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Wednesday, 14 December 2011.

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

Paidir.

Prayer.

Leaders' Questions

Deputy Micheál Martin: The Taoiseach seemed to be confused yesterday about the impact of the budget on DEIS schools and disadvantaged schools. He gave the impression that the pupil-teacher ratios in such schools would not be affected. Yet another needle has been found in the haystack of hidden cuts in this budget. Disadvantaged schools around the country are set to lose 428 teaching posts. The Minister, Deputy Quinn, has said “DEIS schools are not immune to budgetary measures”. The withdrawal of supports from up to 270 designated disadvantaged schools across the country has been announced. A number of primary and post-primary schools in the Taoiseach’s home county of Mayo will be affected. Schools on the south side of Cork city stand to lose approximately 30 teaching posts that were sanctioned to help those children with the greatest needs. A very good article in yesterday’s *Irish Examiner* quoted from a letter that has been written by school principals on the north side of Cork city. It quoted them as saying “our pupils have flourished, emotionally and developmentally and parents are very involved in their children’s education” as a result of the DEIS scheme.

I understand school principals in Dublin who are shocked about this brutal decision have met Deputy Ó Ríordáin. The Deputy was due to meet the Minister, Deputy Quinn, to express his concern about these cuts. The principals in question have said the cuts will devastate disadvantaged schools. As a former principal of a disadvantaged school in the inner city of Dublin, Deputy Ó Ríordáin has said he is deeply uncomfortable with the proposed cuts.

Deputy Finian McGrath: Will he vote against them?

Deputy Micheál Martin: Who can blame him?

Deputy Finian McGrath: Will he stand up and be counted?

Deputy Micheál Martin: He has first-hand knowledge of the impact this decision will have. At a time when literacy and numeracy are being prioritised by the Department of Education and Skills, it defies logic that supports for literacy and numeracy in DEIS schools are being decimated. It makes no sense. Does the Taoiseach accept that the imposition of these cuts on pupils who need extra support, through no fault of their own, is a retrograde step?

Deputy Finian McGrath: Hear, hear.

Deputy Micheál Martin: Does he believe it is fair? What other money-saving options were examined before it was decided to make this decision, which will devastate pupils in disadvantaged schools?

The Taoiseach: I pointed out to Deputy Martin yesterday that all of the choices which have had to be made in order to secure a reduction of €3.8 billion, across current spending and taxation, are unpalatable. It would be wonderful to be able to say that things do not need to be changed and that the veneer which has existed for so long can be maintained. That is not the case, however.

Deputy Finian McGrath: The Government should not impose cuts on the weak.

The Taoiseach: These changes will take place over three years. Some alleviation measures will be possible. Some legacy posts will be phased out over three years, but no one school will be disadvantaged as a consequence.

Deputy Finian McGrath: That is not true.

Deputy Billy Kelleher: They will all be equally disadvantaged.

The Taoiseach: The Minister is well aware that these changes will have a direct impact on some communities.

Deputy Finian McGrath: These cuts are unacceptable.

An Ceann Comhairle: Settle down.

Deputy Finian McGrath: The Taoiseach is misleading the House.

The Taoiseach: The Minister met a group of school principals yesterday to listen directly to their concerns——

Deputy Finian McGrath: He said there would be no change.

The Taoiseach: ——about the impact of these measures on their schools over the next three years. The Minister confirmed that the measures will be implemented on a phased basis and that, as set out in the budget announcement, there will be alleviation measures for the schools most affected by the changes. The Minister will continue the conversation about identifying the most affected schools when he meets representatives of the INTO. I assure Deputy Martin that the Government's protection of disadvantaged schools is underlined by its maintenance of

€13 million in enhanced funding and €2 million in schoolbook funding for DEIS schools, as well as its €26 million investment in the home school community liaison programme.

All of these areas have been protected from expenditure reductions in 2012. In order to distribute the resources available under DEIS fairly, it is no longer possible to retain this concession in some schools when comparable schools do not have it. In January 2012, following conversations with the Minister, all schools will be notified of their staffing entitlements under the new arrangements, including any alleviation measures that may apply. As I have said, this withdrawal is being done on a phased basis to allow schools to prepare for this gradual change. I remind the House that DEIS band 1 primary schools are given a dedicated staffing schedule based on a general average of one teacher per 22 pupils. This compares to a schedule of one teacher per 28 pupils in other schools.

Deputy Micheál Martin: As I have said to the Taoiseach previously, the problem in this House is that there is a disconnect between the language that is articulated in official-speak and the reality on the ground.

Deputy Finian McGrath: Hear, hear.

Deputy Micheál Martin: The use of terms like “alleviation” and “legacy posts” means nothing to the principals who are teaching these pupils on the ground. They are annoyed and angry because teaching posts are being lost despite the progress that had been made. As the principals said in the letter I mentioned earlier, “there has been a quiet revolution over the past number of years in DEIS schools, where children learn through the caring relationships they have with teachers in smaller classes and through small group work”. That is what the people on the ground are saying. The Taoiseach’s words will not give them any comfort or consolation. He has confirmed that these measures will be implemented. It is the wrong decision. Why are the most vulnerable children who need the greatest assistance taking the brunt of these cuts? I am not the only one saying this. The ESRI confirmed it last Thursday in its assessment of the impact of this budget, by comparison with other budgets, when it stated:

These results over this four-year period show a strongly progressive pattern, with the lowest income group losing by about 2 per cent and the highest losing by 11 per cent. The scale of the progressive impact of earlier budgets, which raised income tax, abolished the ceiling on PRSI payments, and introduced the universal social charge is much greater than the regressive impact of Budget 2012.

That is an independent analysis of last week’s budget. The Government has made the wrong choices. Those on the lowest rung of the ladder and the most disadvantaged will suffer as a result. I cannot understand what the Labour Party was doing when it oversaw cuts of this nature as long ago as 9 September.

Deputy Finian McGrath: Hear, hear.

Deputy Micheál Martin: They went through it line by line and allowed this to happen. Shame on them for that.

The Taoiseach: I will not use the words “alleviation” and “legacy post” for the Deputy. Deputies can take out their books at page one, if they wish.

The Government’s protection for disadvantaged schools is underlined by the maintenance of €13 million of taxpayers’ money in enhanced funding for DEIS schools. I hope that is clear. Some €2 million is provided to DEIS schools in funding for school books. I hope that is clear.

[The Taoiseach.]

There is €26 million investment in the home-school community liaison scheme. I hope that is clear. All these areas have been protected from cutbacks.

As I stated before the budget, the decisions the Government has had to make, across every Department, are unpalatable. It would be great to think about how the country should be run but if it had been run in a competent fashion we would not have this situation.

Deputy Micheál Martin: The Taoiseach avoided decisions.

The Taoiseach: I meet the principals, the teachers and the parents.

Deputy Micheál Martin: No, you do not.

The Taoiseach: I personally know some of the pupils.

Deputy Finian McGrath: If you did meet them you did not listen.

The Taoiseach: Yes, I do meet them and for that reason——

Deputy Micheál Martin: You do not listen to the people.

The Taoiseach: The Minister for Education and Skills, Deputy Quinn, sat down with principals of schools yesterday and is meeting the INTO organisation to explain what is involved so that its members can prepare for these gradual changes.

Deputy Dara Calleary: Cheerleaders.

The Taoiseach: He has already pointed out that alleviation measures will be put in place for the most impacted schools, where teachers are likely to be lost in the coming three years.

Deputy Micheál Martin: What does that mean? Some schools are losing three teachers.

The Taoiseach: The DEIS 1 primary school category is being given a dedicated staffing ratio of one teacher for 22 pupils as against 28:1 in other schools.

Deputy Micheál Martin: That makes it worse. The general allocation makes it worse.

The Taoiseach: This will not be easy for anybody.

Deputy Billy Kelleher: This is an attack on the most marginalised people.

The Taoiseach: We must deal with the situation in the best way possible.

Deputy Micheál Martin: These are the most disadvantaged people. They are not “anybody”.

An Ceann Comhairle: Please, Deputy. You had your say. Let the Taoiseach answer the question.

The Taoiseach: The Minister pointed out these changes are to be phased in over three years. He has demonstrated his understanding by sitting down with the principals and the INTO——

Deputy Micheál Martin: He should have sat down with others. He is undermining the scheme now.

The Taoiseach: ——to discuss the implications for schools. He has protected the category 1 DEIS schools with a very favourable pupil-teacher ratio of 22:1 as against 28:1 in other schools.

Deputy Timmy Dooley: What does the Taoiseach have to say to the parents in Deputy Ó Ríordáin's school?

Deputy Billy Kelleher: Come to Cork North-Central.

An Ceann Comhairle: I call Deputy Adams.

Deputy Timmy Dooley: They are genuinely involved and are citizens of this country.

An Ceann Comhairle: Will Deputies please stay quiet?

Deputy Billy Kelleher: I invite the Taoiseach to Cork North-Central.

Deputy Finian McGrath: This is a very serious issue.

An Ceann Comhairle: I called Deputy Adams.

Deputy Micheál Martin: The Minister is slashing education and this is not on.

An Ceann Comhairle: The Deputy had his opportunity at Leaders' Questions. He can ask all he likes. I call Deputy Adams.

Deputy Gerry Adams: Go raibh maith agat, a Cheann Comhairle.

Deputy Billy Kelleher: I invite the Taoiseach and the Minister to Cork North-Central.

An Ceann Comhairle: Deputy Kelleher, you will be talking outside shortly, if you are not careful.

Deputy Finian McGrath: The north side of Dublin has been devastated by these cuts. It is not acceptable.

Deputy Gerry Adams: On the cuts——

An Ceann Comhairle: Hold on a second. Let Deputy McGrath talk to his leader up there who will look after him.

Deputy Paul Kehoe: He is worse than Mattie.

Deputy Gerry Adams: We are on the cusp of Christmas. Many of us will be warm——

Deputy Timmy Dooley: The disadvantaged will not be.

Deputy Gerry Adams: ——and comfortable but many other citizens will not be so lucky. Christmas will not be good for them.

Deputy Finian McGrath: Deputy Kehoe has 40 grand——

Deputy Gerry Adams: James Connolly once remarked——

Deputy Finian McGrath: He has more, actually.

Deputy Gerry Adams: Can I have order, please, a Cheann Comhairle?

An Ceann Comhairle: Please, Deputy McGrath. You are not impressing anybody.

Deputy Gerry Adams: I point out to the Minister, Deputy Pat Rabbitte, James Connolly's remark that one can judge a society by the treatment given to its lowest class. Is í sin an fhírinne agus bíonn an fhírinne searbh. Déantar tír agus sochaí a thomhas ar an bhealach a chuidítear leo siúd atá leochaileach. The Taoiseach and the Minister, Deputy Rabbitte, can stand on the plinth outside this Parliament and see the grim reality of homelessness in this city. Night after night, from summer time to the freeze of this winter, people are forced to sleep rough. Five years ago there were 1,281 "excess winter deaths", as the jargon has it. Most of those who died were elderly vulnerable citizens. This year there will be more of them. Many senior citizens are not well treated in this republic. In September, for example, the Government cut the weekly fuel allowances and the household benefits package. Last week it cut fuel allowances by the equivalent of €120.

In addition, great injustices are suffered by citizens in the care of the State. The disgraceful treatment of the five women in St. Brendan's, Grangegorman, is a shocking indictment of our mental health service. Mental health provision remains the Cinderella of our health services. These women should be cherished, not victimised.

An Ceann Comhairle: A question, please.

Deputy Gerry Adams: Does the Taoiseach accept that for many citizens this Christmas will be colder and poorer because of the Scrooge-like policies of his Government?

The Taoiseach: Aontaím leis an Teachta go mbíonn an fhírinne searbh; tá a fhios sin ag gach duine. Is fíor a rá nach bhfuil a ndóthain chompoird ag cuid mhaith daoine ag an bpointe seo agus cuireann sin isteach go mór orthu go pearsanta agus ó thaobh cúrsaí sóisialta.

The Deputy is aware that the changes made to the fuel allowance mean it operates for six months of the year. That is obviously a reduction from what it used to be but six months is a considerable period during which fuel allowance is made available.

The Minister of State with responsibility for mental health, Deputy Kathleen Lynch, clarified the position in regard to the five women who were referred to yesterday in the Dáil. As I understand it, the changes being made mean that those citizens will not be confined in locked quarters.

Deputy Brendan Ryan: Hear, hear.

The Taoiseach: They will be able to move around in freedom and will have their personal space, as one would expect. I thank the Minister of State for her intervention in that regard. I listened to Mr. Kavanagh speak on this matter on "Morning Ireland".

It is a fact there has been homelessness in this city for very many years. A number of studies and reports have been carried out by groups and organisations that work with the homeless.

Deputy Richard Boyd Barrett: Give them houses, not reports.

The Taoiseach: The numbers vary from year to year, depending on circumstances in which people find themselves and the reasons they are on the street. I have had occasion to speak to numbers of homeless people in the vicinity of this House throughout many years. Some are there because of marital rows, some because they could not get on in their own homes, some because of particular issues that affected them. In many cases — or some, at least — they simply do not want to be housed anywhere. I spoke to a young man recently who was homeless and on the street. I asked him if he was in a position to stay in a hostel but he said he could not go into one because it was likely he would be attacked, or whatever. These issues are always under review by the organisations which do such great work with homeless people. If

the existing reports are followed through properly there will be a considerable improvement in this situation and we support that in the best way we can.

The Deputy is aware that the Minister for Communications, Energy and Natural Resources, Deputy Rabbitte, published the affordable energy strategy only two weeks ago. That sets out 48 timetabled actions which, when implemented, will make a big difference to a great number of people. The better energy programme, also published by the Minister, will mean that €76 million will be spent on improving the lot of people in poor housing conditions or who are homeless.

Deputy Gerry Adams: Dúirt an Taoiseach go gcuireann an cheist seo brón air ach is a rogha é, is polasaí an Rialtais é seo. These are citizens. Nobody is homeless by choice. Nobody sleeps rough by choice. There are 5,000 citizens without a home and 200 sleep rough. It is almost impossible to get emergency accommodation in this city.

The Minister of State, Deputy Lynch, dealt with the Grangegorman issue but she did not pretend it was an adequate solution. These five women are still——

An Ceann Comhairle: We can deal with only one topic at a time. Thank you.

Deputy Gerry Adams: The Taoiseach responded on this, a Cheann Comhairle.

An Ceann Comhairle: He responded to you.

Deputy Gerry Adams: A Cheann Comhairle, you cut in on me all the time.

(Interruptions).

An Ceann Comhairle: I just remind the Deputy of the rules, that is all.

Deputy Pat Rabbitte: You had it very easy before you came to this House.

Deputy Gerry Adams: Those are smart remarks from Labour Party Ministers. Why has a Minister with responsibility for housing not been appointed? Why has the position not been filled? Does this Government not take the issue of housing seriously? Riddle me this, Deputy Rabbitte with all the smart alec remarks, why was that position not filled since the resignation?

Deputy Pat Rabbitte: I will bring in a barrel of cotton wool from now on to wrap around Deputy Adams in case anyone interrupts him.

Deputy Pádraig Mac Lochlainn: Answer me this, why has a Minister for housing not been appointed?

An Ceann Comhairle: Can we have a supplementary question?

Deputy Timmy Dooley: He really gets Deputy Rabbitte going.

Deputy Micheál Martin: He comes from a disciplinary background.

Deputy Billy Kelleher: It is hard to believe the Deputies were all one some time ago.

Deputy Gerry Adams: There is a crisis and the Government's response to it is not even to appoint a housing Minister. While there are 300,000 empty properties in this State, many of them owned by NAMA, we have this imbalance of 5,000 citizens homeless. What can be done about this? Does the Taoiseach take the homeless and housing crisis seriously? If so, when will he appoint a Minister for housing?

The Taoiseach: I share Deputy Adams's concern that no citizen should be on the streets of our cities homeless. The reasons for this can be many and varied, personal and sensitive. When one talks to those in that position, one learns much from them. I recently met with Society of St. Vincent de Paul personnel, the Simon Community and Sr. Stan and her people in Temple Bar. The programmes they want to implement over the course of several years will go a long way to alleviating this problem.

There are, however, new people who, for whatever reason, will become homeless and take to our streets. In a civilised society and one as well-off as Ireland has been, this should not be a reality. It is, however. When I first entered the House over 30 years ago, there were several people in the locality of Leinster House who were homeless. While attempts were made to house them at various times, they did not want to do it for particular personal reasons.

Deputy Adams can take it that the Tánaiste and Minister for Foreign Affairs and Trade will make his recommendation on the ministerial appointment to the Government. The Government is well aware of the nature and scale of the homelessness problem and will do what it can to alleviate it, working with those organisations which do such outstanding work night after night on the streets and byways. The targets set out in the many reports on this problem are achievable and will go a long way in dealing with this problem in a comprehensive fashion. It is not nice and when one speaks to those involved, one learns about their views, about our country and the way it was run and how it should be run in the future.

Deputy Joe Higgins: This week the Taoiseach's Government is declaring a new economic war on the people with its new household tax. It will be a new burden on ordinary people in furtherance of the Government's ruinous austerity policy of bailing out banks and speculators. Does the Taoiseach have any idea of how angry, frustrated and outraged our people have become over the past three years as their wages, health and education services have been slashed with our society hollowed out as its resources are expropriated to pay the private gambling debts of Irish and European banks? Does he remember the anger last month of ordinary people when €700 million was given to unsecured Anglo Irish Bank bondholders from their taxes?

Deputy Colm Keaveney: Does the Deputy remember Argentina?

Deputy Joe Higgins: Does the Taoiseach see this household tax is a burden too far? Starting at €100, everyone knows it will rise quickly to €1,000 with the EU-IMF driving it as well. Does the Taoiseach understand this will be met with a massive campaign of opposition from Donegal to Wexford, from Kerry right back to Dublin? The Taoiseach's disgraceful campaign of intimidation of threatening householders with fines of €2,500 for non-registration will be resisted. The Taoiseach has set March 31 as a deadline. Does he know there is already a massive campaign beginning by the 1.6 million householders of low and middle income workers to boycott this tax?

An Ceann Comhairle: Can we have a question, please?

Deputy Joe Higgins: This is their opportunity to have their own referendum on these ruinous austerity policies. They are being called on not to register in January, February or the first half of March when the Government cannot touch them.

An Ceann Comhairle: A question, please?

Deputy Joe Higgins: We will arrive at the end of March with the bulk of the 1.6 million householders having boycotted the registration.

An Ceann Comhairle: What is the Deputy's question?

Deputy Joe Higgins: Not registering will break this unjust tax.

An Ceann Comhairle: The Deputy is over his time.

Deputy Joe Higgins: Does the Taoiseach know that the attitude among people is that if one is brought to court, then we will all go? Does he realise he cannot coerce a million plus householders?

Deputy Noel Harrington: Will Deputy Higgins be the first?

Deputy Joe Higgins: In boycotting this new and unfair tax——

An Ceann Comhairle: Sorry, but the Deputy is over his time. Will he please pose a question?

Deputy Simon Harris: This is just a promo for Deputy Higgins.

Deputy Joe Higgins: ——does the Taoiseach know a leaf is being taken from his county's history when the people stood up and resisted the unfair and unjust extortion of landlords? The Taoiseach will be the new Captain Boycott of austerity, imposing the will of the EU-IMF——

(Interruptions).

A Deputy: Cop on. That is over the top.

An Ceann Comhairle: Would the Deputy mind putting a question?

Deputy Joe Higgins: ——and bleeding our people.

Deputy Finian McGrath: Where is Michael Davitt now?

Deputy Paul Kehoe: The Deputy can be nemo.

Deputy Pat Rabbitte: Deputy Finian McGrath is asking himself why he did not think of that one.

An Ceann Comhairle: The Deputy is way over his time. Will he please sit down?

Deputy Joe Higgins: Coming from Mayo, how will the Taoiseach live with that?

The Taoiseach: I suppose I should address Deputy Higgins as Captain Kirk of the Enterprise. I always thought that Kerry people understood there is nothing free in this world and when one turns on the tap, someone has to pay to put the water in there in the first place.

Deputy Richard Boyd Barrett: Unless you are a banker or a bondholder.

The Taoiseach: Be it water in Kerry, Donegal or Dublin, someone has to pay for it.

Deputy Mary Lou McDonald: We are paying for it already through general taxation.

Deputy Finian McGrath: The Taoiseach should not forget the north side.

The Taoiseach: The household charge will be €2 a week. Deputy Higgins led a campaign against bin charges. I remember him being dragged away behind a truck many years ago.

Deputy Finian McGrath: He was jailed too and did time.

The Taoiseach: Does Deputy Higgins know what that did? It led directly to the privatisation of bin services.

Deputy Richard Boyd Barrett: This Government will privatise them all.

Deputies: That has been the plan all along.

(Interruptions).

The Taoiseach: The Deputy felt, coming from County Kerry where they pride themselves in keeping their towns and countryside clean, that he could leave the rubbish and someone would collect it just as afterthought.

Deputy Gerry Adams: Up the Kingdom.

The Taoiseach: The moneys raised from the household charges will go to fund services such as street-cleaning and libraries for the Deputy's area and every other area across the country.

Deputy Richard Boyd Barrett: Is the Taoiseach joking? He intends to cut them all.

Deputy John Halligan: The Government is cutting their funding.

The Taoiseach: These services were all funded by the Exchequer up until now. It is necessary that citizens understand they can make a contribution of €2 for these services.

The €160 million expected to be raised from this charge is based on the number of properties expected to be liable for it. Waivers will apply to those in receipt of mortgage interest supplement, social housing supports, rent supplements, those living in category 3 and 4 unfinished housing estates, building, planning control and public safety issues of where the developer is not contactable. Exemptions in which people do not need to declare will apply to properties which are part of a trading stock of a business, local authority properties used for social housing, voluntary or co-operative properties, properties owned by the Government, the Health Service Executive——

Deputy Richard Boyd Barrett: Will these waivers last as long as those on the bin charges?

Deputy Finian McGrath: Come on, Captain Boycott.

The Taoiseach: ——or by charities, properties on which commercial rates apply and where a person is forced to leave home due to long-term mental or physical infirmity.

Deputy Joan Collins: That will not be the case two years from now.

The Taoiseach: The range of non-declarations is extensive. This is a €2 charge a week for vital facilities. When he turns on his tap in the morning when he goes to shave, if Deputy Higgins thinks it is not worth €2 a week he should consider what he is at.

Deputy Joe Higgins: Spurious arguments like that and evading the critical issue——

Deputy Simon Harris: We will need cotton wool for Deputy Higgins too.

Deputy Joe Higgins: Everything can be boiled down to a few euro a week — electricity, gas, heat, the children's clothes, even child care.

The reduction in child benefit is more than a few euro a week by the way. That is completely spurious.

People in Kerry, Mayo and Dublin understand that nothing is free because they pay for it already. We have running water in our homes because taxpayers funded and continue to fund it. Do not insult them by pretending that the resources will not come from outer space.

An Ceann Comhairle: Could I have a question please?

Deputy Joe Higgins: The Taoiseach is wrong regarding the privatisation of bin services up and down the country. The vast bulk of local authorities had privatised their bin services before the Dublin protest.

Deputy Finian McGrath: Deputies opposite should check their history.

Deputy Simon Harris: One pays for the bins these days.

An Ceann Comhairle: Could I have a question please?

Deputy Joe Higgins: I invite the Taoiseach to look at the anti-water tax campaign between 1994 and 1996 when a massive boycott by the people of Dublin forced a Government with his party in it to get rid of the tax in December 1996. That is what he is looking at again.

Deputy Olivia Mitchell: Shame on the Deputy.

Deputy Finian McGrath: It is a poll tax.

An Ceann Comhairle: Deputy Higgins is over time.

Deputy Joe Higgins: The Taoiseach is trying to blur the issue by reading a list of waivers. Will he acknowledge that the vast bulk of ordinary people on low and middle incomes, including pensioners and householders in negative equity or who are put to the pin of their collar to pay their mortgages will have this tax demanded of them if it is passed in the House?

Loads of money can be got for our public and local services.

An Ceann Comhairle: The Deputy is way over time. This is a supplementary question.

Deputy Joe Higgins: On 25 January next, the Taoiseach intends to pay €1.2 billion to a single unsecured bondholder in the former Anglo Irish Bank.

An Ceann Comhairle: The Deputy should resume his seat.

Deputy Joe Higgins: He could keep €200 million, give it to the local authorities and give people a break. I invite him to withdraw this household tax disaster this week—

An Ceann Comhairle: This legislation will be debated immediately following the Order of Business.

Deputy Colm Keaveney: A total of €18 billion is needed.

Deputy Finian McGrath: It is a poll tax.

The Taoiseach: I pointed out for the information of Deputy Higgins the range of waivers that apply where people will not have to pay this charge. He will also be aware that decisions made in the budget mean there is no change in the income tax rates for every worker.

Deputy Joan Collins: There are stealth taxes instead.

Deputy Joe Higgins: The Government will get them in other ways.

The Taoiseach: The Government reversed the minimum wage decrease brought in by the previous Government and we made a decision to take 330,000 low paid workers out of the universal social charge to alleviate the pressure on them.

Deputy Joan Collins: The Government is giving them back €4 a week and then taking €2 a week off them.

The Taoiseach: The range of categories of people who do not have to declare this is extensive. It is a €2 charge per week for a very vital and fundamental facility. I am quite sure that the Deputy wants to have as many people at work and in gainful employment in his constituency as possible and water facilities will be the criteria for many of the industries that will employ thousands of people over the next decade.

Deputy Joe Higgins: The Government is killing jobs with its austerity.

The Taoiseach: It is about time some Government faced up to the extent of leakages in the water system, inadequate water systems and local authorities being able to provide services for citizens in their own areas.

Deputy Billy Kelleher: There are more leaks from Cabinet than from water pipes.

The Taoiseach: This is a charge of €2 per week and it will be used for vital services in each local authority area.

Deputy Finian McGrath: Give the Minister of State, Deputy Kehoe, a waiver. He is not happy with his salary.

Deputy Billy Kelleher: Send in the plumbers.

Order of Business

The Taoiseach: It is proposed to take No. *a11*, motion re membership of committee; No. *b11*, Local Government (Household Charge) Bill 2011 [*Seanad*] — Financial Resolution; No. 20, statements on European Council, Brussels; No. 1, Local Government (Household Charge) Bill 2011 [*Seanad*] — Second Stage (resumed) and Subsequent Stages; and No. 6, Bretton Woods Agreements (Amendment) (No. 2) Bill 2011 — Order for Second Stage and Second Stage.

It is proposed, notwithstanding anything in Standing Orders, that (1) the Dáil shall sit later than 9 p.m. and shall adjourn not later than 10 p.m.; (2) Nos. *a11* and *b11* shall be decided without debate; (3) the proceedings on No. 20 shall, if not previously concluded, be brought to a conclusion after one hour and 45 minutes and the following arrangements shall apply: (i) the statements shall be made by the Taoiseach and by the main spokespersons for Fianna Fáil, Sinn Féin and the Technical Group, who shall be called upon in that order and who may share time, and shall not exceed 15 minutes in each case; (ii) a Minister or Minister of State shall take questions for a period not exceeding 40 minutes; (iii) a Minister or Minister of State shall be called upon to make a statement in reply which shall not exceed five minutes; (4) the following arrangements shall apply to No. 1: (i) the proceedings on the resumed Second Stage shall, if not previously concluded, be brought to a conclusion at 5.50 p.m.; (ii) the proceedings on the Committee and Remaining Stages shall, if not previously concluded, be brought to a conclusion at 10 p.m. by one question which shall be put from the Chair and which shall, in regard to amendments, include only those set down or accepted by the Minister for the Environment, Community and Local Government; and (5) Private

11 o'clock

Members' business which shall be No. 43, motion re policies affecting rural areas (resumed) shall be taken at 7 p.m., and shall, if not previously concluded, be brought to a conclusion after 90 minutes.

An Ceann Comhairle: There are five proposals to put to the House. Is the proposal for the late sitting agreed to? Agreed. Is the proposal for dealing with Nos. *a11* and *b11* agreed to? Agreed. Is the proposal for dealing with No. 20 agreed to?

Deputy Micheál Martin: No, but I hope we can resolve this quickly. Yesterday, the Taoiseach stated he was prepared to give this debate any time that was required. I welcome the additional time for questions but I would like to request two changes to the taking of No. 20. We would like the time for opening statements extended to at least 20 minutes because the issues are complex and comprehensive and 20 minutes might give Members a more reasonable timeframe. The proposal states a Minister or Minister of State shall take questions. At yesterday morning's meeting with party leaders and again in the Dáil later, the Taoiseach indicated that he would take the questions and I propose that the order should be amended to reflect this. This is what was agreed and an additional ten or 20 minutes could be provided after 10 p.m.

Deputy Joe Higgins: I am amazed that the proposal refers to a Minister or Minister of State when the Taoiseach clearly gave the impression that he would be prepared to come in here to answer questions for 40 minutes. Perhaps that is the case. Perhaps I am wrong that it should have stated "Taoiseach" as the Taoiseach is a Minister of the Government in any case. It is absolutely incumbent on him that he comes in here to explain the import of what was agreed last week in Brussels. Nobody knows the extent or implications for our people of the institutionalisation of austerity or whether the Government proposes that the people be given a say by referendum on this. We need the Taoiseach here to answer those questions urgently this day.

Deputy Gerry Adams: It is essential that the Taoiseach takes the questions.

Deputy Timmy Dooley: The Taoiseach can tell us what he put on the table.

The Taoiseach: There are very few takers for my offer to come back next week to continue the debate if they wish.

Deputy Timmy Dooley: There are not too many takers behind the Taoiseach either.

The Taoiseach: I do not have any problem.

Deputy Timmy Dooley: Once bitten, twice shy.

The Taoiseach: I will be around anyway. If Deputy Higgins wants to come back Tuesday, Wednesday or Thursday next week, just say so because I am serious about this. I have no difficulty with Deputy Martin's suggestion of an additional five minutes for spokespersons. We can push that into the sos period. Deputy Higgins is precisely accurate in that I will be in attendance and I expect the Tánaiste and Minister for Foreign Affairs and Trade to be in attendance as well—

Deputy Colm Keaveney: Much to Deputy Higgins's disappointment. Happy Christmas.

The Taoiseach: —to give Deputies the full Monty as it were.

Deputy Timmy Dooley: Will it be picture and no sound? Is the Taoiseach confirming that he will answer the questions or will he leave it to a Minister of State?

The Taoiseach: As Deputy Higgins will be aware, a political agreement was reached last Friday, in regard to which a great deal of work has to be done to flesh that out into a text that will be presented to the different parliaments around the EU.

Deputy Billy Kelleher: We want to know what was in that case besides the sandwiches.

The Taoiseach: I noticed that Deputy Martin said we should have a referendum anyway and that he would not have agreed to the agreement last week, which would have resulted in Ireland being the only eurozone country walking away from Europe and undoing 40 years of bridge building with our European colleagues.

Deputy Timmy Dooley: That is daft. Come on.

The Taoiseach: Think of the implications of that for the IFSC and places down there.

Deputy Timmy Dooley: Can the Taoiseach confirm that he will answer questions?

Deputy Micheál Martin: Given the season of goodwill, a Cheann Comhairle, I want to——

An Ceann Comhairle: We cannot have a debate.

Deputy Micheál Martin: I just want to respond to——

An Ceann Comhairle: No, you cannot say anything because I have to say something.

