian aid, rebuilding funds and refurbishment funds being made available to residents and businesses flooded in the Dublin region in the past week, separate to supplementary welfare allowances; and if he will make a statement on the matter. [33595/11]

Minister for Public Expenditure and Reform (Deputy Brendan Howlin): I wish to advise the Deputy that neither the Minister for Finance nor I have policy responsibility for disbursement of funds across the areas referred to in the Deputy's question. The Minister for Social Protection and the Minister for the Environment, Community and Local Government have policy responsibility.

In this regard the Deputy may wish to note that yesterday the Government decided to set aside €10 million to provide financial support to the victims of the recent flooding. This fund will be administered by the Department of Social Protection. The Government has also established an interdepartmental working group, chaired by the Department of the Environment, Community and Local Government, to manage the response to the victims of the flooding.

National Lottery Funding

97. **Deputy Bernard J. Durkan** asked the Minister for Public Expenditure and Reform the full extent of funding available to him in the current year from the proceeds of the National Lottery; the extent to which such funds are to be spent and under which headings now and in the future; and if he will make a statement on the matter. [33700/11]

Minister for Public Expenditure and Reform (Deputy Brendan Howlin): Funding arrangements for 2012 and subsequent years for all subheads which are supported by Lottery funding will be decided in the context of the annual Estimates.

Flood Relief

98. **Deputy Brendan Smith** asked the Minister for Public Expenditure and Reform if funding will be provided to deal with flooding problems in an area (details supplied) or if the Office of Public Works will carry out necessary drainage work. [33538/11]

Minister of State at the Department of Public Expenditure and Reform (Deputy Brian Hayes): The Office of Public Works has received applications for funding for minor works/studies for a number of locations, from Cavan County Council under the Minor Flood Mitigation Works & Studies Scheme 2011. The applications include a funding request to undertake a hydrological study of the Erne catchment.

These applications are currently being considered by this Office, having regard to the scheme eligibility criteria and the overall availability of resources for flood risk management. The OPW is commissioning a study of the Neagh-Bann & North West River Basin Districts, to commence early in 2012 as part of the national Catchment Flood Risk Management & Assessment (CFRAM) Programme. The study will identify and examine in detail the causes of flooding throughout the study areas, and produce an integrated plan of specific measures to address the significant flood risk factors in a pro-active and comprehensive way. A full hydrological study of the Erne catchment will be undertaken as part of this study.

The applications from Cavan County Council are currently being considered by this Office, having regard to the scheme eligibility criteria and the overall availability of resources for flood risk management, and the above study.

Enterprise Support Services

99. **Deputy Terence Flanagan** asked the Minister for Jobs, Enterprise and Innovation when he expects a loan guarantee scheme to be available for small and medium enterprises; and if he will make a statement on the matter. [33668/11]

Minister for Jobs, Enterprise and Innovation (Deputy Richard Bruton): The design phase of a Temporary Partial Credit Guarantee Scheme is nearing completion and I will be bringing formal proposals to Cabinet shortly. Once a suitable scheme design has been finalised and approved by the Government, there will then be a further Request for Tender published at the end of November to select an operator to allow for the roll out of the scheme over the coming months.

In parallel with the work taking place on the design of the Scheme, the Department is preparing primary legislation to make the necessary statutory provision for such a scheme.

The Scheme will provide a level of guarantee to banks against losses on qualifying loans to job-creating firms to get banks lending again to industry and entrepreneurs.

This Scheme will be closely targeted at commercially viable, well performing companies that have a solid business plan and a defined market for their products or services which can demonstrate repayment capacity for the additional credit facilities but which cannot secure credit facilities due to the following two market failures:

- Insufficient collateral for the additional facilities or,
- Growth/expansionary SMEs which due to their sectors, markets or business model are perceived higher risk under current credit risk evaluation practices.

The Government's commitment will be for an initial period of one year. Specific performance criteria will be set down that allow for review and revision of the scheme at the end of that initial period before any commitment to a roll-over of the scheme for subsequent years. The temporary partial credit guarantee scheme will complement the Government plans on the restructuring and recapitalisation of the banking system which seek to secure an adequate flow of credit into the economy to support economic recovery.

Social Welfare Appeals

100. **Deputy John O'Mahony** asked the Minister for Social Protection when a person (details supplied) in County Mayo will receive a decision in respect of their appeal for disability allowance; and if she will make a statement on the matter. [33498/11]

Minister for Social Protection (Deputy Joan Burton): The Social Welfare Appeals Office has advised me that the disability allowance claim of the person concerned was disallowed following an assessment by a Medical Assessor who expressed the opinion that she was medically unsuitable for the allowance. An appeal was registered on 6 August 2011 and in accordance with the statutory procedures the relevant Department papers and the comments of the Social Welfare services on the matter raised in the appeal have been sought. In that context, an assessment by another Medical Assessor will be carried out.

The Social Welfare Appeals Office functions independently of the Minister for Social Protection and is responsible for determining appeals against decisions on social welfare entitlements.

101. **Deputy John O'Mahony** asked the Minister for Social Protection when a person (details supplied) in County Mayo will receive a decision on an appeal for illness benefit; and if she will make a statement on the matter. [33499/11]

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.

[Deputy Joan Burton.]

An appeal was registered on 1st November 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

102. **Deputy Jack Wall** asked the Minister for Social Protection the reason rent allowance has been reduced in respect of a person (details supplied) in County Kildare; and if she will make a statement on the matter. [33502/11]

Minister for Social Protection (Deputy Joan Burton): The community welfare service (CWS) and the community welfare officers providing it transferred formally to the Department of Social Protection (DSP) from 1 October 2011. The service and the staff are now part of the DSP.

The person concerned has been contacted and advised that the reason for reduction in his rent supplement from the October payment is due to his invalidly pension being awarded. Invalidly pension is in excess of the Supplementary Welfare Allowance rate and the increase in payment is fully assessable for rent supplement.

Question No. 103 withdrawn.

Social Welfare Appeals

104. **Deputy Pat Breen** asked the Minister for Social Protection when a decision will issue to a person (details supplied) in County Clare; and if she will make a statement on the matter. [33514/11]

Minister for Social Protection (Deputy Joan Burton): I am advised by the Social Welfare Appeals Office that an oral hearing of the appeal of the person concerned took place on 06 October 2011 and the Appeals Officer is now considering the appeal in the light of all the evidence submitted, including that adduced at the hearing. The person concerned will be notified of the Appeals Officer decision when the appeal has been determined.

The Social Welfare Appeals Office functions independently of the Minister for Social Protection and of the Department and is responsible for determining appeals against decisions on social welfare entitlements.

Social Welfare Code

105. **Deputy Pat Deering** asked the Minister for Social Protection her plan for the forthcoming social welfare budget to address the issue whereby social welfare recipients will be encouraged to accept part-time employment as a first step towards reducing their dependency on welfare payments. [33544/11]

Minister for Social Protection (Deputy Joan Burton): The Department of Social Protection operates a range of employment support measures designed to encourage and support social welfare recipients of working age to reduce their dependency on welfare payments. In addition

to income support, supports available include the back to education programmes, back to work schemes and part time work. In addition, a fully integrated nationwide range of services and supports is available to employers and jobseekers through FÁS Employment services, responsibility for which has been transferred to this Department.

In relation to the specific issue raised by the Deputy, the jobseekers schemes provide income support for people who are seeking their first job or have lost work and are seeking alternative employment. A fundamental qualifying condition for both the jobseeker's benefit and jobseeker's allowance is that a person must be available for and genuinely seeking full-time work.

Arrangements currently exists whereby persons who are employed for up to three days in a week may claim a jobseekers payment in respect of the remainder of the week, subject to being available for full-time work.

Also, the part-time job incentive scheme is available to those who were previously on a jobseekers payment for 15 months or more and are now working under 24 hours per week while seeking full time employment. This payment is not affected by the earnings received from the part-time job.

The Department will continue to encourage and support social welfare recipients of working age to reduce their dependency on welfare payments by entering into both part time and full time employment. The National Employment Action Plan (NEAP) process is a key element in addressing the progression needs of those on the live register. It provides an opportunity to explore and access, under professional guidance, a full range of training and employment services, including part-time employment.

In addition, as provided for under the Programme for Government, a new National Employment and Entitlements Service is being established under the management of the Department of Social Protection. The new service will integrate employment and benefit payment services, currently delivered by FÁS and the Department, respectively, within the Department and will be based on a case management approach.

In line with good international practice, this new service will focus primarily on activation with the aim of encouraging and enabling customers to embark on developmental pathways appropriate to their needs — pathways to employment and/or training and/or personal development. The objective of the new service is to offer users a high level, personalised employment support and prioritise the provision of more intensive support for those on the live register who are identified as being most at risk of long-term unemployment. A key feature of the new service will be that customers will be expected to engage with these options in order to retain their entitlement to full benefit payments.

The above developments will inform the deliberative process for Budget 2012.

Departmental Staff

106. **Deputy Joe McHugh** asked the Minister for Social Protection if she has received representations from social welfare offices calling for additional resources, staff and so on; if she will identify the relevant offices; and if she will make a statement on the matter. [33547/11]

Minister for Social Protection (Deputy Joan Burton): The staffing needs of my Department are regularly reviewed, having regard to workloads, management priorities and the competing demands arising, to ensure that the best use is made of all available resources. The Department will continue to source available staff to fill critical vacancies by way of redeployment, or transfer from within the Department and other Government Departments, taking account of

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the employment control framework (ECF) target, as determined by the Minister for Public Expenditure and Reform.

Social Welfare Appeals

107. **Deputy Pat Breen** asked the Minister for Social Protection when a decision will issue to a person (details supplied) in County Clare; and if she will make a statement on the matter. [33551/11]

Minister for Social Protection (Deputy Joan Burton): In the case in question, an application for domiciliary care allowance (DCA) was received on 15 March 2011. This application was referred to one of the Department's Medical Assessors who found that the child was not medically eligible for DCA. A letter issued on the 17 May 2011 refusing the allowance. The person concerned subsequently lodged an appeal against this decision. She was informed by the Social Welfare Appeals Office on the 18 October 2011 that the appeal had been disallowed.

The decision/appeal process for this application is now complete. If the person concerned has additional information which was not made available to the deciding officer and appeals officer when they made their decisions, it is open to her to re-apply for the payment.

108. **Deputy Frank Feighan** asked the Minister for Social Protection the position regarding a social welfare appeal in respect of a person (details supplied). [33554/11]

Minister for Social Protection (Deputy Joan Burton): The Social Welfare Appeals Office has advised me that the illness benefit claim of the person concerned was disallowed following an examination by a Medical Assessor who expressed the opinion that he was medically unsuitable for the benefit. An appeal was registered on 22 October 2011 and in accordance with the statutory procedures the relevant department papers and the comments of the Social Welfare services on the matter raised in the appeal have been sought. In that context, an examination by another Medical Assessor will be carried out.

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.

109. **Deputy Pat Breen** asked the Minister for Social Protection when a decision will issue to a person (details supplied) in County Clare; and if she will make a statement on the matter. [33563/11]

Minister for Social Protection (Deputy Joan Burton): An application for domiciliary care allowance (DCA) was received from the person concerned on the 24th January 2011. This application was referred to one of the Department's Medical Assessors who found that the child was not medically eligible for the allowance. A letter issued on the 10th February 2011 refusing the allowance. The person concerned subsequently lodged an appeal against the decision. She was informed by the Social Welfare Appeals Office on the 23rd July 2011 that the appeal had been disallowed.

The decision/appeal process for this application is now complete. If the person concerned has additional information which was not made available to the deciding officer and appeals officer when they made their decisions, it is open to her to re-apply for the payment.

Social Welfare Code

110. **Deputy Ciarán Lynch** asked the Minister for Social Protection the position regarding

the partial capacity scheme; if it is now possible to apply for this scheme and the qualifying criteria for same; and if she will make a statement on the matter. [33566/11]

Minister for Social Protection (Deputy Joan Burton): The legislative basis which provides for the introduction of the Partial Capacity Benefit scheme is contained in the Social Welfare (Miscellaneous Provisions) Act, 2010. Full details of the scheme will be set out when the scheme is being formally launched before the end of this year

The Partial Capacity Benefit scheme will be open to people who are in receipt of Invalidity Pension (IP) or who have been in receipt of Illness Benefit (IB) for a minimum of six months. Participation in the scheme will be voluntary and the scheme is designed in particular to respond to the needs of people who currently seek to avail of “exemptions” in order to take up employment opportunities. The limitations on hours worked which apply under the existing ‘exemptions’ arrangements will not apply to the new scheme.

An extensive programme of work is currently being finalised with a view to enabling the formal introduction of the scheme before the end of the year. Regulations will be introduced shortly which will set out, for instance, the rates of payment which will apply to those who avail of the scheme. Development work is also close to completion on the necessary processes and information technology systems to process, record and pay applicants.

The introduction of the Partial Capacity scheme will mark a key development of the social welfare system. The scheme recognises that the current structure of the welfare system, which categorises people as ‘fit to work’ or ‘unfit to work’, does not reflect the reality for many existing welfare customers. It will provide an opportunity for people with disabilities, and assessed to have an employment capacity which is restricted when compared to the norm, to avail of employment opportunities while continuing to receive an income support payment.

Flood Relief

111. **Deputy Mary Mitchell O’Connor** asked the Minister for Social Protection if the humanitarian assistance scheme 2009, as administered through the community welfare service, will offer assistance to householders who were affected by the recent floods in the Blackrock-Monkstown area of County Dublin; if the scheme will be especially targeted at those whose houses were flooded in the past and who do not have insurance cover as a result; and if she will make a statement on the matter. [33568/11]

Minister for Social Protection (Deputy Joan Burton): The Department of the Environment, Community and Local Government is the lead Department for severe weather emergencies and the Office of Public Works has responsibility for capital flood relief activities. However, the Department of Social Protection has an important role to play in assisting households in the immediate aftermath of emergency events such as the recent floods.

The supplementary welfare allowance (SWA) scheme is the “*safety net*” within the overall social welfare system in that it provides assistance to eligible people in the State whose means are insufficient to meet their needs and those of their dependants. The main purpose of the scheme is to provide immediate and flexible assistance for those in need who do not qualify for payment under other State schemes.

Under the SWA scheme, the Department can make a single payment to help meet essential, once-off, exceptional expenditure, which a person could not reasonably be expected to meet out of their weekly income. These payments are known as exceptional needs payments (ENP).

In addition to the payment of ENPs, SWA legislation also provides for assistance in the form of an urgent needs payment (UNP). In certain circumstances, this payment can be made to

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persons who would not normally be entitled to SWA. Examples of situations where such assistance may be provided would be in the aftermath of flooding or a domestic fire where the immediate needs, such as food, clothing, fuel, household goods and perhaps shelter, of the people affected may be met by a UNP in cash or in kind.

The Department's response to the current flooding situation, has involved departmental officials (former Community Welfare Officers) providing individual households with emergency payments to offset their immediate needs e.g. assistance with the purchase of food, clothing, fuel and household goods. Officials have made house to house calls to individuals they have identified as being vulnerable at this difficult time. In addition, emergency clinics have been established in the worst affected areas to offer help to households.

Officials are currently working in conjunction with the Red Cross and other agencies assisting households with their immediate needs.

As was the case in 2009, a humanitarian assistance scheme would be required where a particular event has caused loss and damage to a large number of people on a wide-spread scale and the support required is greater than can be coped with by the usual assistance mechanisms. When the full extent of an emergency event has been determined a decision to provide humanitarian assistance to the people in an area affected is a matter for Government. No such decision has been made.

Redundancy Payments

112. **Deputy Dara Calleary** asked the Minister for Social Protection the position regarding a redundancy application (details supplied). [33573/11]

Minister for Social Protection (Deputy Joan Burton): An on-line application for a redundancy rebate has been received from this employer. All customers using my Department's on-line redundancy system are also required to submit a hard copy of the form which should be signed and dated by both the employer and the employee concerned. The hard copy forms have not yet been received. The application cannot be processed until the latter have been received.

Social Welfare Benefits

113. **Deputy Martin Ferris** asked the Minister for Social Protection when a decision will issue on the application for carer's allowance in respect of a person (details supplied). [33581/11]

Minister for Social Protection (Deputy Joan Burton): I confirm that an application for carer's allowance has been received from the person concerned.

On completion of the necessary investigations relating to all aspect of his claim a decision will be made and the person in question will be notified directly of the outcome.

The average time taken to process a claim to completion, including assessment of the claimant's means and the entitlement of the care recipient to full time care and attention on medical grounds is approximately 19 weeks.

Employment Support Services

114. **Deputy Joe Carey** asked the Minister for Social Protection her plans to review the eligibility criteria for the JobBridge programme; and if she will make a statement on the matter. [33588/11]

Minister for Social Protection (Deputy Joan Burton): My Department continues to monitor and review the operation of the JobBridge scheme, including its eligibility criteria, on an ongoing basis.

To date, some amendments to the eligibility criteria have taken place. In August of this year, for example, sole traders became eligible to participate in the JobBridge scheme for which they had not been eligible on its launch.

Social Welfare Benefits

115. **Deputy Terence Flanagan** asked the Minister for Social Protection the position regarding entitlements in respect of a person (details supplied); and if she will make a statement on the matter. [33592/11]

Minister for Social Protection (Deputy Joan Burton): The person concerned is currently in receipt of the maximum rate of State pension (contributory) and also receives an increase for a qualified adult in respect of his wife.

In addition to this he is in receipt of a fuel allowance and the full range of household benefits entitlement (free electricity/telephone allowances, free TV licence and a free travel pass).

A letter has issued to the person concerned asking him to contact an official of my Department if he wishes to discuss his entitlements.

Flood Relief

116. **Deputy Kevin Humphreys** asked the Minister for Social Protection the financial resources such as humanitarian aid, rebuilding funds and refurbishment funds being made available to residents and businesses flooded in the Dublin region in the past week, separate to supplementary welfare allowances; and if she will make a statement on the matter. [33594/11]

Minister for Social Protection (Deputy Joan Burton): The Government in recognising the devastation suffered by many families arising from the recent floods has agreed to set up a Humanitarian Assistance Scheme with an allocation of up to €10 million. The scheme will provide means-tested financial support to people who have suffered damage to their homes as a result of the recent flooding. The main details of the Humanitarian Assistance Fund are as follows:

- It will be administered on the ground by staff from the Department of Social Protection (former Community Welfare Officers),
- It will provide hardship alleviation assistance, as opposed to full compensation, to householders affected by the flooding.
- Damage to a person's home and its basic contents, such as carpets, flooring, furniture, household appliances and bedding, will be the main criteria. Structural damage may also be considered.
- Eligibility will be subject to a means test.
- Assistance will not be given for losses which are covered by insurance.
- Commercial and business losses will not qualify for humanitarian assistance.

In addition, the Government has also established a cross-Departmental/Agency Working Group, chaired by the Department of the Environment, Community and Local Government,

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to oversee the State's collective response to those affected by the flooding. The working group will identify any gaps that may exist within existing services to address the consequences of the flooding for individuals, families and communities. If additional services are required the Group will report to Government with proposals to address these issues.

Social Welfare Code

117. **Deputy Aengus Ó Snodaigh** asked the Minister for Social Protection if her attention has been drawn to the fact that rent supplement recipients have had their rent supplement withdrawn or decreased on the grounds that they have refused an offer of social housing despite a policy being in place across local authorities which allows for a person to make two refusals without negative repercussions; her view on whether it is unfair and inconsistent for community welfare officers to penalise these persons in view of the fact that local authorities recognise that there can be very legitimate grounds for a refusal of a social housing offer; and whether she will issue all CWOs with a directive that they must not penalise rent supplement recipients in this way. [33600/11]

Minister for Social Protection (Deputy Joan Burton): The community welfare service (CWS), and the community welfare officers providing it, transferred formally to the Department of Social Protection (DSP) from 1 October 2011. The service and the staff are now part of the DSP.

Since 2005 rent supplement expenditure has increased from €369million to €516million in 2010. The number of persons claiming the allowance increased from almost 60,200 persons in 2005 to some 95,700 as at October 2011, a 59% increase.

It is a condition of any applicant's entitlement to a rent supplement that they have not refused to accept, within any continuous 12 month period, a second offer of accommodation provided by either a housing authority (including accommodation offered under the Rental Accommodation Scheme) or any approved body by the Minister for the Environment, Community and Local Government for the purposes of Section 6 of the Housing (Miscellaneous Provisions) Act 1992 (No. 18 of 1992) i.e. the Capital Assistance Housing scheme.

Where a rent supplement claimant refuses a second offer of accommodation within a 12 month period the Community Welfare Service is obliged to cease payment of rent supplement for a period of 12 months from the date of refusal. This legislative provision has been set out in detail to staff.

Social Welfare Benefits

118. **Deputy Ciarán Lynch** asked the Minister for Social Protection the grounds on which back-to-school allowance was refused to a person (details supplied) in County Cork; if that decision can be appealed; and if she will make a statement on the matter. [33646/11]

Minister for Social Protection (Deputy Joan Burton): One of the conditions for receipt of a Back to School Clothing and Footwear Allowance payment is that the applicant must be in receipt of a qualified child allowance in respect of the child in question. Departmental records show that no such increase is payable to the person in question. My Department have issued the person with a review form, which should be completed and returned to the Department where a full review of her entitlements will be carried out.

119. **Deputy Pat Breen** asked the Minister for Arts, Heritage and the Gaeltacht the position regarding an application in respect of a person (details supplied) in County Clare; and if he will make a statement on the matter. [33548/11]

Minister for Arts, Heritage and the Gaeltacht (Deputy Jimmy Deenihan): In May 2010, the voluntary bog purchase scheme was closed to new applicants. Processing of applications on hand has been slower than anticipated due to capacity constraints in undertaking the conveyancing work involved. The time it takes to process applications can also vary depending on the legal complexities involved.

With regard to the application referred to in the Question, a letter of offer issued to the applicant on 20 April 2007 and the contract for the sale of the site was received by my Department from the solicitor acting on behalf of the applicant on 2 June 2011. Officials from my Department have examined this contract and are awaiting clearance from the Chief State Solicitor's Office in order to forward the file to that office.

It should also be noted that my Department will be writing to all remaining applicants under the voluntary bog purchase scheme in the coming weeks to outline their options in light of recent policy decisions regarding the availability of alternative compensation arrangements.

Teidlíochtaí Pinsin

120. D'fhiafraigh **Éamon Ó Cuív** den Aire Ealaíon, Oidhreacht agus Gaeltachta an bhfuil cnapshuim, pinsean nó aon íocaíocht eile dlite d'iarfhostaí de chuid na Roinne (sonraí tugtha) a chuaigh ar pinsean le gairid; agus an ndéanfaidh sé ráiteas ina thaobh. [33661/11]

Minister for Arts, Heritage and the Gaeltacht (Deputy Jimmy Deenihan): Mar a bheidh ar eolas ag an Teachta, is de réir mar a leagtar amach iad ina gconarthaí fostaíochta, agus i gcomhréir leis na téarmaí agus na coinníollacha fostaíochta atá leagtha síos ag an Aire Caiteachais Phoiblí agus Athchóirithe, a bhíonn teidlíochtaí pinsin, etc, baill foirne atá ag dul ar scor. Tá iarrtha agam ar oifigigh mo Roinne teagmháil a dhéanamh leis an duine atá i gceist chun aon cheist a d'fhéadfadh fós a bheith aici i ndáil lena teidlíochtaí pinsin a shoiléiriú léi.

Water and Sewerage Schemes

121. **Deputy Mary Mitchell O'Connor** asked the Minister for the Environment, Community and Local Government if the Office of Public Works will provide a progress report with respect to the works being carried out on Maretimo Stream Blackrock, County Dublin; if contractors are currently behind schedule on the project; and, if that is the case, if he will confirm that the project will be fast tracked in view of recent flood damage; and if he will make a statement on the matter. [33567/11]

Minister for the Environment, Community and Local Government (Deputy Phil Hogan): The Dún Laoghaire Sewerage Scheme, Phase 1 (Carysfort-Maretimo Stream) is included in my Department's Water Services Investment Programme 2010-2012 among the list of contracts in Dún Laoghaire-Rathdown to start in the period 2010-2012.

In January 2011 my Department approved funding to allow Dún Laoghaire-Rathdown County Council to award the contract for the work. While the administration of the contract is a matter for the Council, I understand that the contract has been awarded, that construction has been under way for some months and that the Council is progressing the contract as quickly as possible.

122. **Deputy John Paul Phelan** asked the Minister for the Environment, Community and Local Government the funding he has provided for the upgrade of the waste water treatment plant at Ballyhale, County Kilkenny; and if he will make a statement on the matter. [33505/11]

Minister for the Environment, Community and Local Government (Deputy Phil Hogan): Ballyhale Waste Water Treatment Plant Upgrade is included for funding in my Department's Water Services Investment Programme 2010-2012 as a contract to start within the lifetime of the Programme, as part of the Kilkenny Grouped Villages Sewerage Scheme.

Kilkenny County Council wrote to my Department in October 2011 with revised proposals for some remedial works at Ballyhale Waste Water Treatment Plant of a scale more amenable to small schemes funding under the Rural Water Programme. This proposal has been approved by my Department. The progression of these contracts is now a matter for the Council.