Deputy Micheál Martin: I just want to welcome the Taoiseach's response. Given the season of goodwill, when I went through the corridors this morning, there were many worried brows meeting me and saying to me "Whatever you do, don't go to next week." Whereas the Taoiseach and I might like to come back next week, we would be on our own.

Deputy Pat Rabbitte: They know what happened to the last week's break. They did not expect that.

An Ceann Comhairle: Thank you, Minister.

Deputy Pat Rabbitte: I am sorry, a Cheann Comhairle.

An Ceann Comhairle: Is the revised proposal for dealing with No. 20 agreed to? Agreed.

Deputy Micheál Martin: The Taoiseach is answering questions. That is what is important.

An Ceann Comhairle: Yes.

Deputy Gerry Adams: He is taking questions.

Deputy Billy Kelleher: Will we be allowed to ask him questions?

An Ceann Comhairle: Is the proposal for dealing with No. 1, Second and Subsequent Stages of the Local Government (Household Charge) Bill 2011, agreed to?

Deputy Joe Higgins: Which Bill?

An Ceann Comhairle: People beside you are interrupting so you cannot hear what I am saying. Would you ask them to stay quiet?

Deputy Joe Higgins: You could project your voice a little more.

An Ceann Comhairle: No, it is not my voice. I will read it again for the Deputy and I will even look at the Deputy when I read it. Is the proposal for dealing with No. 1, Second and Subsequent Stages of the Local Government (Household Charge) Bill 2011, agreed to?

Deputy Gerry Adams: It is not agreed. I want to oppose this proposal as it involves the Government again using the guillotine to rush through legislation which targets the most vulnerable of our citizens. Last week it was the Social Welfare Bill, this week it is the Local Government (Household Charge) Bill. By imposing this flat rate tax on everyone, the Government——

Deputy Robert Dowds: Deputy Adams's councillors are happy to have stg£1,500 in the North.

An Ceann Comhairle: Settle down there, Deputy Dowds. Do not be upsetting yourself for a moment. Deputy Adams should continue.

Deputy Gerry Adams: The Government is again abandoning its pre-election promises to protect the most vulnerable and families on low incomes. There needs to be time to debate this legislation and to give Government Deputies time not to heckle but to explain their position.

Deputy Micheál Martin: I agree with that position. The guillotining of Bills has been a pattern.

Deputy Pat Rabbitte: The Deputy should get his own programme out of this. It is comedy.

(Interruptions).

An Ceann Comhairle: There must have been an awful lot of Christmas parties last night.

Deputy Micheál Martin: The only comedy is that I take seriously the commitments Deputy Rabbitte made. I take seriously the intense emotion of his outbursts in the last Dáil against the guillotining of Bills. I take seriously——

Deputy Pat Rabbitte: He did not take it very seriously then.

Deputy Micheál Martin: ——his general articulation of the need for debate and so on.

Deputy James Reilly: Another Pauline conversion on the road to Damascus.

Deputy Micheál Martin: I am just making the point that there has been an extraordinary pattern of guillotining Bill after Bill in this House, and a lot of optics going on in-between. The once-a-month Fridays, for example, are a bit of a joke in terms of the Government's contribution.

Deputy Pat Rabbitte: Because they cannot hold up their end — that is the only reason. The lads are gone home.

Deputy Micheál Martin: What we are getting here is optics in terms of the substance of Dáil reform. The Government should facilitate a proper debate on this in the schedule.

A Deputy: They cannot because their heads are in the sand.

Deputy Pat Rabbitte: Deputy Martin knows what happened to St. Ruth at the Battle of Aughrim. He put his head up and got it shot.

Deputy Micheál Martin: You have got too comfortable, Pat.

Deputy Richard Boyd Barrett: It is bad enough that the Taoiseach wants to impose yet another regressive charge on low and middle income families in this country on top of all the other charges, the rising prices and the austerity measures——

Deputy Emmet Stagg: The upper class like the Deputy are okay.

Deputy Richard Boyd Barrett: ——which are absolutely crucifying people. It is disgraceful that on this Bill, the Social Welfare Bill and almost any Bill that really matters to the daily life of ordinary people, the Taoiseach is imposing a guillotine. He should at least allow for a proper debate. I put it to the Taoiseach that, such is the severity of the austerity that is now being meted out to people and being rushed through with guillotines, pretty soon the anger of people will rise up——

Deputy Paudie Coffey: Another protest. That would suit the Deputy, all right.

Deputy Richard Boyd Barrett: ——to the point that they will want another type of guillotine to deal with the people who are imposing this austerity.

Deputy Joe Higgins: The Minister, Deputy Hogan, came in last night and presented Second Stage of the household tax Bill. He had a grin on his face from beginning to end as he was introducing it.

Deputy Pat Rabbitte: We should certainly put an end to that.

Deputy Emmet Stagg: You seem to have a bit of a smile yourself, a Cheann Comhairle.

Deputy Joe Higgins: We need time to explain the implications of this to the Minister, Deputy Hogan. It is not a grinning matter, this new imposition on individuals and families. The vast bulk of ordinary people, the vast bulk of the 1.6 million householders, as the Government says, which is the huge majority of householders and, therefore, a huge majority of the population, are to be coerced into paying this regressive tax.

An Ceann Comhairle: Thank you, Deputy.

Deputy Joe Higgins: Therefore, we need time to explain the implications to the Government. Perhaps it will see the light and withdraw it, and go after the bondholders instead and find the funds there——

An Ceann Comhairle: Thank you, Deputy.

Deputy Joe Higgins: ——or go after the super-wealthy, whose assets are not being touched by the Government, instead of coming back to the same well of ordinary people up and down this country. We need the time for that.

The Taoiseach: I have heard the four contributions from Deputy Martin, Deputy Adams, Deputy Boyd Barrett and Deputy Higgins. They are all looking for more time to debate the local charges Bill. They make a very good case to come back here next week. So make your minds up. We can go until midnight tonight if Deputies wish to have extra time to discuss this or come back next week. I advise them to make their minds up quickly.

Deputy Richard Boyd Barrett: What about tomorrow?

Deputy Timmy Dooley: The Taoiseach is not a horse dealer.

The Taoiseach: If they are looking for extra time to debate this, we either take the time off an existing Bill, we extend the time tonight or we come back next week. The choice is yours. Do you want it? I will give it to you.

Deputy Richard Boyd Barrett: What is wrong with tomorrow?

Deputy Pat Rabbitte: You had better get your act together, lads.

Deputy Micheál Martin: There is actually a law in force called the agency directive that has no legislation at all until after Christmas. Work that one out.

An Ceann Comhairle: Thank you. I am now putting the question, “That the proposal for dealing with No. 1 be agreed to.”

Deputy Mary Lou McDonald: A Cheann Comhairle——

Deputy Gerry Adams: A Cheann Comhairle——

Deputy Jonathan O’Brien: A Cheann Comhairle, the Taoiseach asked if we wanted to come back.

Deputy Mary Lou McDonald: A question was put.

Question put: “That the proposal for dealing with No. 1, Second and Remaining Stages of the Local Government (Household Charges) Bill 2011, be agreed to.”

The Dáil divided: Tá, 92; Níl, 43.

Tá

Bannon, James.
Barry, Tom.
Breen, Pat.
Butler, Ray.
Buttimer, Jerry.
Byrne, Catherine.
Byrne, Eric.
Cannon, Ciarán.
Carey, Joe.
Coffey, Paudie.
Collins, Áine.
Conaghan, Michael.
Conlan, Seán.
Connaughton, Paul J.
Conway, Ciara.
Coonan, Noel.
Corcoran Kennedy, Marcella.
Costello, Joe.
Coveney, Simon.
Creed, Michael.
Daly, Jim.
Deenihan, Jimmy.
Deering, Pat.
Doherty, Regina.
Donohoe, Paschal.
Dowds, Robert.
Doyle, Andrew.
Durkan, Bernard J.
English, Damien.
Farrell, Alan.

Feighan, Frank.
Ferris, Anne.
Fitzpatrick, Peter.
Gilmore, Eamon.
Griffin, Brendan.
Hannigan, Dominic.
Harrington, Noel.
Harris, Simon.
Hayes, Tom.
Heydon, Martin.
Hogan, Phil.
Humphreys, Heather.
Humphreys, Kevin.
Keaveney, Colm.
Kehoe, Paul.
Kelly, Alan.
Kenny, Enda.
Kyne, Seán.
Lawlor, Anthony.
Lynch, Ciarán.
Lynch, Kathleen.
Lyons, John.
Maloney, Eamonn.
Mathews, Peter.
McCarthy, Michael.
McEntee, Shane.
McFadden, Nicky.
McGinley, Dinny.
McHugh, Joe.
McLoughlin, Tony.

Tá—*continued*

Mitchell, Olivia.
 Mitchell O'Connor, Mary.
 Mulherin, Michelle.
 Murphy, Eoghan.
 Nash, Gerald.
 Neville, Dan.
 Nolan, Derek.
 O'Donnell, Kieran.
 O'Donovan, Patrick.
 O'Dowd, Fergus.
 O'Mahony, John.
 O'Reilly, Joe.
 O'Sullivan, Jan.
 Perry, John.
 Phelan, Ann.
 Phelan, John Paul.

Quinn, Ruairí.
 Rabbitte, Pat.
 Reilly, James.
 Ring, Michael.
 Ryan, Brendan.
 Sherlock, Sean.
 Shortall, Róisín.
 Spring, Arthur.
 Stagg, Emmet.
 Stanton, David.
 Timmins, Billy.
 Tuffy, Joanna.
 Twomey, Liam.
 Wall, Jack.
 Walsh, Brian.
 White, Alex.

Níl

Adams, Gerry.
 Boyd Barrett, Richard.
 Broughan, Thomas P.
 Browne, John.
 Calleary, Dara.
 Collins, Joan.
 Collins, Niall.
 Colreavy, Michael.
 Cowen, Barry.
 Crowe, Seán.
 Daly, Clare.
 Donnelly, Stephen S.
 Dooley, Timmy.
 Ferris, Martin.
 Flanagan, Luke 'Ming'.
 Fleming, Tom.
 Grealish, Noel.
 Halligan, John.
 Healy, Seamus.
 Higgins, Joe.
 Kelleher, Billy
 Kitt, Michael P.

Mac Lochlainn, Pádraig.
 McConalogue, Charlie.
 McDonald, Mary Lou.
 McGrath, Finian.
 McGrath, Mattie.
 McLellan, Sandra.
 Martin, Micheál.
 Moynihan, Michael.
 Ó Caoláin, Caoimhghín.
 Ó Cuív, Éamon.
 Ó Fearghaíl, Seán.
 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 Pádraig Mac Lochlainn and Seán Ó Fearghaíl.

Question declared carried.

An Ceann Comhairle: Is the proposal for dealing with Private Members' business agreed to? Agreed.

Allocation of Time: Motion

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

That, notwithstanding anything in Standing Orders, the extra time allowed for statements on the European Council meeting in Brussels be accommodated in the time allowed for the sos today at 1.30 p.m.

Question put and agreed to.

Order of Business (Resumed)

An Ceann Comhairle: We have 51 seconds left on the Order of Business.

Deputy Gerry Adams: On promised legislation, section 9(c) of the Education Act 1998 states clearly that one of a school's functions is to ensure students have access to appropriate guidance to assist them in their educational and career choices. Is the Government bringing forward amending legislation to allow for the cuts in guidance counselling which were announced last week? If so, will the Taoiseach consider abandoning this course of action given that all reports find that the scaling back of guidance counselling will be felt most keenly among young students from disadvantaged backgrounds?

An Ceann Comhairle: Is there promised legislation?

The Taoiseach: No.

Deputy Micheál Martin: As this is my last opportunity to speak on the Order of Business this session, I thank the Ceann Comhairle and all the staff of Leinster House, including all the ushers, for their co-operation and courtesy throughout the session. On behalf of my party I wish them and all the Members a very happy, restful and reflective Christmas. We should take the opportunity to remember all former Members of the this Dáil and other Dáileanna who have passed away this year, and also their families. I thank all concerned for the very productive and constructive engagement we have had. I wish the Ceann Comhairle a very happy Christmas.

An Ceann Comhairle: Thank you very much, Deputy.

Membership of Committee: Motion

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

That Deputy Jonathan O'Brien be discharged from the Select Committee on Finance, Public Expenditure and Reform and that Deputy Pádraig Mac Lochlainn be appointed in substitution for him.

Question put and agreed to.

Local Government (Household Charge) Bill 2011 — Financial Resolution: Motion

Minister for Communications, Energy and Natural Resources (Deputy Pat Rabbitte): I move:

That provision be made in the Act giving effect to this Resolution for the charging in accordance with the Act of an annual household charge on the owners of certain residential property.

Question put and agreed to.

Message from Seanad

An Ceann Comhairle: Seanad Éireann has passed the Criminal Law (Defence and the Dwelling Bill) 2010, without amendment, and the Property Services (Regulation) Bill 2009, without amendment.

European Council Meeting: Statements

The Taoiseach: Last week's meeting of the European Council was a significant one. Important steps were taken in regard to both budgetary discipline and firewalls — issues of great importance to this country — and progress was made towards taking Europe beyond the current crisis.

Of course, much remains to be done in the period ahead both to put shape on the new arrangements and to ensure that the necessary firewalls are in place. As I stated when I addressed the House last week, it is important that the decisions taken be, and be seen to be, implemented. While it will not be the last word in the matter, last week's outcome was a good one for Ireland and for the future stability of the euro, and it should be welcomed by the House.

In advance of the meeting, I spoke and wrote to President Van Rompuy setting out Ireland's key priorities, which include decisions to stabilise the eurozone through stronger firewalls and new rules; the need for the removal of the PSI provision from the ESM treaty; and to signal the Government's intention to pursue the application to Ireland of the new financial instruments that did not exist at the time of the initial recapitalisation of the Irish banks. I am satisfied progress was made on each of these issues.

Our meeting began on Thursday evening over dinner, when President Van Rompuy set out the results of the work he has undertaken on foot of the mandate we gave him in October to identify steps to strengthen economic union. In taking this task forward, he worked closely with the president of the euro group and the President of the Commission. He also consulted all member states on the best way forward. His report and the measures it proposed were well balanced and widely welcomed. They formed the basis of the substance that was agreed.

On strengthened economic policy co-ordination, we agreed what has been called “a new fiscal compact”. Essentially, this is a set of reinforced budgetary rules for countries within the euro area. Specifically, we agreed that government budgets should be balanced or in surplus. Looking at where Europe is now, this is an entirely sensible proposition. We agreed that this rule shall be deemed to have been respected if, as a rule, the annual structural deficit does not exceed 0.5% of GDP. There is no doubt that this is a challenging ambition, but we agreed that it is necessary if we are to send a strong signal that we are serious about what we are doing. We will work carefully through the country-specific implications for Ireland once negotiations are under way.

It is, of now, a political agreement. Given the nature of what is involved, there are some very detailed technical and legal considerations that will need to be teased out carefully or analysed by experts before any legal text is adopted. This is an important process in which Ireland will be fully and actively involved.

To underscore our seriousness of purpose, member states will carry over this commitment into national law at constitutional or equivalent level, and the European Court of Justice will have a role in ensuring this is done properly. We are examining this requirement carefully, particularly in regard to how it dovetails with the fiscal responsibility Bill now being prepared.

We agreed that euro area member states that are in breach of the existing rules on excessive deficits will be obliged to work with the Commission and the Council in an economic partnership programme detailing the structural reforms required to get back on track in a sustainable way. The implementation of this programme and annual budgetary plans will be monitored by the Commission and the Council. This does not mean allowing the Commission or another entity to draft the budget for countries, which of course is their democratic responsibility. We also agreed that the rules for the excessive deficit programme should be tighter for member states in the euro area. Specifically, there will be automatic consequences for a member state

that exceeds the 3% ceiling unless a majority in the Council decides not to adopt a Commission recommendation in this regard.

On 23 November the Commission brought forward two important new proposals on monitoring and assessment of draft budgetary plans and on strengthening economic and budgetary surveillance of member states experiencing or threatened with serious difficulties. Last week, we agreed these important measures should be examined swiftly so that they can be in force for the next budgetary cycle. Under this new legal framework, the Commission will examine the key parameters of draft budgetary plans and, if necessary, adopt an opinion on them. Where a plan is seriously non-compliant with Stability and Growth Pact requirements, the Commission will be able to request a revised one.

If we have learned anything from the current crisis, it is that while we share a currency and are deeply affected by the fiscal approaches of other member states, we do not yet have the rules necessary to match that interdependence. Last week's meeting, therefore, agreed that we should deepen our co-ordination to better reflect our closer connections. The President of the European Council has been asked to report on this in March 2012. The new arrangements will mean more co-ordination of the fiscal plans of member states. This is not something that should be a concern to Ireland because we are already in the process of preparing a fiscal responsibility law that will ensure the mistakes of the past Government and reckless lending which led us to our current position will not be repeated in the future. Ensuring that other member states toe a similarly disciplined line is something we should welcome. It is, of course, necessary to ensure that we advance on the basis of sound reasoning and careful analysis and with proper regard to the requirement for democratic legitimacy and political accountability. These are not desirable add-ons; they are central requirements.

In addition to the aforementioned elements of the fiscal compact, last week's meeting also moved to strengthen the stabilisation tools or firewalls. This is part of a programme of immediate action to answer current pressures in the markets. Again, this is welcome from an Irish point of view and I pressed the issue strongly in the lead up to the meeting. We agreed to accelerate the entry into force of the European Stability Mechanism, the permanent replacement for the EFSF, with the objective that it be in place in July 2012, a year early. This is important because the ESM has several advantages over the EFSF, including a more streamlined operation due to the fact that the ESM does not rely on guarantees in the same way. We agreed that the EFSF should remain active until mid-2013, as previously planned, and that it will continue to ensure the financing of ongoing programmes as needed.

Importantly, we agreed that the requirement for private sector involvement, PSI, should be removed from the ESM treaty and that we would strictly adhere to established IMF principles and practices in this regard. I have long argued that this should be done, including in my meetings with Chancellor Merkel and my discussions with President Van Rompuy, President Barroso and Prime Minister Cameron. PSI is a serious impediment to those member states, including Ireland, which seek to regain market access in the future. I am glad that partners listened carefully and responded positively.

We also indicated that we would reassess the adequacy of the overall ceiling of the EFSF and ESM of €500 billion in March 2012 and that we stand ready to accelerate payments of capital into the ESM if needed to maintain the required ratio between paid-in capital and loans and to ensure a combined effective lending capacity of €500 billion. To further underpin our firewalls, member states will consider providing up to €200 billion in the form of bilateral loans to the IMF to ensure that it has adequate resources to deal with the crisis. This does not have consequences for Ireland because we are in a programme and would not be expected to contrib-

[The Taoiseach.]

ute but we will monitor progress with keen interest, including whether parallel contributions are forthcoming from the international community.

Having reached agreement on the substance of what is involved, our meeting turned to the steps needed to put it in place. We agreed there was considerable scope for making progress through secondary legislation where this was possible within the framework of the existing treaties but it was also clear that some of the steps we agreed to take require primary legislation. President Van Rompuy sought to proceed with the support of all 27 member states but when this did not prove possible for reasons that have been aired extensively in the subsequent period, we agreed to proceed by way of an international agreement involving all the euro area member states and any other member states which wished to come with us.

A number of my colleagues have now entered into a process of consulting government partners and parliaments and it appears likely that 26 member states will agree to participate. The obvious exception is the United Kingdom, which felt that it was not in a position to agree. This is a disappointing development, although it is clearly for the UK Prime Minister to decide how best to advance and defend the UK's interests. In approaching the meeting I hoped that we could find a way forward for all 27 member states as a strong signal of complete unity and common purpose at European level. I am also conscious that the UK is our closest neighbour and is often our staunchest ally at the European table. It brings a unique perspective that will now be missing from these important debates. We will, of course, continue to work as closely with the UK as we have done in the past. Our relationship is deep and wide, based on important common interests across a range of EU policy matters. We share an especially strong commitment to the Single Market. I will continue to work with the Prime Minister, with whom I spoke yesterday evening, to ensure nothing is done to damage that most important achievement of the Union. I expect to speak to him again in the coming weeks. What has happened is disappointing but I do not wish to exaggerate its import. The UK has decided not to participate in the specific arrangements we agreed at last week's meeting. It has not in any way turned its back on the European Union, as the Prime Minister made clear in his speech to the House of Commons this week.

Part of President Van Rompuy's report in March will pertain to relations between the EU and the euro area, which may help us to make progress on this important discussion. In the absence of agreement among all 27 member states, we agreed to proceed by way of international agreement. Last week, we reached a political agreement which now needs to be given technical and legal effect. Work is now under way on the part of the legal services of the Commission and the Council and once an initial text has been prepared, it will be shared with experts from member states. I appreciate there is great interest in this House in what the adoption of the agreement will mean for Ireland, including whether a referendum will be required to ensure that we are in a position to ratify what has been agreed. The simple fact is that until we have a legal text to consider, it is not possible to say. Important issues must be considered in detail and the Attorney General will want to fully study the texts before offering advice. This is not something that should be rushed but I reiterate my commitment to do whatever is necessary once this scrutiny has been completed. If a referendum is found to be necessary, that is what will happen.

I wrote to President Van Rompuy ahead of the last week's meeting to alert him to the points I would be making. I told him plainly that the Irish people expect our actions to restore the stability of the eurozone and reinforce Ireland's prospects of regaining our economic sovereignty. In my letter and my presentation to colleagues at the meeting, I explained the cost to Ireland of capitalising banks in a manner that protected European as well as Irish citizens. I stated that the cost, at €63 billion or 50% of GNP, has been uniquely onerous. I indicated that

I would be seeking access for Ireland to new European financial instruments which were not available to us at the time and that I would be doing so in the interest of equity and of making our burden of debt more sustainable. For example, in October the European Council agreed measures to ensure adequate capitalisation of Europe's banks, including a role for the EFSF.

I told colleagues that such facilities should be applied in Ireland's case as if they had been available at the time the Irish Government put money into the Irish banks. In making that case, I underscored the fact that we will continue to meet, on time and in full, all the obligations of our programme. We are simply seeking to re-engineer our debt burden through the possibilities now available to others.

Last week's meeting was focused on the big picture of how to stabilise the euro and deal with the eurozone crisis. It was not an occasion at which national issues were on the table for decision. However, I set out our case strongly and gave colleagues a clear understanding of the scale of our predicament and challenge. I told them that, together with the Minister for Finance and other Ministers, I will pursue the matter further in the period ahead. I am confident that in due course we will be able to make positive progress in a way that makes a real difference for Ireland and for our people. I intend to leave no stone unturned in that regard.

Deputy Micheál Martin: Last week's meeting of the European Council was one of the most critical in the history of the European Union. This summit was charged with providing a final and decisive answer to a crisis that is hitting all 17 states in the euro and is a direct threat to the wider European and global economies. It was the fifth time this year that leaders met determined to draw a line under the crisis by acting decisively and in unity. They promised a firewall to contain the crisis and to do whatever it would take to return Europe to rising growth and employment.

For anybody who wants Europe to work, for anyone who believes that countries are stronger when they work together, and for anyone who recognises the great history of the Union, the outcome of the summit was close to a disaster. There is no secure firewall. The flaws in the euro have not been fixed. There is no plan for growth. To make things worse, these failures have been linked with a deeply damaging political split which developed in the name of an agenda that does absolutely nothing about the real causes of the crisis. We are now heading into a three-month period of discussions which is almost designed to destroy what confidence is left in the European Union and the euro. There has been no serious move away from the agenda that has comprehensively failed over the last year and a half. This agenda drove Ireland and Portugal out of the bond markets and has put other countries in great difficulty, and it may shortly involve the downgrading of the credit of every eurozone country.

The leaders of Europe handled this summit appallingly. They maximised division, minimised discussion and produced a set of agreements based on little more than hope that failed policies can be made to work if they are given one final push. The only thing left to cling to is the chance that there is still time left to do something before further — and this time irreparable — damage is done.

Anyone paying attention to events in recent days will have been repulsed by the spectacle of assorted euro-haters dancing with joy at the idea that the European Union is under threat. This is not just a British phenomenon; throughout the Union, there are reports of those who have fought the Union at every turn claiming that they are being proven right. Wherever anti-EU forces have any influence, they are trying to make a bad situation much worse. There are reports of the Dutch Government's majority being under threat. In the Czech Republic, the president's appointee in the national bank is working to veto the agreed funding. Elsewhere, anti-European Union forces are seeking to maximise the damage they can do.

[Deputy Micheál Martin.]

It is one of the greatest failings of Europe's leaders that they are encouraging the idea that to be pro-European Union, one must support their agenda or be seen as a eurosceptic. This is dismissive and counter-productive. In fact, the people who are most concerned about the agreement — the people who are most angry with the leaders who put it together — are those who most want the Union to work. My party is proud to have led Ireland into the great programme of European integration. In every poll for every referendum, our supporters have been the most enthusiastic about the Union. Following the vision first outlined by Seán Lemass in the 1930s, we are a resolutely pro-European Union party. There is not now and there never will be any wavering on this point. Anyone who tries to read anything else into our comments during this crisis is wrong. We want Europe to be strong and successful. That is why we believe the agreement reached at this summit is both foolish and damaging.

We in no way object to the discussion on giving the Union more powers. What we object to is the failure to give the right powers. We also believe the Government has followed a flawed strategy. It has been incapable of escaping from its obsession with scoring political points at home and has therefore abandoned a major opportunity to shape events. It has also spent too much time on whether there will be a vote on the agreement and not enough on what will be in it.

Unfortunately, more and more people are asking whether the euro is worth saving. Equally unfortunately, they are getting only general rallying cries in response. The euro was a major experiment when it was launched, and its chief architect, Jacques Delors, has stated that problems in its construction are the direct cause of today's crisis. However, in spite of this, the evidence shows that the euro has enabled significant growth throughout the Union, which has been maintained even after the declines of the last few years. In Ireland, the story is even clearer. For example, a study released this week by researchers based at the ESRI and Trinity College concluded that the adoption of the euro has had a significant and positive impact on our exports, which has increased over time. It showed how it has provided boosts of between 30% and 60% in various markets.

Being part of a large currency has been of enormous benefit to us in attracting investment and giving companies a solid foundation on which to access and increase opportunities. The creation of a large number of jobs has been enabled by the euro. There is no doubt that if we were forced to have our own currency, there would be a further severe and long-term impact on both employment and living standards.

The euro has been good to Ireland. It is key to our return to growth, and we need to play our part in helping it to survive. Part of this is that we should be willing to speak out when the policies being pushed are wrong. Every piece of evidence shows that the introduction of stronger fiscal rules is a marginal part of the agenda to tackle the crisis. Ireland was fully compliant with both the existing and the proposed fiscal rules throughout the entire decade before the crisis. In contrast, Germany and France regularly broke the rules. Soon after his election, President Sarkozy even invited himself to a meeting of finance Ministers to announce that France intended to break them for a bit longer.

In his television broadcast, repeatedly in this House and in his contribution to last week's summit, the Taoiseach has steadily increased his support for the idea that stronger fiscal rules would have prevented the crisis and our bailout. He wrote to President Van Rompuy: "[T]he Irish people are paying the price now for the absence of such rules in the past". This is not only wrong, it directly undermines Ireland's negotiating position. It says to the leaders of Europe that everything is Ireland's fault and fails to make the increasingly undeniable point that Ireland required a bailout because of the lack of a lender of last resort and our willingness

to take decisions in the interest of the whole of Europe. This last point is one that the Taoiseach began to make last week, but he undermined his own argument by insisting on domestic political point-scoring.

The Taoiseach is right to join everyone else in welcoming the removal of private sector burden sharing from the agenda of sovereign bailouts. Where he continues to be wrong is in his failure to explicitly point to how the raising of this issue last year directly and rapidly undermined Ireland's ability to borrow. That relates to the Deauville meeting with President Sarkozy and Chancellor Merkel.

As I said in March and in a number of debates since then, my party supports the idea of incorporating fiscal rules into legislation. This is not question of whether there should be such rules but of how they should be set. I find it no less than incredible that the Taoiseach agreed new rules last week without having access to a single study on their possible impact. I asked this question of the Taoiseach yesterday, and it was clear that there was no such study.

The Taoiseach: The programme we are in supersedes those figures.

Deputy Micheál Martin: No, I am talking about the study on what was agreed. The Taoiseach, along with others, adopted a tough series of commitments relating to structural deficits and the reduction of debt.

The enforcement procedures are such that these rules will effectively set the entire economic framework for the future of this country. Not one person in the Council chamber last week could say what would be the impact of these rules. This is madness.

We want to be supportive of the new measures but early examinations of the new target figures are deeply worrying. It would appear that they will significantly undermine growth and hold back employment, while reducing government debts to a far lower level than the 60% mentioned. Analyses of the impact of the deficit limit suggest that it will lead to countries having almost no debt in the long run. In other words, it would involve significant austerity on effectively a permanent basis. In the name of saving the European sovereign debt market, these rules would end up closing it down.

Before there is any move to finalise agreements on these new fiscal control rules, detailed studies must be carried out and made publicly available. Many of the current troubles arose from politicians 20 years ago taking decisions about the euro without detailed evidence or discussions. This cannot be allowed to happen again. A decision of such magnitude, with such a profound impact on the social and economic future of Europe, should not be taken on the basis of plucking figures from the air because they sound tough.

The rush to enact these rules is being done in the name of showing resolve, which would supposedly restore confidence. This is nonsense. The idea that Italian debt is under pressure because the government has not enacted a strong enough law about future budgets would be laughable if it was not the policy signed up to by the Taoiseach and his colleagues last Friday. The real issue remains the uncertainty about the ability of governments to refinance existing debt. This uncertainty can only be dealt with if Europe has a significant lender of last resort. It is almost shocking that the Council spent hours reaching an agreement on fiscal rules and did not even discuss addressing the central role of the European Central Bank in inflating this crisis.

Mr. Draghi is right when he says the bank's agenda is narrow, clear and independent. It is, however, not as narrow as he is interpreting it, and there is an urgent need to reform its work. It remains a mystery why the Taoiseach agreed to Mr. Draghi's appointment without discussing these issues with him. This is a bank that raised interest rates after a recession had started.

The Taoiseach: For the Deputy's information, Mr. Draghi was at the meeting and explained ECB monetary policy on a number of occasions in the course of the night.

Deputy Micheál Martin: I said it is a mystery why the Taoiseach agreed to his appointment. I am not talking about last Friday. He was appointed on the nod, with no discussion about the mandate of the ECB and its role in the crisis. That is my point. The Taoiseach had a say in that and he did not even question him about the policies or the ECB's approach.

The Taoiseach: The point about the meeting is that there was a discussion about the ECB at the meeting, because he was there.

Deputy Micheál Martin: I spoke to the Taoiseach yesterday and the Taoiseach said that he made it clear. My point is that there was no idea of addressing the central role of the ECB or changing its mandate. There was not, and the Taoiseach should not pretend there was.

The Taoiseach: I explained his remarks about that.

Deputy Micheál Martin: Yes, and I have articulated them in my speech. Everything I am saying is quite correct and accurate.

The Taoiseach: I am trying to be helpful to the Deputy.

Deputy Micheál Martin: The point is that the summit did not address the mandate of the ECB, which is the crucial issue, or the capacity of the ECB to be the lender of last resort.

The Taoiseach: I am trying to helpful and explain what he said about that.