The Council is continuing work on developing proposals under the Water Services Investment Programme 2010-2012, for the procurement of the other contracts under the Kilkenny Grouped Villages and Sewerage Scheme, with a view to advancing these contracts to procurement as soon as possible.

Environmental Policy

123. **Deputy Anne Ferris** asked the Minister for the Environment, Community and Local Government if he is still committed to publishing the Climate Change Bill in 2012 as indicated in the most recent Government legislative programme; and if he will make a statement on the matter. [33510/11]

Minister for the Environment, Community and Local Government (Deputy Phil Hogan): I refer to the reply to Questions Nos. 257, 258, 268, 269, 292, 294, 295 and 302 of 2 November 2011 which sets out the position in relation to climate legislation.

The Climate Policy Review was issued on 3 November 2011 and is available on my Department's website *www.environ.ie*.

Social and Affordable Housing

124. **Deputy Dessie Ellis** asked the Minister for the Environment, Community and Local Government if he will make money available to local authorities for the insulation of senior citizens housing complexes owned by local authorities. [33516/11]

Minister of State at the Department of the Environment, Community and Local Government (Deputy Willie Penrose): Under my Department's Social Housing Improvement Programme, funding of up to 90% of the approved cost is provided to Housing Authorities to undertake improvement works to occupied and vacant social housing units, including works to improve the energy efficiency and general standard of the houses concerned. In the case of works to improve the energy efficiency of a dwelling, authorities are required to undertake a pre-works and a post-works Building Energy Rating (BER) assessment and the amount of grant paid to housing authorities is linked to the level of energy savings achieved. In 2011, Dublin City Council received an allocation of €5.5 million for such improvement works. It is a matter for the Council to select the properties to be upgraded and to determine the nature and the scale of the works to be undertaken in each case. My Department understands that the City Council has been focusing its 2011 programme on upgrading vacant and void properties and has recently sought an increased capital allocation for this year in respect of additional works completed under the programme. Upgrading vacant and void properties is consistent with the Department's objectives of returning stock to viable use and meeting housing need. However, any additional funding can only be considered in the context of savings arising elsewhere in the programme.

The City Council has indicated its intention to submit proposals for the upgrading of a number of occupied/semi-occupied flat complexes in 2012. It is a matter for the City Council, as part of its responsibility for the management of its social housing stock, to decide if the complex in question will be included under that programme.

Local Authority Housing

125. **Deputy Dessie Ellis** asked the Minister for the Environment, Community and Local Government if he will provide a breakdown of the amount of funding made available to Ballymun Regeneration Limited for the refurbishment of Silloge 4; and the total cost per unit for the 122 local authority houses, including the ground works and underground services at Silloge 4. [33517/11]

Minister of State at the Department of the Environment, Community and Local Government (Deputy Willie Penrose): My Department has been working closely with Ballymun Regeneration Ltd. and Dublin City Council to ensure that the housing units at Sillogue 4 are satisfactorily completed and are used to provide much needed new housing for the remaining families and households in the blocks and towers. To date the project has received funding of €33.07 million, for the planning/design, ground works, services and construction. This equates to €267,000 per unit for the 124 units and reflects the high cost of services and works contracts which prevailed at the time these contracts were tendered.

My Department recently approved a budget of €9.3 million for the pyrite remediation and completion works. This budget includes the costs of the pyrite testing and remediation, security, and the completion works. It should be noted, however, that Ballymun Regeneration Ltd. with the Contractor — James Elliot Construction — are examining all available legal avenues for the recovery of costs for the remediation works to this project which, if successful, will ultimately defray the public expense on this element of the project.

In the context of the substantial investment to date in the Ballymun Regeneration Programme and the housing need of the families still living in the blocks and towers, it was determined that it is in the public interest to see the 124 units at Sillogue 4 completed and tenanted as soon as possible and without prejudice to the outcome of a potentially lengthy and complex legal challenge.

Waste Management

126. **Deputy Sean Fleming** asked the Minister for the Environment, Community and Local Government if he will provide full details of restructuring proposals for the waste management business and the replacement of side-by-side competition with tendering for the entire market, called franchise bidding; and if he will make a statement on the matter. [33565/11]

Minister for the Environment, Community and Local Government (Deputy Phil Hogan): The Programme for Government contains a commitment to introduce competitive tendering for household waste collection, under which service providers would bid to provide waste collection services in a given area, for a given period of time and to a guaranteed level of service. This system of market structuring is known as franchise bidding.

A Regulatory Impact Assessment is currently underway, the purpose of which is to evaluate options for the regulation of household waste collection markets, including both the current system of side-by-side competition and franchise bidding. The assessment is being informed by the outcomes of the recent public consultation process, which concluded in September. I intend to bring policy proposals to Government before the end of the year.

Community Development

127. **Deputy Dara Calleary** asked the Minister for the Environment, Community and Local Government when a Leader payment due to an organisation (details supplied) will be released. [33571/11]

Minister for the Environment, Community and Local Government (Deputy Phil Hogan): 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.

My Department has been in touch with Sligo LEADER Partnership which is the group dealing with the project referred to in the question. Sligo LEADER Partnership has confirmed that it will be in a position to process a payment claim for this project very shortly.

Local Electoral Areas

128. **Deputy Niall Collins** asked the Minister for the Environment, Community and Local Government his plans to revise the local authority boundaries in view of the 2011 census, and also in view of his announcement to amalgamate a number of local authorities across the country; and if he will make a statement on the matter. [33577/11]

Minister for the Environment, Community and Local Government (Deputy Phil Hogan): Unlike for Dáil constituencies, there are no constitutional or statutory requirements in relation to the frequency of local electoral area boundary reviews. The most recent reviews of local electoral areas were carried out in 1998 and 2008. The June 2009 local elections took place on the basis of the local electoral areas enacted following the 2008 review.

The next local elections are due to take place in 2014. I will give consideration to the need for a review of local electoral areas in the light of the final results from Census 2011 which are due in Spring 2012 and which will give clear information on population change in local electoral areas.

Other relevant factors, including the report of the Constituency Commission established in July 2011 to review Dáil and European Parliament constituencies and any related subsequent decisions of the Oireachtas, will also be taken into account.

The new unified local authorities in Limerick and Tipperary will give rise to a review of the local electoral areas in these counties. These reviews will be carried out on the basis of the final population figures for Census 2011. The new local electoral areas in Limerick and Tipperary will be in place for the local elections to be held in 2014.

Voting Age

129. **Deputy Niall Collins** asked the Minister for the Environment, Community and Local Government his plans to reduce the voting age to 17 or 16 years of age in advance of the 2014 local elections; and if he will make a statement on the matter. [33578/11]

Minister for the Environment, Community and Local Government (Deputy Phil Hogan): The Programme for Government sets out a comprehensive range of constitutional reform measures including the review by a Constitutional Convention of reducing the voting age to 17. I will bring forward proposals for change to electoral law in light of the decisions for change which may arise from these processes.

Flood Relief

130. **Deputy Kevin Humphreys** asked the Minister for the Environment, Community and Local Government the financial resources such as humanitarian aid, rebuilding funds and refurbishment funds being made available to residents and businesses flooded in the Dublin region in the past week separate to supplementary welfare allowances; and if he will make a statement on the matter. [33596/11]

Minister for the Environment, Community and Local Government (Deputy Phil Hogan): An inter-agency approach is underway to assist those affected by the severe flooding which occurred in Dublin and the surrounding region on 24 October 2011.

Community Welfare Officers, working in co-operation with the local authorities and the Irish Red Cross, have been contacting households and individuals identified as being particularly vulnerable, and emergency clinics have been established in the worst affected areas to help households. Some financial assistance has been provided so far on a case-by-case basis and this is expected to increase as the extent of the problems for individuals and households becomes clearer.

The Government has established a cross-Departmental/Agency Working Group, chaired by my Department, to oversee the State's collective response to those affected by the flooding. The Government has approved an amount of up to €10 million towards financial assistance. The Group will identify any gaps that may exist within existing services to address the consequences of the flooding for individuals, families and communities. If additional services are required, including humanitarian assistance, the Group will report to Government with proposals to address these issues.

Water Services

131. **Deputy Éamon Ó Cuív** asked the Minister for the Environment, Community and Local Government the gross estimated cost per annum of providing for all of the services, to implement the Water Services (Amendment) Bill 2011; the sources of funding to implement the Bill broken down between registration fees, inspection charge, other payments by owners of waste water systems, other local authority contribution and Exchequer contribution; and if he will make a statement on the matter. [33648/11]

132. **Deputy Éamon Ó Cuív** asked the Minister for the Environment, Community and Local Government if he intends introducing grant aid to assist those who are required to upgrade their waste water systems under the Water Services (Amendment) Bill 2011; and if he will make a statement on the matter. [33649/11]

Minister for the Environment, Community and Local Government (Deputy Phil Hogan): I propose to take Questions Nos. 131 and 132 together.

The Water Services (Amendment) Bill 2011, which provides for the establishment of a system of registration and inspection of septic tanks and other on-site systems, was published on 3 November 2011. Details of how the new system will operate are included in the Bill and the accompanying explanatory memorandum. The Regulatory Impact Assessment (RIA) for the Bill also considers the costs arising from the introduction of the new registration and inspection regime; a copy of the RIA is available on my Department's website at www.environ.ie.

The legislation provides for the payment of fees by householders served by septic tanks and other on-site systems to have their systems registered. These fees are to be paid to the relevant local authority and to the Environmental Protection Agency respectively. The intention is that

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the revenues generated by the fees will be used to fund the inspection and supervision activities by the local authorities and the EPA which are provided for in the Bill.

My Department will keep under review options to provide financial support to house holders, whose domestic waste water treatment systems are deemed, following inspection, to require substantial remediation or upgrading. Any such support would have to take account of the overall very difficult budgetary situation.

Community Development

133. **Deputy Maureen O'Sullivan** asked the Minister for the Environment, Community and Local Government the specific plans in place for the inner city of Dublin in the absence of any partnership structure or local development company. [33655/11]

Minister for the Environment, Community and Local Government (Deputy Phil Hogan): In line with commitments in the Programme for Government, and in the context of the Comprehensive Review of Expenditure, my Department has begun to examine the scope for greater alignment over a range of Local Government and Local/Community Development functions and programmes. While it is too early at this stage to determine the outcome of this process, my aim is to ensure the long-term sustainability of local and community development supports through ensuring the maximum level of funding is delivered to front line services and through minimising administration and ancillary costs.

In addition, following the closure of the Local Development Company in question my Department is working towards an alternative delivery structure for the Local and Community Development Programme in that area. My primary concern is to implement the Programme in the best possible way by ensuring that scarce resources are targeted at the most vulnerable communities. Funding for the Programme in 2012, and beyond, will fall to be considered in the context of the annual Estimates process and in light of the outcome of the Comprehensive Review of Expenditure.

Building Regulations

134. **Deputy Joanna Tuffy** asked the Minister for the Environment, Community and Local Government the position regarding his plans to introduce a national building inspectorate service; and if he will make a statement on the matter. [33658/11]

Minister for the Environment, Community and Local Government (Deputy Phil Hogan): The Local Government Efficiency Review Group (July 2010) recommended that a single building inspectorate service could be established on a regional basis to streamline the approach to the inspection of property.

In July 2011, I announced a number of measures to be advanced by my Department and local authorities with a view to improving compliance with, and oversight of, the requirements of the Building Regulations.

In broad terms the measures, which include the streamlining of inspection arrangements on a regional basis, will involve:

(a) the introduction of mandatory certificates of compliance by builders and designers of buildings confirming that the statutory requirements of the Building Regulations have been met;

- (b) more efficient pooling of building control staff and resources across the local authority sector to ensure more effective and meaningful oversight of building activity;
- (c) standardised approaches and common protocols to ensure nationwide consistency in the administration of building control functions;
- (d) better support and further development of the building control function nationwide.

The mandatory certification and improved inspection arrangements outlined above are key reforms which, I believe, will have the capacity to improve the quality of buildings and will lead to further strengthening of the regulatory regime as early as possible in 2012.

The matter will be kept under review in the context of the ongoing actions being taken at Department and at Local Authority levels to further the development of the Building Control function.

Forbairt Pobail

135. **D'fhiafraigh Éamon Ó Cuív** den Aire Comhshaoil, Pobail agus Rialtais Áitiúil cén uair a thabharfar cead do Chomhar na nOileán an deontas atáá mholadh acu le haghaidh seomraí feistis in Árainn, do Mheitheal Forbartha Chill Éanna, a cheadú go hoifigiúil; agus an ndéanfaidh sé ráiteas ina thaobh. [33663/11]

Minister for the Environment, Community and Local Government (Deputy Phil Hogan): Tá cistiúcháin €427m ar fáil faoin gChlár um Fhorbairt Tuaithe (RDP) 2007-13 á roinnt amach do thionscail cháilithe roimh deireadh 2013. Is é chuspóir amháin den RDP áiseanna fóillíochta oiriúnacha nach bhfuil ar fáil faoi láthair a shainnithint agus a sholáthar go dtí na pobail áitiúla.