Deputy Micheál Martin: It concentrated on the German agenda of fiscal rules alone. This is a bank that raised interest rates after a recession had started and risked creating a depression by raising them before it was over. It is so obsessed with the idea that targeting an inflation rate of close to, but below, 2% is the answer to every problem that it has even produced an iPhone application in which hitting this target delivers high growth, full employment and the award of central banker of the year.

The ECB's moves relating to longer-term financing for the banking system are welcome, but they are not enough. They ignore the causes of the uncertainty, which is making capital flee European banks. The exposure of these banks to sovereign debt is a huge cause of uncertainty about future risk. This new financing is treating a symptom but not the cause. Equally, the bank's secondary market purchase of bonds continues to enable investors to leave the market as their perception of the risk to the primary bond market continues to grow. The ECB is willing to spend an extraordinary amount of money on protecting the banking system and reducing yields in the market for existing sovereign debt. If much of this was even theoretically available to the primary debt market, the crisis would be over in the morning. The arguments against allowing this are now devoid of credibility.

There are indications that yesterday's Spanish bond auction was aided by international co-ordination. Its impact is very welcome but all evidence shows that a failure to change the basic policies will leave the underlying problem unchanged. After every past summit, co-ordinated interventions have delivered nothing more than short-term relief. Within the existing rules, this could be done by giving a banking licence to the EFSF. In the longer term there should be a treaty change to include economic growth in the European Central Bank's mandate and to explicitly allow it to buy sovereign debt. It is inexplicable that the Taoiseach and others did not even raise the issue last week. I strongly encourage him to return to the Council on this issue. It is one on which it is worth fighting a referendum, if that is what is required.

The bringing forward of the ESM's start date is welcome, as is the agreement to provide Europe-specific funding to the IMF. Taken together, however, they are no firewall. They involve having funding ready to provide bailouts while the ECB continues to drive countries into needing those bailouts. They also amount to little more than a year's worth of funding for the three countries under the most pressure at present. After the failure of the October package, the leaders simply came up with a different way to fund the package. They did not take any additional radical decisions.

Another item missing from the agenda was the creation of funding to support development and stimulate the European economy during downturns. Fiscal control does not amount to a fiscal union. The Taoiseach was correct to raise the fact that the debt which Ireland took on as part of a common European Union approach should be recognised through a significant refinancing. I believe these debts should be at both a low rate and of a long duration. They are the core of our debt issues.

Mixed messages from the Government about debt sustainability, easy agreement to the fiscal control agenda and the failure to have any diplomatic initiative have not helped negotiations. It still not too late, however. The Government should significantly ramp up its efforts on this matter.

As can be seen from the text of the Merkel-Sarkozy agreement last week and from the daily comments from senior French Government sources, the people who directly drove this agreement see it as a means of forcing the harmonisation of corporate taxes. The current legal position is clear. Ireland has the right to decide its corporate tax rate and rules. Whether this remains the case under the deal will become clear when we see the text, but the Government's failure to put it in the deal must be a concern. Equally, the threat to our financial services sector is undeniable. Those driving intergovernmentalism have made it clear that it is part of their agenda—

The Taoiseach: It is not necessary because it is part of the EU treaty.

Deputy Micheál Martin: —particularly President Sarkozy.

Acting Chairman (Deputy Joanna Tuffy): Only one speaker may speak.

The Taoiseach: It is part of the EU treaty.

Deputy Micheál Martin: Last Friday, the Government was eager to push the idea that there is nothing to be worried about. The Minister of State, Deputy Lucinda Creighton, said on "Morning Ireland" that corporation tax was not on the agenda at all.

The Taoiseach: That is correct.

Deputy Micheál Martin: In spite of this, and in spite of the Taoiseach saying just now that it is correct, page 3 of the summit communiqué states explicitly that leaders discussed the co-ordination of tax policies and how tax policy can support economic policy co-ordination and contribute to fiscal consolidation and growth.

The Taoiseach: There was no discussion on tax.

Deputy Micheál Martin: I repeat that page 3 of the summit communiqué states explicitly that leaders discussed the co-ordination of tax policies and how tax policy can support economic policy co-ordination and contribute to fiscal consolidation and growth. It was discussed. Given that yesterday the Minister of State referred insultingly to many journalists having been too lazy to read the summit communiqué, she should clearly be more careful in future.

[Deputy Micheál Martin.]

The scale of the political damage done at the summit will take some time to work out. The scenes on Friday were a disgrace and reflected a badly prepared summit and a set of leaders who did not seriously try to overcome easily surmountable problems. Mr. Kohl, Mr. Mitterand and other past leaders would not have let this happen. Reports that it was stated at the European People's Party, EPP, summit on Thursday afternoon that Britain would not be able to be accommodated are extremely serious. Will the Taoiseach, who is a vice-president of the EPP, confirm or refute these reports?

It is unprecedented that there would be a formal veto and split on the first day of a two day summit. This is the first time in the history of the Union that leaders failed to find a compromise that all could sign. Whatever Britain's demands and however ineptly they were promoted, it appears that some leaders were eager to have this split. Certainly, this is implied by their actions since then. Commissioner Rehn is a sensible and considerate man and I take his position seriously that existing treaties, even recently agreed directives, cover the issues discussed.

This is, however, irreconcilable with the position President Barroso took yesterday that the changes are so significant and Britain's position so unreasonable that this is the only way vital steps forward can be taken. President Barroso so does not appear to be taking seriously his duty to build bridges between countries rather than helping to tear them down.

Britain is our biggest partner and competitor. We need it to be active in Europe. We cannot afford any risk that our firms will be subject to controls and taxes from which British firms will be exempt. This is not a marginal issue and I am surprised at the failure of the Government to be able to give a coherent account of its position on Britain's demands.

Whatever lies behind this must be tackled immediately. President Sarkozy should be told unequivocally that he is not the spokesperson for the 26 countries. He might believe there is a new era of deep integration on the way, but he has no right to speak for us and act as if it is a great victory that Britain is becoming, at best, a semi-detached member of the Union.

Friday's breakdown was a betrayal of the spirit in which the Union was built. It reflected a group of leaders who have not systematically engaged each other. They have not built alliances or shown the imagination or generosity required to work effectively together. In the weeks leading up to a vital summit, the Taoiseach held his only proper bilateral meeting with a eurozone leader since he was elected and had a telephone chat with Prime Minister Cameron. According to his reply to questions yesterday, that was the sum total of his diplomacy before the summit.

He was clearly not alone in effectively standing on the sidelines of the summit. I know from my conversations with Prime Minister Rutte and others last week that governments throughout Europe are extremely uneasy with developments, in terms of policies and divisions. Many support the agreed approach, but others have serious reservations.

From August onwards the Government's main strategy has been to try to avoid anything which would require a referendum. The Taoiseach, Tánaiste and Ministers went through hoops to avoid telling us exactly what their positions were on key issues. The letter to President Van Rompuy was withheld from this House in spite of repeated requests for a discussion on the Taoiseach's proposals.

Reinforcing the Government's unprecedented level of contempt for the Oireachtas, it then leaked the letter to RTE in order to try to manipulate coverage of the first day of the summit. There should be no doubt about the position on a referendum. If what has been agreed is significant, there should be a vote. The leaders of Europe have said that these changes are

fundamental and will, at a stroke, restore confidence. Therefore, we should take this issue off the table.

There should be a referendum on measures to strengthen the euro. However, the proposals currently on the table will not strengthen it and are weakening the Union. The deal may well have unravelled before any decision has to be taken here. The summit will be recorded as one of the worst in the Union's history. It has reinforced failed policies and cast aside principles of solidarity and respect which builds the Union. For the sake of Europe and its citizens, we should all hope there is still time to undo the damage caused last Friday.

Deputy Gerry Adams: I wish to share time with Deputy Pádraig Mac Lochlainn.

Acting Chairman (Deputy Joanna Tuffy): Is that agreed? Agreed.

Deputy Gerry Adams: Last week, in advance of the European Council meeting in Brussels, the Taoiseach wrote to Council President Herman Van Rompuy. He told him: "Ireland has acted in the interests of the euro area by not imposing losses on unsubordinated bank bondholders and as a result has paid an extraordinary high price to protect the wider European banking system from contagion." He went on to say that he would raise this matter with colleagues during the course of the summit.

Yesterday, during his briefing for Opposition leaders, he made it clear to me that he did not formally raise the issue of the extraordinary cost to Irish citizens of his policy and that of the previous Government of bailing out the banks. He did say he raised the need to "re-engineer our debt burden" with other leaders but that the summit was the wrong meeting to put forward Irish interests. He said there would have been no tolerance of any government raising its own specific issues. He said the focus was on the euro crisis.

However, when I raised this issue with him yesterday during Leaders' Questions, he claimed I was misrepresenting him. I was not misrepresenting him. I repeated accurately what he told me. Maybe he misunderstood my question and gave me the wrong answer, but I did not misrepresent him. I will not misrepresent him or anyone else. I do not do business like that. Why would I? There is no point. I reject the assertion that I put words in his mouth.

In his letter he said his intention was to seek political support "from colleagues around the Council table for a process which would ensure that Ireland continues to make progress towards debt sustainability and an early return to the markets". Did the 27 members of the Council discuss his appeal? If so, what was the response? What commitments did he secure from his colleagues? If the content of the summit statement released last Friday is anything to go by, it is clear, as it is in the Taoiseach's statement today, that the issue of Ireland's debt burden and the crippling austerity being imposed on Irish people to service this burden was not raised properly by him nor were any commitments secured.

The deal struck by 26 EU leaders on Friday, 9 December, in Brussels will not solve the eurozone crisis. Who knows what will happen, but in my opinion it will make matters worse. The agreement is not a fiscal compact. It is an austerity compact. It seeks to impose right-wing austerity policies in perpetuity. The difficulty for all of us is that the Taoiseach agrees with this. The agreement was not imposed on him and he was not coerced or cajoled into it. It reflects his policies and political stance as leader of the Fine Gael Party and vice president of the EPP. It also reflects the position of the Labour Party.

Figures produced by the Central Statistics Office yesterday showed that the long-term unemployment rate has increased from 6.5% to 8.4% over the year and that long-term unemployment accounted for more than 56% of unemployment in the third quarter. We have also discussed how the most vulnerable people are affected by these policies. Austerity does not

[Deputy Gerry Adams.]

work, except for the elites. The policy of austerity in perpetuity, which will be enshrined in law, is bad for Irish citizens and citizens across the EU.

Seeking to emasculate our economies as part of the reinvention of capitalism is bad enough, but the agreement last Friday also seeks to undermine member states's democracy. Additional powers are to be given to the European Court of Justice and the European Commission to police the new 0.5% deficit ceiling and the existing provisions of the Stability and Growth Pact. These powers will enable the court to adjudicate when member states are in breach of the new austerity rule. This is a very significant development, the implications of which are as yet very unclear. The Taoiseach should have taken the opportunity today to clarify and set out his view on its implications.

Section 4 deals with the new austerity rule and states: "Such a rule will be introduced in member states' national legal systems at constitutional or equivalent level." The Taoiseach has agreed that the new austerity rule will be introduced into our Constitution and national legal system. For the information of the Taoiseach, there is no equivalent level with our Constitution. We are a State with a written constitution, which happens to be a good thing. Other states do not have written constitutions and the rule will be introduced at equivalent level to our constitutional position.

In his statement today, the Taoiseach said he is examining how this requirement dovetails with the fiscal responsibility Bill which is now being prepared. That baffles me. I asked the question yesterday and the Taoiseach responded in the same way. Did he not figure this out before he agreed to the deal? Did he not know what it involved? Is he now saying that primary legislation may have equivalent status to constitutional law? As I understand it, the difference is very straightforward; this Parliament can change law, but only the citizens can change the Constitution. As such, the position the Taoiseach has put forward is absolutely wrong.

We are told that the so-called golden rule — there is always a good buzzword to describe something which is bad for people — will empower the Commission to impose specific fiscal and budgetary policies on democratically elected Governments. The people elect a Government and that Government sets out its policies and seeks to implement them. The Taoiseach has railed against the Fianna Fáil Party and the Green Party for giving away our sovereignty, yet he now proposes to cede a large portion of that sovereignty in perpetuity. Moreover, he proposes to do so through the backdoor, by way of legislation. The transferring of powers from democratically elected politicians and member states to unelected judges and civil servants in Luxembourg and Brussels takes real power away from citizens. It is anti-republican and anti-democratic. The bottom line is that the agreement reached last Friday in Brussels will significantly reduce the ability of any future Government to implement policies under its own steam. Elections will become effectively meaningless and pointless because anything the people vote for will, under this new rule, have to be run past people in other states over whose election we have no control. It is totally undemocratic.

None of this will be any surprise to the Taoiseach. He was not bounced or shoved into this agreement. In his speeches in this House before and after previous summits, he stated his support for such developments. In a debate just before the summit he said, "Ireland supports the creation of stronger economic governance throughout Europe and especially throughout the eurozone". On that occasion he talked about the bilateral meetings conducted by the President of the European Council, Mr. Van Rompuy, and indicated that senior Irish officials were engaging in those meetings. In all such negotiations, a great deal of the spadework is done in advance and we know the direction in which it is going. With that knowledge, the Taoiseach can use his influence to steer matters in a certain direction. Unfortunately for the rest of us, he was going in the same direction as the French and German Governments and some of the

other larger states. The reality is that he was happy to give away these fiscal powers even before he went to the summit. Now he is examining whether the various provisions, particularly those relating to clause 4, can be brought in through some avenue other than a referendum.

There is an economic alternative to what is proposed in this agreement. It is encompassed in the principle upon which the Labour Party stood in the last election, as summed up in the famous phrase “Frankfurt’s way or Labour’s way”. It is about decency and fairness. It is about stimulating the economy, encouraging growth, getting people back to work and protecting the most vulnerable of our citizens. It is about having core values which seek to have the economy working in protection of social guarantees for citizens in respect of public services, including health, access to education and the right to a home and a good environment. That is the alternative to what is currently proposed.

While the Taoiseach has repeatedly said this is a political agreement, the last paragraph clearly states that the objective is to make a treaty. There is still space for the Taoiseach to reflect on the issues raised here, to review his support for what is a bad deal and to return to our partners in the EU on that basis. My party cannot and will not support the transfer of more powers from the Oireachtas to Brussels. Nor will we support the imposition of a draconian 0.5% deficit ceiling by way either of primary legislation or a constitutional amendment. The Taoiseach can say what he wants about my party, but he cannot deny we have been consistent on these issues from the very first referendum, when I was a very young man, in 1972 or 1973. The Sinn Féin position, supported at that time by others who are now in government, has been consistent at every single referendum in pointing out the undemocratic nature of the European system. We are not against the European Union; rather, we want a different type of union which values citizens, is based on equality and sees all states as equals.

The Taoiseach: Is the Deputy in favour of the euro?

Deputy Gerry Adams: We argued against Ireland’s entry into the euro at the time. It was exactly the right decision.

The Taoiseach: Does the Deputy support the euro now?

Deputy Gerry Adams: I will respond to that later.

The Taoiseach: I am interested to hear the Deputy’s view.

Deputy Pádraig Mac Lochlainn: The Taoiseach will remember the two Lisbon treaty campaigns. The first followed the decision by the people of France and the Netherlands, in referenda in their respective countries, to reject the proposed European constitution and the direction in which Europe was going. In France, in particular, there was a huge engagement with civil society, including townhall meetings throughout the state, and the people ultimately decided to reject the proposition. However, unelected officials in Europe, in cahoots with our elected leaders, decided to rejig the constitution, abandon the national anthem and flag and so on, and repackage it as the Lisbon treaty. When it was put to the Irish people, the same process took place as had done in France, with townhall meetings throughout the State, and the Irish people rejected the proposition.

Did the EU then take a long, hard look at itself and seek a new direction? Absolutely not. Instead we had the spectacle of Mr. Sarkozy coming to the French Embassy in Dublin and beguiling the Irish people. The second Lisbon treaty campaign saw both party leaders opposite promising the moon and stars, offering gold, frankincense and myrrh to the Irish people and promising us a wonderful future if only we would cease blocking progress in Europe. We are now in an economic mess because of the direction that was taken in Europe. Yet the Govern-

[Deputy Pádraig Mac Lochlainn.]

ment cannot even tell us whether a referendum on last Friday's agreement will be held. Instead, it is hedging around the text of the agreement and citing the need for advice from the Attorney General. When we repeatedly asked the Taoiseach in the Chamber to publish the advice from the Attorney General regarding the failure to put the European Stability Mechanism, ESM, agreement before the Irish people, he refused to do so and would not even inform us of the logic and rationale behind that decision. I am not terribly confident of our chances of getting a say on this matter. We will have to wait and see.

I will read out a list of names before inviting the Taoiseach to identify the common denominator: Peter Sutherland, former Attorney General and former Irish Commissioner in Europe; Mario Draghi, President of the European Central Bank; Mario Monti, technocratic new Prime Minister of Italy and former Commissioner in two different portfolios; Antonio Borges, former head of the European division in the IMF, recently resigned; Otmar Issing, board member of the German Bundesbank and the ECB; and Lucas Papademos, new technocratic Prime Minister of Greece and former head of the Greek Central Bank, which is partly responsible for the mess in which that country finds itself. What is the common denominator? All of them have either served on boards of Goldman Sachs, advised that company or presided over deals with it. The people who are primarily responsible for the mess and economic devastation caused across Ireland, Greece, Portugal, Italy, Spain and so many other countries are at the head of this and are pulling the strings, controlling the mechanisms. The Taoiseach is father of the House. I have asked him on many occasions if he ever imagined that he would sell a pup to the Irish people and that he would see the rewarding of those who, through their greed and recklessness, destroyed the hope of so many people across Europe, and who have remained at the helm and are calling the shots. This is a hijack of democracy. It is a scandal on which future historians will judge us harshly. What side will the Taoiseach take? He could have made his stand at that summit; he could have found some inspiration from those who came before us. He could have argued that this is economic madness. There is no solution to the banking crisis, no solution to the debt crisis and certainly there is no solution to the investment challenge. This is absolute insanity that at a time in a cycle of recession, of profound economic hardship across the Continent, but particularly in the peripheral European states, we would actually push more austerity onto the people; that we would not counter the cycle — as has always been the classic advice in economics; that we would not intervene; that we would not use our public combined immense resources to stimulate the economy to give our people hope; that we would not use the resources of the European Investment Bank, to twin with other member states, to address this crisis; that we would not punish those responsible; that we would not challenge those who have caused this recklessness; and that we have not fundamentally changed the international financial system to make it learn the necessary lessons and that we would hold it accountable. How can we stand over this? This is the hijacking of our people's democracy. This is a surrender of our hope and our ambitions to the lobbies, to the people who control the corridors in Brussels. When will we confront these people?

I believe the Taoiseach knows in his heart that I am right and that he agrees with me. At what point will he make that stand? At what point will he give hope to the Irish people who are weary, in despair and who have been burdened by all the cuts? At what point will he make his name in history for all the right reasons? The Taoiseach has big choices to make over the next couple of years. He can either go along with this insanity, this madness and condemn our people to a lost decade or he can put his name in history and he join those proud names remembered in this building. I ask him to look at the busts of those heroes in this Chamber. He can either join them in the annals of Irish history or he can join Goldman Sachs. The choice is his.

Deputy Richard Boyd Barrett: I am sharing my time with Deputies Shane Ross, Mick Wallace and John Halligan.

It is evident that despite all the hoopla, last weekend's summit meeting of EU leaders was a spectacular failure. The record decline in the euro, the collapsing stock markets, rising bond yields, downgradings and threats of further downgradings of European debt, all testify to the failure of yet another summit. Summit after summit, failure after failure. The failure of the strategy being pursued by EU leaders and by the Taoiseach, has long been evident to ordinary workers and citizens and to the vulnerable, both in this country and in Europe, who are suffering mass unemployment, forced emigration, brutal austerity, cut after cut. Now, the speculators who caused the crisis, before whom the Government kneels and prostrates itself and demands that we kneel and prostrate ourselves, are betting that the Taoiseach's plan will not work. They are voting with their feet and they are betting that Europe is going down.

The Fianna Fáil Government slaughtered this country with austerity to bail out the banks and they handed us over to the troika. By the way, they did not mention the ECB mandate when they were doing all this. When those of us who campaigned against the Lisbon treaty did talk about the ECB mandate and its failure to consider anything other than inflation and profit, we were ignored and ridiculed by Fianna Fáil. Nonetheless, I welcome their conversion on the road to Damascus.

The Taoiseach's Government continues with the attacks on school children, on lone parents, on the elderly, on the disabled, resulting in unemployment — the very thing he said he would prioritise — getting worse, not better. In response to this situation, where the troika simply demands even more austerity, he comes back from this summit proposing that we support a pact based on permanently establishing a policy of bailing out the banks and permanent austerity visited on the people of this country and the people of the rest of Europe. He tries to cover that with talk of firewalls. What the hell are we talking about? Human shields would be a better description for what is happening and the policy being pursued by the European Union which is being implemented here. Our citizens' livelihoods, services and incomes are being used as shields to protect bankers, bondholders and speculators. I ask the Taoiseach if there is any destruction he will not visit on our economy and which the EU leaders will not visit on the European economy, its citizens and even now, the European Union itself, which is threatened with break-up in order to protect a currency or to protect the people behind that currency or the speculators and the bondholders. Which is more important, the people, the citizens, their services, their livelihoods, their right to a job, or a bloody currency and the bondholders who stand behind it?

As we said yesterday, with this pact the Taoiseach proposes to set in stone a Stalinist-like centralised command economy of permanent austerity and permanent inequality. I wonder whether the EU leaders are quietly looking at China where there is economic growth and thinking that dictatorship seems to work in China. A brutal regime which does not give its citizens any rights results in economic growth. Perhaps they are looking at Russia where elections are being rigged and are deciding this is the economic model we should follow. It is a very alarming thought that this is the direction in which Europe is heading. The historic gains of fighting for democracy and for the right of citizens to control their economic and political affairs, to decide on their political representatives and institutions, are being systematically demolished.

It is indicative of that sort of contempt for democracy and for the needs and wishes of our citizens that the Government is trying to do every piece of gymnastics possible to avoid a referendum. Frankly, I do not know how the Government can argue for one second that a referendum is not necessary. This deal is not even within the structures of the European Union,

[Deputy Richard Boyd Barrett.]

it has no bearing, therefore, on measures we have passed in referenda. It is a new pact of a more anti-democratic Europe which is simply a creature, an agent, for the markets, for Goldman Sachs, for the bankers and the bondholders.

I appeal to the Taoiseach and to the Tánaiste to stand up for what is right, to stand up for the citizens of this country and, indeed, for citizens across Europe whose interests should come first. Democracy, jobs, public services, equality, fairness and decency, can be achieved if there is a willingness to bring these markets under control. Is it not embarrassing for democratically elected leaders across Europe to be dictated to by the markets and financial institutions which wrecked our economy? Their actions make a mockery of the Taoiseach and our democracy. He should stop it and stand up for the people.

Deputy Shane Ross: The relative merits of the markets in this argument will probably belong in another place. A few minutes ago, the euro dropped in value to \$1.29, a 12 month low. The value of shares is falling throughout Europe today, while Italian bond yields are rising. Whatever the merits for Ireland in the deal agreed at the European Council, the European and global markets are giving it the thumbs down and saying it is a disaster. Standard & Poor's, for example, is about to downgrade various European banks and may also downgrade the sovereign debt of certain European nations.

What benefit has Ireland obtained from the deal the Taoiseach brought back? It does not appear beneficial as it threatens the two principal dynamic areas of the Irish economy, namely, the International Financial Services Centre, IFSC, and the multinational sector. The spat which occurred on Thursday and Friday at the European Council when Britain pulled out of the deal has been well publicised.

Deputy Peter Mathews: There appears to be some interference with Deputy Ross's microphone.

The Taoiseach: Deputy Boyd Barrett's Stalinist politburo is on the telephone.

Deputy Richard Boyd Barrett: The Taoiseach would be better off worrying about the politburos in Brussels and Frankfurt which are doing all the dictating at the moment. My party's politburo operates openly.

Deputy Shane Ross: I will move seats.

The IFSC is obviously threatened by the fact that it will compete with the city of London on different terms if the British secure the exemption they seek from any deals on a Tobin tax or other threats in the financial area. If a Tobin tax or financial transaction tax is introduced, as appears to be the intention of the deal, the IFSC will be at a competitive disadvantage. If the British get the bit between their teeth and decide they will compete on laxer terms, many of the companies which have located here for tax reasons will move to the United Kingdom because the tax advantage they enjoy here will be removed. Given that the Taoiseach did not refer to this issue, I am interested in hearing his response. If the approximately 33,000 jobs involved either peripherally or directly in the IFSC are threatened, the position will get worse. The IFSC is a vibrant and expanding area of which we can be proud. It should have been defended at all costs because we cannot afford to lose it.

The second area that is threatened by the deal is undoubtedly the multinational sector. I do not accept for one moment the dissembling that is taking place in respect of the 12.5% corporate tax rate. Let us make no bones about this issue; the people who are pulling the strings in Europe want us to lose our corporation tax rate. President Sarkozy and Chancellor Merkel

made it plain yet again last week that the 12.5% rate was in their sights. While no specific agreement on the issue was reached, as they stated last week, they have our corporate tax rate in their sights. The corporate tax base was mentioned and agreed on at the weekend. The distinction that is always being made between the corporate tax base and corporate tax rate is a semantic and Jesuitical one. The Taoiseach's statement in March that the introduction of a consolidated corporate tax base would open the back door to the corporate tax rate is correct. The term "corporate tax base" is being used to mollify us while Europe introduces what it describes as a "fiscal union" and what the Taoiseach describes as "fiscal co-ordination". Once we have a fiscal union, we will move on to tax harmonisation, by which point we will have travelled down the corporate tax road. Corporate tax is in the sights of others and we are powerless to do anything about it. This can be seen from the fact that the issue was not on the table.

Acting Chairman (Deputy Joanna Tuffy): The Deputy's speaking time has concluded.

Deputy Shane Ross: I will take some injury time for the delay caused by interference to the microphone.

The deal reached last week threatens the multinational sector and our 12.5% tax rate. A more serious question is where is Ireland's place in Europe. Do we have any friends in Europe? The removal of the United Kingdom leaves us isolated at the table. We may be on the inside but we are on our own. The Taoiseach and his colleagues are fond of saying Ireland has earned great political capital in recent times by putting our house in order according to the diktats of Europe. I do not want to be patted on the back by Sarkozy and Merkel. The political capital we earned was used up yesterday when Kevin Cardiff's nomination was accepted by the European Parliament. It was used up in an unprecedented move to have the Government's nominee passed, mainly through the European People's Party, against the wishes of the relevant committee of the Parliament.

As the Acting Chairman is indicating I must conclude, I will make one final point. Treaty change requires a referendum. I reiterate the point made by my colleague, Deputy Boyd Barrett. Why are we so frightened of a referendum? It seems the only strategy being pushed by the Government at the weekend was to ensure a referendum does not take place because it would be defeated. We should be very happy to put a referendum to the people and make our arguments for or against, not only with regard to the previous deal but also the deal agreed at the weekend. Thus far and to its shame, the two pillars of the Government's strategy, namely, to save the euro and protect Irish interests, have not been achieved. It is up to Irish people to give a verdict on the agreement, not a Government which was dictated to by eurocrats, Chancellor Merkel and President Sarkozy.

Deputy Mick Wallace: The Taoiseach will not have been shocked by the failure of the recent summit to solve the European crisis. Pleasing the markets and solving the crisis appear to be strongly linked outcomes. Most people will agree that the markets are unlikely to be satisfied until the European Central Bank agrees to be lender of last resort. The Germans, however, have other ideas. Germany has controlled wages for the past ten years and is the second largest exporter in the world. It has a strong economic base and believes ECB intervention in this area erodes its strength. It is caught in a twist, however, because the failure of other European economies to recover will mean fewer people will buy its exports.

Despite a series of summits this year and a great deal of discussion on what should be done next, little progress has been made. I would be surprised if countries like Austria and Holland were to agree to adopt the same fiscal policies and ways of doing business as countries like Greece and Italy. I do not envisage that such countries will agree to be told how they should

[Deputy Mick Wallace.]

run themselves. The notion that people from many different cultures will agree to do things in the same way is fanciful.

The Taoiseach said: “The new arrangements will mean more co-ordination of the fiscal plans of member states. This is not something that should be a concern to Ireland”. It should be a concern to us. Does the Government respect the views of the Irish people and the right of the Irish people to have a say in how they are governed? We can change the Government every five years if we do not like the way things are being done. We like to think the people we elect will have an influence on how we are governed. If all of these rules are made in Europe, the Irish people will not have much of a say in how things are done. Will we agree how we should deal with health, education and welfare benefits, or will the Europeans tell us how we should approach such matters? It seems they are already doing so, in some ways. I do not believe that is something the Irish people want.

I am not advocating that we help to bring about the collapse of the euro. We will encounter huge problems, especially in the short term, if the euro collapses. I am aware that half of the AAA-rated countries in Europe are outside the euro. Norway, Sweden, Denmark, Switzerland and Britain still have the AAA rating. If the price of staying in the Europe that is being offered to us is that austerity will be written in stone for the next ten years, the Irish people are entitled to have a say in the matter. It is not for me to say whether we should take it or leave it.

Acting Chairman (Deputy Joanna Tuffy): I ask the Deputy to conclude so that Deputy Halligan will have some time.

Deputy Mick Wallace: Deputy Ross took half of my time.

Deputy Finian McGrath: The Deputy will need to have a word with the Whip.

Deputy Mick Wallace: I would like to read a sort extract from an article in the *Financial Times* that was written by Gideon Rachman. Many people like him are worried about where we are going. The article states:

Mario Draghi, the president of the ECB, has officially ruled out a vast expansion of its bond-buying programme. But the ECB has agreed to lend lots more money to European banks on easy terms — and they in turn will probably have their arms twisted to buy government bonds. But loading up shaky European banks with otherwise unsaleable government debt is not a sustainable solution. It might succeed in preventing the European economy from suffering a heart attack. The trouble is that the only alternative to a heart attack seems to be slow suffocation. The fiscal compact essentially commits all EU countries to tough austerity measures, without providing any permanent mechanism for transferring money from prosperous bits of Europe to those that are stuck in a semi-depression. A “transfer union” is still anathema to Germany. The only immediate prospect offered to the indebted states of southern Europe [and other peripheral countries] is “internal devaluation” — for which read cuts in wages and pensions, higher taxes and much higher unemployment.

I do not think what we are being offered is very attractive.

Deputy John Halligan: Will the Taoiseach consent to the view that the vast majority of Irish people see this EU deal as a transfer of a significant amount of power from this House to the European Commission, the European Council and the European Court of Justice? At the same time, it will condemn the Irish people to years of further austerity measures. We are conceding more of our power and sovereignty to what is, in essence, a non-elected government. The tighter fiscal rules that are being agreed at European level will not solve the debt crisis. The

draconian deficit ceiling of 0.5% of GDP will block economic growth and lead to greater poverty and unemployment. It is clear that any deal that is based on austerity measures and bows before the greed of the bank markets defies logic. It cannot work and it will not work.