Tá conradh idir mo Roinn le 36 Grúpaí Gníomhaíochta Áitiúla agus ní mór na grúpaí sin an RDP a sholáthar ar fud na tire. Is iad na grúpaí sin na príomh-cinneadóirí mar gheall ar leithdháileadh na gcistí do dtí na tionscail seo. Nuair a bhíonn na cinntí seo á dhéanamh bíonn an stráiteis forbartha áitiúla curtha san áireamh ag na grúpaí indibhidiúla agus bíonn rialacháin oibriúcháin na Roinne agus na rialacháin ón tAontas Eorpaigh curtha san áireamh freisin.

Dé réir choinníollacha den RDP nuair atá deontas ceangaltas molta níos mó ná €150,000 i gceist bíonn córas formheasa ag an Roinn chun tacaí a thabhairt do na Grúpaí Gníomhaíochta Áitiúla a áirithiú ionas go mbeidh na tionscail seo comhlíontach le na rialacháin oibriúcháin agus go soláthraíonn said leis na cuspóirí foriomlána agus go bhfaigheann an RDP luach as a gcuid airgid. Bhí teagmháil ag mo Roinn le Comhair na nOileán Teo maidir leis an dtionscadal seo agus táimid ag iarraidh soiléiriú a fháil orthu má bhfuil said ag iarraidh formheas don deontas agus go bhfuil an suim iomlán atá i gceist ná €200,000.

Chuir an grúpa in iúl don Roinn le gairid go raibh na doiciméidíabhartha chomh maith leis an tiarratas ar cheadúcháin seolta isteach acu chuig mo Roinn ach go dtí seo níl na doiciméidí seo faighte ag oifigigh na Roinne. Deanfár próiseáil ar na doiciméidíabhartha, chomh maith le próiseáil ar an tiarratas ceadúcháin, i gcomhréir leis na próiséisíabhartha chomh luath agus a fhaightear na doiciméidí agus an tiarratas céanna ón ngrúpa. Cuirfidh mo Roinn an grúpa ar an eolas faoin dtoradh nuair a chríochníotar an próiséas seo.

Funding of €427m is 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.

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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.

Under the RDP once a proposed grant commitment goes over €150,000 there is a system of Department approval in place which supports Local Action Groups to ensure that such projects are compliant with the operating rules, will contribute to the overall aims and objectives and provide value for money for the RDP. My Department has been in contact with Comhar na nOileain Teo with regard to this project to clarify if they are seeking approval for the grant amount of €200,000.

The group indicated that they submitted the relevant project documentation and request for approval to my Department very recently. However, my Department has not as yet received the request. As soon as the request and relevant documentation is received it will be processed in line with the relevant procedures and my Department will inform the Group on completion of the process.

Homeless Persons

136. **Deputy Gerry Adams** asked the Minister for the Environment, Community and Local Government the level of funding that was provided to the Simon Community and other organisations for emergency services for the homeless in 2007, 2008, 2009, 2010 and to date in 2011; and the amount that will be provided in 2012. [33666/11]

Minister of State at the Department of the Environment, Community and Local Government (Deputy Willie Penrose): My Department's role in relation to homelessness involves the provision of a national framework of policy, legislation and funding to underpin the role of housing authorities in addressing homelessness at local level. Statutory responsibility in relation to the provision of accommodation for homeless persons rests with the housing authorities and the purposes for which housing authorities may incur expenditure in addressing homelessness are prescribed in Section 10 of the Housing Act 1988.

My Department does not fund any service directly but recoups the local authorities 90% of the cost of the service provided with an additional 10% coming from the local authorities own resources. Funding recouped by my Department to local authorities in each of the years from 2007 to 2010 and to date in 2011 for the provision of homeless accommodation and related services is as follows:

2007 €000	2008 €000	2009 €000	2010 €000	To Oct 2011 €000
52,987	53,235	56,057	54,703	31,003*

(*recoupment to date out of total 2011 Estimates provision of €53.413 million)

Up to 50 different organisations provide emergency services throughout the country. The Simon Communities, Focus Ireland, Novas, St. Vincent de Paul, the De Paul Trust, the Salvation Army and Crosscare, who have built up the services over the years, receive the bulk of the funding that goes to the voluntary sector providers and details of the 90% funding recouped to the local authorities in respect of these organisations are outlined in the table below. The HSE also provides funding to these organisations in respect of health and social care services for homeless persons.

The level of Exchequer funding to be provided in 2012 will be determined as part of the Estimates process currently underway.

Section 10 Current funding	2007 €000	2008 €000	2009 €000	2010 €000	To Oct 2011 €000
Simon Communities	4,944	4,683	6,089	5,978	2,481
Focus Ireland	4,049	4,130	4,192	4,977	2,355
Novas	1,755	1,786	2,361	2,203	1,377
St. Vincent De Paul	2,058	2,105	2,355	2,025	1,834
De Paul Trust	1,449	1,531	2,280	2,558	1,018
Salvation Army	2,178	2,155	2,303	2,706	729
Crosscare	1,104	2,256	2,057	2,336	1,021

Nuclear Plants

137. **Deputy Gerry Adams** asked the Minister for the Environment, Community and Local Government if the Radiological Protection Institute of Ireland has completed its independent assessment of the possible impacts for Ireland from the UK's nuclear building programme; when he expects this report to be completed; and when it will be published. [33667/11]

Minister for the Environment, Community and Local Government (Deputy Phil Hogan): At the request of my Department, the Radiological Protection Institute of Ireland (RPII) is conducting an independent assessment of possible impacts for Ireland from the UK's new nuclear build programme. This work is ongoing. Its initial timeframe was revised to take account of the demands placed on the RPII's Nuclear Safety Directorate by the response and follow-up to the accident at the Fukushima nuclear facility in Japan in March 2011. It is expected that the results of the assessment will be provided to my Department at the end of 2011.

Mortgage Arrears

138. **Deputy Terence Flanagan** asked the Minister for the Environment, Community and Local Government if he will provide details about the two mortgage-to-rent schemes; when they will be launched; and if he will make a statement on the matter. [33671/11]

Minister of State at the Department of the Environment, Community and Local Government (Deputy Willie Penrose): The introduction of two mortgage-to-rent schemes, as part of a range of measures to assist households with unsustainable mortgages, was announced in the Report of the Inter-Departmental Group on Mortgage Arrears which was launched on 12 October 2011. Work is now underway to implement key elements of the report and I will shortly launch two mortgage-to-rent schemes in line with the report's recommendations.

These schemes will operate on a pilot basis initially, subject to prompt review ahead of wider roll-out. Under each scheme, households in extreme mortgage distress who are eligible for social housing will be able to remain in their homes as social housing tenants with either the lending institution or a housing association taking ownership of the property. My Department is now well-advanced in its work with a lender and an approved housing body to make the pilot schemes operational as soon as possible.

Local Authority Housing Loans

139. **Deputy Dessie Ellis** asked the Minister for the Environment, Community and Local

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Government his plans to ensure the interest rate cut is passed on to local authority mortgage holders. [33688/11]

Minister of State at the Department of the Environment, Community and Local Government (Deputy Willie Penrose): The interest rate on local authority housing loans is determined by the Housing Finance Agency by reference to mortgage rates prevailing in the financial market. The Board of the Agency decided today, 9 November 2011, to pass on the variable interest rate reduction of 0.25% to local authority mortgage holders. The current variable interest rate to local authority borrowers, excluding mortgage protection, is 3.0%. The current fixed interest rate available on local authority loans, excluding mortgage protection, is 4.4% for a period of 5 years.

Crime Levels

140. **Deputy Thomas P. Broughan** asked the Minister for Justice and Equality if there are figures to indicate the amount of goods stolen in the Dublin region for the years 2008, 2009, 2010 and to date in 2011; the amount of goods that have been recovered in these years; the number of persons arrested and charged to date for each of these years; the number of successful convictions secured in each of these years; the additional steps gardaí will take to tackle same; and if he will make a statement on the matter. [33527/11]

Minister for Justice and Equality (Deputy Alan Shatter): Following the submission in 2004 of a report and recommendations by an expert group on crime statistics, it was decided that the compilation and publication of crime statistics should be taken over by the Central Statistics Office, as the national statistical agency, from An Garda Síochána. The Garda Síochána Act 2005 consequently makes provision for this and the CSO has established a dedicated unit for this purpose. Following the setting up of the necessary technical systems and auditing of the data from which the statistics are compiled, the CSO is now compiling, publishing and responding to queries regarding recorded crime statistics. I have requested the CSO to provide statistics directly to the Deputy. I have also requested a report from the Garda authorities. I will contact the Deputy again when the report is to hand.

Immigration Policy

141. **Deputy Anne Ferris** asked the Minister for Justice and Equality the number of students that have been designated as timed-out students under the New Immigration Regime for Full Time Non-EEA Students that was published in September 2010; and if he will make a statement on the matter. [33531/11]

Minister for Justice and Equality (Deputy Alan Shatter): The ‘New Immigration Regime for Full Time Non-EEA Students’ was published in September 2010 and has been in operation since 1 January 2011. The new regime introduced maximum periods for residence in the State on foot of a student permission and provided for a differentiated approach between “Degree Programme” courses and those at the “Language or Non-Degree Programme” level.

Existing students who exceed the new time limits are regarded as “timed-out”. However, because of the new time limits and the differentiation between the types of course it is not possible to give an exact number of students who are deemed to be timed-out as a result of the new immigration regime. This operates on a rolling basis and it will depend not just on the number of years the student has been in Ireland but also on the nature of their course and their progress. For example, all students were permitted to complete any course they had commenced prior to the introduction of the new rules. A student can also move from a language

course to a degree programme in which case different limits apply. In addition students who finish an honours degree course and above are permitted to remain on for a further year during which they can work, engage in internship or, if they wish to stay for a longer period, seek an employment permit.

A snapshot of the student population taken earlier this year showed that a little over 2,800 registered non-EEA students had been in Ireland since before 1 January 2004 although for the reasons outlined above not all of these would be regarded as timed out.

Garda Transport

142. **Deputy Brendan Griffin** asked the Minister for Justice and Equality if the squad car in Sneem, County Kerry, which was crashed recently, will be put back on the road as soon as possible; and if he will make a statement on the matter. [33539/11]

Minister for Justice and Equality (Deputy Alan Shatter): The allocation of Garda resources, including transport, is a matter for the Garda Commissioner. In that context the efficient deployment of Garda vehicles within each Garda Division is a matter for the Divisional Officer in the light of operational requirements. I am advised by the Garda authorities that the situation with regard to Sneem Garda station is being kept under on-going review. Currently the area is being serviced by mobile patrols operated by Caherciveen District personnel and the Divisional Traffic Corps.

Court Accommodation

143. **Deputy Pat Deering** asked the Minister for Justice and Equality if his attention has been drawn to the poor condition of the railings at Carlow courthouse; and if he will ensure that remedial works are carried out regarding same. [33545/11]

Minister for Justice and Equality (Deputy Alan Shatter): The Deputy will be aware that, under the provisions of the Courts Service Act 1998, management of the courts is the responsibility of the Courts Service and I have no role in the matter. Section 4(3) of the 1998 Act provides that the Courts Service is independent in the performance of its functions, which includes the maintenance of court buildings.

However, in order to be of assistance to the Deputy, I have had enquiries made and the Courts Service has informed me that a major refurbishment of Carlow Courthouse was completed in 2002. Unfortunately, having regard to the current financial climate, the Courts Service is not in a position to undertake a restoration project on the railings at this time. The Courts Service has indicated that it is in contact with Carlow County Council about measures to preserve the railings.

Garda Stations

144. **Deputy Noel Harrington** asked the Minister for Justice and Equality the average running costs, excluding salaries and allowances, of a one-person Garda station in County Cork; and if he will make a statement on the matter. [33556/11]

Minister for Justice and Equality (Deputy Alan Shatter): The Garda Commissioner is the Accounting Officer for the Garda Vote. In that context I am informed by the Garda authorities that financial operating cost statements are maintained at District Headquarters level rather than at Garda station level. Additionally it is the case that the costs arising in respect of individual stations can vary considerably owing to a number of factors. These include whether

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the station site is freehold or leased and the extent to which expenditure is required on maintaining the property.

In the circumstances I regret that I am not in a position to provide the information sought by the Deputy.