The intense focus on the fiscal reform agenda is utterly marginal to the crisis in Ireland. People's debts are continuing to rise while their incomes and the value of their properties are falling. How will it solve anything in Ireland at a time when debts are rising while property prices and incomes are falling? Does the Taoiseach accept that any deal based on austerity measures will not work? It will fuel what is being called the age of austerity. If the Government keeps imposing cuts and increasing taxes, our economy will continue to contract and our deficit will grow. I am not an economist but I imagine that if we continue to reduce spending in our economy, which is exactly what we are doing, the economy will be unable to grow. All the evidence suggests that the economy is not growing. It is certainly not growing at the level at which we expected it to grow over recent years. The measures that have been set out for the next few years will further deflate the economy. It will not grow in such circumstances.

I disagree with those who say they are concerned that there is more in this deal than meets the eye. On the contrary, there is less in the deal than meets the eye. A number of major issues that threaten the shared currency have not been addressed in the deal. They have not been resolved. The agreement does not tackle the core of the crisis. It does not give certainty to the marketplace. Can the Taoiseach say he is confident that the deal that has been worked out will give certainty to the marketplace? I do not think he can. Many top economists would agree with me. The deal fails to specify where the money will come from next year. It is possible that another bond crisis is imminent. The deal does not mention what will happen in such circumstances. Where will the money come from?

The agreement is being guided by a limited and narrow-minded belief that the problems of the euro area stem from excessive levels of debt and default. I suggest the lack of growth and the inability of countries to generate sufficient nominal income and service their debts are equally as important. Those matters are not dealt with in the deal. I would say much more about this if I had time. Given that we are signing up to an agreement that rules out debt forgiveness, is it not the case that the recovery must instead come from rapid economic growth? If the Government continues to pursue austerity measures, where is the growth supposed to come from? The Taoiseach should listen to what economists and real people are saying. There has been a reduction in spending levels. People recognise there is a serious economic problem. They are beginning to get wise about how an economy runs and works. To put it simplistically, I agree with the many people who are saying that if we continue to reduce spending in the economy, there is no chance on earth that our economy will grow.

1 o'clock

Acting Chairman (Deputy Joanna Tuffy): We will move on to questions. There are 40 minutes remaining in this debate. I will start by allowing one Deputy from each group to ask questions.

Deputy Micheál Martin: What does the Taoiseach know about the reports that certain EU leaders have reservations or difficulties about the far-reaching pact that has been arrived at between EU countries? It was reported overnight that the Dutch, Belgian and Hungarian Governments are in difficulty on this matter. The Czech Government has said we are starting from "a blank sheet of paper". The issue is that the bar has been set high by those who have decided a new treaty must be arrived at within three months. The dangerous vacuum that has been created can only add to the uncertainty in the marketplace and undermine confidence in the capacity of the Union to sort this out in a comprehensive and resolute way. Has the deal fallen at the first hurdle? I would like to repeat a question I asked the Taoiseach yesterday.

[Deputy Micheál Martin.]

Did the Government undertake an economic impact assessment of the commitments made in this political agreement? I refer, for example, to the 60% debt criterion, the 0.5% structural deficit of nominal GDP and the one twentieth rule.

Economists now say there is no real basis for these figures which are more or less plucked out of the air and are entirely arbitrary. We need to be extremely clear and frank about this. Are we putting arbitrary figures into legislation or into our Constitution? We must determine all of that.

Was any economic impact assessment undertaken by the Department of Finance or the Government in advance of the summit? My understanding, from the Taoiseach's replies to me yesterday, is there was not. Did the Commission provide the leaders with any economic impact assessment of these measures?

The Taoiseach raised the issue of Irish debt and correctly pointed out that we did our bit to protect the wider eurozone at the time, in advance of the facilities and mechanisms which are now in place to deal with the broader recapitalisation of bank debt, and so on. I understand his position in regard to the promissory notes. We support an early resolution of that matter. I am surprised there was not a better response from members at the summit.

In terms of some unguaranteed senior bondholders, is the Taoiseach stating they must all be paid and that he does not envisage any write-down, for example, of the Anglo Irish Bank debt, given all that has happened after the Greek default and the decision taken about that country? I am not fully clear about this. The communiqué gives signs that Greece is an exception, a unique case.

Acting Chairman (Deputy Joanna Tuffy): I will stop the Deputy there.

Deputy Micheál Martin: There is an argument about the Anglo Irish Bank debt given that some of the bondholders are unguaranteed and unsecured. The ECB is forcing the Government to pay them. Did the Taoiseach flag that issue during these talks?

The Taoiseach: The figures of 0.5%, 60% and 3% mentioned by the Deputy are referenced by the Growth and Stability Pact and have been in existence a long time. I stated yesterday I would check in respect of any works being done by the Department of Finance on the economic impact of the measures. I will return to the Deputy on that.

The leaders from outside the eurozone who attended the meeting the other night stated they would return to their parliaments and discuss the political agreement that was reached. These included the Swedish and Hungarian Prime Ministers. The Dutch Prime Minister has a particular situation in regard to his Government. A number made the point of having to refer to their parliaments. As of now I do not know the outcome of those deliberations. I understand Prime Minister Reinfeldt was to discuss the matter yesterday in his parliament where he relies for support on the opposition parties. I am not sure about the outcome.

On bank recapitalisation and its extent, the decision taken at the Council meeting in the summer was clearly to the effect that what happened in Greece was a once-off situation. The point we have been making in this House is that because of the extent of the borrowing for recapitalisation of our banks, at €63 billion or 50% of GDP, the facilities now available under the EFSF, and to be given under the European Stability Mechanism, ESM, were not available at that time. We clearly registered our concern about private sector involvement, or PSI, being included in the ESM facilities and made a very strong case. A number of other countries did so too but Ireland in particular made the point it should be removed. It was removed and that is welcome. Now we will try to have provided the facilities that are now available under the

EFSF and will be under ESM. These are in reference to the extent of the banking recapitalisation debt and the loans we must now repay which were borrowed at high interest rates. If we can get that included in the facilities it will allow for a lower interest rate over a longer period and be of significant saving to the taxpayer. That is where the focus of our political——

Deputy Micheál Martin: Why did they not sign up for that? Why did the Taoiseach sign up for that on Thursday without getting that agreement?

The Taoiseach: The meeting was about the euro and the eurozone crisis. The presentation I made in raising that issue, which was sent formally to President Van Rompuy, was intended to explain to people the challenge a country like ours faces.

I noted Deputy Martin's comment to the effect that he would not have signed up to this agreement. The consequence would have been that Ireland would have been the first member of the eurozone to walk away from this agreement. That would have left us in a very different position from that of any other eurozone country, a position where, after 40 years of negotiation, contact and dialogue with European colleagues, we would be put on the outside.

Acting Chairman (Deputy Joanna Tuffy): I will interrupt the Taoiseach. Other people want to ask questions. The Taoiseach can come back to this issue in his final speech.

The Taoiseach: I will deal with Deputy Ross's comments later. Deputies should feel free — the Tánaiste is also here to take questions.

Deputy Micheál Martin: I note his enthusiasm to become involved.

Deputy Eamon Gilmore: Yes.

A Deputy: Unlike his counterpart, Mr. Nick Clegg M.P., the Tánaiste is thinking with the Taoiseach on this one.

Deputy Gerry Adams: I have two questions. The Taoiseach appears intent on causing confusion about one of the key elements of the agreement he signed in Brussels. I call it "clause 4". I do not have time to read it all out but will read the first few bullet points, the first being: "We are intent on establishing a new fiscal rule." That is an enormous step — to bring in a new fiscal rule. The most important part of the document continues: "Such a rule will be introduced in member states' national legal systems at constitutional or equivalent level." This is the third time I have raised this point with the Taoiseach. In his statement today, the Taoiseach announced that the Government is examining this requirement. He did the same yesterday in response to my question, speaking very carefully, in particular in regard to how this dovetails with the fiscal responsibility Bill now in preparation.

What does this mean? Does it mean the Taoiseach is not sure the 0.5% deficit limit will be brought in through primary legislation? In that case, the primary legislation is being given the same status as the Constitution. The Taoiseach must explain this to us. I presume he had advance notice of all these issues because of the preparatory work going on, the bilateral talks he told us about that involve his senior officials, and so on. I presume he had prior legal opinion on this. Would he like to share it with us?

I believe the Taoiseach agrees with me on my second point. It is the lack of growth in this country and in the EU, which is the single biggest cause of the ongoing crisis in the eurozone. That is also the biggest challenge facing our people and the Government, with the need for investment in jobs, the retention of jobs and the need to stimulate our economy and get people back to work. However, this subject was not on the agenda. Did the Taoiseach speak to this

[Deputy Gerry Adams.]

issue? At the Council meeting did he call for growth and investment to be part of what was planned in the time ahead? This is particularly to the point given he tells us all the time this is his number one priority. If he did not speak to this issue why did he not?

The Taoiseach: This country is in a programmed situation for the next number of years, as the Deputy knows. The figures in question have been referred to in the Growth and Stability Pact for some time.

Deputy Micheál Martin: What about protection?

The Taoiseach: What was achieved on Friday morning was a political agreement. In order to have that properly assessed and analysed in regard to the impact in any one of the countries concerned a great deal of technical and legal work must be done and that is now under way.

Deputy Gerry Adams: Is it a conditional agreement?

The Taoiseach: What does the Deputy mean by conditional agreement?

Deputy Gerry Adams: Is it conditional on what will happen between now and March?

The Taoiseach: The political agreement was reached in the early hours of last weekend. Each country and its representatives will examine how this can be translated into a text which will be the basis for a decision by each country as to how it is to be implemented.

It means that at constitutional or equivalent level, what is involved will depend on the combined effect of national and European law. This is an issue that needs to be examined by legal experts both here and everywhere else. I am not qualified as a constitutional lawyer to give the formula here. However, what is necessary is that this political agreement must be teased out, analysed and understood so that the text that finally emerges can be put to the people of each of the member states by whatever facility they use. If that requires a referendum here, then that is what will happen as already outlined.

Regarding the implications of the commitment to structural deficits lower than 0.5%, the agreement states:

General government budgets shall be balanced or in surplus; this principle shall be deemed respected if, as a rule, the annual structural deficit does not exceed 0.5% of nominal GDP.

This has been discussed in the context of the Stability and Growth Pact for some time. The 0.5% figure will be taken as a rule while providing for important and necessary flexibility. It uses the phrase “as a rule”, so it is not a rigid interpretation. Clearly, the language is intended to allow for exceptions. Again, this will be an all-important issue to be teased out in the complex work that lies ahead. Until that is finalised, it is too early to say what the precise long-term implications will be for Ireland, or for any other country for that matter.

Deputy Gerry Adams: The Taoiseach should read on from the part he quoted from the agreement.

The Taoiseach: We are in a programme which takes precedent over this until we emerge from it. The detail must be fleshed out and some considerable work lies ahead.

Deputy Gerry Adams: The Taoiseach should have read on from the part he quoted. He claims this rule needs to be defined but he has already conceded on it. The agreement states: “It will be defined by each Member State on the basis of principles proposed by the Com-

mission. We recognise the jurisdiction of the Court of Justice to verify the transposition of this rule at national level.” It has already been given away.

The Taoiseach: Nothing has been given away. Does Deputy Adams understand——

Deputy Gerry Adams: I do. The Taoiseach should not patronise me.

The Taoiseach: If he does, then fine.

Deputy Gerry Adams: I do understand but I asked a question.

The Taoiseach: Yet Deputy Adams understands the answer before I give it.

Deputy Joe Higgins: In the Taoiseach’s extraordinary letter to the President of the European Council, Van Rompuy, he stated that by not imposing losses on unsubordinated bank bondholders, the Irish people have paid an extraordinarily high price to protect the wider European banking system from contagion. Is it not pathetic for the Taoiseach to appeal to a leading eurocrat on the basis of being prepared to bleed the Irish people dry economically to save the speculating bankers and bondholders in Europe? When the Taoiseach refers to “contagion”, does he realise it is the language of the financial markets to the effect they move from country to country gambling and blackmailing entire societies to gouge ever higher interest rates and private profits from them? Does the Taoiseach believe this should be stood up to rather than bowed down before? How can he justify continuing the beggaring of the Irish, Greek, Italian and Spanish peoples by acquiescing to this arrangement?

Does the Taoiseach accept the bones of the agreement, which is all we know, are the institutionalisation of the diktats of those very markets? Will he accept that it, therefore, means the institutionalising of horrific austerity and the spantelling of countries which will stop them going beyond their borrowing limits which may be necessary at times for, say, job investment?

Whatever the lawyers say about whether a referendum is needed constitutionally — which I believe it is — giving such enormous powers to the European Commission and EU generally to hammer member states needs, as a matter of principle, to be referred to the Irish people. Accordingly, the Taoiseach should say today that there will be a referendum and the people will be consulted.

Will the Tánaiste and Minister for Foreign Affairs, Deputy Gilmore, explain the position of the Labour Party on a referendum? Has he noted the fear expressed in the Irish and European establishment that going to the Irish people might result in a rejection of this agreement and, therefore, throwing a spanner in their works? Will he agree this is not a reason not to go to the Irish people and, instead, also declare there will be a referendum?

The Taoiseach: Ireland has been a member of the European Union for some time. We have agreed on a whole range of measures over the years about how to conduct business, in respect of which Ireland has drawn down substantial funds. In writing to the Council President, Mr. Van Rompuy, I was explaining formally to him the scale of the challenge Ireland faces because of the unprecedented level of borrowing for the recapitalisation of our banks. If Deputy Higgins believes we should not enter into formal correspondence, then he should say so. What is involved is to get the burden of our costs down for our taxpayers. It is an enormous challenge on an enormous scale. Already, substantial savings of over €5 billion with some bondholders have been made.

This is a country that pays its way. As a sovereign country, it is important we do that. When we are out of this bailout programme, by paying our way we will have retained the respect of European institutions and leaders.

Deputy Richard Boyd Barrett: The Taoiseach is begging them and they are just ignoring them.

Deputy Joe Higgins: We are paying the gamblers' losses.

The Taoiseach: More important, we will be in a position to gain the confidence of the markets; if they invest in a country like this, they can be sure of a return.

The fiscal union was destroyed following the Deauville agreement which is why the private sector involvement, PSI, has been taken out of the ESM, European Stability Mechanism.

As leader of the Government and the country it is my job to put on the table a solution which we will follow through in reducing the high interest rates for the recapitalisation of our banks. The bailout burden actually stood at one point at 50% of our gross domestic product, €63 billion. This was to save European banks and citizens. As a consequence——

Deputy Joe Higgins: It was to save the speculators from their losses.

Acting Chairman (Deputy Joanna Tuffy): Allow the Taoiseach to continue without interruption.

The Taoiseach: As a consequence of preventing that contagion, there is all the more reason we should follow through on the policy of being able to use the structures under the European Financial Stability Facility, EFSF, and the ESM to reduce our people's debt burden arising from the Irish banks' recapitalisation.

Deputy Richard Boyd Barrett: They are ignoring us.

The Taoiseach: As I said, when this text is finalised and agreed as putting the substance on the political agreement last Friday, the process by which it is implemented will not be the central issue; it is how effective it will be in having every country do its own work properly. Leaders will say that in the past we made agreements and signed on for conditions that were never adhered to and countries went off and did what they wanted. Now it is a case of countries measuring up in the way they do their fiscal competence.

I was able to inform the Council from first hand experience of the reaction in this country. When the troika examined the last quarter's performance to release the next tranche of money, it was so close to the budget that they wanted an indication of what going to happen in the 2012 budget. As the House will be aware, the Commission leaked that document in error or whatever to the budgetary committee of the Bundestag, which caused rightly holy hell not only here, but abroad. That point was strongly and clearly accepted by leaders around that table because there would be no point in having sovereign governments with a democratic responsibility to act on behalf of their people if Deputy Boyd Barrett's central bureau dictated all these things.

In response to Deputy Higgins, there is no intention of having somebody draft the budget for the Irish people. That is the legal responsibility of the elected Government of the people and that is the way it will be. However, one must be able to say what one's trend is and if one is going to be out of line, people will say, "I think you are headed in the wrong direction". It is our responsibility to do that here.

Deputy Richard Boyd Barrett: And to sell our State assets.

Deputy John Halligan: What about the referendum?

The Taoiseach: We are not afraid of any referendum at all and the Tánaiste and Minister for Foreign Affairs and Trade is well able to speak comprehensively, cogently and argue his case well. He will give the Deputy the answer from the Labour Party.

Deputy Timmy Dooley: I thought the two parties were in government together.

Deputy Eamon Gilmore: I spoke about the issue of a referendum in the House last Thursday and I made it very clear that if a referendum is necessary, a referendum will be held.

Deputy Joe Higgins: If.

Deputy Eamon Gilmore: With all due respect to the Deputy's omnipotence——

Deputy Joe Higgins: Omniscience even.

Deputy Eamon Gilmore: ——we do not know if a referendum will be required——

Deputy Joe Higgins: Legally.

Deputy Eamon Gilmore: ——until we see the text of an agreement worked up.

Let us consider what we are looking at here. When we talked here last Thursday, many people anticipated that what would be discussed at the summit would be the question of the amendment of the European treaties. As things turned, that is not what emerged from the summit. What emerged from the summit was an agreement to progress an international agreement, which has to be developed and worked on. There is a great deal of technical, detailed work to be done on it and a text will have to be produced. A timetable has been set down for the working out of that agreement, which is prior to March.

When we have the text of that agreement, we will look and see whether a referendum is required.

Deputy Richard Boyd Barrett: Surely the Government knows what is in it now.

Deputy Eamon Gilmore: No, one does not.

Deputy Richard Boyd Barrett: Some other bodies will monitor our budgets.

Deputy Eamon Gilmore: That is similar to many of these half cocked assertions the Deputy makes. He does not know what is in it. Nobody knows what will be in it until it is concluded.

Deputy Richard Boyd Barrett: Government representatives were at the summit. Do they know what they agreed?

Deputy Micheál Martin: Is the Minister saying that we signed up to something and we do not know what is in it?

Deputy Eamon Gilmore: We know what is in the agreement but we do not know——

Deputy Micheál Martin: Why did the Government sign up for something that the Minister does not know anything about?

Deputy Timmy Dooley: That is the Labour Party's position.

Acting Chairman (Deputy Joanna Tuffy): One speaker at a time.

Deputy Eamon Gilmore: We do not know whether a referendum——

Deputy Micheál Martin: The Minister said he does not know what is in the treaty——

Deputy Eamon Gilmore: I am answering the question about whether——

Deputy Micheál Martin: The Minister said he did not what was in the treaty. I thank him.

Acting Chairman (Deputy Joanna Tuffy): Deputy Martin's party will have an opportunity shortly.

Deputy Eamon Gilmore: We do not yet know what is the final text.

Deputy Pádraig Mac Lochlainn: Will we just throw away the document that has been circulated?

Deputy Micheál Martin: I want clarity on that. That is a stunning statement.

Deputy Eamon Gilmore: One does not know what will be in the text of an international agreement until it is concluded.

Deputy Micheál Martin: Then one does not sign up to it.

Deputy Richard Boyd Barrett: The Government has the substance and it signed up to it.

Deputy Eamon Gilmore: It is only at that point——

Deputy Micheál Martin: Then one does not sign up to it.

Deputy Eamon Gilmore: We have not signed up to an international agreement that has not been concluded yet. We have signed up to a political statement that emerged from the summit, which has been misrepresented in the House on a number of occasions. For example, assertions have been made here that it is an austerity agreement. Deputies should read it. It states that it will rest on an enhanced governance to foster fiscal discipline and deeper integration in the Internal Market as well as stronger growth, enhanced competitiveness and social cohesion.

Deputy Timmy Dooley: Through austerity.

Deputy Eamon Gilmore: Deputy Dooley did not read that bit.

Second, it has been asserted by a number of Members that there is no intervention here but there is a significant intervention here. There is an additional €500 billion for the EFSF in addition to what has been drawn down——

Deputy Micheál Martin: There is not an additional €500 billion. That will be next October.

Deputy Eamon Gilmore: ——and an additional €200 billion for the IMF——

Deputy Micheál Martin: If it is collected.

Deputy Eamon Gilmore: ——and a commitment that the size of the EFSF——

Deputy Timmy Dooley: The markets are all excited about that.

Deputy Eamon Gilmore: That may well be the case and that is all the more reason that we pull back from the political exchanges in this Chamber that are, frankly, going on in a bit of a bubble——

Deputy Timmy Dooley: I was being facetious.

Deputy Eamon Gilmore: —because the people are more worried about—

Deputy Gerry Adams: The budget.

Deputy Eamon Gilmore: —the state of the euro, where it is going and stability for the euro.

Deputy Timmy Dooley: That is why we are here.

Deputy Eamon Gilmore: For Members to come into the House, as one did, to say it is only about “a bloody currency”. Let me tell the House about “a bloody currency”. People are worried about the value of the euro in their pocket.

Deputy Richard Boyd Barrett: Which is going down.

Deputy Timmy Dooley: And this agreement goes nowhere towards reassuring the markets about the protection and retention of the euro.

Deputy John Halligan: The value of the euro and property is going down because of austerity measures.

Deputy Eamon Gilmore: The Government is committed to working to ensure stability and security is brought to the currency that we share.

Deputy Joe Higgins: The markets are threatening us.

Deputy Eamon Gilmore: The importance of that is, if we want to attract and secure investment in Europe, including investment in this country, and job creation, we have to deal with the problem in the eurozone. There is no point in anybody drifting away from that core mission, which has to be undertaken. That is objective No. 1.

Objective No. 2 is that we get within that context the best deal for this country.

Deputy Micheál Martin: This is a speech, not a reply.

Deputy Eamon Gilmore: That is why the Taoiseach wrote a letter to President van Rompuy and that is why he made it clear, given at the time the bank restructuring and bank recapitalisation was undertaken here, the instruments being provided for in this agreement were not available to us, we want access to them. I hear the scepticism being expressed about this but the same scepticism was expressed from the same people when we said we would not negotiate the reduction in the interest rate, which we did to the value of €10 billion to the taxpayer.

Deputy Robert Dowds: I have three questions. I am glad the Taoiseach raised the question of our debt last week.

Deputy Timmy Dooley: Can we get away from self-serving platitudes?

Deputy Micheál Martin: This is filibustering.

Deputy Robert Dowds: Do the leaders of the other countries in Europe appreciate the fact that if we have to go down the road of a referendum, people will expect some relief on that front?

Second, I appreciate also that the Taoiseach is trying to keep links open with Britain.

Deputy Timmy Dooley: On a point of order, I have nothing against the Deputy, but this should not be an opportunity for Government Members to question the Taoiseach and the

[Deputy Timmy Dooley.]

Minister. There is, as I understand it, a parliamentary party structure that allows members of respective parties to question their own leadership. It is an abuse of the time available——

Acting Chairman (Deputy Joanna Tuffy): The Deputy is wasting time.

Deputy Timmy Dooley: I seek the Chair's guidance.

Deputy Robert Dowds: I am a Member as well.

Acting Chairman (Deputy Joanna Tuffy): Government backbenchers are not the Government and they are elected in the same manner as Deputy Dooley. They have every right to ask questions. I am going through this as fairly as possible. I am calling representatives of each party and I will get to the Fianna Fáil Party again.

Deputy Timmy Dooley: This is not reform. This is a sham.

Acting Chairman (Deputy Joanna Tuffy): It is not a sham. Every Member is elected on an equal basis.

Deputy Timmy Dooley: I accept that.

Deputy John Halligan: How much time is left?

Acting Chairman (Deputy Joanna Tuffy): There are less than 12 minutes left. Time is being wasted.

Deputy John Halligan: It is being wasted by the Government.

Deputy Robert Dowds: My constituents are as concerned about this issue as Deputy Dooley's.

Deputy Peter Mathews: Members should address the Chair.

Deputy Timmy Dooley: I accept that.

The Taoiseach: We are not in O'Donoghue's in Fanore now.

Deputy Robert Dowds: I have as much right to ask questions as the Deputy.

Deputy Timmy Dooley: The Deputy has greater access to the Tánaiste and Minister for Foreign Affairs and Trade than I have. He has a better opportunity to question the Tánaiste. That is no disrespect to the Labour Party.

Acting Chairman (Deputy Joanna Tuffy): Will Deputy Dowds stop for a moment? At the beginning of this session, I outlined that I would go through each party and take a question from one Member in turn. Backbenchers have the same rights as Opposition Members, with all due respect. When Deputy Dowds has finished his question, I will then move back to Fianna Fáil, then to Sinn Féin, then to the Technical Group, and then, if there is a Government——

Deputy Micheál Martin: That is not the way it is done.

Acting Chairman (Deputy Joanna Tuffy): No, that is the way to do it. That is the proper procedure. We are all elected as Deputies on an equal basis.

Deputy John Halligan: We have just had a Labour Minister——

Acting Chairman (Deputy Joanna Tuffy): Will Deputy Dowds finish his question?

Deputy Joe Costello: On a point of order, the Government had its slot and the Opposition Members had their slot to make their points. When it comes to questions, it is open to the House. That does not mean the Chair will choose all the questions from the Opposition.

Acting Chairman (Deputy Joanna Tuffy): It is at the discretion of the Chair.

Deputy Micheál Martin: It is at the discretion of the Chair. The Ceann Comhairle has made that clear.

Deputy Joe Costello: The Chair can select the questions from across the Members who are offering.

Acting Chairman (Deputy Joanna Tuffy): Time is being wasted. I made the ruling at the beginning. It is at my discretion and I am doing it as fairly as possible.

Deputy Joe Costello: You are going straight back to the Opposition.

Acting Chairman (Deputy Joanna Tuffy): I am. I outlined at the beginning the way I was going to do it. Nobody disagreed with me at the time. I will continue to do that. Deputy Dowds should finish his question.

Deputy Robert Dowds: The second question relates to Britain. I am glad the Taoiseach is keen to keep open our links with Britain and to encourage Britain to be as engaged in the EU as possible. I suggest that the next time the Taoiseach or Tánaiste is speaking with the British Prime Minister, they should highlight one of the consequences of Britain moving to a more removed position from the EU may be the break-up of Britain itself and that, should he want to keep Britain intact, it might be better to be more engaged with the EU.

On the third question, if we go down the road towards a more fiscally united Europe, has any thought been given to having more democratic control at the centre of Europe?

Deputy John Halligan: We could not have less.

The Taoiseach: I thank Deputy Dowds for his intervention. With regard to the debt burden, other leaders understand very clearly the challenge Ireland faces in its unique situation because of the scale of the borrowing for recapitalisation and the high level of the interest rates. That is the reason we wanted to follow this through, set it out formally and deal with it at the Council meeting, and we will follow on through from here.

I cannot predict what the decisions of the British Prime Minister will be and, clearly, a range of views arise from the meeting at the weekend. When speaking to the Prime Minister yesterday evening, we focused on the Single Market and on a clear understanding that Britain wants to be a central part of the European Union into the future.

In respect of Deputy Dowds' comments about a more democratic Europe, that is why, following the Lisbon treaty process there has been a change in a range of areas where the European Parliament, which is a directly elected representative of the people, now has co-decision responsibility with the European Council in a number of areas. That is the way it should be in order that the issues which are being teased out there can be dealt with thoroughly. The Ceann Comhairle will be aware it is the European Commission's responsibility to produce legislative proposals and it is the responsibility of the Council and the Parliament, in their different fora, to deal in debate with those proposals.

[The Taoiseach.]

For example, Deputy Martin, or perhaps another Deputy, referred to the common consolidated corporate tax base, CCCTB. A proposal is coming forward from the Commission in that regard which the different fora are expected to discuss. We will participate in those discussions. We have set out our view on this in very clear terms, as have a number of other Governments. In the next reply, I will deal with the matter raised by Deputy Ross.

Deputy Micheál Martin: There is an increasing tendency on behalf of Government to hector or lecture people in terms of this debate. We are all concerned, or at least I am very concerned, about the survival of the euro, and I made that point very determinedly in my speech. I made the point that the summit addressed the wrong issue. The most fundamental issue is the mandate of the ECB and it becoming a lender of last resort. That should have been the focus of the summit, not what has become its centrepiece.

Yesterday morning at 8 o'clock I asked whether any economic impact assessment had been done in regard to this deal. It is clear no economic impact assessment has been undertaken in advance of the summit, which I find incredible. It should have happened and we should have one organised urgently for the benefit of Members of the House and the public. While the Tánaiste is correct that members of the public are interested they are the last to know about anything and the Dáil is the second last to know. The letter to President Van Rompuy should have been given to the Dáil well in advance of the summit. This kind of operation of giving it to RTE in the news bulletin before the summit——

The Taoiseach: We did not give it to RTE.

Deputy Micheál Martin: That is what happened. We all know it. The bottom line is we were asking for weeks——

The Taoiseach: Deputy Martin is looking back on his own history and the way he used to do things.

Deputy Micheál Martin: This is what happened. We asked in the Dáil only a week beforehand. We had a summit debate and asked what was the Government's position time and again.

The Taoiseach: We gave it to the Deputy.

Deputy Micheál Martin: We could not get it from the Taoiseach.

The Taoiseach: We gave a private briefing to the Deputy yesterday and our colleague over here goes off and misrepresents me.

Deputy Micheál Martin: That was after the summit.

The Taoiseach: We had a discussion before the summit as well.

Deputy Micheál Martin: Paragraph 5 states: "The specification of the debt criterion in terms of a numerical benchmark for debt reduction (1/20 rule) for Member States with a government debt in excess of 60% needs to be enshrined in the new provisions". Does the Taoiseach understand what that means? Will he explain it to the House? Most economists who are analysing this suggest it means, in effect, that debt-GDP levels would be brought down to about 17% and that the whole issue of sovereign debt would be almost wiped out in time, if one was to follow these rules. That is why an economic impact assessment is required. We are signing up for something, in the words of the Tánaiste, when we do not know what is in it and do not know the full implications.

Acting Chairman (Deputy Joanna Tuffy): I want to move on to the next question.

Deputy Micheál Martin: It seems the Government is saying, “Trust us. We have made a political agreement. We do not have a clue what it actually means. We have three months to work it out, considering the detail is complex”. That is basically what is happening here. We need far more clarity in terms of what is actually agreed. I would appreciate it if the Taoiseach could explain paragraph 5 and the 1/20 rule.

Acting Chairman (Deputy Joanna Tuffy): I will take a question from Deputy Pádraig Mac Lochlainn, then from Deputy Catherine Murphy and I will then ask the Taoiseach to conclude.

Deputy Pádraig Mac Lochlainn: In recent days, the Minister of State with responsibility for European affairs, Deputy Lucinda Creighton, said on national television that, essentially, what the Taoiseach apparently agreed or did not agree — today we are very confused in that regard — will make no real change. Do the Taoiseach and Tánaiste agree with the Minister of State that there is no real change? Was the 0.5% of GDP deficit ceiling already agreed between the Taoiseach and his EU counterparts? Is he saying there is nothing new there? Was the provision that the European Court of Justice would have jurisdiction to enforce the new austerity rule agreed beforehand?

Did the Taoiseach agree that the European Commission would have additional powers to oversee our national budgets? Was that already provided for? Was changing the voting procedure in regard to the excessive deficit procedure already provided for? Does the Taoiseach agree there is nothing to see here, no change, no implications for people? Does he agree with the assessment on the by the Minister of State?

Deputy Catherine Murphy: It took a long time to negotiate European treaties. They were very complex and legal, and there is a legal backup to them, which is the European Court of Justice. Stitched into the Lisbon treaty is an executive federalism where there is at least a sharing of competence across the Commission, the Parliament and the European Council. It seems we have jettisoned the things that are likely to give some level of certainty in favour of the supremacy of intergovernmentalism by way of this treaty. That is a very flawed process because it will put the economically strong countries centre-stage and will mean that the citizens of Germany will really be speaking on our behalf.