145. **Deputy Noel Harrington** asked the Minister for Justice and Equality if he has any official role in the closure of a Garda station or can same be closed without the need for ministerial approval or order; and if he will make a statement on the matter. [33557/11]

Minister for Justice and Equality (Deputy Alan Shatter): Under the Garda Síochána Act 2005 the Garda Commissioner must each year prepare a policing plan setting out the proposed arrangements for the policing of the State, including any proposals in relation to Garda stations. The policing plan, once it has been approved by the Minister, is laid before each House.

Garda Deployment

146. **Deputy Finian McGrath** asked the Minister for Justice and Equality if he will review a matter (details supplied) regarding anti-social behaviour. [33560/11]

Minister for Justice and Equality (Deputy Alan Shatter): I am informed by the Garda authorities that the location referred to is within the Clontarf Garda Sub-District. Local Garda management is aware of difficulties being experienced by local residents as a result of anti-social behaviour at the location and is closely monitoring the situation and following up on complaints received.

The area is the subject of regular patrols by uniform and plain clothes personnel, including the Community Policing Unit and the Mountain Bike Unit, District and Divisional Detective and Drug Units, supplemented as required by the Divisional Crime Task Force and Traffic Corps personnel. A member of the local Community Policing Unit is allocated specifically to the area.

Local Garda management keeps under review patrols and other operational strategies in place, in conjunction with other policing needs of the residents in the area, to ensure optimum use is made of Garda resources and the best possible Garda service is provided to the public.

Current policing plans in the area are designed to address issues of crime and public order offences. Community policing is a central feature and core value of policing policy, and current policing strategies are predicated on the prevention of crime, public order offences and anti-social behaviour. This strategy is, and will continue to be, central to the delivery of a policing service to the area.

International Agreements

147. **Deputy Jonathan O'Brien** asked the Minister for Justice and Equality his views on signing the Council of Europe Convention on the Preventing and Combating of Violence against Women and Domestic Violence; if his attention has been drawn to the fact that the convention was adopted on 11 May 2011 and has been signed up to since then by 16 states, excluding Ireland; the reason for the delay in signing this convention; if there are difficulties in meeting the legally binding obligations set out in the convention on signing by him; and if he will make a statement on the matter. [33576/11]

Minister for Justice and Equality (Deputy Alan Shatter): Cosc, the National Office for the Prevention of Domestic, Sexual and Gender-based Violence, an executive office within my

Department, actively contributed to all stages of the drafting process in relation to the Council of Europe Convention on Preventing and Combating Violence against Women and Domestic Violence. That process took place over a period of almost two years. I am aware that 16 Council of Europe member states signed the Convention but it has not yet entered into force. Before the Convention enters into force 10 signatories must have expressed their consent to be bound by it.

As the Convention is a very detailed one and its scope is very broad, it has potential policy implications across a wide range of government departments and state agencies. For that reason the Convention's implications require careful and comprehensive examination. Cosc is currently examining the Convention with a view to identifying the issues which need to be addressed in order to pave the way for a submission to the Government on the question of signature of the Convention by Ireland.

Garda Expenditure

148. **Deputy Dara Calleary** asked the Minister for Justice and Equality the amount paid by the Garda to its staff in mileage, motoring allowances and subsistence since 2008 in tabular form. [33589/11]

Minister for Justice and Equality (Deputy Alan Shatter): I am informed by the Garda authorities that the relevant amounts paid by An Garda Síochána in travel costs (including mileage), motoring allowances and subsistence costs in 2008, 2009 and 2010 and to date in 2011 are outlined in the table below:

	2008 €	2009 €	2010 €	Jan - Oct 2011 €
Travel	7,568,419	3,973,932	3,272,530	2,457,044
Motoring Allowance	3,292,920	2,777,632	2,378,368	1,845,264
Subsistence	26,841,562	15,951,250	13,478,235	12,351,457
Grand Total	37,702,901	22,702,814	19,129,133	16,653,765

Traffic Fines

149. **Deputy Paudie Coffey** asked the Minister for Justice and Equality if he will provide a breakdown, on a quarterly basis of the amount of fines that have been issued from the go-safe speed camera detection vans since their introduction onto the roads in tabular form; and if he will make a statement on the matter. [33590/11]

Minister for Justice and Equality (Deputy Alan Shatter): I have requested a report from the Garda authorities in relation to the matter referred to by the Deputy. I will contact the Deputy again when the report is to hand.

Asylum Applications

150. **Deputy Patrick O'Donovan** asked the Minister for Justice and Equality if he will review the special circumstances of an application for naturalisation in respect of a person (details supplied) in view of the Zambrano case; if he will provide a status update on the application; and if he will make a statement on the matter. [33601/11]

Minister for Justice and Equality (Deputy Alan Shatter): The person concerned is a failed asylum applicant. Arising from the refusal of his asylum application, and in accordance with the provisions of Section 3 of the Immigration Act 1999 (as amended), the person concerned was notified, by letter dated 12th March, 2009, that the then Minister proposed to make a Deportation Order in respect of him. He was given the options, to be exercised within 15 working days, of leaving the State voluntarily, of consenting to the making of a Deportation Order or of making representations to the Minister setting out the reasons why a Deportation Order should not be made against him. In addition, he was notified of his entitlement to apply for Subsidiary Protection in accordance with the provisions of the European Communities (Eligibility for Protection) Regulations 2006.

The person concerned submitted an application for Subsidiary Protection. When consideration of this application has been completed, the person concerned will be notified in writing of the outcome. In the event that the application for Subsidiary Protection is refused, the position in the State of the person concerned will then be decided by reference to the provisions of Section 3(6) of the Immigration Act 1999 (as amended) and Section 5 of the Refugee Act 1996 (as amended) on the prohibition of refoulement. All representations submitted will be considered before a final decision is made. In advance of a final decision being made, the case of the person concerned will be examined to determine what, if any, impact the European Court of Justice Judgment in the Zambrano case may have on his case. Once a decision has been made, this decision and the consequences of the decision will be conveyed in writing to the person concerned.

The Deputy will appreciate that the purpose of requiring production of a national passport is to establish a person's identity and nationality so that international travel and residence can be facilitated. Permission to reside takes the physical form of some type of passport endorsement such as, in the Irish case, a residence stamp. Given the importance of ensuring that an immigration permission be availed of only by the person for whom it is intended, it has become a fundamental requirement in immigration regimes around the world that foreign national visitors or residents must be in possession of a valid passport so that the appropriate immigration permission may be placed within it.

The Deputy should note that as the person concerned has no current right of residency in the State, he would not be in a position to meet the lawful residency criteria applicable to persons applying to my Department for a Certificate of Naturalisation.

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. This service enables up to date information on such cases to be obtained without the need to seek information by way of the Parliamentary Questions process. The Deputy may consider using the e-mail service except in cases where the response from INIS is, in the Deputy's view, inadequate or too long awaited.

Visa Applications

151. **Deputy Paschal Donohoe** asked the Minister for Justice and Equality the position regarding the status of visa applications (details supplied); and if he will make a statement on the matter. [33672/11]

Minister for Justice and Equality (Deputy Alan Shatter): The visa applications referred to by the Deputy were received in the Visa Office, Dublin on the 22 September 2011. They were refused by the Visa Officer on the 7 November 2011 for the following reasons:

1. There was insufficient documentation submitted in support of the applications. The Visa Officer noted that insufficient evidence regarding the marital and family status of the contact host was provided;
2. The Visa Officer noted inconsistencies in that there were contradictions in the information supplied. This refusal reason is essentially linked to the concern surrounding insufficient documentation;
3. The primary applicant had not provided evidence of a relationship being in existence prior to the visa applications/marriage;
4. It was the opinion of the Visa Officer that the granting of visas may result in a cost to public funds and public resources.

In arriving at this decision, the Visa officer also noted the immigration history of the primary applicant.

It is open to the persons concerned to submit an appeal within two months of the date of refusal, in this instance before the 7 January 2012. If doing so, the applicant would be strongly advised to be in a position to address the above mentioned concerns. Guidelines on the visa appeals process are available on the website of the Irish Naturalisation and Immigration Service (www.inis.gov.ie).

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. This service enables up to date information on such cases to be obtained without the need to seek information by way of the Parliamentary Questions process. The Deputy may consider using the e-mail service except in cases where the response from INIS is, in the Deputy's view, inadequate or too long awaited.

Human Trafficking

152. **Deputy Kevin Humphreys** asked the Minister for Justice and Equality if he will confirm that cases of forced labour can be prosecuted under the Criminal Law (Criminal Justice) Act 2008 without movement being required; if not, if he will detail the specific pieces of legislation that criminalise forced labour and under which prosecutions may be taken; and if he will make a statement on the matter. [33673/11]

Minister for Justice and Equality (Deputy Alan Shatter): The Criminal Law (Human Trafficking) Act 2008 criminalises the trafficking of persons for the purposes of labour exploitation (including forced labour), sexual exploitation and exploitation consisting of the removal of a person's organs. For the purposes of the Act, the term "trafficks" is broadly defined. For example, the commission of an offence does not require cross-border movement or illegal entry into the State. It includes recruitment, taking a person into one's custody, care or charge, and providing the person with accommodation or employment. However, the legislation is primarily an anti-trafficking measure and was never intended to address any of the above exploitative phenomena outside the context of human trafficking.

This does not necessarily mean that a person subjected to forced labour but who has not been trafficked (or where trafficking is difficult to prove) does not have the protection of the criminal law. It is likely that activities constituting forced labour could be prosecuted under a range of offences, for example, false imprisonment, blackmail, assault, the coercion offence in

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the Non-Fatal Offences Against the Person Act 1997, offences under employment law and health and safety legislation, immigration law, etc.

Internationally, forced labour covers a diverse range of exploitative behaviours. The extent and nature of the phenomenon in this jurisdiction is unclear. At the request of my Department and with a view to establishing the exact nature of alleged abuses, the Garda authorities have recently completed an analysis of allegations of forced labour which have come to their attention. The results of the analysis are currently being examined in my Department so that any legislative and administrative measures required to address deficiencies can be identified. In the event that a need for additional legislative measures is established, proposals will be brought to Government in the usual manner.

Irish Red Cross

153. **Deputy Finian McGrath** asked the Minister for Defence if following his letter to the chairman of the Irish Red Cross of 16 July regarding corporate governance issues the society has now considered a more comprehensive reform of its corporate governance arrangements; his views on the fact that the current vice chairman of the IRC is still serving in that position for the 21st year in a row, that the current treasurer in that position for ten years in a row and both on the executive committee for 21 and ten years respectively; his further views on whether this arrangement is in line with best practice corporate governance guidelines; and if he will make a statement on the matter. [33562/11]

154. **Deputy Finian McGrath** asked the Minister for Defence his views that the time is now appropriate for the vice chairman and treasurer of the Irish Red Cross to step down from their positions in order to allow for a more reasonable turnover of personnel at leadership positions within the IRC; and if he will make a statement on the matter. [33582/11]

155. **Deputy Finian McGrath** asked the Minister for Defence if consideration has been given to incorporating term-limits and retrospection of service for members of the Irish Red Cross executive committee in the amendments to the Irish Red Cross Order 1939; when he expects to bring forward the draft legislation on the Red Cross to Cabinet for approval; and if he will make a statement on the matter. [33583/11]

Minister for Defence (Deputy Alan Shatter): I propose to take Questions Nos. 153 to 155, inclusive, together.

The Irish Red Cross Society is an independent charitable body corporate which, in accordance with relevant legislation, is responsible for handling its own internal affairs. On 16 May 2011, I wrote to the Chairman of the Irish Red Cross Society regarding corporate governance, emphasising my views on turnover and rotation at leadership levels in the Society. I did so as I am of the opinion that it is not conducive to good corporate governance that any individual should serve indefinitely on the Central Council or the Executive Committee, or in the same appointment. The Chairman, in his response, advised me that the issue of turnover and rotation at leadership levels was raised by him at a subsequent Central Council meeting and that agreement was reached on a mandatory three-year break, or one full-term break, for Executive Committee members in circumstances where a member may have previously served for two full terms.

The requirement for a break in service after two three-year terms will apply to any position on the Executive Committee and therefore, it will not be possible to serve two terms in one position and then a further term immediately afterwards in another position on the Committee. With regard to the length of time that the Treasurer of the Society has served, I am informed by the Society that whilst the person in question has been elected to the Society's Executive Committee for the past ten years, he was first elected as Treasurer in 2009 and, earlier this year, was re-elected for a third term in this position.

Following my letter, I subsequently met with the Chairman and the Secretary General of the Society. The matters raised in my letter were discussed and the progress that the Society has made in relation to governance reform was outlined. Overall, it was a very positive meeting; I offered my support to the Chairman and the Secretary General in their efforts and I anticipate that further progress in this regard will be made in the coming months.

When the Office of the Attorney General has finalised its work on the proposed amendments to the 1939 Order, I will bring the draft legislation to Government for approval. Regardless of whatever changes are made to the 1939 Order, a comprehensive review of all Red Cross legislation, and in particular the primary legislation, will then be commenced in accordance with a commitment given in the Programme for Government.

156. **Deputy Finian McGrath** asked the Minister for Defence following his comments to the Joint Committee on Justice, Equality and Defence last July regarding his grant-in-aid to the Irish Red Cross, if he will confirm that the grant will be paid this year; the total amount of this grant; and if he will make a statement on the matter. [33584/11]

Minister for Defence (Deputy Alan Shatter): My Department pays an annual grant to the Society of €951,000 which includes the Government's annual contribution (currently €130,000) to the International Committee of the Red Cross. The balance of the grant goes towards the salary and administration costs of running the headquarters of the Irish Society. The grant for this year has been paid in full. I am satisfied that the annual grant paid by my Department is properly accounted for and used for its intended purpose. However, in light of recent controversies, I recently asked the Chairman of the Society for assurances in this regard and for information about how the grant is utilised. Comprehensive and satisfactory answers were provided by the Chairman.

157. **Deputy Finian McGrath** asked the Minister for Defence his views on claims made at a recent meeting of the Committee of Public Accounts that overseas aid donations to the Red Cross have been retained in Red Cross domestic accounts; if he is satisfied as to the use of international aid donations made to the Red Cross; if the IRC have specific policies in place for the handling of such donations; if he will confirm that any unspecified aid donation made at a time of a major disaster appeal goes into the general domestic fund; and if he will make a statement on the matter. [33585/11]

Minister for Defence (Deputy Alan Shatter): The Irish Red Cross Society is an independent statute based charitable organisation with full power to manage and administer its affairs through its governing body, the Central Council. The Irish Red Cross Order 1939, which established the Society in Ireland, does not make any provision for the Government to intervene in the day to day administration of the Society. Furthermore, there is an obligation on Governments to protect the independence of national Red Cross organisations. My Department was made aware of allegations relating to the misallocation of funds by the Irish Red Cross Society

[Deputy Alan Shatter.]

particularly in relation to the Haiti appeal through correspondence dated 30 November 2010. The letter to the then Minister referred to enclosed copies of letters sent to the Chairman of the Society and its external auditors, which outlined the substance of the allegations. My Department is satisfied that the manner in which the Society allocates unspecified donations is in conformity with standard practice by Red Cross societies across Europe. My Department is also aware that the Chairman of the Society has strongly refuted the allegations and that the Society's external auditors found the allegations to be groundless.

Question No. 158 withdrawn.

Grant PayGrant Payments

159. **Deputy Pat Breen** asked the Minister for Agriculture, Food and the Marine the reason payment has not issued to a person (details supplied) in County Clare; and if he will make a statement on the matter. [33496/11]

Minister for Agriculture, Food and the Marine (Deputy Simon Coveney): The holding of the person concerned was restricted under the TB Eradication Scheme during the period 4 October 2007 to 4 February 2010. Payments due to him under the ERAD compensation schemes have been paid in full up to September 2010. However, the District Veterinary Office has informed the herdowner concerned that payments under the Income Supplement Scheme for the period October 2010 to January 2011 are being withheld because of tax clearance certificate issues and an ongoing investigation into the test completed on 4 September 2010. It is expected that the District Veterinary Office will contact the herdowner in the near future regarding the outcome of these matters.

160. **Deputy Tom Hayes** asked the Minister for Agriculture, Food and the Marine when single farm payment will issue to a person (details supplied) in County Tipperary. [33524/11]

Minister for Agriculture, Food and the Marine (Deputy Simon Coveney): An application under the 2011 Single Payment Scheme was received from the person named on 9 May 2011, processing of which has recently been finalised, thereby allowing the 50% advance of the Single Payment to issue to the applicant on 8 November.

161. **Deputy Tom Hayes** asked the Minister for Agriculture, Food and the Marine when single farm payment will issue to a person (details supplied) in County Tipperary; and if he will make a statement on the matter. [33586/11]

Minister for Agriculture, Food and the Marine (Deputy Simon Coveney): An application under the 2011 Single Payment Scheme was received from the person named on 8 April 2011, following processing of which an over-claim was identified on one of the land declared. The person named has been written to in this regard and, immediately on receipt of a satisfactory reply, the application will be further processed with a view to the appropriate payment issuing shortly thereafter.

Departmental Schemes

162. **Deputy Pat Breen** asked the Minister for Agriculture, Food and the Marine the position regarding an application in respect of a person (details supplied) in County Clare; and if he will make a statement on the matter. [33650/11]

Minister for Agriculture, Food and the Marine (Deputy Simon Coveney): The person named was approved for participation in the Agri-Environment Options Scheme with effect from the 1st September 2010.

Under the EU Regulations governing the 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. During these checks a discrepancy was discovered in respect of one parcel listed on the application of the person named. A letter issued to the person named dated 21 October requesting clarification of the area on this specific parcel. Officials in my Department are awaiting a response to this letter and on receipt of clarification regarding the matter the file will be further processed.

Child Protection

163. **Deputy Finian McGrath** asked the Minister for Children and Youth Affairs if she will review a matter (details supplied) regarding safety of young persons. [33559/11]

Minister for Children and Youth Affairs (Deputy Frances Fitzgerald): This matter has been referred to the HSE for attention in line with Children First Guidance.

Foreign Adoptions

164. **Deputy Finian McGrath** asked the Minister for Children and Youth Affairs her views on correspondence (details supplied) regarding inter-country adoptions. [33494/11]

Minister for Children and Youth Affairs (Deputy Frances Fitzgerald): The Adoption Act, 2010, commenced on 1st November 2010. This coincided with Ireland's formal ratification of the Hague Convention on Protection of Children and Co-operation in Respect of Intercountry Adoption. The purpose of the Adoption Act, 2010, is to improve standards in both domestic and intercountry adoption. The regulatory framework governing adoption has been strengthened in an attempt to ensure that the best interests of children are protected at every step throughout the adoption process. With effect from 1 November inter-country adoptions can be effected with other countries which have ratified the Hague Convention or with which Ireland has a bilateral agreement.

The Adoption Authority is an independent statutory body charged with implementing the Adoption Act, 2010. The Authority has responsibility for the direct operational implementation of legislation and Government policy. It has a quasi-judicial role and is independent in its decision-making functions.

The negotiation of bilateral agreements on intercountry adoption with non-contracting states, such as Russia, is governed by Section 73 of the Adoption Act 2010 which states that "the Authority with the prior consent of the Minister, may enter into discussions with any non contracting state concerning the possibility of the Government entering into a bilateral agreement with that State." Ireland currently has no bilateral agreements with non-Hague countries. As the Hague Convention is designed to ensure a minimum set of standards in intercountry adoption, the Adoption Authority have indicated that their first priority is to reach agreements on arrangements with other Hague countries. However, my Department is currently in discussions with the Authority on the appropriateness and feasibility of exploratory discussions with the Russian authorities concerning the possibility of the Government entering into a bilateral agreement with that State.

[Deputy Frances Fitzgerald.]

As provided for in Section 72 of the Adoption Act, 2010, the Authority is establishing administrative arrangements concerning the processing of applications with other Hague countries in relation to intercountry adoptions. The Authority has already travelled to a number of jurisdictions in order to make contact with the Central Authorities; advise of our processes and procedures, assess the need for additional administrative arrangements or agreements; and to glean as much information as possible of relevance to prospective adopters from those countries. The visits also provide opportunities to streamline processes on both sides and get up to date information for prospective adopters on developments in these countries. However, it is a matter for each individual country to decide with whom they wish to co-operate.

The Vietnamese authorities have indicated that they are finalising technical issues in relation to the Hague ratification process and hope to lodge the papers of ratification shortly. Administrative arrangements will be a matter for the Adoption Authority, as Ireland's designated Central Authority, to make with the designated Vietnamese Central Authority. As both countries will have ratified The Hague Convention there will be no need for a bilateral agreement with regard to intercountry adoption.

The Authority has confirmed that delegations will shortly travel to Mexico and the United States to discuss possible administrative agreements under the Hague Convention. The Authority has also commenced a review of the adoption laws of Lithuania, Panama, Kenya and Kazakhstan as prospective countries for adoption into Ireland, and said it would look at other Hague countries as appropriate.

National Lottery Funding

165. **Deputy Pat Breen** asked the Minister for Children and Youth Affairs the position regarding an application for funding in respect of an organisation (details supplied) in County Clare; and if she will make a statement on the matter. [33508/11]

Minister for Children and Youth Affairs (Deputy Frances Fitzgerald): My Department has received an application for funding from the 2011 National Lottery allocation from the organisation in question. The Deputy might note that this is one of a large number currently being assessed by my Department and I will keep him informed of the outcome of the application as soon as a decision has been made.

Health Service Staff

166. **Deputy Charlie McConalogue** asked the Minister for Children and Youth Affairs the number of social workers in place on 1 January 2011; the latest figure for the number of social workers in place; if the number of social workers recommended in the Ryan report will be achieved by the end of the year; and if she will make a statement on the matter. [33603/11]

Minister for Children and Youth Affairs (Deputy Frances Fitzgerald): The Ryan Report Implementation Plan committed to the recruitment of an additional 270 social workers. 200 of these new posts were in place by the end of 2010. The HSE National Service Plan includes financial provision for the recruitment of a further 60 social workers this year. I have been assured by the HSE that it plans to have these additional staff in place by the end of the year. My Department will continue to closely monitor the position with regard to the recruitment of the additional personnel. Provision for the recruitment of the balance of 10 social workers is being dealt with in the context of the current expenditure review process and the preparation

of the HSE National Service Plan for 2012. The additional social workers to be recruited will be targeted at priority areas of the service having regard to an overall assessment of workload undertaken by the National Director and his team. The recruitment of the additional social workers is one element of a wider change agenda within the HSE, through which I believe we can deliver better outcomes for children and families. This reform agenda will lead to the establishment of a new Child and Family Support Agency which will provide a dedicated focus on child protection and support families in need. I am advised that the total number of social workers employed in the HSE (and funded agencies) at the end of 2010 was 2,432 WTEs.

167. **Deputy Charlie McConalogue** asked the Minister for Children and Youth Affairs the number of social workers who have taken maternity leave this year; if these workers are being replaced; and if she will make a statement on the matter. [33604/11]

168. **Deputy Charlie McConalogue** asked the Minister for Children and Youth Affairs the number of social workers who have retired leave this year; if these workers are being replaced; and if she will make a statement on the matter. [33605/11]

Minister for Children and Youth Affairs (Deputy Frances Fitzgerald): I propose to take Questions Nos. 167 and 168 together.

The Government is committed to fundamental reform and transformation of the delivery of our children and family services. A number of significant structural and legislative changes are key to effecting such reform. This includes the establishment of a new agency with dedicated responsibility for the delivery of child welfare and protection services, separate from the HSE. The employment control framework for the HSE provides that the grade of social worker is exempted from the public sector moratorium on recruitment and filling of vacancies.

The Ryan Report Implementation Plan committed to the recruitment of an additional 270 social workers. 200 of these new posts were in place by the end of 2010. The HSE National Service Plan includes financial provision for the recruitment of a further 60 social workers this year. I have been assured by the HSE that it plans to have these additional staff in place by the end of the year. The additional social workers will be targeted at priority areas of the service having regard to an overall assessment of workload undertaken by the National Director and his team. The recruitment of the additional social workers is one element of a wider change agenda within the HSE, through which I believe we can deliver better outcomes for children and families. This reform agenda will lead to the establishment of a new Child and Family Support Agency which will provide a dedicated focus on child protection and support families in need.

In relation to the specific manpower related matters raised, I have asked the Health Service Executive for the information in question which I will forward to the Deputy.

Water Fluoridation

169. **Deputy Michael Healy-Rae** asked the Minister for Health his views on correspondence regarding fluoridation of the water supply; and if he will make a statement on the matter. [33519/11]

Minister of State at the Department of Health (Deputy Róisín Shortall): The Forum on Fluoridation, which was established by the Minister for Health and Children, advised in 2002 that the fluoridation of public piped water supplies should continue as a public health measure.

[Deputy Róisín Shortall.]

The Irish Expert Body on Fluorides and Health, which was established in 2004, monitors new and emerging issues on fluoride and its effects on health and related matters. It advises that the balance of scientific evidence worldwide confirms that water fluoridation, at the optimal level, does not cause any ill effects and continues to be safe and effective in protecting the oral health of all age groups.

The report of the EU Scientific Committee on Health and Environmental Risks (SCHER), published in June of this year, has not made any findings of negative health or environmental effects concerning fluoridation of water. Fluoride added to water is not classed as a medicine under EU or Irish law. I have no plans to discontinue the policy of fluoridation of public water supplies, which continues to make an effective contribution to oral health in Ireland.