Does the Taoiseach have concerns about that legal arrangement? We can see the veto is of no value in this kind of a situation because, essentially, what happened was that a new arrangement was put in place rather than trying to operate within the existing structures.

Second, how are we supposed to reach the 60% of GDP deficit if the issue of debt will not be dealt with? The issue of sovereign debt is at the core of this.

Third, I have heard the Taoiseach state on several occasions, including in the briefing yesterday, that we are a programme country. That appears as though it is an apology and it comes across as though we are not an equal member. Where does the Taoiseach see us in terms of our position within the 27 members of the European Union and the 17 members of the eurozone?

The Taoiseach: That is a valid point.

Acting Chairman (Deputy Joanna Tuffy): I call on the Taoiseach to conclude because the debate itself is due to conclude.

The Taoiseach: I thank Deputy Catherine Murphy for that intervention. Ireland is a central member of the European Union. The other member states look at this country, which unfortunately is in a programme, as one that has a clear fix on where we want to be and is making

[The Taoiseach.]

steps to get there. It is a start and we have a long way to go. Our European colleagues now regard us in a different light than they did seven or eight months ago, principally because of the work of the Tánaiste in rebuilding our international reputation with our colleagues in the Union.

This will be an international agreement between the eurozone countries and a number of countries outside the eurozone, depending on what their parliaments wish to do. Deputy Ross raised the question of fears about the harmonisation of corporate tax rates and dangers to the IFSC. The issue of tax requires unanimity and is governed under the European Union treaties. This political agreement of Friday last is not a European Union treaty and will be crystallised, in whatever form, into an international agreement. The matter of corporate tax rates or any issue of tax requires unanimity under the European Union agreements and it remains so. There is no intention of having a difference of competitiveness between the IFSC, which is so important to us, and other locations. We have already made the case on many occasions that one could not have a transaction tax applicable in Dublin and not applicable in London.

Deputy Micheál Martin: Or in Hong Kong.

The Taoiseach: London, too, is part of a country that is a member of the European Union and, as the Commissioner pointed out, the regulations that apply under the European Union treaties will apply to London. Deputy Ross can put his fears at ease in that regard. This is important, both for confidence of investors here and for those who work in the IFSC. I met a number of companies with financial products in the IFSC in the past number of days and they are clear and happy that we are in this position.

With regard to Deputy Martin's question on paragraph 5, what is meant here is that if a country is above the required debt level of 60% of GDP a programme must be put in place to get back to that level in a series of steps and over a period of time.

Deputy Micheál Martin: The Taoiseach stated these were not new.

The Taoiseach: I stated 60%.

Deputy Timmy Dooley: On a point of order——

Acting Chairman (Deputy Joanna Tuffy): That is not a point of order.

Deputy Timmy Dooley: The Acting Chairman has not heard what I am going to say. The point of order is that given that we have run out of time, would the Taoiseach consider extending the question period for another ten or 15 minutes?

Deputy Peter Mathews: Hear, hear.

Deputy Timmy Dooley: If that is not possible, could I also ask the Taoiseach to consider the establishment of a sub-committee of this House to tease through this issue? As he can see, there are many questions on all sides of the House from all parties.

The Taoiseach: I do not know whether Deputy Dooley was here this morning but I want to say this to him. He has had the time now. I made an offer earlier on the Order of Business to sit until 12 o'clock tonight. I made an offer to sit on Tuesday and Wednesday of next week. These offers were not accepted.

Deputy Gerry Adams: We do.

The Taoiseach: Deputy Dooley's time is up on this debate.

Deputy Timmy Dooley: Will the Taoiseach set up a sub-committee?

The Taoiseach: We will have plenty of opportunity to have further discussions about this in the future because it is important for every citizen.

Deputy Timmy Dooley: Will the Taoiseach establish a sub-committee of the House?

Deputy Eamon Gilmore: There is the Joint Committee on European Union Affairs.

The Taoiseach: The Joint Committee on European Union Affairs could be involved——

Deputy Timmy Dooley: I accept that.

The Taoiseach: ——as could the Joint Committee on Finance, Public Expenditure and Reform in addition to the Dáil itself.

Acting Chairman (Deputy Joanna Tuffy): It is not at the discretion of the House to change.

Deputy Timmy Dooley: I refer to a sub-committee with a specific responsibility like those dealing with the Lisbon and Nice treaties.

Deputy Micheál Martin: On a point of order——

Deputy Timmy Dooley: Can I ask the Taoiseach in regard to the Lisbon and Nice treaties?

Acting Chairman (Deputy Joanna Tuffy): The order was set this morning.

Deputy Micheál Martin: ——on the Lisbon treaty we set up a special sub-committee of the House.

Acting Chairman (Deputy Joanna Tuffy): That is not a point of order.

The Taoiseach: I am not seeking to form special committees.

Deputy Micheál Martin: The Taoiseach should not be so intolerant. Can I make a point to him?

The Taoiseach: We will put a special item on the agenda for the committees that are appropriate to deal with this.

Deputy Micheál Martin: The Taoiseach should stop being so intolerant.

The Taoiseach: Believe me, we will have plenty of time to discuss this and every other option.

Deputy Micheál Martin: The Taoiseach will not have plenty of time. This is not enough time.

The Taoiseach: They had their offer this morning.

Deputy Micheál Martin: We did this on in regard to the second referendum on the Lisbon treaty.

The Taoiseach: They had their offer yesterday.

Deputy Micheál Martin: We set up a committee and we appointed a Fine Gael Member as Chairman. We set up a special sub-committee. We invited submissions from people outside to

[Deputy Micheál Martin.]

make their points about any prospective treaty and any issues. It was a useful exercise, which helped the public debate on the issues around Europe. It also helped the Members of the House to have a decent access to the debates. Why is the Taoiseach resolutely setting himself against something that is reasonable?

Acting Chairman (Deputy Joanna Tuffy): That is not a point of order.

Deputy Micheál Martin: I would ask the Taoiseach to give consideration to it. He should reflect on it.

The Taoiseach: The same can apply to the Joint Committee on European Union Affairs and the Joint Committee on Finance, Public Expenditure and Reform. They have that opportunity.

Acting Chairman (Deputy Joanna Tuffy): That is not a point of order. The order of the House was set this morning.

Deputy Micheál Martin: They do not. They have 101 things to do.

Deputy Timmy Dooley: Consider it.

Acting Chairman (Deputy Joanna Tuffy): I will conclude the item. I call the Tánaiste to conclude briefly and then we will conclude the business.

Deputy Timmy Dooley: The Taoiseach should speak to Deputy Mathews who appreciates that it is a good idea.

Deputy Eamon Gilmore: First——

The Taoiseach: That is the Clare syndrome breaking out.

Deputy Peter Mathews: I did not get to speak today.

Deputy Timmy Dooley: He set up the sub-group.

Acting Chairman (Deputy Joanna Tuffy): Would Deputy Dooley let the Tánaiste conclude?

Deputy Eamon Gilmore: First, this is a hugely important issue. That is why we had a debate about it last week. That is why the Taoiseach came into the House before the summit and spoke about it.

We have had a long debate and discussion here during the course of today. There are two committees of the House, both of which have a key role to play in this area. There is the Joint Committee on European Union Affairs, of which Deputy Costello is the Chairman, and that has a role to play. Clearly, the Joint Committee on Finance, Public Expenditure and Reform can discuss it. As far as Ministers are concerned, we are prepared to attend these committees and to have these issues teased out. We can make more time available here on the floor of the House, if that is required.

This is an issue which is hugely important for people in their everyday life. We are talking about the stability of the euro and all of the implications that flow from that for investment, for jobs and for the future of the European economy.

I will make one observation on the tone of this debate. One would think that Europe is somehow not us at all. We are part of Europe. We do not talk about this as though there

is Europe and there is us. We have national interests to pursue within Europe and those were outlined——

Deputy Richard Boyd Barrett: Is it the Europe of the bondholders or of the people?

Deputy Eamon Gilmore: ——in the letter the Taoiseach sent to President Van Rompuy and reiterated by him at the summit meeting. It is in the national interest to ensure that the euro is secure and succeeds and that the measures agreed at the summit meeting succeed. These are issues to which we can return in future debates and discussions.

When we return to those, it would be interesting to hear where Sinn Féin stands on the euro, which we have not heard today. Is it in favour of the euro or not? Where would those here who have expressed views on the proposal to go further in terms of the fiscal arrangements borrow the money, particularly if they are not going to repay the money already borrowed? At what interest rate will they borrow it? If they cannot borrow the money, what level of cuts in public services and pay, and in social welfare rates, must they have imposed on the people of this country?

Deputy Richard Boyd Barrett: A wealth tax.

Deputy Eamon Gilmore: The interesting point about the wealth tax is that when we brought in additional capital taxes in the course of the budget, Deputy Boyd Barrett opposed them.

Deputy Richard Boyd Barrett: I did not.

Deputy Pádraig Mac Lochlainn: Is there an answer to questions?

Acting Chairman (Deputy Joanna Tuffy): That concludes——

Deputy Pádraig Mac Lochlainn: Is there an answer to questions raised here or is that a statement?

Acting Chairman (Deputy Joanna Tuffy): There were statements provided for on the Order of Business.

Deputy Pádraig Mac Lochlainn: Is there an answer to questions?

Acting Chairman (Deputy Joanna Tuffy): No.

Deputy Pádraig Mac Lochlainn: They do not answer questions now.

Acting Chairman (Deputy Joanna Tuffy): The time has concluded for this debate.

Sitting suspended at 1.49 p.m. and resumed at 2.30 p.m.

Ceisteanna — Questions

Priority Questions

—————

Grant Payments

1. **Deputy Michael Moynihan** asked the Minister for Agriculture; Food and the Marine the number of farmers who will be affected by the announced reduction in the disadvantaged areas scheme; and the number of farmers affected by reductions in the REP scheme. [40087/11]

Minister for Agriculture, Food and the Marine (Deputy Simon Coveney): Many difficult decisions had to be made by the Government in the light of the recognised ongoing weaknesses in the public finances. In that regard, savings had to be found in my Department's 2012 budget, in the context of which a decision was taken to limit the funding for the 2012 disadvantaged areas scheme to €190 million. To achieve this saving, priority is given to active farmers who farm exclusively within the disadvantaged areas, and there is a proposed range of technical adjustments to the qualifying criteria of the scheme. As the disadvantaged areas scheme forms part of the 2007-13 partially EU-funded rural development scheme, the approval of the EU Commission is being sought for the proposed changes. However, the reduction in the level of funding under the scheme will not have any impact on amounts drawn down from the EU under the rural development programme.

In regard to the proposed changes, I am pleased the savings can be achieved without reducing the rate of aid per hectare and with no reduction in the maximum area payable of 34 hectares. That means the reduction will have no impact on the level of aid payable to active farmers with holdings made up entirely of disadvantaged area land.

The proposed adjustments include increasing the minimum stocking density requirement from 0.15 livestock units per hectare to 0.30 livestock units per hectare in respect of 2011, the reference year; calculating the stocking density over a retention period of six months, with the average calculated over the 12 month period; excluding horses, with the exception of equine breeding enterprises or other commercial horse enterprises; providing for reduced rates of aid where applicants hold both eligible and ineligible land, that is, non-disadvantaged areas land; and excluding land located more than 80 km from an applicant's main holding where that main holding is situated outside disadvantaged areas.

An Leas-Cheann Comhairle: Perhaps the Minister could give the rest of his reply when Deputy Moynihan asks a supplementary question.

Deputy Simon Coveney: I will give a direct answer to the question. We do not have exact figures for the number of people who will be affected negatively by the changes to the disadvantaged areas scheme. The figure on REPS is much easier to calculate. There are 30,900 people in REPS 4 and they will experience a cut of 10% to their payments under the scheme.

Deputy Michael Moynihan: I have three brief points, the first of which concerns disadvantaged areas. While the vast majority would welcome the initiative to prioritise active farmers, there is a particular group who will be badly affected by the change. Perhaps when the Minister knows the number that will be affected, he will let us know.

On a different matter, also related to the budget, what did the Minister hope would be achieved by the levy imposed on the dairy industry? There is a reaction from the industry thereto, particularly from farmers. What does the Minister hope to fund with the proceeds of the levy?

Deputy Simon Coveney: That is an entirely different question but I would be happy to try to answer it with the understanding of the Chair. We are trying to recognise the fact that, when quotas go after 2015, there will be a significant increase in the volume of milk being produced by dairy farmers. People anticipate that within the first 12 to 18 months, there could be an increase of between 15% and 20%. We must plan for that now by investing in new markets, developing products and building brands so that when there is a significant increase in the volume of milk we need to process and sell, there will not be price volatility as a consequence.

We have not announced the opening of a new dairy levy yet. Following a long and very constructive meeting with the Irish Dairy Board, I have agreed to have, between now and the

end of February, consultation between my Department, the Irish Dairy Board, Bord Bia and farming organisations to establish and agree on the magnitude of the job that needs to be done over the next three years. This is to prepare for the dramatic change in the dairy industry and ensure we are using all the resources available to the State in organisations such as Bord Bia, where there is a lot of expertise, to complement what the Irish Dairy Board is already doing. It is not about one or the other but about the possibility of Bord Bia complementing and adding to the work the Irish Dairy Board is doing to expand and plan for new markets. The latter now understands where I am coming from; perhaps it did not last week. It is happy to proceed on that basis.

Genetically Modified Crops

2. **Deputy Michael Colreavy** asked the Minister for Agriculture; Food and the Marine his policy regarding genetically modified crops; and if he will make a statement on the matter.
[40089/11]

Deputy Simon Coveney: Responsibility for issues relating to the cultivation of genetically modified, GM, crops in Ireland rests with my colleague, the Minister for the Environment, Community and Local Government, Deputy Phil Hogan, while responsibility for GM foods rests with the Minister for Health, Deputy James Reilly. I have responsibility for issues relating to GM animal feed and, should it arise, the cultivation of authorised GM crops alongside conventional crops.

The use of authorised GM ingredients plays an important role in the supply of protein feed materials at affordable prices for the Irish livestock industry. In the mid to late 1990s Irish livestock farmers, in tandem with livestock farmers in many of the peripheral EU member states — particularly Spain, Portugal and the United Kingdom — began to consider using higher-protein by-products from the US milling and distilling industries as the most cost-effective way of providing animal feed nutrition. Consequently, imports of maize gluten and distillers' dried grains from the US increased sharply in the decade 1996 to 2006, reaching a figure of almost 900,000 tonnes by 2006. The pig and poultry industries were also using increased imports of soya for similar reasons. Soybean is the main feed material used to balance protein content and quality in animal feed rations.

To address the changing situation and deal with the legitimate concerns being expressed by many European citizens, the EU enacted a suite of new legislation with safety and scientific assessment by the European Food Safety Authority, EFSA, being a central plank of the new procedures. On receipt of a positive opinion from EFSA of a proposal from a biotechnology company, the Commission would bring forward the authorisation proposal for consideration by the relevant regulatory committee. Each member state has an expert present at each committee. If a qualified majority vote is not achieved, either for or against the proposal, at the regulatory committee, the proposal is then referred to the Council of Ministers for consideration.

The Deputy will get a copy of my full reply so he will have it. In essence, the issue is that the Irish livestock industry, irrespective of whether one specialises in pigs, poultry, cattle or dairy, relies on protein, primarily from across the Atlantic, with GM content. Soybean meal is a good example. Up to 80% of US soybean meal has some GM content. Before it can be allowed to be used here, it must go through a very rigorous approval process. If it passes all the EU's food safety tests, I have no difficulty with it. If it does not pass them, we do not allow it into the country.

Deputy Michael Colreavy: I thank the Minister. I am a little disappointed with his reply. My question was on genetically modified crops. Sinn Féin is of the view that the island of Ireland should be designated a GM-free zone. Those who propagate GM crops claim they do so to save the hungry poor of the world. They are doing no such thing; what they are doing is making a small number of people extremely wealthy.

That responsibility for genetic modification is spread over three Ministries is unsatisfactory. There is enough international experience to show GM crops have not solved the problem of food supply and that they have the potential to damage other crops. Their promotion inhibits research into more traditional and natural solutions to the problems associated with crop growth, disease and wastage.

Deputy Simon Coveney: It is important that people understand the role GM crops play in Irish agriculture. GM crops are not cultivated in Ireland nor am I aware of any plans to grow them alongside other commercial crops. The issue that arises for Ireland pertains to animal feed. If we are to create competitive industries, whether in pigs, poultry or other livestock sectors, we have to be cost competitive in sourcing feed. However, if we want the price of meal feed to increase for these sectors, we should reject the feed we currently import from the United States and elsewhere. I am not sure people want that, unless genuine health concerns arise. We have been eating meat that has been reared on feed containing GM elements for years. The idea that Ireland is GM free is not accurate in respect of the feed given to animals.

My focus is on ensuring the Irish agri-food sector is competitive and safe. New GM crops which may be part of feeds imported into Ireland will be rigorously tested. I have faith in the European systems from a scientific and safety point of view.

Deputy Michael Colreavy: There was speculation in the media that licences were being prepared for the trial cultivation of GM crops in this country. Is the Minister aware of that speculation, which I have not heard confirmed by any authoritative source?

Deputy Simon Coveney: If licences are to be granted for trial cultivation of GM crops, applicants will have to undergo a lengthy and rigorous process beforehand. I am not aware of any specific developments in this area but if it is happening I would be happy to take note of the Deputy's concerns in order to ensure rigorous assessment procedures are followed.

Decentralisation Programme

3. **Deputy Catherine Murphy** asked the Minister for Agriculture; Food and the Marine if he will provide details of the full extent of his compliance with the decentralisation programme including details of premises bought or leased, staff which have moved location under the terms of the programme and communications systems which have been installed or upgraded as a consequence of the programme; his assessment of the impact the scheme has had on operations in his Department; his assessment of same in respect of the cancellation of the programme; and if he will make a statement on the matter. [40240/11]

Deputy Simon Coveney: As the Deputy will be aware, the original Government decision on the decentralisation of my Department was that 600 headquarter posts would move to Portlaoise, 100 posts in the local offices in Cork city would move to Fermoy and up to 100 posts in the laboratories in Cork and Limerick would move to Macroom. The proposed moves to Fermoy and Macroom were initially deferred for review in 2011. On foot of this review, these projects have now been cancelled on the basis that there was no permanent accommodation or advance party in place.

The fisheries function was transferred to my Department in 2007 and the move of that function to Clonakilty is complete. Some 76 fisheries staff have been relocated to purpose built accommodation in Clonakilty which they share with the Sea Fisheries Protection Authority and BIM staff. That collective approach makes a lot of sense.

By far the largest of the decentralisation projects undertaken by my Department was the Portlaoise project. My Department currently has 460 staff based in temporary accommodation in seven locations in Portlaoise. The Department's original decentralisation implementation plan allowed for a phased move to Portlaoise so as to minimise risk, aid continuity of business and maintenance of the services delivered to stakeholders. Since the programme began some 300 posts have moved to Portlaoise.

Following the recent Government announcement, the Department of Public Expenditure and Reform, my Department and the OPW have been reviewing the accommodation requirements in Portlaoise.

My Department has a robust information technology structure and makes use of the most advanced systems for doing business and delivering services to our customers. Voice and data communication links and equipment are used to facilitate communication between locations. Prior to the announcement of the decentralisation programme my Department was familiar with dealing with regionalised structures and therefore was well placed to deal with the complexity of such a programme. It is acknowledged that challenges arose but they were managed so as to cause as little disruption as possible to the Department's business and its customers. I am satisfied that the Department's systems and programmes are fully operational and that my Department is operating effectively and efficiently.

Deputy Catherine Murphy: I did not support the decentralisation programme but it is appropriate to decentralise functions in respect of certain Departments. This question and similar questions I tabled for other Departments seek to determine our liabilities now that the programme has been cancelled. It will not be clean because staff have moved, computer systems and other supports have been put in place and contractual arrangements have been agreed. In respect of Portlaoise, how much has been spent on temporary accommodation and, if permanent accommodation has been identified, is it in the ownership of the State and will further expenditure be required in respect of it? If the Minister does not have answers to my questions today, when is he likely to have the relevant information?

Deputy Simon Coveney: Like the Deputy, I had serious concerns about the decentralisation programme and I set out my views clearly while I was in opposition. It was a populist move which made no sense and it cost the country a fortune. We are trying to reverse many of the crazy decisions that were taken on the basis of winning votes rather than doing something sensible.

Having said that, we are stuck with what we have. Certain elements of the decentralisation programme were quite successful, an example of which is the relocation to Clonakilty. Other decentralisation projects were completed successfully long before the major decentralisation announcement. Applications, whether for the Department of Education and Skills or my Department, do not have to be processed in Dublin. The work done in Portlaoise does not need to be moved back to Dublin.

However, it is not satisfactory that staff in Portlaoise are accommodated in seven different buildings. We are in discussions with the Department of Public Expenditure and Reform and the OPW on the matter. The three options available to us are consolidation of the Portlaoise offices, extensions to Government offices in the town or construction of a new building to accommodate all the staff. We will assess and cost these options. Clearly we cannot afford to

[Deputy Simon Coveney.]

spend a lot in terms of capital investment but we need to achieve efficiencies. The process will be completed without a negative impact on the services provided from Portlaoise.

Deputy Catherine Murphy: I presume the Minister is also engaging with NAMA. When does he expect to make a final decision on the accommodation arrangements?

Deputy Simon Coveney: The honest answer is when we are ready. We are not going to rush the process because I want to ensure the Department is efficiently run. We employ a large number of staff in Portlaoise and they are doing a good job. I would like to consolidate them under one, two or three roofs rather than seven if that can reduce costs. It will take time to work out how we can best achieve that objective but we will be completely transparent and people will have the relevant information as soon as it is available.

NAMA's job is to maximise the return on the properties it controls. If it has a role to play in regard to properties in Portlaoise I am happy to engage with it. I am not aware of any ongoing conversation between my Department and NAMA, however.

Fisheries Regulations

4. **Deputy John Browne** asked the Minister for Agriculture; Food and the Marine in the context of having a level playing field in the implementation of EU law, the severe hardship forced upon Irish fishermen due to having no access at present for whitefish trawlers and gillnetters and only very limited access for prawn trawlers if he intends to proceed immediately to re-open the Irish sea demersal fisheries; and if he will make a statement on the matter.

[40088/11]

Deputy Simon Coveney: The EU cod recovery plan, Regulation 2342/2008, established a long-term plan for cod stock, covering the setting of total allowable catches, TACs, and quotas each year, and limiting effort in terms of time spent fishing at sea in each area. The areas covered of interest to Ireland are the Irish Sea and area VIa, which is west of Scotland and north-west of Ireland. Under the cod recovery plan, the TAC, quota and fishing effort for cod have been cut each year since 2008.

Under the terms of the 2008 EU regulation, a specified number of days at sea were allocated annually to each member state for specified gear types in the TAC and quota regulation. The effort set to date for 2011 involved a 25% cut on that allocated for the previous year. The regulation, under article 13, permitted the allocation of additional effort for highly selective gear — the Swedish grid, which I am sure my colleague knows about — and cod-avoiding fishing trips.

The EU regulation delegated responsibility to the member state for the implementation of the cod effort allocations. In Ireland, a group comprising industry representatives, the Marine Institute, BIM and the Department made recommendations on the arrangements each year for each area and gear type, which were implemented. The group has been meeting on a regular basis since 2008. In fact, I am sure the former Minister of State was involved in meeting some of those groups.

In area VIa, an area off Greencastle is closed for six months each year to protect juvenile cod under article 13 of the regulation. This closure delivers reduced cod mortality by the Irish fleet each year, and on that basis Ireland claims back effort. In addition, in area VIa we also claim back the full 25% cut applied to all effort in deeper waters, as allowed in the regulation on the basis that cod is not generally found in these deeper waters. In the Irish Sea, we did not introduce specific measures to reduce cod mortality in 2009 or 2010 and accordingly have not been in a position to claim back any of the effort cut each year.

Additional information not given on the floor of the House

When all available fishing effort was used up, the general whitefish fishery and the nephrops fishery in the Irish Sea were closed in October, while the gillnet fishery was closed in September. In response to the closure, we introduced a scheme that allowed for a nephrops fishery on the basis that the vessels use a Swedish grid, a highly selective gear, and accordingly reduce the amount of cod in catches to less than 1.5%.

The European Commission introduced a regulation on 23 November 2011 implementing cuts to the allocation of fishing effort to certain member states for 2011. The UK was not accepting of the Commission's assessment of the effort used and the quantity of fishing effort available to it as set down in the regulation. The regulation imposing cuts on effort for 2011 has been repealed by the European Commission. The reason given is that the effort figures will be reviewed with a view to correcting them and that a new regulation will be adopted after that work is done.

I understand there have been substantial discussions between the European Commission and the UK about the implementation of the EU cod recovery plan. This was raised by my Department as a priority issue of concern at a meeting involving the Polish Presidency, the European Commission and departmental officials last Friday, 9 December, in the context of Ireland's having closed fisheries in the Irish Sea in 2011. The Commission officials confirmed that Ireland had implemented the regime correctly in accordance with the provisions of the EU regulation. This will be an important element of the discussions at the Fisheries Council this week, including in the context of the Commission's proposal for a zero TAC for cod in both the Irish Sea and area VIa. I will be carefully monitoring the European Commission's approach to the implementation of effort with a view to ensuring that any agreed approach to the allocation and monitoring of effort is applicable across all member states. In the meantime, further trials are being planned in the Irish Sea this week of the use of more selective fishing gear in our fisheries with a view to being in a position to maximise fishing opportunities while protecting cod stocks in 2012.

Deputy John Browne: I thank the Minister for his reply, but I am sure he is aware that fishermen are concerned that other countries, notably the UK, are using completely different means of operating the cod recovery programme. That, in effect, means their fishermen are continuing to fish in the Irish Sea while Irish vessels are confined to port. They feel this is totally unfair. How can the Minister justify not allowing Irish fishermen to fish while the British have got around the regulations by using a different system?

Deputy Simon Coveney: British boats may be fishing, but they have not fully got around the system yet. What has happened here is that the European Commission introduced a regulation on 23 November implementing cuts to the allocation of fishing effort to certain member states, and the UK has not accepted the Commission's assessment of fishing effort used and the quantity of effort available as set down in that regulation. As a result of an ongoing negotiation between the Commission and the UK, that regulation has been withdrawn for the moment while it is reviewed. That review is under way and it will have consequences next year. We are going into important negotiations from tomorrow in the December Council that will probably go on until Saturday. We have met our commitments and have received recognition of that from the Commission in terms of our obligations in the Irish Sea prawn fishery.

Last week, we raised the issue of the treatment of the UK directly with the Commission. The one thing upon which I will insist at the Council this week is that Irish boats get the same treatment as British boats in terms of the limitations in the Irish Sea, even though there is a mismatch at the moment because the review is ongoing.

Deputy John Browne: I wish the Minister well in his discussions over the next few days. While he is in Brussels, is he prepared to meet with the Irish fishery people to discuss this issue? I am sure he will have meetings with them to discuss the suggested cuts. They are concerned that the playing field is no longer level because of the way the British are now allowed to operate.

Deputy Simon Coveney: For the record, I already met with industry representatives on this issue either last week or at the end of the previous week — I cannot remember — and we went through the issues in detail in preparation for the Council meeting this week. They know my views on this and they know I am not happy about it. We cannot have different treatment for different countries in the same waters. However, Britain is a key ally for us this week in some of the deals we need to get done, so over the next three days we need to balance our ability to get a good deal for Irish fishermen, across all species, with the need to raise a significant red flag on this issue to ensure our fleet does not get different treatment from any other fleet just because it can apply more political pressure. It is a question of boxing clever politically so that the TAC negotiations, as well as this issue, are resolved satisfactorily.

Departmental Properties

5. **Deputy Thomas Pringle** asked the Minister for Agriculture; Food and the Marine in view of the decision 2012 to allow the National Assets Management Agency to change upward only rent reviews if he will now to act to assist tenants in fishery harbour centres and implement NAMA type initiative. [40345/11]

Deputy Simon Coveney: I have a long reply here which I will not read out, because I want to deal with the issue head-on. The Deputy will be aware of much of what is in the reply. Essentially, we have contractual arrangements with the people who lease properties within fisheries harbours that are owned by my Department, and each case must be dealt with on an individual basis. Most rental leases that were established pre-2008 contain the now infamous upward-only rent review clause. In most cases, we have not used that clause and have agreed not to increase rents since then. In fact, I do not think there has been any increase in rents since 2008. However, I am not sure that is enough. We also have a facility within our Department for people who are struggling to pay their rent in our harbours to establish a payment schedule that may ease that burden, and I encourage people to use that.

I am more than aware of what the Minister for Finance, Deputy Noonan, said on budget day about NAMA's new approach towards businesses that are under pressure due to exorbitantly high rents and that are subject to legal contracts that contain upward-only rent review clauses. He said that NAMA would consider these cases individually with a view to potentially volunteering rent reductions in some cases. I would like to think my Department can do something similar, so I have asked my officials to examine a mechanism that retains a legitimate contract while recognising the fact that upward-only rent reviews should never have been put into contracts.

If someone who is currently renting a property is under significant pressure because of the high rent he or she is paying, which is having a negative impact on his or her business, I do not want to charge him or her more than the current commercial rate through an upward-only rent review clause in his or her contract. I have asked my officials to establish a structure that will allow us to move forward in the way the Deputy is probably seeking. I hope we will have something on that by the end of January.

Deputy Thomas Pringle: I thank the Minister for his response on this important issue. While the upward-only clause has not been invoked, there are many cases in which rents are exorbitant anyway and in which there is a strong case for renegotiation.

There are also cases where tenants have substantial arrears, but that should not be a barrier to the Department entering talks with them. They might be able to examine the possibility of discharging those arrears if they can secure a realistic review of the rent. These are businesses that are at imminent risk of having to close because of the level of rents being imposed by the Department.

There is also a huge imbalance across the country. In Killybegs rents might be four or five times higher than rents in ports on the east coast. The rents do not take account of the geographical location or the market values in those areas. Could the Minister ensure that his officials urgently engage with tenants? If they could start with a clean slate, people could negotiate and perhaps arrive at arrangements that would be better for everybody.

Deputy Simon Coveney: I will try to be helpful on this but a number of important things must be said. First, if there are large arrears outstanding, it is difficult for me to examine a new mechanism for calculating rent until those arrears are paid or there is an agreed payment plan in place to pay them. Nobody should hold back on paying arrears in the expectation of some type of amnesty because we cannot do that realistically. We must operate our fisheries harbours on a commercial basis. If I end up subsidising the cost of running fishing harbours with taxpayers' money, people will not thank me for it.

Let us not forget that these contracts were signed by both parties on a voluntary basis; there was no coercion involved. However, I accept that in some cases there has been a fundamental change in terms of commercial value and rental charges since those leases were signed. We will try to accommodate that change. However, I strongly advise people who have significant arrears with the Department that is very difficult for us to negotiate with anybody with huge lump sums of money outstanding. If a payment plan is put in place for them, we will try to be constructive on the other issues.

Deputy Thomas Pringle: Some people might have mistakenly thought that if they withheld rent or said they could not afford to pay it, it might encourage the Department to enter into talks with them. However, I know from experience that it usually has the reverse outcome. It is important to keep as many businesses open as possible. As the Minister said, the leases were entered into voluntarily at the time but circumstances have changed to a huge degree and I am glad the Minister recognises that. I ask that his officials engage with people on trying to get rid of these legacy issues.