Health Services

170. **Deputy Brendan Griffin** asked the Minister for Health if Pobal funding will continue for a service (details supplied) in County Kerry; and if he will make a statement on the matter. [33665/11]

Minister of State at the Department of Health (Deputy Kathleen Lynch): As this is a service matter it has been referred to the Health Service Executive for direct reply.

171. **Deputy Sean Fleming** asked the Minister for Health his views and the position regarding orthodontic treatment in the midlands region in view of the fact that no new patients can start orthodontic treatment for the time being, that there is now a waiting list of 18 months when there was no waiting lists previously because local health management are not replacing staff that are leaving and this is resulting in a pause in the orthodontic service; his views on whether this situation acceptable; and if he will make a statement on the matter. [33497/11]

Minister of State at the Department of Health (Deputy Róisín Shortall): As this is a service matter it has been referred to the HSE for direct reply.

Care of the Elderly

172. **Deputy John Paul Phelan** asked the Minister for Health when the review of the Health Information Quality Authority standards for nursing homes which is also applied to welfare homes will be completed and when new standards specifically for those welfare homes will be put in place; and if he will make a statement on the matter. [33507/11]

Minister of State at the Department of Health (Deputy Kathleen Lynch): My Department has initiated a review of the Health Act 2007 (Care and Welfare of Residents in Designated Centres for Older People) Regulations 2009, as amended. These Regulations set out detailed requirements regarding, among other things, staffing and environmental conditions for all designated centres, including welfare homes.

As part of the review process submissions were invited and received from interested parties, including the support care homes referred to by the Deputy. The Department also met with a representative from the care homes. Due consideration is being given to the issues raised including the nature and status of the care homes.

It is expected that the review will be completed shortly and that amending regulations will be introduced in 2012.

Medical Cards

173. **Deputy Michael Healy-Rae** asked the Minister for Health the position regarding a medical card application in respect of a person (details supplied) in County Kerry; and if he will make a statement on the matter. [33518/11]

Minister of State at the Department of Health (Deputy Róisín Shortall): As this is a service matter it has been referred to the Health Service Executive for direct reply to the Deputy.

Nursing Homes Support Scheme

174. **Deputy Michael Healy-Rae** asked the Minister for Health if he will reverse the decision which he introduced on 1 October 2011, whereby the rules of the fair deal have been changed so that now an applicant will only receive funding from the date he or she is approved and not the date when he or she applies, despite the fact that the person applied upon entering a nursing home, and the person and his or her family is then left facing the full cost of the nursing home in question, which is a considerable sum of money per week; and if he will make a statement on the matter. [33520/11]

Minister of State at the Department of Health (Deputy Kathleen Lynch): The Minister for Health has agreed to an amendment to the HSE's *National Guidelines for the Standardised Implementation of the Nursing Homes Support Scheme*. The amendment was agreed subject to assurances from the HSE that:

- individuals with complex cases will not be disadvantaged,
- average processing times for complete applications should not exceed 4-6 weeks,
- geographical location will not disadvantage applicants, and
- acute hospitals will not be detrimentally affected, subject to the scheme being operated within the financial resources allocated.

The HSE's Guidelines now state that, subject to overall resources, people who enter nursing homes will have their financial support paid either from the date that the application is approved, or date of admission to the nursing home, whichever is the later.

It should be noted that the amendment will have no retrospective effect, will be reviewed in one year and will only apply to applications received after the 1 October 2011.

175. **Deputy Emmet Stagg** asked the Minister for Health if his attention has been drawn to the fact that delays in the fair deal appeals office is leaving persons in acute hospital beds; and if he will look into the circumstances of a person (details supplied). [33521/11]

Minister of State at the Department of Health (Deputy Kathleen Lynch): As this is a service matter it has been referred to the Health Service Executive for direct reply.

Health Services

176. **Deputy Dessie Ellis** asked the Minister for Health if he will review the policy of cutting treatments available on the medical card dental scheme; if he will reinstate the scale and polish scheme to ensure patients attend for regular cleaning thus preventing extra costs to the health

[Deputy Dessie Ellis.]

service into the future; and his plans to carry out a cost benefit analysis of the cuts in dental treatment for medical card holders. [33523/11]

Minister of State at the Department of Health (Deputy Róisín Shortall): The current position of the public finances has led to a reduction in funding for the Dental Treatment Services Scheme (DTSS) and a consequent reduction in the services available under the Scheme. However, the HSE has measures in place to ensure that patients with special needs, high risk patients and those who have greater clinical needs receive priority for treatment. In addition, a free oral examination every calendar year and free emergency treatment, with a focus on the relief of pain and sepsis, are available to all eligible patients.

While my Department has no plans to carry out a cost benefit analysis, the operation of the DTSS will continue to be monitored to ensure the most beneficial, effective and efficient use of available resources.

Accident and Emergency Services

177. **Deputy Thomas P. Broughan** asked the Minister for Health the number of persons who were treated in the accident and emergency department of each of the six major hospitals in the Dublin region for the years 2008, 2009, 2010 and to date in 2011; and if he will make a statement on the matter. [33528/11]

Minister for Health (Deputy James Reilly): As this is a service matter, it has been referred to the HSE for direct reply.

Health Service Reform

178. **Deputy Billy Kelleher** asked the Minister for Health the names of all Health Service Executive hospitals which will be affected by the interim management support structure; and if he will make a statement on the matter. [33532/11]

179. **Deputy Billy Kelleher** asked the Minister for Health the duration of the contract to provide senior interim managers' contracts in the context of the interim management support structure for the Health Service Executive West; and if he will make a statement on the matter. [33533/11]

180. **Deputy Billy Kelleher** asked the Minister for Health if he will publish the four-year framework agreement for personnel placement and supply services; and if he will make a statement on the matter. [33534/11]

181. **Deputy Billy Kelleher** asked the Minister for Health if he will publish the interim management support structure for the Health Service Executive West. [33535/11]

192. **Deputy Billy Kelleher** asked the Minister for Health if he will list the names of all Health Service Executive hospitals which will be affected by the framework agreement for personnel placement and supply services; and if he will make a statement on the matter. [33726/11]

Minister for Health (Deputy James Reilly): I propose to take Questions Nos. 178 to 181, inclusive, and 192 together.

As these are service matters, they have been referred to the HSE for attention and direct reply to the Deputy.

Freedom of Information

182. **Deputy Catherine Murphy** asked the Minister for Health the reason no response, reply or acknowledgement has ever been issued in response to a letter concerning a matter of extreme importance and sensitivity which was sent to the office of the chief executive officer of the Health Service Executive (details supplied) via registered post, fax and email; and if he will make a statement on the matter. [33552/11]

Minister for Health (Deputy James Reilly): As advised in my reply to your PQ 29762/11 of 18th October 2011, under the Freedom of Information Acts 1997 and 2003, the HSE is an entirely separate organisation to the Department of Health and is responsible for ensuring that it complies fully with the FOI Acts. If an organisation does not fulfil its requirements under the Acts, provisions exist by way of internal review and referral to the Information Commissioner to deal with these instances.

Also as previously advised this FOI request was subsequently submitted to the relevant local HSE office where it is being processed. I understand that the relevant decision maker has been in touch with the solicitor concerned and has agreed to a phased release of the relevant records to commence within the next few days.

Health Services

183. **Deputy Gerry Adams** asked the Minister for Health if his attention has been drawn to the fact that the parents of a child (details supplied) have been informed that it will take between 12 to 18 months to have a full assessment carried out by the autism team at Mounthamilton House, Dundalk, County Louth; if he is satisfied that this waiting time is acceptable; and if he will make a statement on the matter. [33555/11]

Minister of State at the Department of Health (Deputy Kathleen Lynch): As the Deputy's question relates to service matters, I have arranged to have this question transferred to the Health Service Executive for direct reply.

184. **Deputy Brendan Griffin** asked the Minister for Health the future plan for a facility (details supplied) in County Kerry; if the welfare of the service users are being fully considered; and if he will make a statement on the matter. [33564/11]

Minister of State at the Department of Health (Deputy Kathleen Lynch): As this is a service matter the question has been referred to the HSE for direct reply.

185. **Deputy Finian McGrath** asked the Minister for Health the position regarding funding in respect of an organisation (details supplied) in County Dublin. [33587/11]

Minister of State at the Department of Health (Deputy Kathleen Lynch): The Health Service Executive has advised me that expenditure on health services for people with a disability in 2011 will be approximately €1.5 billion. Special consideration was given to disability and mental health in Budget 2011 through a maximum reduction of just 1.8% in the allocation for the two sectors. The relatively lower reduction of 1.8%, compared to other areas of the health budget that saw reductions of up to 5%, recognises that these services are provided to vulnerable

[Deputy Kathleen Lynch.]

groups and should help to ensure that existing services are maintained and that priority is given to the delivery of frontline services.

I recognise and appreciate the valuable contribution that Prosper Fingal makes to the provision of services to individuals with intellectual disabilities in North Dublin through a range of community-based day, respite, and residential services on behalf of the Health Service Executive. The HSE has advised that Prosper Fingal will receive approximately €6.55 million in funding from them in 2011. Taking the reduction in the overall HSE disability budget for 2011 into account, the HSE was asked to manage the additional resources and engage with service providers including Prosper Fingal, to ensure that existing support needs, and demands for additional places and supports, are managed effectively within the overall allocation.

Budget 2012

With regard to the level of funding for the Disability sector next year, this is being considered as part of the Comprehensive Review of Expenditure and Estimates process for 2012 which is currently underway. Deliberations on the expenditure allocations for 2012 are likely to continue up until Budget time and it would not be appropriate for me to comment further at this stage pending the outcome of those deliberations. As you are aware, the very difficult financial position facing the Exchequer will obviously require very careful management across all areas of expenditure.

Medical Cards

186. **Deputy Denis Naughten** asked the Minister for Health the minimum length of time for which a medical card is awarded; and if he will make a statement on the matter. [33597/11]

Minister of State at the Department of Health (Deputy Róisín Shortall): I have asked the Health Service Executive to confirm the minimum length of time for which a medical card is awarded. I will revert to the Deputy on the matter as soon as possible.

187. **Deputy Mattie McGrath** asked the Minister for Health his views on the fact that a medical card was issued to a family in County Tipperary who subsequently cancelled their health insurance, a week later the same family received a general practitioner visit card, this person then phoned the primary care reimbursement service to inquire about why they received a GP visit card when they had received a medical card and was informed that the medical card was sent to them in error; his further views that this error is highly unacceptable in view of the consequences, that is, cancellation of medical insurance and penalties that will be applied should they need to re-instate medical insurance; his further views that this medical card should remain with the client for the period of time that it was issued; the person responsible for this error; and if he will make a statement on the matter. [33599/11]

Minister of State at the Department of Health (Deputy Róisín Shortall): As this is a service matter it has been referred to the Health Service Executive for direct reply to the Deputy.

Nursing Homes Support Scheme

188. **Deputy Éamon Ó Cuív** asked the Minister for Health the number of applications received in the west region of the Health Service Executive for the fair deal scheme in 2011; the number of applications approved; the number of applications awaiting approval; the average time to process an application; and if he will make a statement on the matter. [33662/11]

Minister of State at the Department of Health (Deputy Kathleen Lynch): As this is a service matter it has been referred to the Health Service Executive for direct reply.

Departmental Reports

189. **Deputy Gerry Adams** asked the Minister for Health when the report on symphysiotomy commissioned in June will be completed; and the consultation that has been undertaken with the victims' groups in relation to the publication. [33664/11]

Minister for Health (Deputy James Reilly): The independent academic researcher appointed to complete a report into the practice of symphysiotomy has advised my Department that she experienced unforeseen difficulties in accessing information sources and, as a result, she expects to complete the report this month rather than as originally planned. I am very conscious that the women who underwent this procedure are anxious for this report to be completed as soon as possible but I also mindful that quality and accuracy must take precedence over speed.

As soon as the draft report is received my Department will further engage with patient representative groups and the Institute of Obstetricians and Gynaecologists.

It is my intention that the report be published, subject of course to the usual legal and related considerations which as of now are not expected to create any significant barriers to publication.

Legislative Programme

190. **Deputy Olivia Mitchell** asked the Minister for Health if there are plans to amend the Health and Social Care Professionals Act 2005; the reasons for such amendments; and if he will make a statement on the matter. [33687/11]

Minister for Health (Deputy James Reilly): Government approval was given on 26th July 2011 to the drafting of the Health and Social Care Professionals (Amendment) Bill to:

(i) remove difficulties in relation to the effective operation of the Health and Social Care Professionals Council, in particular to urgently provide for the Minister to continue to appoint professional representatives to the Council from the designated professions under the Health and Social Care Professionals Act 2005, whose term of office expired in March 2011, and

(ii) implement Directive 2005/36/EC on the recognition of professional qualifications in respect of the professions designated under the 2005 Act and provide a legal base for the assessment of qualifications which are outside the scope of the Directive.