Deputy Simon Coveney: We need to be careful about some things in this regard. First, anything we do sets a precedent. I cannot have a situation where there will be an expectation that everybody's rent in fisheries harbours will be reduced dramatically. That will not happen. My commitment, however, is that I will not force people who cannot afford it to continue to pay rates that are above what the going rate should be because there happens to be an upward only rent review clause. In other words, I want a fair assessment on a case by case basis. Where people feel they are being unfairly treated and overcharged, and their businesses are in trouble as a result, we wish to show some understanding. However, this is not moving towards some type of amnesty or a 10% reduction across the board or anything similar. We will examine cases and try to put structures in place to take account of that and, at the same time, facilitate the commercial running of fisheries harbours, which is the Department's responsibility.

Other Questions

An Leas-Cheann Comhairle: We now move to other questions and the same arrangements apply, with six minutes overall per question.

Farm Safety

6. **Deputy Heather Humphreys** asked the Minister for Agriculture; Food and the Marine the initiatives he has undertaken to improve farm safety awareness; and if he will make a statement on the matter. [38955/11]

Deputy Simon Coveney: At this point in 2011 there have been 25 fatalities recorded in the agriculture sector. This figure constitutes half of all workplace fatalities, 52, for 2010 which unfortunately follows the trend seen in 2010, when 26 people lost their lives in agriculture as a result of a farming accident. Therefore, 6% to 7% of the working population had to deal with the tragedy of half of all workplace fatalities. That is the situation in agriculture at present. It is shocking, and we all have a responsibility to do something about it.

In June, I provided the opening address at the National Farm Safety Conference, the theme of which was livestock safety — one of the main causes of farm fatalities in Ireland after tractors and machinery related incidents. In July, I launched the “Family Farm and Countryside Safety Week” at Dublin Zoo at the request of Agri Aware. In August, I gave the opening address at the annual international meeting on agricultural occupational health and safety, held in Dublin, which was a really good conference. In September, I contributed a short journalistic piece to the farm health and safety supplement in the *Irish Farmers Journal*. The purpose of that article was to promote an increased awareness of farm safety and to focus, in particular, on the need to change farming attitudes, which I believe is a key issue in farm safety.

In September also, I attended the National Ploughing Championships in Athy where I visited and gave my support to the Health and Safety Authority, HSA, stand. Ultimately, this is the responsibility of the Health and Safety Authority but from an agricultural point of view there is also a broad farm safety partnership advisory committee, involving a series of farm groups and stakeholders, which puts a huge amount of work into this. In October, my Department, represented by Dr. Dave Beehan, chief inspector, along with other stakeholders, met with the Minister for Jobs, Enterprise and Innovation, Deputy Richard Bruton, at this Department to discuss farm safety and explore ways in which we can all play our part in improving farm safety. The Minister has indicated a follow-up meeting for early 2012.

Additional information not given on the floor of the House

I firmly believe that the key to reducing fatalities and accidents on Irish farms lies in bringing about a change in the way we think about safety on Irish farms. The key to bringing about that cultural change lies in increasing the awareness of safety issues among farmers. I have taken every opportunity afforded me to promote farm safety awareness and will continue to do so. My Department is strongly committed to assisting the HSA in promoting farm safety initiatives. It is represented on the farm safety partnership advisory committee, FSPAC, which reports regularly to the board of the HSA.

Farm safety concerns are an integral part of all farm buildings specifications drawn up by my Department and farm safety has comprised part of the training for many schemes, including the rural environment protection scheme, REPS, and the dairy efficiency programme. There is a dedicated farm safety area on my Department’s website home page. Teagasc has been very active in providing farm safety training to farmers and farm advisers nationwide. My Department and I will continue to work closely with the HSA, the FSPAC, Teagasc and others towards achieving a reduction in fatalities and accidents on Irish farms.

Deputy Heather Humphreys: This is a very important issue and I commend the Minister on his work and for taking a proactive stance to ensure that awareness of farm safety is raised. I also compliment the Health and Safety Authority which is rolling out its new safety campaign in an effort to reduce the high number of farm deaths in Ireland. Its press release is very effective in that it shows a farmer who has lost his arm as a result of an accident. The sad thing about many of these accidents is that they are easily avoidable. In many cases, people have been farming for a lifetime and there is almost a sense of complacency in how they approach handling livestock. It is important to stress that the temperament of animals can often change suddenly and without warning, and this can result in tragedy. Will the Minister share his views on what he believes is the best way to get the message across to a generation of older farmers? Everybody knows it is hard to teach an old dog new tricks.

Deputy Simon Coveney: The key issue here is to get people to change their attitude. Farm safety is not like workplace safety in a factory or an office. A farm is a person's land and their home. Farmers often farm alone; 14 and 15 year olds often drive huge machinery around farmyards and across fields. They might have to hitch up trailers containing 25 to 30 tonnes of grain. Farms are family operations and we must change the attitudes in farm families towards farm safety.

When I spoke at the Women and Agriculture Conference I challenged the women. Women, mothers and wives, in particular, need to challenge the rest of their families on safety issues because often, and this is a gross generalisation, male farmers are too casual about this issue. They need to be challenged within the family and that is the most effective way to do it. We need promotional campaigns around that. The number of safety inspections on farms by the HSA this year has increased but this problem will not be resolved with a stick and inspections. It will only be solved with an attitudinal change.

Today, the Health and Safety Authority has launched a new advertising campaign which is quite dramatic in terms of reminding people about the dangers of farm machinery and livestock in particular. I commend the authority on that and I will do anything I can within the Department to add to it.

Deputy Heather Humphreys: Has the Minister looked at how other countries have addressed this? As somebody who lives on a farm, I am fully aware that the farm work continues throughout the festive season. Unlike the rest of us farmers do not get a day off. They are often rushing and may take shortcuts to finish their work early to join the festivities with their families. I would like to impress upon them the need to be vigilant and aware of the very real and daily dangers in their workplaces.

Deputy Simon Coveney: People might be surprised to hear other countries have just as bad a record as we have. Ireland is not in the bottom tier of the European Union in terms of accidents on farms. Some countries, particularly Scandinavian countries, have been very successful in dealing with the issue. If one compares the rate of accidents on construction sites *per capita* — the numbers are down because there are fewer people working on construction sites — one finds the ratio has decreased. We have made a significant impact in other areas from a workplace safety point of view. However little or no impact has been made on agriculture. We are better than a lot of other countries in the European Union but are still not good enough. Farmers and farming organisations need and are trying to take a lead on the injuries and mutilations that take place because of accidents on farms.

Deputy Michael Moynihan: I acknowledge the efforts and buy-in of farming organisations. The previous Minister, Brendan Smith, and Deputy Calleary led on this issue in 2010. The Minister has taken a proactive stance in his statements. How closely are the Department and the HSA working together? The HSA has a programme.

[Deputy Michael Moynihan.]

This summer two neighbours of mine lost their lives in farm accidents which was a tragedy. It is very important that there is a clear signal from everybody involved in agriculture, from farming organisations to the Department, the HSA and anybody that can further the cause. Departments often work on an individual basis. We need to make sure the Department and the HSA are working very closely together.

Deputy Simon Coveney: As the Deputy knows the HSA is under the remit of the Department of the Minister, Deputy Bruton. We have linked in with it in a very serious way. It is also part of the farm partnership response to safety and is working with farm organisations and a series of other stakeholders. The impression I got from the various conferences it held this year and the supportive advertising campaign it is starting is that the HSA is very serious about farm safety because of the extraordinary dominance of the agricultural sector in terms of the current levels of tragedy.

If one puts the rest of my Department's responsibility into the figures from the point of view of fishing and forestry, they are even worse. Farming, fishing and forestry are dangerous livelihoods and we do not have sufficient understanding within those industries of the response needed to make a significant impact on these figures. Everyone is now working towards that, including the HSA and farm organisations.

Marine Industry

7. **Deputy John McGuinness** asked the Minister for Agriculture; Food and the Marine the timescale for his proposals being published; if he will give an understanding that the future management arrangements will be fair to all existing participants in the fishery; and if he will make a statement on the matter. [39819/11]

Deputy Simon Coveney: I understand the Deputy is referring to the review of herring stocks management arrangements. Earlier this year I asked the fishing industry and other interested parties to make proposals on the future management arrangements for all Irish herring fisheries, the Celtic Sea stock, the stocks off the north-west coast and the Atlanto-Scandian stock.

For 2011, Ireland has a quota of 11,407 tonnes for Celtic Sea herring which represents 86% of the total allowable catch, TAC. A Celtic Sea herring management advisory committee, comprising representatives of the fishing and processing industry, has been in place for a number of years to advise the Minister on the management arrangements for the stock.

The stock was in decline with a TAC of 6,000 tonnes set for 2009. The advisory committee brought forward a rebuilding plan for the stock which was endorsed by the International Council for the Exploration of the Seas, ICES, and its implementation has seen a significant stock recovery. The EU Commission has proposed a 60% increase in the TAC for 2012. However, the advisory committee, which has been hugely responsible on this issue, and the Marine Institute are recommending an increase of just 30% to ensure this stock is not over exploited and recovery beds in.

The herring fishery in the north west involves two stocks with combined quotas of 7,333 tonnes for 2011. Ireland has 91% of the southern stock and a 15% share of the stock off Scotland. The scientific advice for the southern stock is that the landings should be reduced and the EU Commission has proposed a cut of 25%. A rebuilding plan for the stock submitted through the regional advisory council for pelagic stocks to the EU Commission by the Irish industry was considered not to be precautionary. Further work on this important initiative by the Irish industry will be necessary in order to put in place a long-term rebuilding plan for this important stock.

In terms of management of the herring stock, we will come forward with proposals to the industry after the consultation process within the coming weeks.

Additional information not given on the floor of the House

The Altanto-Scandian herring stock is fished in the waters off Norway. Ireland's quota for 2011 is 5,705 tonnes. Ireland has access to a maximum of nine licences each year for this stock.

Under current policy, access to herring fisheries is open to all vessels in the dedicated pelagic segment of the fleet, large polyvalent vessels which are permitted to target herring, based on a history in the pelagic fisheries, and all polyvalent vessels under 19.81 m. Over the past few years there has been increased interest in participation in these fisheries and this had led to concern from those with a history in the fisheries for restriction on access to the fisheries.

In response to my notification of the review, a number of proposals were received from industry, many offering conflicting views, particularly in regard to the need to ring-fence the fisheries. Taking account of the views expressed I am currently examining a number of options for new management arrangements. I plan to make these proposals available to industry representatives for views shortly before making a final decision on the management arrangements for 2012 herring fisheries.

Deputy John Browne: Some fishermen have contacted me to ask when the proposals will be ready. I welcome the comments of the Minister that they will be ready within the coming weeks and thank him.

Deputy Simon Coveney: We hope to return to the industry with my preferred option. Given the submissions on this issue it is impossible to keep everybody happy. Some people are diametrically opposed. Some want stocks to be managed on the basis that only people with a track record will have access to stock quota but others want full access for everybody.

I will have to make a judgment call on that, which will happen within days. When I do that we will send a proposal to the industry for further consultation. We will then have a round table discussion involving everybody and I will have to make a decision. That process has to happen quickly in order that we have a management structure in place for next year.

Food Industry

8. **Deputy Martin Heydon** asked the Minister for Agriculture; Food and the Marine his views that the targets set out in the Food Harvest Strategy can be achieved by 2020; the effects that the recent budget announcements will have on these targets; and if he will make a statement on the matter. [38928/11]

14. **Deputy Dara Murphy** asked the Minister for Agriculture; Food and the Marine the targets agreed in Food Harvest 2020; the effect that changes made in Budget 2012 may have on Food Harvest 2020; and if he will make a statement on the matter. [38951/11]

Deputy Simon Coveney: I propose to take Questions Nos. 8 and 14 together. This about making Food Harvest 2020 happen and what we are doing to make the ambitious targets a reality. Food Harvest 2020, which I always acknowledge was originally put in place by the previous Government and which I have taken on and intend to implement in full, plans to achieve export targets of €12 billion by 2020, which is a 42% increase on the starting point. It also plans to improve the value added of the sector by €3 billion and increase the value of primary output of the agriculture, fisheries and forestry sectors by €1.5 billion.

In terms of growth, the targets include a 50% in volume increase in the dairy sector between 2015 and 2020, a 40% increase in the value of beef exports, a 50% rise in the pigmeat output,

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a 20% increase in sheepmeat output and an increase of 78% in aquaculture output. They are all huge growth figures and some of them underestimate what will be achieved by 2020.

Despite all the cutbacks in the budget we have done some strategic things to help us reach our targets, such as tax incentives to encourage farm partnerships so we can try to introduce economies of scale to farming. Farmers could farm collectively with their neighbours and share things such as the costs of machinery and input, slurry storage and grazing management. They could potentially collectively sell their produce and achieve the kind of scale to help them get a better price. They can share skill sets and so on. The partnership model is new and exciting.

We have dramatically reduced stamp duty, to 2%, on all commercial and agricultural land transactions, and to 1% where the transaction either occurs within a family or involves a relative. In addition, we have set aside €5 million for a beef discussion group which will help to upskill beef farmers. We have re-opened the targeted agricultural modernisation scheme, T-AMS, in order to provide grant aid to farmers to upgrade farm yards, whether milking machinery, equipment to manage sheep or suckler cattle and so on.

These measures comprise a series of positive, strategic developments which are about improving productivity and encouraging a transfer to a new generation of farmers through the tax system. I have never heard a Budget Statement which included so many mentions of agriculture, agrifood and farming as did last Tuesday's announcement by the Minister for Finance. That is because we are all excited about the potential that exists in the sector. The Food Harvest 2020 targets are achievable if there is proper planning.

Deputy Martin Heydon: I congratulate the Minister on the agricultural aspect of the budget. It is quite an achievement that despite a reduction of some €105 million in the allocation for his Department, there is broad acceptance that the budget included many positive aspects from an agricultural perspective. That deserves recognition. The stamp duty reduction and the retention of the half rate with a sunset clause until the end of 2014 will encourage those who are in the process of making decisions to move forward. In addition, the protection of the 90% agricultural relief and the suckler welfare scheme are very welcome.

I see great merit in encouraging farming partnerships, which offer many positive benefits. However, we must also be cognisant of the pitfalls that may arise in this regard. While such arrangements are no different from any business in some ways, we are all aware of situations where arguments have arisen within families over wills and so on. When land is involved, such matters can get messy. The Minister referred to machinery, but we could end up seeing family homes form part of such arrangements. There may be a role for Teagasc in this regard. Above all, we must ensure that farmers, particularly young farmers, who enter into such partnerships are given adequate advice and that the potential pitfalls are highlighted. It is important that there be an exit strategy. These issues must be given proper consideration and people must understand that life may change in the coming years, thus making a partnership model potentially less beneficial.

Deputy Simon Coveney: Deputy Heydon makes a fair point. I am not pretending there is some type of miracle solution to introduce economies of scale into Irish farming. What we are essentially trying to do is to keep intact the family farm ownership structure that prevails in rural areas. I am very wedded to that system; the heartbeat of rural Ireland is family ownership of farms. At the same time, we can improve the business of farming for many people by improving efficiencies and skill sets on farms.

Farming in partnership assists that if it is done properly. It must be a legal partnership without get-out clauses. Partnerships are normally put in place for five or seven years. Anybody entering into a partnership must be cognisant that they are signing up to a significant legal commitment. The positive aspects of that are clear from a commercial point of view, but

account must also be taken of any negatives. That is why I am asking Teagasc to put in place several partnership pilot projects next year, with varying levels of partnership integration, so farmers can see them working in a practical way before jumping into a partnership themselves. I am hopeful that the new stock relief measures to encourage farmers to consider partnerships will result in a large number of families sitting around the table and discussing whether they want to go into business with their neighbours in a manner beneficial to all parties.

Deputy Dara Murphy: I welcome the taxation measures announced in budget 2012. Does the Minister envisage further specific measures in the budgets for 2013 and 2014 to encourage farming as a career for young people, stimulate land sales and transfers and offer further encouragement regarding enterprise opportunities in farming?

Deputy Simon Coveney: I got almost everything I asked for from the Department of Finance in this budget. The Minister, Deputy Michael Noonan, and his team have shown a great willingness to respond to my Department's efforts to make farming more dynamic in terms of the business of farming and the productivity thereof. However, there is always more to do. For example, I would like to see more incentives to consolidate farm land. There was a consolidation relief in place until last summer. Unfortunately, it was little availed of, which was the main reason for its abolition, but it may be reconsidered in the future. We may examine it in the run-up to the Finance Bill.

For next year we will continue to look at the measures currently in place and how they can be further enhanced. The budget has done a significant amount to reshape the system, particularly in terms of reforming the land mobility market in order to get land moving. I often point out that the average field in Ireland is sold once every 400 years, while the average field in France is sold once every 70 years. That is because land remains in the ownership of families in an intergenerational way in Ireland. There is almost an obsession with land ownership. That is an issue we are seeking to address in this budget.

Deputy Michael Colreavy: There are changes to the qualification criteria for the disadvantaged area scheme in terms of the proviso regarding approximately two sheep per hectare. I support this as a means of ensuring the money goes to genuine farmers rather than hobby farmers. However, there must be some criteria other than simply the numeric capacity of the land. There will be genuine cases of farming families who cannot reach the required stocking levels for the six-month period to which the Minister referred. I ask the Minister to consider putting in place a mechanism to accommodate such people.

As the Minister is about to depart for negotiations in Europe, it would be remiss of me not to wish him and his negotiating team the very best. They have our good wishes and support as they depart.

Deputy Simon Coveney: I am pleased the Deputy raised the issue of the disadvantaged areas scheme, DAS, which I meant to return to in response to Deputy Moynihan's earlier question. We are building an appeals mechanism into the qualification criteria for DAS in order to take account of cases where there is a genuine reason for a low stocking rate. In such instances, people will be able to appeal a decision and offer an explanation for the low stocking rate. There will be a flexibility there to make an exception in genuine cases. Such circumstances could arise where, for example, there is a death in a family, where somebody is taking over a farm or where freak weather conditions mean that stock cannot be kept on the land for more than three months. In addition, anybody who has a very low stocking rate as a consequence of participation in a commonage framework programme or some other environmental restrictions will retain their payments. In all cases where there are genuine grounds for a reconsideration of a negative decision, there will be recourse to an appeals mechanism. That will be put in

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place early in the new year. I want to ensure that genuine, practical farmers who are trying to farm in a way that is productive within disadvantaged areas do not lose their payments.

Unfortunately, I must leave now in order to travel to Brussels. I thank Deputy Colreavy for his good wishes in that regard. I followed quota and total allowable catch, TAC, negotiations each December during my time in opposition because I have been interested in fishing for a long time. I always wondered about the adrenalin rush of being a Minister representing a big industry. I am looking forward to that challenge in the next few days and I assure the Deputy we will be in close contact with the industry during that process.

Milk Quota

9. **Deputy Éamon Ó Cuív** asked the Minister for Agriculture; Food and the Marine if he has raised the issue of a European wide milk quota in recent meetings with EU Agriculture Ministers; the steps he has taken in securing a butterfat correction quota increase of 1.5% and 2% ; if he has specifically discussed the issue on a bi-lateral basis with any other EU agriculture Minister; if so, when and with whom; and if he will make a statement on the matter. [39813/11]

Deputy Minister of State at the Department of Agriculture, Food and the Marine (Shane McEntee: The Department has continued to be very active in recent months in raising the question of an adjustment to the milk quota regime at political and official level and at Commission level, in a determined effort to secure a soft landing for all member states in the lead-up to the milk quota abolition in 2015.

Among the options discussed regarding a soft landing are the front-loading of the remaining quota increases, a reduction in the super levy, a further reduction in butterfat correction levels or a kind of EU flexi-milk arrangement which would operate, provided EU production overall was within quota. Most attention has been focused on the butterfat correction and in recent weeks a coalition of member states involving Ireland, Denmark, the Netherlands, Belgium and Cyprus, has formally put a specific proposal to the special committee for agriculture for an adjustment to the butterfat correction mechanism.

Unfortunately, the Commission has consistently resisted attempts to reconsider this issue, as it has resisted attempts to revisit the outcome of the 2008 CAP health check agreement in an overall sense. This is a view which is supported by a number of member states, some of whom are firmly against any further adjustment to the health check agreement. It is also the case that only a minority of member states is likely to be adversely affected by the current quota restrictions and therefore persuading a qualified majority to agree to an adjustment of the current regime represents a significant challenge. There are currently no signs of a breakthrough in this regard.

With a super levy being an increasing likelihood as we head towards quota abolition, all dairy farmers must carefully plan their production activities and pay close attention to the limitations imposed by the quota regime if they are to avoid potential super levy fines.

Deputy Michael Moynihan: I thank the Minister of State for his reply. I have raised the point on many occasions in the past months. I refer to the targets in Food Harvest 2020. Only for the quota there would have been an increase in milk production this year by 20% to 25% because of the volumes of milk produced. Farmers have made significant efforts since July to pull back on milk production.

There was some hope held out over the past months on the butterfat quota. What is the likelihood of further negotiations early in the new year with the Commissioner and the Ministers for Agriculture in other member states to discuss the front-loading of the butterfat adjustment? This would alleviate a very serious problem which will arise on 31 March 2012.

Deputy Shane McEntee: As the Deputy said, there has been frustration in the farming community earlier in the year, last April, May and June, when many young farmers were badly caught. They had been told to go into milk production and were given grants and advice but halfway through the summer they had no quota left. They were given no relief of any description. At that stage when everybody was lobbying, only two or three countries had joined with Ireland in seeking a solution. However, I note a list of countries have joined that lobby and it is crucial that both our MEPs and all politicians, regardless of party, fight that case. There is a massive world-wide demand for milk products and Ireland is in a position to produce them. It is a great shame even for the EU to be losing out on revenue at a time when most countries are suffering economically. We have to pick up this issue on 1 January and make a strong argument. Butterfat seems to be the main issue.

Deputy Michael Moynihan: The new Presidency of the European Union will begin in January and this might create the possibility of some light at the end of the tunnel.

Deputy Shane McEntee: One would always hope for light at the end of the tunnel but I do not think farmers can take anything for granted. Many farmers have decided to dry up cows and to fatten them. Anyone who has ever received a super levy bill will never get a second one. The Deputy is correct that from 1 January 2012 we should join forces with as many countries as possible to pursue the matter in the interests of production.

Deputy Michael Colreavy: In my discussions with people in the Northern Ireland Assembly I find there is a deep understanding and appreciation of the Government's concerns about the milk quota. I find it difficult to understand why we do not deal with the milk quota issue on an all-island basis and why we should not be able to secure some concessions very quickly for the whole island.

Deputy Shane McEntee: The Border exists and this has created some loopholes in regulations. However, the rules are very strict. The farmers in Northern Ireland avail of the scarcity of milk in England and they perhaps would not appreciate us swallowing up everything. I understand why the Deputy asks that question. It seems a disgrace that there is a scarcity of milk across the water in England while we are not allowed produce it here. Rules are rules but we have to work together.

Aquaculture Development

10. **Deputy Jim Daly** asked the Minister for Agriculture; Food and the Marine the initiatives included in Budget 2012 in order to retain and create jobs within coastal communities with particular regard to deep-sea fish farming; and if he will make a statement on the matter. [38948/11]

Deputy Shane McEntee: BIM has been tasked to work with the Marine Institute to investigate suitable sites for the development of finfish aquaculture in deeper waters outside NATURA 2000 sites. This process of investigation is taking place at no extra cost to the State. It is expected that BIM will submit a licence application for a suitable site early in 2012 and if granted, will source a major commercial investor to develop the site.

This initiative will serve to develop finfish farming to a sustainable commercial level while maintaining the highest protection for the environment. It is estimated that just one of these production areas could generate 350 direct jobs while a further 150 jobs will be created indirectly in the service sector. BIM is also exploring other areas off the west coast for suitable sites.

Deputy Jim Daly: I thank the Minister of State and I welcome his commitment to this important project. I commend the actions and efforts of BIM and the Marine Institute in the development of the project. It is very encouraging that State agencies are working together in harmony and productively. I note the entrepreneurial spirit, which is not always present.

This project offers significant potential and I am aware of the site in Galway. It is hoped to apply for a licence in January. This one site offers the potential to double the country's quota of salmon production. A number of other sites are being actively investigated. The Minister, Deputy Coveney, has been passionate in his enthusiasm for this project. I am from Clonakilty and I am well aware of BIM's efforts and work on this project. I commend all concerned. I have no further questions as I am satisfied with the reply.

Common Agricultural Policy

11. **Deputy Seán Crowe** asked the Minister for Agriculture; Food and the Marine his plans to ensure that Ireland is in a position to fully avail of increased EU support as indicated in the draft common agricultural policy proposals for agricultural research and development and for encouraging younger farmers into the industry; and if he will make a statement on the matter. [39058/11]

Deputy Shane McEntee: The proposals to amend the CAP were published last October and comprise three broad strands relating to pillar 1, direct payment to farmers and pillar 2, rural development and market supports. In the case of rural development the Commission has indicated its intention to focus on certain key areas and this includes support for innovation and young farmers. I am very pleased that these provisions have been included as they provide broad scope for support to these areas. Business start-up aid is proposed for young farmers on the basis of a business plan and rates of support are generous. Higher rates of support are also proposed for young farmers under the investment measure and on-farm investment will be one of my priority areas under the reformed CAP. It is important that we support our young farmers and encourage structural change so we will be looking at the possibilities presented to support young farmers in both the first and second pillars of the CAP.

Aside from the specific CAP reform proposals within the proposed EU budget under the next multi-annual financial framework, €4.5 billion will be made available to support research and innovation on food security, the bio-economy and sustainable agriculture. While it is not fully clear how these funds will be distributed, it is clear there will be a strengthening of the links between research and the activities funded under the CAP. In this regard, Horizon 2020, the successor to the seventh EU framework programme on research and development which is currently being finalised, will address a number of societal challenges, the most relevant being, food security, sustainable agriculture, marine and maritime research and the bio-economy.

The Department acts as the national delegate and the national contact point for the current agriculture-related research activities funded under FP7 and will continue to do so until FP7 ends in January 2014. It is likely that the current co-ordinated national support network of which the Department is a party, will be continued for Horizon 2020 to support our research community in leveraging funds from the Horizon 2020 programme. To date, Irish researchers have been very successful in leveraging funding from the FP7 programme under the food, agriculture, fisheries and biotechnology thematic area which is most relevant to the agri-food sector. To date, Ireland has drawn down almost 2% of the available budget. In the last call under FP7, Ireland leveraged €6 million of EU funding to support Irish researchers to develop capacity to support the agri-food sector.

Deputy Michael Colreavy: Sinn Féin would welcome any further supports aimed at increasing participation in agriculture among young people and enhancing research and development

activity. We would also welcome the prospect of foreign partnerships, as announced in the budget. We cannot wait for others to suggest alternatives for our consideration. The Department must be proactive and produce a road map setting out the direction in which agriculture should move, the areas we wish to support and the means by which our objectives will be achieved. The greatest risk facing us is that opportunities will be lost. Unless the Government and Oireachtas take a proactive approach and set out a vision and road map, the opportunities will pass us by. We must not spend the moneys that are available on management consultant reports which will not create a single job or, worse still, fail to expend them, which would require us to return them.

Deputy Shane McEntee: I agree with the Deputy on many issues. As a farmer, I experienced the 1970s and 1980s when Ireland entered mass production. I am trying to get the media to latch on to what we are in a position to achieve by 2015 or 2020. The door is open for Ireland to mass produce safe food. As the Deputy correctly noted, we could lose everything if we do not avail of research opportunities. I toured the Teagasc research centre in Grange, County Meath, yesterday where I was delighted to see so much effort being invested in new research and technology. We were shown an example of an animal which was able, for genetic reasons, to achieve the same weight gain as an identical animal with 20% less feed. Research is being done in Grange and elsewhere and our agricultural colleges are attracting large numbers of students. The Dáil needs to hold a serious debate on the scale of production that could be achieved here as well as the potential for job creation in the agricultural sector, whether in farming, research, dairy and beef equipment, sales, science parks and so forth. The process has started already. When I return home at weekends I often wonder what world I am in because rural life has changed so much. As spray dealers and the owners of hardware stores will tell one, farmers are the only people who are in a position to pay their way at present.

I enjoyed spending an evening in Deputy Colreavy's constituency recently. I saw how young people entering horticulture are receiving an education through a programme that is affiliated to the Sligo Institute of Technology. Some of those leaving our colleges do not know how to hold a shovel and would break its handle rather than use it. It is great, therefore, that the facility in County Leitrim is attached to the institute of technology.

Deputy Michael Moynihan: The agriculture sector has been at the forefront of innovative ideas and research and development for years. I refer specifically to work done in the Department, the national advisory training body, ACOT, and Teagasc. As the Minister of State noted, significant research and development is being done at the Teagasc research centres in Grange and Moore Park. We must emphasise to farmers at the farm gate the need to get our food products into new and emerging markets where the population is growing. The mature markets in Europe and so on have almost reached capacity. The real potential for Irish agriculture lies in the emerging markets. For this reason, we must focus our resources to ensure Irish products are sold on these markets.

Deputy Shane McEntee: We have already taken steps in this regard. The Minister is trying to get people into place in countries where diets are changing with a view to selling our products. New Zealand and other countries are also working hard in the emerging markets. We would also like to have the milk quota problem addressed. I would like the House to debate agriculture for two or three days to help members of the media to realise what is taking place in rural areas.

Written Answers follow Adjournment.

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

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each case: (1) Deputy Michelle Mulherin — the need to tackle a growing waiting list for persons requiring free civil legal services from law centres and to consider charging recipients of criminal legal aid; (2) Deputy Robert Dowds — the need to clarify the criteria used in determining the outcome of applications for Irish citizenship; (3) Deputy Michael Lowry — the laying off of employees on temporary contracts in the Garda vetting unit; (4) Deputy Pearse Doherty — the need to maintain diabetes services for children at Letterkenny General Hospital, County Donegal; (5) Deputies Thomas P. Broughan, Aengus Ó Snodaigh and Barry Cowen — the need to clarify the criteria and adequately resource community employment schemes; (6) Deputy Mattie McGrath — funding for the independent commercial radio sector and the need to review the distribution of the licence fee for independent broadcasters; (7) Deputy Dessie Ellis — the closure of Garda stations, in particular, the future of Whitehall station, Dublin 9; (8) Deputy Frank Feighan — the closure of the courthouse in Boyle, County Roscommon; (9) Deputy Éamon Ó Cuív — the need for an urgent reassessment of permitted stocking levels of sheep and cattle in the Maam Turk and Twelve Bens areas of County Galway; (10) Deputy Brendan Smith — the implications for management of career guidance following budget 2012; (11) Deputies Brendan Griffin and Thomas Pringle — the need to restore the modern languages initiative in primary schools; (12) Deputy Seamus Healy — the need to commence a State led job creation programme; (13) Deputy Ciarán Lynch — the need to have redundancy payments paid to workers at Vita Cortex, Cork, which is due to close this week; (14) Deputy Eoghan Murphy — the need for the Adoption Authority to commence negotiations with the authorities in Ethiopia to allow inter-country adoptions between Ireland and Ethiopia; (15) Deputy James Bannon — the need to include the rural transport programme in all public transport subventions; (16) Deputies Richard Boyd Barrett and Joe Higgins — the salary loss for the workforce of EBS and the strike threat at the company; and (17) Deputy Clare Daly — the withdrawal by the local authorities in Dublin from the Nevitt landfill project.

The matters raised by Deputies Griffin and Pringle; Ciarán Lynch; Lowry; and Broughan, Ó Snodaigh and Cowen have been selected for discussion.

Topical Issue Debate

Languages Programme

Deputy Brendan Griffin: This matter was brought to my attention in my constituency over the weekend and I intended to raise yesterday but unfortunately it was not selected for discussion. I thank the Ceann Comhairle for allowing me to raise it today.

I recognise that all Departments face severe economic constraints and understand the need to make savings in every Department. While it is easy to call for cuts to be reversed without setting out alternative sources of revenue, I strongly believe the decision to scrap the modern languages in primary schools initiative should be reviewed. This excellent initiative supports 500 schools nationwide and has a core team of six people co-ordinating it. It provides training and teaching in modern European languages to young children in primary schools and costs little in the overall scheme of things. While a figure of €2.5 million was cited in budget documentation, I understand the overall cost of the initiative is closer to €2 million.

I am concerned that the decision to abolish the scheme has been taken at a time when we need to be more outward looking by teaching our children European languages and doing our best to prepare them for the global market. The modern languages in primary school initiative is a step in the right direction and I hope the decision will be reviewed. While I understand the initial decision was to end the scheme in January, I have been led to believe it will be

extended until June. I ask the Minister of State to ensure the decision is reviewed in the period until June with a view to finding some means of continuing to finance this important initiative.

The modern languages in primary schools initiative provides excellent value for money. The savings achieved from its abolition would be minuscule, particularly given the social and educational dividend it pays. Modern European languages are more important than ever. Moreover, it is easier for children at primary school level to learn foreign languages than older children. Teaching under the initiative takes place in a fun and enjoyable environment and eliminates the fear among children of learning European languages. I recall that one of the most daunting aspects of beginning secondary school was having to learn a foreign language. Children who have been involved in the initiative are very positive about European languages because the fear factor has been removed. They embrace language learning when they reach second level because they already have an excellent grounding in it. Losing the programme would, therefore, be a great shame. Over the weekend, I spoke to numerous teachers who are involved in the modern languages in primary schools initiative and to principals in the primary schools where it is being taught. They all agree that the initiative should definitely not be cut.

An Leas-Cheann Comhairle: I ask the Deputy to give way to Deputy Pringle.

Deputy Brendan Griffin: How much time have I left?

An Leas-Cheann Comhairle: Your time is up because you are sharing it with Deputy Pringle.

Deputy Brendan Griffin: Okay. I ask the Government to review this measure because it is a step in the wrong direction. We need a more joined-up approach to education if we are to prepare our children for the future. I hope something can be done in this regard.

Deputy Thomas Pringle: I apologise for my late arrival in the Chamber. I had thought our matter was the second one on the Topical Issue agenda. As Deputy Griffin has outlined, the proposed abolition of the modern languages in primary schools initiative is a regressive cut. The children involved in the initiative, which is offered in 550 schools throughout the country, derive significant value from it. They are given a substantial head-start in modern European languages in fifth and sixth classes before they progress into the secondary system. It is vitally important that children are proficient in European languages when they leave the education system.

Ireland is a member of the EU and Irish companies do a great deal of business in Europe. We need our young people to be able to communicate with their European counterparts in a number of languages. We always hear business leaders bemoaning the fact that many Irish graduates are not very proficient in European languages. They have great difficulty recruiting people who can communicate in the various languages that are used around Europe. The Barcelona agreement and the Lisbon strategy, which called for systems to be put in place by 2010 to facilitate the early learning of at least two languages, were not ratified by the EU until last November.

The senseless cutback that is being introduced by the Department of Education and Skills, which will save just €2 million per annum, will place children at a severe disadvantage at a time when they need to be learning modern European languages. This regressive step should be reversed. I have received a great deal of correspondence in recent days from many school children who are very concerned about this cutback. I received a letter today from a pupil who said, "when my teacher told us that you cut modern languages, I was ready to cry". That is the impact this is having on children who were looking forward to increasing their education and developing their skills.

Minister of State at the Department of Education and Skills (Deputy Ciarán Cannon): I am responding on behalf of my colleague, the Minister for Education and Skills, Deputy Quinn. I thank Deputies Griffin and Pringle for raising this issue. I welcome the opportunity to clarify the position on the decision that was taken in the context of budget 2012 concerning the ending of the modern languages in primary schools initiative.

As part of the budget 2012 decisions that have been announced, the modern languages in primary schools initiative will cease at the end of the 2011-12 school year. The savings from this measure will go towards the cost of implementing the new national literacy and numeracy strategy, which is a key commitment in the programme for Government. Since he was appointed as Minister for Education and Skills, Deputy Quinn has spoken repeatedly about the need to raise educational standards. The curriculum reform priorities in the period ahead are to strengthen achievement in literacy and numeracy, to implement reforms in maths, Irish and science, and to progress junior cycle reforms.

The modern languages initiative, which was a pilot scheme involving approximately 500 schools, had been operating since 1998. It has not been possible for other schools to join the pilot project for a number of years. The way it operated meant it was not capable of being rolled out to all 3,200 primary schools. The decision to end the scheme from June 2012 was partly based on policy advice from a 2008 report of the National Council for Curriculum and Assessment, which identified serious issues with curricular overload at primary level. The council recommended that modern languages should not be part of the primary school curriculum as an additional and separate subject at present.

The primary curriculum is being reviewed by the National Council for Curriculum and Assessment in the context of the national literacy and numeracy strategy. The focus of the review will be on how best to enhance children's learning in these areas, to provide a clearer delineation of the learning outcomes required and to integrate into the infant cycle the learning experiences from the curriculum framework for early childhood education, Aistear.

Targeted support is provided to post-primary schools to enable them to diversify their language provision. There is a particular focus on Spanish, Japanese, Russian and Italian. Other languages, including French, German and Arabic, are also taught at second level. Participation in foreign languages remains high by comparison with other subjects. The vast majority of students study two languages and thereby develop core skills which will serve them well in future language learning. There are many opportunities outside the second level system for people to resume language learning.

Deputy Brendan Griffin: The modern languages in primary schools initiative is of considerable assistance in the delivery of improved literacy and numeracy in schools. It does that in a fun and enjoyable way. The contribution the initiative has made in the areas of literacy and numeracy should not be disregarded. Last October, the Royal Irish Academy published its national languages strategy, which called for the modern languages in primary schools initiative to be integrated into the mainstream curriculum. That was strongly recommended by the Expert Group on Future Skills Needs in 2005 and in a Council of Europe policy profile in 2008. That should be taken into consideration as well.

I will make a final point before I conclude. I am conscious that Deputy Pringle intends to make a final contribution as well. The Kerry football team has won 36 all-Irelands. We are very proud of every one of them. One of the factors that contributes to Kerry's success is that one is given a football as soon as one can walk.

An Leas-Cheann Comhairle: It is good to know that.

Deputy Brendan Griffin: I suggest we should apply that thinking to the teaching of languages in schools.

Deputy Barry Cowen: If it stops Kerry from winning all-Irelands, I am in favour of it.

Deputy Brendan Griffin: We will say nothing about 1982. The young brain is much more capable of learning languages than the older brain is. It is vital that we protect this initiative. It should be expanded. I understand that might not be possible under the current budgetary constraints. If the initiative is preserved for now, perhaps it can be expanded at some stage in the future when we are in a better economic position. Certainly, we should not do away with it.

Deputy Thomas Pringle: I concur with everything Deputy Griffin has said. The younger children are when they start to learn languages, the easier it is for them. The manner in which the brain develops means it is easier for young people to absorb languages. The older we leave it, the more difficult it is. I recall that I found it difficult when I was in secondary school. All secondary school children take a second language. I would be interested to know what percentage of them progress to study languages at third level. That is the point we need to look at. It is vitally important that we ensure people have qualifications and proficiency in modern languages when they finish third level education. We have signed up to and ratified the Barcelona agreement, so we need to make a commitment to it. This initiative will enhance literacy and numeracy because children can absorb an awful lot. The more exciting and varied their learning is, the better equipped they will be. Can the Minister of State confirm that the programme will end in June 2012? Some teachers have been informed that their jobs will be gone at the end of the year.

Deputy Ciarán Cannon: I spoke in the Seanad a couple of days ago about the suggestion that the programme will conclude at the end of this year. My understanding is that it will run until the end of the current academic year in June 2012. We fully accept the desirability of the EU policy direction set out in the Barcelona agreement. That does not necessarily mean such an approach is practicable in every member state. Our national languages — Irish and English — are given recognition under our Constitution and are taught at primary level. I would argue that the teaching of those two languages enhances the ability of a child to readily absorb other languages later in life.

It was not easy to decide to end this scheme. I know the Minister, Deputy Quinn, gave careful consideration before the decision was taken to the concerns that were expressed from a number of quarters about the teaching of languages. This country will face an incredible challenge in the next few years.

Education is part of the four year recovery plan. We must find €350 million of savings between now and 2014. We are seeking to manage this reduction in a way that is as fair as possible. We had to take some difficult decisions in the run-up to the budget. It was difficult making the decision to end this initiative. We decided to shield front line services in schools as best we can and to the greatest extent possible. The pupil-teacher ratio remains intact. Resource teaching and SNA supports that are available to children with special needs remain intact.

We are also focusing, as we must, on our capital building programme in coming years in order to respond to a very serious demographic challenge. Thankfully, this is a positive one in that we must address serious population growth in the next few years. Between now and 2017 we must find room for 70,000 extra children in our schools. We are engaging in a €2.2 billion capital programme in the coming years in order to respond to that challenge.

It is a difficult decision and was not taken lightly. However, in the context of what we had to do, it was the only decision available to us at the time.

Redundancy Payments

Deputy Ciarán Lynch: I thank the Ceann Comhairle's office for granting me time to speak on this issue.

Up to 40 workers are expected to be made redundant by Vita Cortex on Friday. The context of the problem I bring before the House is that approximately two years ago the owners secured a loan of €10 million from AIB to purchase this company. Three months ago the company announced the plant's closure because this loan had been taken over by NAMA and the company's assets had been frozen.

I understand there are funds available to meet the redundancy payments to which the employees are entitled but because the company is in NAMA, these payments cannot be agreed in the normal manner as they would if the company was not in the NAMA structure. To date, Vita Cortex has met with NAMA to seek to have the funds unfrozen. Until recent weeks an impression was created that some kind of resolution to the matter would be made. However, just prior to coming into the Chamber, I was given to understand that AIB has been in contact with the workers, on behalf of NAMA, and has stated emphatically that redundancy payments will not be paid from company funds, which are currently held in an account.

In response to this, I call on the Minister for Finance to seek urgent agreement from NAMA to confirm it will release these funds so that the workers who face a bleak prospect of unemployment will, at very least, be sure they will receive the redundancy payments due to them. This case highlights very clearly the difficulties that arise when NAMA effectively takes control of a company by taking charge of its outstanding loans. NAMA's interest in recovering the outstanding moneys can be in conflict with the best interest of a company and its employees. Here we have a situation where 40 workers who face into Christmas with the dole queues as their Christmas gift now also have a difficulty with their redundancy payments. I call on the Minister to intervene directly in this instance and to ensure that the obligations which require payment to these workers are put in place.

Deputy Ciarán Cannon: I am replying to this Topical Issue Debate on behalf of my colleague, the Minister for Finance, Deputy Michael Noonan.

Reports in the media suggest that due to its assets having been frozen by NAMA, the employees of the Vita Cortex plant in Cork are being deprived of redundancy payments. In particular, it is reported that NAMA has control over a company bank account with cash assets of €2.5 million from which redundancy could be paid. However, it is important we appreciate the full facts in this case. I emphasise there are important issues of client confidentiality that need to be respected in discussing this issue. NAMA is precluded, under sections 99 and 202 of the NAMA Act 2009, from disclosing confidential information relating to debtors. I am, therefore, limited as to what I can say about this case.

I understand from NAMA that the company in question is one of a group of companies owned by a NAMA debtor who, on 16 September 2011, announced his intention to close the Cork plant as part of the reorganisation of Vita Cortex. This involved the amalgamation of the Cork-based production into the Athlone and Belfast plants. I have been informed by NAMA that the company which is being closed down by its owner has no borrowings that are NAMA-controlled.

I am also informed by NAMA that the employees being made redundant are employed by Vita Cortex Industrial Limited, VCIL, which is not a NAMA debtor. The money referred to in media reports represents part-security that NAMA has for a loan in respect of other companies which are NAMA debtors. In these circumstances, therefore, any suggestion that NAMA

should release cash from this account so that the liabilities of another non-NAMA company should be discharged seems inappropriate.

There is a redundancy payments scheme in operation, the purpose of which is to compensate workers, under the Redundancy Payments Acts 1967 to 2007, for the loss of their jobs by reason of redundancy. Statutory redundancy lump sums are generally paid by the employer who is then entitled to a rebate from the State of 60% of the relevant amount. Rebates to employers and lump sums paid directly to employees are paid from the social insurance fund.

NAMA would suggest it is more the responsibility of the company's owner to make these payments from his own resources rather than ask NAMA to effectively make redundancy payments on his behalf by releasing security on unconnected loans. If the security for this loan was a plot of land there would be no question of the debtor seeking to get NAMA to pay the costs of his business.

Although the topic for debate relates to a particular issue, it is also worth pointing out that NAMA has assured the Minister for Finance it is committed to contributing to the purposes of the National Asset Management Agency Act 2009 which, *inter alia*, require it to contribute to the social and economic development of the State, in addition to protecting the interests of the taxpayer by ensuring that the value of any assets securing its loans is not diminished. In this context, NAMA assures the Minister it is a particular priority for NAMA, where possible, to minimise the adverse impact on the viability of any of businesses affected, or on the sustainability of any jobs that may be at stake. NAMA fully recognises the importance of ensuring the continued viability of businesses which can generate cash flow to repay debt and provide sustainable employment. However, NAMA cannot be held responsible for the liabilities of companies over which it has no control or with which it has no formal relationship.

NAMA was not established to settle disputes or to adjudicate on the rights and wrongs in these cases. Such a role is beyond the functions of NAMA as set out in statute in the National Assets Management Agency Act 2009. The prime function of NAMA is to manage acquired loans efficiently, effectively and expeditiously, and in the best interests of the State. In doing so it aims to attain the best achievable financial return on behalf of the taxpayer, subject to acceptable financial risk.

Deputy Ciarán Lynch: To state that one aspect of a company is not in NAMA while another aspect is underlines the complexities NAMA has created in the market place. The fact is NAMA has been engaged in discussions with the employer on this matter and also, directly or indirectly, with the unions involved. Until this afternoon, therefore, it has been engaged in a communication process on this issue. I am at a loss when I hear that NAMA, in spite of having been in these discussions, now claims the situation has nothing to do with it.

In addition, I understand there is a holding account in excess of €2.5 million to which the redundancy payments can be met, comfortably. Two items were mentioned in the budget last week which strike me as relevant to this debate. The Government made a very clear statement with regard to the redundancy obligations of employers. It behoves the Government to ensure that in any matter relevant to such redundancy payments it should act on behalf of those affected. For that reason I call on the Minister for Finance, Deputy Noonan, to intervene and look directly at this problem as it presents itself.

In the course of his budget presentation, the Minister gave a particular direction to NAMA in terms of how it deals with tenants and rents. NAMA was directed to take specific measures in that area. That would indicate it is within the competency of this House, and certainly within that of the Minister for Finance, to give a direction to NAMA on this issue.

[Deputy Ciarán Lynch.]

I reiterate what I stated at the beginning of this debate — 40 workers are without redundancy payments. I call on the Minister and his Department to examine this issue and make whatever intervention is needed to ensure these workers get their legal dues and receive their redundancy payments.

Deputy Ciarán Cannon: I again stress I am limited in what I can say about this case given the degree of confidentiality that exists. I reiterate the points made. The company that is being closed by the owner has no borrowings that are NAMA-controlled. The company is not a NAMA debtor and the money referred to in reports, the €2.5 million mentioned by the Deputy, represents part-security NAMA holds for a loan in respect of other companies that are NAMA debtors. I cannot see the logic, therefore, in suggesting that money set aside for debts that apply to a certain number of companies under NAMA control, and which we should seek to protect in the best interests of the taxpayer, should be used to discharge the personal liability of the owner of a company to his employees.

I have sympathy for the employees who will lose their jobs at a difficult time. However, I cannot see how money, held in security for debts controlled by NAMA in the interests of the taxpayer, could be used to offset the company owner's debts to those employees.

Departmental Staff

Deputy Michael Lowry: In the past several days my office has been inundated with calls from employees of the Garda vetting unit at Thurles, County Tipperary, who have been informed they will be laid off prior to Christmas. This is particularly galling when they are also aware of the recruitment of up to 16 interns from the JobBridge scheme who are due to take up positions in the unit in January.

These clerical officers were employed on temporary contracts, which were continually extended up until now, to tackle the huge backlog of applications in the unit. Many of them have been working in the unit for several months, even years in some cases. Through processing applications with personal and sensitive information, they have proved their professionalism, loyalty, discretion and experience at all times for the Garda vetting unit. The staff and management of the unit are doing an exemplary job under difficult circumstances on which I commend them. This unit is a relatively new one and since its inception it has been burdened with limited accommodation and a staggering workload. Yet despite these difficulties, and due entirely to the diligence of staff and management, they have succeeded in reducing the backlog in recent months from a waiting time of 16 weeks to just four weeks and will be down to the target of two weeks prior to Christmas.

This work ethic should be treasured yet these employees are being pushed aside as the backlog has now been brought under control. Their Christmas bonus is an unemployment notice with ten people losing their jobs prior to the Christmas break.

What will be the impact of these job losses on the vetting unit? The delay in processing Garda clearance certificates has in the past caused huge difficulty for people hoping to commence work or for people hoping to study certain college courses. The Minister for Justice and Equality promised a national vetting bureau Bill which will contain proposals to extend the remit of Garda vetting requirements to include a greater number of organisations. More robust measures to ensure the protection of children and the vulnerable in our society will be most welcome. The impact, however, these lay-offs will have on the unit must be properly examined and assessed. They will adversely affect the waiting times for the processing of an application for vetting, given the huge increase in the unit's workload which will come about as a result of

this new legislation which will broaden the scope of the vetting unit, placing a huge additional demand on its service.

The issue relating to the use of interns raises questions about the JobBridge scheme. The coincidence of offering internships to displace current job holders is a despicable way to manoeuvre a scheme and manipulate people. The workers to be displaced are angry and disillusioned. They rightfully feel aggrieved and consider they have been replaced for a cheaper alternative.

Answers must be given as to why there is a need for interns when others are losing their jobs. It is highly questionable that experienced, fully trained staff will be laid off while inexperienced interns are taken on. It is illogical, inefficient and wasteful to let go someone on contract work who is fully trained on the intricacies of the system and to replace them with someone who has no training in this field.

Will the Minister acknowledge this decision is not cost effective, is not in the best interests of the system and is extremely unfair and unjust to the workers in question? I call on him to reverse the decision and to renew the existing staff contracts.

Minister for Justice and Equality (Deputy Alan Shatter): I thank the Deputy for his interest in this matter, one about which Deputy Coonan was in contact with me earlier this week.

The Garda central vetting unit provides employment vetting for a large number of organisations registered with the Garda for this purpose and which employ or engage persons in a full-time, part-time, voluntary or training capacity to positions where they would have substantial, unsupervised access to children and vulnerable adults.

I am informed by the Garda authorities the average number of applications processed each month for 2011 to date is 25,384 and the average processing time for Garda vetting applications at the unit now stands at five weeks. This is a significant improvement on the average processing time of 12 weeks at the end of last year. One has to go back to 2009 to see a processing time as low as that which currently exists when the average number of applications received per month was approximately 25% lower than at present.

A total of 100 personnel are assigned to the unit at its office in Thurles, County Tipperary. To put this staffing figure into perspective, 13 individuals were employed to deal with vetting applications before the current process of development in Garda vetting began in 2005. Of this 100, five are members of An Garda Síochána and 75 are full-time Garda civilian personnel. In addition, 20 civilian personnel have been employed on a temporary basis to help reduce the backlog and bring down processing times. The contracts of ten of these personnel are due to expire shortly.

As I pointed out, the backlog issue has been substantially addressed and processing times have returned to what could be regarded as normal for this type of service. I have already placed on the record of the House my commitment to keeping the time required to obtain a vetting to the minimum possible. One of my first actions as Minister was to allow the Garda Commissioner the chance to extend the contracts of the ten temporary civilian employees for a six-month period and assign an additional ten temporary civilian personnel.

As a completely separate issue, the Garda Commissioner has pursued the question of providing placements for several individuals to avail of the JobBridge scheme. The aim of the scheme is to provide those seeking employment with the opportunity to gain valuable work experience, maintain close links with the labour market and to enhance their skills and competencies through a quality internship opportunity. It is expected that individuals who participate in the scheme will enhance their prospects of securing employment in the future. I am sure the Deputy will see the value in this.

[Deputy Alan Shatter.]

The scheme will provide internship opportunities of six or nine months for unemployed individuals in organisations in the private, public and community and voluntary sectors. The offering of placements in the Garda central vetting unit under the terms of the scheme is for no other purpose than that for which the scheme was intended — to provide those seeking employment with the opportunity to gain valuable work experience, maintain close links with the labour market and to enhance their skills and competencies through a quality internship opportunity.

Any suggestion that these placements are being offered to fill vacancies left by the staff whose contracts are expiring is utterly rejected. I want to be absolutely clear — the position of temporary employment of staff on contract has not been affected in any way by developments with the JobBridge Scheme.

I wish to express my gratitude to the staff in question for their efforts in helping to increase the efficiency and effectiveness of the unit, given the particularly important nature of the work in question. The sanction for their employment, however, was issued by the Minister for Public Expenditure and Reform clearly on the basis that their employment was temporary. That remains the case. However, in this context, discussions on the matter are ongoing between officials of my Department and the Department of Public Expenditure and Reform. Accordingly, it would be inappropriate for me to comment further on the matter at this point in time, other than to say I am hopeful there will be developments.

Deputy Michael Lowry: I am glad to hear the matter is under review. These lay-offs do not make any sense particularly in this highly sensitive area in which confidentiality is very important. It is vital that those who fill those roles have experience. Those on temporary contracts have built up that experience and expertise and are confident, capable, efficient personnel. I hope the ten clerical officers due to be let go before Christmas will have their contracts renewed.

Second, will the Minister clarify the position in the case of another 11 people whose contracts are due to expire in March? From my perspective and the perspective of everybody operating the vetting unit, it is highly unacceptable that people who are in a job should be displaced by people on a new jobs scheme. I appreciate the fact that the Minister is reviewing this. I hope there will be a favourable outcome to the review and that the people who are employed will continued to be employed on a contractual basis into the new year.

Deputy Alan Shatter: I emphasise there is no question of people being displaced by those on the internship scheme. I expect the Deputy would welcome the usage of the scheme, as it will specifically give some unemployed people in his constituency an opportunity to gain skills and competencies to re-enter the workforce in the difficult circumstances that exist in the context of the large number of individuals unemployed due to our economic difficulties.

My Department and the Department of Public Expenditure and Reform are in regular contact about ensuring the Garda vetting unit remains in a position to carry out its functions efficiently. That contact must take place against the background of the general strictures that apply to public service numbers. As the Deputy acknowledged, these appointments are temporary and they were always understood to be so. I want to emphasise that decisions taken on contract employees are not based in any way on developments relating to the JobBridge scheme. They are two separate matters but I accept the case Deputy Coonan made to me privately and the case the Deputy has made that these are skilled staff who have been engaged in this unit for some time and whose work is valued. However, they are temporary employees. Their contracts were previously extended at my request when they were about to expire earlier

this year and I am aware the contracts of the ten people mentioned by the Deputy are due to expire shortly. That is a matter in respect of which I am engaged with the Minister for Public Expenditure and Reform.

Community Employment Schemes

Deputy Thomas P. Broughan: I thank the Minister for taking this matter. Since the budget, people on community employment, CE, schemes have been terrified that their schemes will end. A total of 22,500 people around the country are carrying out valuable work for our communities and they are fearful about what may happen to them. My constituency has schemes such as the Darndale Belcamp Village Centre, Kilbarrack Coast Community Programme and Howth Sutton Community Council. The groups of companies I am most familiar with, because I have been a director of them for more than 25 years, are the Northside Centre for the Unemployed, the Glin Centre, Coolock and Coolock Development Council, which is on a community campus on Bunratty Drive. If the cut of €1,000 per worker for training and materials goes ahead, we will lose €120,000. It will be devastating and it will be a disaster for these groups of companies. The money has primarily been used for progression-based training courses in the past, including construction, welding, elder care, child care, landscaping, food and hygiene, occupational first aid, ECDL, office skills and so on going up to FETAC level 5. It will be disastrous for our training programmes if the Minister's review does not reconsider this cut urgently.

Deputy Aengus Ó Snodaigh: The announcement has caused consternation among CE participants, supervisors and those who avail of their services. I do not know how the Minister will be able to stand over this but she stated in a recent letter that: "In the event that the reduction in the training and materials grant announced in the budget creates financial difficulties for schemes that would otherwise be viable, my Department will be in a position to fund such schemes from within the overall Department budget." That is welcome but it exposes how ridiculous it is to go ahead with cut in the grant. The letter also claimed no CE scheme would close pending the outcome of the review.

These schemes are valuable, especially in areas of severe disadvantage, because they provide services the State should provide. Many of them survive on a month to month basis and they need to plan the roll-out of the training aspect of the programme. They must plan in advance and if they are unsure of funding, they must go with a begging bowl to the Department and hope the Minister will listen. The announcement is disastrous. The Minister understands some of the schemes because, for instance, she attended the Liberties recycling training and development scheme and presented the FETAC awards.

Deputy Barry Cowen: Cutbacks totalling €41.5 million in the CE programme will impact on services throughout the country and act as an impediment to long-term unemployed people looking to upskill and re-enter the workforce. The budget contained measures that will reduce the training and materials grant from €1,500 to €500 per participant per annum. These schemes include prominent community programmes such as crèches, community and family resource centres, elderly and disabled supports, sporting, social and cultural clubs, Tidy Towns, etc. There are 23,000 places on the schemes, which are sponsored by voluntary boards of management, with running costs covered by the materials and training budget. The cut means that sponsoring a scheme may no longer be variable.

The Taoiseach in reply to me yesterday said the Minister's review will not slow down the legislation relating to the budget, which will give effect to the 66% cut in the training and material grant for the schemes. Why did she not engage with the sector? Why did she not inform the schemes of a review before the budget, which cut their grant by 66%? How can

[Deputy Barry Cowen.]

scheme administrators prepare work plans for next year knowing such a grant cut will leave them in no position to prepare or cost a plan, let alone implement it? When will the review take place? Who will carry it out? What are the terms of reference it will adhere to? How long will the review take? If the costs associated with the schemes are cut by €41.5 million and the Minister says they will all survive, where will the funding come from within her budget to fund the schemes that are not viable? Is the cut in her budget, therefore, €420 million rather than €475 million? Will she clarify how much her Department's funding was cut by in the budget?

Minister for Social Protection (Deputy Joan Burton): The employment services division of FÁS will join the Department of Social Protection on 1 January 2012. This division has responsibility for CE schemes. This means the operational budget for CE schemes will become the responsibility of my Department. The division has 700 staff and it is also responsible for the local employment service. As part of its integration into the Department of Social Protection, I have directed that a review of CE schemes commence immediately. The purpose of the review is to establish the ongoing viability of each scheme in the context of the overall objectives of the CE programme and recognising, in particular, the community and social value of each scheme and the value to the participant in helping them back to work. It would be odd if a review was not carried on a division of this size with responsibility for so many schemes. No scheme will close pending the outcome of this review.

Due to the current economic circumstances and the need for the Department to find savings of €475 million in the budget, it is necessary to examine all aspects of expenditure of my Department. We are planning savings of €27.5 million, which represents a reduction of 7.5% in the 2011 CE budget of €360 million. The Department will spend €960 million on employment supports, including CE schemes, in 2012. Thankfully, that is up from €882 million in 2011. There is actually a very significant increase in a time of cutbacks in the overall budget for employment supports.

Community employment schemes provide a very important and valued contribution to social employment, training and progression for jobseekers. Furthermore, many community employment schemes provide vital community services right across the country.

This budget has had jobs at its centre. While CE provides an excellent service for the community in many cases, and provides a level of work for employed persons, it does not have high progression rates into further education, training or, indeed, a job. Many schemes do; some schemes do not. That is the fact. We need to ensure that people who go on CE schemes have a better chance at the end of the process of returning to work, and we are beginning that process with budget 2012.

With regard to the training element of community employment, the national training fund will provide €4.2 million for training on CE in 2012. In addition, SOLAS will continue to provide access to its training programmes for CE participants. It also has an additional €20 million activation fund. The need for training on community employment varies depending on the needs of participants, how long they have already been on the scheme and the training already received.

I want to mention two reviews——

Acting Chairman (Deputy Olivia Mitchell): The Minister will have to conclude as we are pressed for time.

Deputy Joan Burton: I want to mention the two reviews of community employment carried out recently, first, the Forfás review and, second, the ESRI review. Both said that, for quite a

number of community employment participants, there is only a 1% to 3% chance of actually getting a job after they have participated. That is a very worrying outcome.

Deputy Thomas P. Broughan: My experience is the opposite of the Minister's and I believe there is a fair amount of progression. The Minister rightly emphasised labour activation. Some of the courses people take cost anything from €500 to €800. All of that training is gone, which seems a very retrograde step if the Minister is serious about progression. Why did the Minister go ahead with the cuts without carrying out the review first? Why not talk to the people who know best, those represented by the three Deputies present, and then decide what to do in regard to funding?

I notice some key training we give people who work for us in our companies is mandatory, for example, health and safety training. How are we going to do that if there is no funding?

Deputy Aengus Ó Snodaigh: Does the Minister not understand that the review of the schemes after the fact is illogical and too late? The Minister should reinstate the training and materials grant and carry out the review. Although I believe these schemes have been over-evaluated over the years, if that review is carried out, the Minister will find very few of them are not complying with their mission statements. In fact, most will show a degree of progression, which is often not reflected, particularly those schemes involved in special community employment, such as drugs rehabilitative schemes, which show a tremendous amount of progression.

I referred earlier to Liberties Recycling, which must carry out safe pass as well as health and safety training. This means the training budget is altogether gone. Over and above that, last year every single one of the participants reached FETAC level and the same applies on other schemes.

Deputy Barry Cowen: I am sorry to say the response does not make the situation any better than it was before we started. The review is a smokescreen. It appears the Minister has no authority from Cabinet to rescind the cut that is proposed by the Minister, Deputy Howlin, to reduce the budget by €41.5 million. The Minister, Deputy Burton, said she would be able to achieve savings of €27.5 million so, even in the best case scenario, there is a €15 million gap. She talked about activation measures of €20 million. Will she be announcing separate activation measures from within SOLAS in addition to all other activation measures that currently exist within her Department?

Deputy Joan Burton: The community employment schemes and the operational budget both come into the Department of Social Protection on 1 January. The Department has not been in charge of community employment scheme operations through FÁS and will not be until FÁS staff come into the Department in the new year. People should understand that the key change arises from that fact and from the fact of the difficulties in the FÁS organisation that have resulted in the changes to FÁS, whereby the labour services side comes into the Department of Social Protection and the training and further education side goes into SOLAS and the Department of Education and Skills.