Work is ongoing with the Office of the Attorney General with regard to the drafting of these amendments and it is hoped that the Bill will be enacted in 2012. These amendments are technical in nature and simply facilitate the more effective operation of the Act.

Health Service Staff

191. **Deputy Simon Harris** asked the Minister for Health the background and qualification checks he and the Health Service Executive carry out on agency care assistants; the way these assistants are monitored while assigned; and if he will make a statement on the matter. [33705/11]

Minister for Health (Deputy James Reilly): As this is a service matter it has been referred to the Health Service Executive for direct reply.

Question No. 192 answered with Question No. 178.

Tourism Industry

193. **Deputy John Paul Phelan** asked the Minister for Transport, Tourism and Sport the yearly increase in visitor numbers to Ireland this year over last year; and if he will make a statement on the matter. [33506/11]

Minister for Transport, Tourism and Sport (Deputy Leo Varadkar): Recent figures from the Central Statistics Office show that trips to Ireland for the first eight months of 2011 were up by 11% compared to the corresponding period in 2010. There were 4,481,800 overseas visitors to Ireland during the eight-month period. All of our main overseas markets showed an increase in visitor numbers for the eight month period with Mainland Europe up by 13%, visitors from Britain up by 8.3%, visitors from North America up by 12.6% and Other (i.e. long-haul) markets showing a 17.5% increase. Even taking account of the disruption experienced in 2010 due to the Volcanic Ash cloud, this is significant and real growth.

These figures are very encouraging and show that the Irish tourism industry is on track to record growth in overseas visitors for the first time since 2007. The challenge now is to maintain this momentum for the remainder of this year and into 2012. In this regard, I am pleased that the additional cooperative marketing campaign between Tourism Ireland and airlines, ferry operators and travel agents that I recently announced is now underway and will seek to build on this growth. Furthermore, I will be launching Tourism Ireland's 2012 Marketing Plans at the end of this month.

Driving Tests

194. **Deputy Thomas P. Broughan** asked the Minister for Transport, Tourism and Sport the number of persons who applied for their driving test between 4 January and 1 November 2011; the number of persons who took their driving test between 4 January and 1 November 2011; and if he will make a statement on the matter. [33529/11]

Minister for Transport, Tourism and Sport (Deputy Leo Varadkar): The operation of the driving test is the responsibility of the Road Safety Authority. I have referred the Deputy's question to the RSA for direct reply. I would ask the Deputy to contact my office if a reply has not been received within ten days.

Road Fatalities

195. **Deputy Paudie Coffey** asked the Minister for Transport, Tourism and Sport if he will provide a breakdown on a county basis of the number of road deaths that have occurred on roads here for the years 2006, 2007, 2008, 2009, 2010 and 2011 in tabular form; and if he will make a statement on the matter. [33591/11]

Minister for Transport, Tourism and Sport (Deputy Leo Varadkar): Responsibility for compilation and provision of road collision statistics rests with the Road Safety Authority. I have referred the Deputy's question to the RSA for direct reply. I would ask the Deputy to contact my office if a reply has not been received within ten working days.

Rail Network

196. **Deputy Kevin Humphreys** asked the Minister for Transport, Tourism and Sport if he or Irish Rail will be conducting an investigation into the way the scaffolding and associated refurbishment works on the railway bridge over the Dodder River near Lansdowne Road, Dublin, contributed to the flooding of nearby homes due to the collection of tree branches and other debris on the overhanging structure not ordinarily in place there (details supplied), resulting in river waters accumulating and breaching the flood walls along the river bank; the contribution that will be made to rectify the financial damage visited on the local residents due to the presence of these works; and if he will make a statement on the matter. [33598/11]

Minister for Transport, Tourism and Sport (Deputy Leo Varadkar): As Minister for Transport, Tourism and Sport I have responsibility for policy and overall funding in relation to public transport. Noting this I have referred the Deputy's question to Iarnrod Eireann for direct reply. Please advise my private office if you don't receive a reply within 10 working days.

Economic Competitiveness

197. **Deputy Bernard J. Durkan** asked the Minister for Transport, Tourism and Sport the extent to which he has identified costs affecting the transport sector here as compared to such costs in competing jurisdictions; the actions needed to address any such issues; and if he will make a statement on the matter. [33690/11]

Minister for Transport, Tourism and Sport (Deputy Leo Varadkar): I refer to my previous replies to the Deputy in relation to this matter — reference Dail questions numbers 224,226,227,230 on 1 June, Numbers 56,182 and 183 on the 6 July and No 216 on 29 September, 2011.

International comparative data on transport costs are not readily available from respected international statistical sources such as Eurostat and the International Transport Forum. My Department has no direct control of transport costs in general but keeps under review costs arising from the services provided through our agencies. Cost competitiveness is a key consideration for Ireland as an open export-oriented economy and transport is one of the many factors influencing that competitiveness. The Government's plans to improve competitiveness are set out in the Programme for Government and place a heavy emphasis on the delivery of effective transport services. I have also outlined my priorities to 2016 for the Transport, Tourism and Sport sectors on my Department's website.

198. **Deputy Bernard J. Durkan** asked the Minister for Transport, Tourism and Sport the extent to which comparisons have been made between airport charges here and those applicable in competing jurisdictions; the degree to which any such issues can be addressed with a view to ensuring the competitiveness of the sector; and if he will make a statement on the matter. [33691/11]

Minister for Transport, Tourism and Sport (Deputy Leo Varadkar): The Commission for Aviation Regulation (CAR) regulates airport charges levied at Dublin Airport since 2001. Airport charges at Cork and Shannon Airports are set by the relevant airport authority while charges at the six regional airports, which are owned and operated independently, are a matter for each airport concerned.

[Deputy Leo Varadkar.]

A study of airport charges conducted in 2010 by the Airports Council International (ACI) found that Dublin Airport's charges were amongst the lowest of comparable metropolitan airports in Europe. Cost comparative exercises however are not straight forward and need to be approached cautiously, particularly given the impact that subsequent developments at individual airports and currency movements can have.

This Government is committed to delivering increasing routes, airlines and passenger numbers through Irish airports and to this end has developed a comprehensive three-pronged strategy to encourage in-bound tourism. Included in this strategy is a new growth incentive scheme which has been introduced by the Dublin Airport Authority applying to the three airports under its remit. It provides for a rebate scheme for airlines, depending on passenger growth at the airports in question. The package also includes a commitment to abolish the travel tax, subject to agreement on the re-instatement of routes and the restoration of lost capacity, and more targeting co-operative marketing of new routes from key source tourism markets.

Departmental Expenditure

199. **Deputy Bernard J. Durkan** asked the Minister for Transport, Tourism and Sport the extent to which infrastructure investment is likely to take place in respect of roads, rail or other transport; and if he will make a statement on the matter. [33692/11]

Minister for Transport, Tourism and Sport (Deputy Leo Varadkar): Funding for all capital transport projects for the next five years will be determined in the context of the capital review which will be published tomorrow. I will announce my Department's plans for capital expenditure immediately thereafter.

Transport Sector

200. **Deputy Bernard J. Durkan** asked the Minister for Transport, Tourism and Sport the extent to which he has had discussions with stakeholders in the transport sector with a view to identifying any issues needing attention or resolution; and if he will make a statement on the matter. [33693/11]

Minister for Transport, Tourism and Sport (Deputy Leo Varadkar): Since my appointment as Minister, I have sought to meet with the Chairpersons and Senior Management of the State agencies for which I have responsibility. These meetings provide a valuable opportunity for both myself and the Chairpersons to raise issues of relevance. Additionally, officials of my Department maintain contacts at various levels with agencies and other stakeholders on an ongoing basis.

My Department also consulted recently with all stakeholders in the transport, tourism and sport areas in the context of the preparation of a new Statement of Strategy. The views expressed by stakeholders have helped to formulate the proposed strategies.

Questions Nos. 201 and 202 answered with Question No. 38.

Tourism and Leisure Sectors

203. **Deputy Bernard J. Durkan** asked the Minister for Transport, Tourism and Sport the

extent to which he has examined the potential for expansion in the tourism sector in the future; and if he will make a statement on the matter. [33696/11]

Minister for Transport, Tourism and Sport (Deputy Leo Varadkar): The Government has taken a number of initiatives to encourage growth in the tourism sector.

The Jobs Initiative recognises the vital contribution of tourism to employment, economic activity and exports. The reduced VAT rate on a range of labour-intensive tourism services from 13.5% to 9% is a major concession providing an opportunity to enhance the competitiveness of Irish tourism.

The Government has also reduced the cost of employing people by halving employers' PRSI for those on modest wages and also by reviewing the regulatory framework for employment in a range of sectors.

The new National Internship Scheme (NIS) provides an opportunity for the tourism industry to take on interns in a range of areas.

The Short-stay Visa Waiver Programme will allow persons from selected countries granted leave to enter the UK as a tourist or business visitor to be able to travel to Ireland without the requirement to obtain an Irish visa.

These measures should help grow and sustain employment in the sector. I hope that we are beginning to see a recovery across the various overseas source markets for Ireland — with trips to Ireland for the first eight months of 2011 up by 11% compared to the corresponding period in 2010, including growth of 8.3% from Britain, 12.6% from North America, and 17.5% from other source markets.

204. **Deputy Bernard J. Durkan** asked the Minister for Transport, Tourism and Sport the degree to which he has engaged with the various sporting authorities with a view to utilisation of the leisure sector in the context of national economic recovery; and if he will make a statement on the matter. [33697/11]

Minister for Transport, Tourism and Sport (Deputy Leo Varadkar): I recognise that the Sport sector generates a significant economic return on Exchequer investment. Both myself and Minister of State Ring have ongoing dialogue with the key sport stakeholders on the strategic issues and challenges facing the sector and on the sport policy priorities and actions required for the future development of Irish sport to continue to maximise the economic benefits of the sector.

Swimming Pool Projects

205. **Deputy Bernard J. Durkan** asked the Minister for Transport, Tourism and Sport when it is expected that necessary funding will be provided for the provision of a swimming pool at Leixlip, County Kildare, with particular reference to the population expansion in the area and the recreational need accruing therefrom; and if he will make a statement on the matter. [33698/11]

Minister of State at the Department of Transport, Tourism and Sport (Deputy Michael Ring): The current round of the Local Authority Swimming Pool Programme was closed to new applicants on 31 July 2000 and no application was made in respect of a public swimming pool for Leixlip before that date.

[Deputy Michael Ring.]

Under the current round of the programme, 58 applications were received, of which 46 projects have been completed and opened to the public, and 12 other projects are at various stages of development. The priority now is to work with the relevant local authorities in completing the remaining 12 pool projects, which are included in the current round. Since the current round commenced in 2000, total expenditure to date has amounted to €146.21m million and this has leveraged a total investment of some €412m in respect of swimming pools throughout the country. A sum of €6.65m was allocated to the programme in 2011.

No decision has been taken on the timing of a new round of the programme. If the programme re-opens it would be open to each Local Authority, including Kildare County Council on behalf of Leixlip, to submit an application under the terms that will apply.

Sports Capital Programme

206. **Deputy Bernard J. Durkan** asked the Minister for Transport, Tourism and Sport the extent to which he expects to be in a position to respond to various sporting and recreational groups for funding under the major and minor capital requirements programme; the total amount available under such headings in the current year; the extent to which commitments entered into in previous years is likely to absorb such funding; and if he will make a statement on the matter. [33699/11]

Minister of State at the Department of Transport, Tourism and Sport (Deputy Michael Ring): Capital funding for sports infrastructure is provided through a number of publicly funded capital programmes:

- Sports Capital Programme;
- Local Authority Swimming Pool Programme;
- The development of the National Sports Campus at Abbotstown.

In 2011 the following amounts have been allocated under these headings as follows:

Heading		€m
H1	Sports Capital Programme	€33m
H2	Grants for Swimming Pools	€6.65m
H4	National Sports Campus	€3.5m

A number of allocations have been made this year. In relation to the H1 subhead, the IABA has been allocated €1.25m to improve facilities in boxing clubs and, in particular, with a view to accommodating more female members. Connacht Rugby was allocated €424,000 to carry out works at the Sportsground in the context of the Heineken Cup, and €4.5m has been allocated to Local Authorities in respect of sports capital projects. In relation to the H2 subhead, €10.67m was allocated to Local Authorities for energy updating and enhanced disabled access for 56 swimming pools.

No decision has been made on the timing of a new round of the Sports Capital Programme, and any decision on a new round will be made in the context of the capital expenditure review and the Estimates process.