I have much personal experience of community employment and I recognise everything the Deputies have said about its value. I was out in Coolock the other night, talking to people in this regard, as I am sure Deputy Broughan knows. If we are honest, we have to say that not every community employment scheme has the same positive outcomes for the people who participate.

Acting Chairman (Deputy Olivia Mitchell): The Minister must conclude as the time is up.

Deputy Joan Burton: Deputy Cowen referred to people on FETAC courses and I visited the community employment scheme in Bluebell to which Deputy Ó Snodaigh referred. I am very confident that good community employment schemes with quality services and quality outcomes for participants will benefit from the review. The key point is the outcome for people as well as the services to the community and value for money. We will have very good progress in each of those areas.

Local Government (Household Charge) Bill 2011 [Seanad]: Second Stage (Resumed)

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

Deputy Tony McLoughlin: I welcome the opportunity to speak on the Bill. Up to February of this year, I had been a member of Sligo County Council and Sligo Borough Council since 1974, which by anyone’s standards is a long period of local representation and gives me a deep understanding and considerable experience of local government.

Many of the people who have served with me will say raising finance within local government and at the same time providing services is always a difficult balancing act. In 1978, when the then Fianna Fáil Government abolished rates, it stripped many local decision makers of the revenue raising power they had at local level. As a member of Sligo County Council at that time, I recognised that this political stroke would have a lasting impact. The lack of a local or property tax was identified by the troika and the continuation of a tax system that is over-reliant on personal tax is not sustainable, hence we are here debating this proposed household charge.

Between 2000 and 2007 local authorities were awash with funding from development charges and a central Government grant that ensured any thoughts of how local government would in some way self-finance were never on the radar or in the mind of a dutiful environment Minister — what a pity. If the Minister, Deputy Hogan’s predecessors, including former Ministers, Mr. Noel Dempsey, Mr. Martin Cullen and Mr. Dick Roche, were to propose this type of charge, given the then economic boom, they would have found it a lot easier to sell it to the general public. While I am sure it was on their mind, I am also sure the then Taoiseach, Mr. Ahern, would have sent them to Brussels, Siberia or some other location as he feared his ambition to serve longer in office than Mr. de Valera would be thwarted. It is now much more difficult to introduce this Bill in a time of economic difficulty for so many people.

The Society of Chartered Surveyors Ireland has stated that the proposed household charge announced as part of budget 2012 will provide local government with “a more stable and sustainable source of income” than that provided previously by stamp duty. I welcome this statement from an organisation which is independent of Government and recognises the true worth of local government becoming self-financing, where possible. Some local authorities will raise funding through a number of locally based charges, including this proposal, metered water, second home taxes, motor tax, development charges and house rentals. Surely this is the model of funding to which we should all aspire so that, eventually, taxpayers’ money currently funding the general purpose grant can be used for other sectors badly in need of funding, including health and education.

Many of the speakers on the other side of the House will level the usual criticism of these measures, namely, that introducing any charge or local tax is not welcome. However, we must look beyond this time to five or ten years hence when, hopefully, we will be in a better place financially. Our aspiration is to ensure that the local authorities are well placed to provide better local services and more of an all-round community and economic programme for local areas, properly funded and not reliant on the general purpose grant. In better times to come, hopefully, the State can reduce the tax reliance on the income of the lower paid, take more of

them out of the tax net and allow young people who are not homeowners the chance to get a start in life.

Sinn Féin spokesperson, Deputy Ó Snodaigh, has stated on his website that by choosing to impose sweeping flat rate taxes on everyone, the Government is abandoning its pre and post-election promises to protect the most vulnerable and families on low incomes. I take issue with this statement on the basis that the opposite is the case. This proposal was part of the EU-IMF agreement imposed on Ireland and legally signed up to. The Bill will provide protection to many who are on mortgage interest supplement, who are residents of local authority housing or who live in certain unfinished estates. These are protected in the Minister, Deputy Hogan's, Bill.

As I stated earlier, it is incumbent on the Government and future Governments to continue to form a fair and equitable tax system. In time, when this interim household charge is developed into an equitable property tax—

Acting Chairman (Deputy Olivia Mitchell): Deputy McLoughlin's time is up.

Deputy Tony McLoughlin: —it will ensure those with wealth and larger properties will pay more and, of course, smaller households will pay less.

The left cannot have it every way. While calling for better local services, they resist this tax which is a means to fund services. We must live in the real world where in this country there exists an Exchequer gap of more than €16 billion. The €160 million expected to be raised through this measure is a small amount in bridging the gap. However, in the longer term—

Acting Chairman (Deputy Olivia Mitchell): Deputy McLoughlin is taking the Deputies' time.

Deputy Tony McLoughlin: —I hope that this will be the start of a proper funding mechanism for our local authorities the future.

Deputy Peter Fitzpatrick: I welcome the opportunity to discuss the Local Government (Household Charges) Bill 2011. It has received much discussion time and some of the debates among the national media have been anything but objective. There are a number of issues worth noting, foremost being the hitherto unconsidered EU-IMF programme.

The EU-IMF programme of financial support for Ireland commits the Government to the introduction of a property tax for 2012. The programme reflects a need in the context of the overall financial position to put the funding of locally delivered services on a sound financial footing, improve accountability and better align the cost of providing services with the demand of such service. This is hardly ground-breaking and relates only to the proper provision of local services.

In light of the complex issues involved, a property tax requiring a comprehensive property valuation system which would take time to introduce and, accordingly, to meet the requirements in the EU-IMF programme, the Government decided to introduce a household charge in 2012. The household charge is an interim measure and a proposal for a full property tax will be available for consideration by the Government in due course.

This proposal is an interim measure and should be viewed in such a context. As such, it may not meet all the requirements of a properly functioning system, but it is the initial foundation of a system that, with minor improvements, could provide a solid platform for the funding of much needed and valued local services. Property valuations are hardly the criteria on which to introduce a measured initiative given the wide price fluctuation available presently.

[Deputy Peter Fitzpatrick.]

The charge will be set at €100 and will apply to the majority of owners of residential properties in the country at a point-in-time basis. It is expected to raise some €160 million on full collection and the revenue from the charge will support the provision of vital services provided by local authorities.

Internationally, local services are administered by local authorities and financed by local service charges. In Ireland, local authorities are responsible for, among other services, fire and emergency services, maintenance and cleaning of streets, street lighting, planning, the development services, public parks, libraries, open spaces and leisure facilities. These services are an integral part of local communities. However, these much valued services must be funded and the proposed charges are a small monetary contribution to the maintenance of these said services.

As stated, this is an initial contribution but I firmly believe that the people of Ireland are significantly aware and appreciative of the value they receive from community providers. I can only speak for my own constituency in Louth, that there is not a town which does not have its streets cleaned early on a Sunday morning. This does not happen by magic and these services need to be paid for. In addition, there is an outstanding library service that functions as both recreation and leisure facilities among the constituencies.

As with most legislation introduced by the Government, fairness is of paramount importance. As a result, there are notable exceptions to the charge and not every dwelling will pay the proposed charges as there are many wide-ranging exceptions.

I would encourage anyone to evaluate the proposed charges. However, as an initial measure to ensure the better funding of critical local services, I have no hesitation in recommending this Bill to the House.

Deputy Tom Barry: The reform of how local government is funded is essential given the collapse of the development contributions and the complete lack of a plan B from the previous Government on where the replacement local government would come from.

To meet our requirement under the EU-IMF programme of financial support for Ireland, a property tax is to be introduced next year. This €160 million, as other Members have stated, will obviously contribute towards funding the emergency, waste, library, recreation and leisure services. It is €2 a week. It does not sound much, but it is a charge. It is important that the exclusion of properties that are newly constructed or unsold is taken into account.

Where I have an issue with the definition of an owner under the liability of the household charge is that owners, not occupiers, will be liable here. This will be fine but in particular situations, it should not apply across the board. For the landlord, the property is not his or her household and it is only an extra charge. There is a situation here where many couples bought a second house as a pension or as something to pass on to their kids in old age. They now find themselves caught in a situation where they have a €200 second home charge and another €100 as a household charge tax. Those living in much of the rented accommodation have good jobs. They all are not on social welfare. They can well afford to pay this charge. However, it is being applied to those——

Deputy Joe Higgins: The landlords.

Deputy Tom Barry: ——who own them. This is a little unfair where, for example, the cost of the mortgage is €1,500, the rent is €900 and there is a net loss of €600. When one adds in the miscellaneous charges, including that of the PRTB, these people are losing €750 a month.

This is a difficult burden for these people to carry. Even though some Deputies here find it amusing and they are clever——

Deputy Joe Higgins: I do.

Deputy Tom Barry: ——we cannot ignore the situation where middle-class people who bought these properties are now facing bankruptcy on the back of it. We need to be cognisant of that. I would remind Deputy Higgins that these are citizens of the State as well.

Deputy Joe Higgins: It is amusing that the landlord becomes the victim and the tenant should be the payer.

Acting Chairman (Deputy Olivia Mitchell): Deputy Barry has the floor. Deputy Higgins will have his own time later.

Deputy Tom Barry: Deputy Higgins's form of politics is the ABC version and I will not even go there.

Essentially, it is something that needs to be recognised. These people, as citizens of the country, need to be recognised. These are not the traditional landlords. These are genuine people who had a little extra in their cashflow and bought a property. They invested in the State and now they are being crippled. I would ask the Government to look at this a little more carefully in the future.

Second, it would be nice to see the post office being allowed to deal with these charges and administer them. I would like to see more business being given to post offices, especially those in rural areas which could need help.

Deputy Heather Humphreys: I welcome the opportunity to speak on this Bill. It is a significant Bill in that it will have an effect on almost every homeowner in the country.

The introduction of a property tax in some form is something that has been mooted for quite some time. At present, Ireland is one of the few countries that does not have a property tax. In that respect, I believe that the introduction of this necessary legislation represents a further difficult decision which has been left to the Government due to a lack of will on the part of the previous Administration.

I appreciate that at a time when many are working within tight budgets a €100 charge on their household will be unpalatable and unwelcome. However, the fact of the matter is that under the programme of financial support which has been agreed with the EU-IMF, the Government is committed to the introduction of a property tax for 2012. In this regard, the Government has no choice but to introduce the measure on an interim basis until the process for the implementation of a full property tax can be considered fully.

I welcome the fact that there will be certain exemptions from the charge. In this regard, the Government has adopted a common sense approach. That social housing will be exempt from the charge stands to reason. Making it liable to the charge would simply result in what the Minister has described as a circular flow of income. It would result in further administrative costs, which we can all do without. This is also true for the exemptions related to properties owned by the HSE and Departments.

That the household charge will not apply to those who pay commercial rates also makes sense. By definition, the charge will be for domestic properties. In this regard, it is only fair that those who pay commercial rates should not have to pay the household charge as a further charge. One of the most important provisions in this Bill is the exemption from the charge for people who have been forced to vacate their homes due to long-term illness or infirmity. This

[Deputy Heather Humphreys.]

provision is aimed at preventing elderly people having to pay the charge. This stands to reason. If a person were left with no option but to leave his home and enter a nursing home, it would be most unfair to expect him to pay for a property in which he no longer lived. It is also unfair to expect the relatives of the infirm pay the charge when they most likely have to pay the charge on their own homes. These are small but very important measures in the Bill. I welcome the fact that the Government gave due consideration to these aspects before introducing the legislation.

I welcome the fact that the period in which the charge may be paid will run from 1 January to 31 March. This allows sufficient time for the national information campaign by the Department and the various local authorities to raise awareness about the charge and ensure people fully understand whether they are liable to pay it.

It is a good idea that households will have the option of paying the charge in four instalments of €25. This will mean an unnecessary burden will not be placed on families by having to pay the €100 charge all at once.

In the current economic circumstances, the decision to impose any additional charges on households is not one that can be taken lightly. However, as alluded to earlier, this decision comes as part of the agreement with the European Union and the IMF.

Deputy Catherine Byrne: I welcome the Bill. The Minister for the Environment, Community and Local Government, Deputy Phil Hogan, and other Ministers have a tough time ahead of them, particularly because the IMF deal requires that a property tax should be paid for 2012, and that it should increase in 2013. As we all know, the country is in a very dark place. It is €18 billion in debt. Significant savings must be made in all Departments, particularly this year, in which €3.8 billion must be saved.

It is reasonable to ask people to pay the household charge of €100. There will be many exemptions. The charge will be based on self-assessment and the owner of a residential property must register to pay. Owners will be given until 31 March to do so, which I welcome. I thank the Minister for allowing people time to pay the charge in instalments of €25. If one puts this into perspective, one will note this amounts to a payment of €2 per week, which is reasonable enough. The charge will raise €160 million, including for local authorities. Members, including those of us who sat on councils, know the importance of local authority services. It is important for everybody that our streets remain clean and that there be proper lighting and footpaths and, above all, emergency services. I am thankful much of the money raised will go towards these.

While the charge is to be the same for everyone at first, the Government will proceed to applying it according to the size of one's dwelling or individual property. This is right and just. Those who live in bigger properties should, naturally, pay a higher property charge.

For many of us, especially the young, it seems alien to be asked to pay the charge. However, many of the older generation will remember when rates were very much part and parcel of annual domestic budgeting. The charge is a small one. Many will be able to avail of a waiver. I refer to the many people in my constituency who are in social, voluntary and charitable housing and to young people who are living in unfinished estates where the roads, footpaths and lighting need to be completed. I hope some of the revenue will be directed towards such areas.

This morning and yesterday, I heard many Members of the Opposition state there would be massive protests. I agree with massive protests. We live in a democracy, in which one has a right to protest. There was a protest that lasted four years on foot of waste charges imposed by Dublin City Council. In my constituency, people arrived on Davitt Road every Saturday

morning and left mountains of bags behind them. Unfortunately, the protestors went away and left the bags to be cleaned up by many of the residents living in the area. I hope that if there are protests, they will be properly controlled and that residents will not have to deal with their aftermath. I welcome the Bill and I am grateful for the opportunity to speak.

Deputy Seán Crowe: I am sharing time with Deputies Aengus Ó Snodaigh and Sandra McLellan.

Some months ago in this Chamber, we debated the revenue that could potentially be raised from untapped natural resources believed to lie in Irish coastal waters. An interesting point made by one speaker was that the revenue was referred to as Sinn Féin's leprechaun gold. This was a puerile attempt to denounce Sinn Féin's view that our natural resources should benefit all our people. The idea of spreading the tax burden was dismissed. Nine months after the debate, there are attacks that will target the little people with an annual charge of €100 that is entirely indiscriminate and punitive for householders, many of whom do not have the means to pay.

As the dust begins to settle on last week's budget, all of us have had the opportunity to absorb the implications of the regressive austerity measures that have been rammed down the throats of the State's most vulnerable citizens. People voted for change but we have a government that seems hell-bent on implementing the same grossly unfair policies of its predecessor.

The household charge, an indiscriminate flat tax, will have a disproportionate impact on those struggling to make ends meet. There is no equality regarding the payment of the tax. It fails to take into account or differentiate between the individual circumstances or hardship faced by individuals or families. The millionaire householder is to pay the same as the pensioner or person on carer's benefit.

When the Taoiseach addressed the nation on the Sunday before the budget, he stated quite clearly that the average citizen was in no way responsible for causing the catastrophes that have led to the loss of our economic sovereignty. This is not much comfort to those families who must do much of the heavy lifting and meet the State's financial burden. Those responsible for causing the crisis remain immune from any real sanction. They are free to live a cosseted existence and are exempt from having to face any real consequences of their actions.

By any standard of fairness, it is wrong that the household charge will be imposed on people regardless of their ability to pay. One hundred euro may not seem a lot to some politicians who believe it is appropriate to pay advisers in excess of €135,000 and at the same time draw down a wage that greatly exceeds that amount. To the unemployed or working poor, however, it represents a significant burden. This is especially true given that the latter face additional stealth taxes, cuts to their benefits and changes that deny them a decent education and health service.

The number of unemployed is close to 450,000 and the rate of unemployment is 14.5% of the working population. In my constituency, Dublin South West, the rate of joblessness is one of the highest in the country, with over 11,000 people on the live register in Tallaght. The most recent CSO data show that in November, 2,261 people who found themselves unemployed were under the age of 25 and have little or no prospect of employment.

To make matters worse, the cuts in funding to CE schemes will deny many people the opportunity of finding work.

Poverty, deprivation, hopelessness, alcohol and substance abuse, marital break-ups and growing despair are the consequence of unemployment which, coupled with forced emigration, makes this a very bleak time for families. How is it fair that families depending on social welfare or low paid jobs are expected to pay the same household charges as those who earn

[Deputy Seán Crowe.]

100 times more than what the State pays in benefits? Nobody on the Government benches has answered that question. The implementation of the household charge is yet another example of the Government's abandonment of its pre-election promises to protect the most vulnerable and families on low incomes. This charge will mean there is less money to spend in the local economy, which in turn will lead to further economic stagnation.

The new poor are not all living in local authority housing or unfinished estates. A considerable proportion of the new poor are living in estates all around the country. That is why I have a difficulty with this tax.

Deputy Aengus Ó Snodaigh: Tá an Bille seo ag cur cánach nua anuas ar phobal na tíre seo. Cáin teaghlaigh €100 a bhéas ann i dtús báire, ach tá a fhios againn cheana go bhfuil sé i gceist ag an Aire cáin réadmhaoine agus táillí uisce a chur ina áit chun athrú a dhéanamh amach anseo. Ní cáin fhorchéimnitheach an cháin seo mar níl sí ceangailte, ar aon bhealach, le hábaltacht iad siúd ar a leagfar í chun í a íoc.

This Bill imposes the first of a series of ultra-regressive taxes. The Minister has indicated that the €100 flat tax will be quickly followed by a property tax and water charges, both of which will be significantly more than €100. Progressive tax regimes link taxation to the ability to pay. Even the exemptions to this charge, limited as they are, pay no heed to ability to pay. An individual who lives in an established housing estate can face a financial struggle that is equal to somebody living in a ghost estate.

The Minister is introducing the scabbiest waiver scheme ever. Even if one subtracts social housing, the private rental sector and ghost estates from our 1.6 million households, more than 1 million households remain. The Government gave a waiver only to the 18,000 social welfare recipients who are entitled to a repayment of the mortgage interest supplement. Almost 500,000 people are out of work and last week's budget will suspend the mortgage interest supplement for 12 months for many people. How many of those 18,000 waivers will remain?

Between 200,000 and 300,000 families depend exclusively on social welfare payments. Not all of these families are living in local authority housing or rented accommodation. Hundreds of thousands of families who own their own homes will not get waivers. Older people who depend on the meagre State pension will not get waivers. Struggling families who are excluded from the mortgage interest supplement by the 30 hour rule, which was not reformed as promised in the programme for Government, will not get a waiver. By introducing a provision for payment by increment, the Minister acknowledges that he is targeting people who do not have €100 to pay the charge.

The €10 transaction charge for making payments in cash is an outrageous additional burden. The Minister is targeting the poorest of homeowners with this extra charge. According to the ESRI, banking exclusion in Ireland is three times higher than the EU-15 average. Some 20% of Irish households do not have bank accounts, a figure that rises to 40% among those with low educational qualifications, 38% among households in the bottom quartile for income and 27% among those over the age of 55. Many people in our society are functionally illiterate or have no access to computers and others do not have bank accounts for a variety of reasons, including fear of the banking system. Who can blame them given what has happened recently?

While it would be easy for me to jump on the do not pay campaign bandwagon, I urge caution because people should be fully aware of the consequences of such a stance. I do not want to see a repeat of what many people in Dublin are facing as a result of weighing in behind the anti-bin charges campaign. They were encouraged not to pay but are now facing charges of up to €2,000 and the campaign has all but disappeared.

Deputy Joe Higgins: That is not true. The Statute of Limitations applies.

Deputy Aengus Ó Snodaigh: If I decide not to pay, as I am going to, that will be based on a decision I take with my family in the knowledge that I may face fines and a further tax of €2,500. I will stand with others of like mind and I will organise alongside those who take a similar stance but I am not going to encourage people to act without knowing the full facts.

This tax is unfair and our pre-budget submission has shown it is not necessary. While the household charge will not break the bank for many, it will be the last straw for thousands of families. It is only a matter of time before the fines are deducted at source from pay and social welfare cheques once the relevant legislation is introduced. The cumulative effect of several Fianna Fáil-Green Party-Independent Government budgets, along with last week's vicious Fine Gael-Labour Party budget, means that concurrent payments have been abolished, rent supplement has been reduced and community employment schemes and fuel allowances have been slashed. These cuts impact on the limited incomes of those who depend on social welfare. They are now being asked to pay a further €100 this year.

We have no idea what will happen to this charge in future budgets. The Government intends to follow the household charge with water meters but it could achieve greater savings by preventing water wastage in the distribution network. International evidence suggests that household meters may reduce water usage by 16%, whereas the Comptroller and Auditor General found that local authorities are losing more than 40% of their water supplies through the distribution network. Instead of investing where it counts, the Government proposes to spend almost €1 billion on household meters. In the meantime, it is cutting expenditure on vital remedial works by 12% or more. The budget for water services investment has been cut by €60 million this year, which will exacerbate the legacy of under funding mains rehabilitation. Local authorities and the Department of the Environment, Community and Local Government have routinely failed to spend the money allocated to them in the past but the funds were not diverted to local authorities which were willing to spend and had greater need. For example, in 2010, the Department failed to spend approximately €140 million of the money allocated to it. That should have been diverted to Dublin City Council or other councils that had a greater need. The Government has stated that it intends to borrow €500 million, paying it back over a period of time at a cost of €1 billion, for water meters. It is committing money for non-vital household meters, yet it has not made available the €10 million or €20 million that would be required to secure the Vartry tunnel, which supplies 20% of the water in this city and which is facing collapse at any moment. That is the level of regard the Government has for the welfare of our citizens, and that is the context in which this regressive tax is being introduced.

Deputy Sandra McLellan: This Bill was published only nine days ago, yet already the charge it exists to bring about has been the subject of much discussion in the streets and workplaces of the country. I understand that when speaking on the Bill in the Seanad, the Minister of State, Deputy Fergus O'Dowd, stated that the charge was a relatively modest one. Whenever Government Deputies speak about this charge, or the septic tank charge, it is implied in what they say that it is a charge that people can afford. This is not stated explicitly, but it seems to be beyond question as far as they are concerned that people will be able to afford it. This is a sign that they are not in touch with the reality on the ground. People have already been cut to the bone. I do not believe the Government Deputies fully appreciate the sacrifices that families are already making. The weekend following the budget, numerous constituents made contact with my office to tell me how worried they are. They told me they simply did not know how they would manage. I find all this deeply troubling.

This is a very unfair tax. It is not right that somebody living in an apartment and struggling to pay a mortgage must pay the same as someone living in a very big house with no mortgage.

[Deputy Sandra McLellan.]

Many people simply do not have the money. They cannot afford their mortgages and, on top of the recent budget cuts, this household charge will push them over the edge. I recently came across a case in Cork in which a family had to stop sending their sons to the Scouts as they could not afford to pay the registration costs. Like the household charge, this was around €100. As with the septic tank registration charge, they could have paid it in instalments, but they simply could not afford it. This was no spendthrift family. They had made numerous sacrifices to cut costs, stopping unnecessary purchases and even giving up cigarettes before they were forced into the decision. They wanted their sons to be able to participate in the Scouts, but they simply did not have the money — it just was not there. This is just one of a legion of examples I — and, I am sure, my colleagues — have come across of people who simply have nothing left to give.

This Bill takes little or no account of ability to pay. The exemption categories are far too narrow. Aside from certain exemptions regarding commercial properties and local authority housing, everyone living in most types of housing is expected to be able to pay. This will hit many categories of people hard. I am particularly fearful for the elderly, who also saw their fuel allowance cut in the budget. They may own their own homes, having spent many years prudently paying their mortgages, but many of these people are cash-poor. I am sure we will see the charge being passed on to tenants in private rented accommodation by landlords. Most incredibly, those in receipt of social welfare in various forms will be expected to pay if they own their own homes, even if they are at risk of poverty. This charge is a blunt instrument and it is gratuitous. I am not sure by what metric it can be described as fair that a millionaire and a single parent struggling on a weekly basis will have to pay the same rate regardless of their incomes or the properties they live in.

I am reminded of a political broadcast produced by the Conservative Party in the late 1980s promoting the community charge, or the poll tax, as it was better known. The broadcast, which can be found on the Internet, stated that the charge was fair as everyone paid it and everyone paid the same. It was an insult to the intelligence of the British people, and they saw right through it. Our Government is making a similar argument that because everyone pays the same, the charge is fair. It is my view that the Irish people will not buy this argument. I can do nothing but oppose such an inequitable and grossly unfair charge, and I call on the Government to reverse its decision. I am sure the Government Deputies will have the worries, concerns and anger of their constituents ringing in their ears this Christmas if they proceed with this legislation, and rightly so.

Deputy Olivia Mitchell: I wish to share time with various Deputies.

An Leas-Cheann Comhairle: Yes.

Deputy Joe Higgins: Sharing with whom?

An Leas-Cheann Comhairle: Deputies Hannigan, Maloney and Dowds.

Deputy Olivia Mitchell: The hot topic of the day when I was first elected to a local authority a frightening 26 years ago was the funding of local government. We have had various stabs at local charges and taxes over the years, none of which stuck, even though local charges or taxes are regarded as the norm internationally. This is not only because they broaden the tax base and make the Exchequer less dependent on a narrow range of what may be quite volatile taxes, but because they are good for services, good for consumers and good from the point of view of efficiency and value for money. A direct financial link between the customer and the service

provider ensures greater accountability. It fundamentally changes the relationship if one is paying for a service.

In normal circumstances, the introduction of a local tax such as this would be accompanied by a reduction in central taxation, and it is a tragedy that we are introducing it in circumstances in which it must be a revenue-raising tax. We had no choice about that, given the demands of the troika. It is being introduced in a hurry for this reason. As a household charge it will not survive because it will eventually be replaced, in tandem with the non-principal private residence tax, with a property tax.

The real tragedy is that we did not have a property tax during the Celtic tiger years, and that we ever abolished rates for private houses, onerous and dreaded as they were at the time. If there had been rates or a property tax over the last 15 years, we would have had no property bubble, no bank guarantee, no over-lending, no Anglo Irish Bank and no bailout. We would be in a very different position. A tax such as that would have acted as a brake on the madness that prevailed. However, instead of having taxes and charges to put a brake on the property bubble, we had incentives to accumulate property. Local authorities received development levies, which encouraged limitless granting of planning permission and ever-increasing densities. There is no doubt that Irish people have historically been obsessed with property and apart from the necessity of this tax now as a revenue-raising measure, it makes good sense to establish a tax that will act as a stabilising mechanism should the property madness ever overtake us again.

There are two issues I would like to raise with the Minister. Given that this tax and the NPPR tax will be consolidated into the property tax, I draw the attention of the Minister to the problems and inequities in the NPPR tax as it currently exists. First, it is not eligible for tax relief, despite the fact that it is a legitimate business expense. Second, the policy of charging per unit in converted houses is unfair; for example, the owner of a house that has been converted into five small flats pays five times the charge levied on the owner of the house next door which is also rented out but as a single dwelling. I ask the Minister to consider, for the remaining years of this tax, at least putting a cap on the total amount of tax that can be collected on any one property. For example, if an owner is currently paying a NPPR tax of €1,000, maybe it could be capped at €600, or something similar.

The method of payment for this new charge will be similar to the method of payment for the NPPR tax, which is efficiently and effectively managed by the Local Government Management Services Board on a shared basis for all local authorities. At the moment, however, it is completely inflexible. If I send my cheque in late without the penalty, it will be sent back to me. People are beginning to accumulate debts because there is simply no tolerance at all in the system. This is too draconian for a tax which, after all, people do not get a bill for. It is a self-assessed tax; one does not get a bill or a reminder, yet if one does not pay, one is charged a penalty which must be paid. These are difficult times for people and, unlike the non-principal private residence, NPPR, charge, this charge will be paid by people in a variety of circumstances. The elderly, infirm, redundant and bankrupt will be required to pay it. Although I accept that they must pay their taxes, the collection system should facilitate easy payment, rather than make it difficult and have such inflexibility that it is almost impossible to pay, as a result of which people accumulate huge debts very quickly.

Deputy Dominic Hannigan: I will share time with Deputy Robert Dowds and Deputy Eamon Maloney.

The biggest challenge this Government faces is getting the public finances in order. That is the legacy of the economic mess in which the Fianna Fáil Party left this country. Fianna Fáil

[Deputy Dominic Hannigan.]

signed the deal that has led us to this day. It agreed the terms and conditions which resulted in us introducing this charge.

Last night, some of the Fianna Fáil Party Deputies asserted that we could put the introduction of this charge on the long finger because the new Government has lengthened, until 2015, the time in which we must reduce our deficit to 3% of GDP. One Fianna Fáil Party Deputy's idea was that we could delay its introduction and deal with the issue of financing local government at another time. That is just more of the same from the Fianna Fáil Party, putting things off. It postponed the introduction of the septic tank charges in the same way. The attitude is to put off until tomorrow what one should really do today. Long-fingering the hard decisions was its policy and it is one of the main reasons the country is in the current mess, where it must borrow to pay the teachers, doctors and nurses. We are getting our country back on track and back to work, but to do that we must make some tough, hard decisions. We are trying to do it in a way that is as fair and progressive as possible. We will continue to do so over the next four years.

Everybody knew at the last general election that a property tax would be introduced over the lifetime of the future Government. I was asked at the doorsteps in County Meath what we would do about a property tax. I told people out straight that we had to introduce a property tax. I have no doubt that I lost votes as a result, but that response was necessary because we had to be up-front and truthful with the people. We had to tell them that it had to be done. We are tied into doing it so we can continue to get funding from the troika.

We want this tax to be levied in as fair a manner as possible and to ensure that we protect the people who cannot afford to pay it. To ensure this happens the Minister has put together an expert group that will design a fair and progressive property tax. This group will look at the scope of the tax, the assessment criteria and what exemptions and waivers can be put in place. The group will report back to the Minister in the middle of next year and decisions will be taken after that. I welcome that because I believe it will lead to a more progressive and fair system. Already a number of exemptions have been put in place, for example, for people living in social housing and those in receipt of mortgage interest supplement, which amounts to approximately 18,000 households. There is also an exemption for people living in the 1,300 unfinished housing estates throughout the country. The expert group will report on more options for exemptions and waivers by the middle of next year.

We recognise that this money does not come easy to anybody; it is hard earned money that people will have to pay. We are committed to making sure the money is spent as efficiently and effectively as possible at local level. We are making the hard decisions and we will continue to do that so we can reclaim our economic sovereignty and get our country back to work.

Deputy Robert Dowds: With regard to the comment by Deputy Ó Snodaigh concerning people who pay the charge in cash, I ask the Minister to re-examine that issue. People should not suffer because they are paying this charge in cash.

Obviously nobody likes paying tax. My colleague, Deputy Hannigan, has outlined why we are in the current position. However, a measure like this is more palatable than budget cuts. The main reason I support the Bill is that there is a need for a more adequate stream of funding for local government. I realise this is an interim measure whereby some funding to local government can be recouped. A household charge of €100 is quite small compared to what is paid in Northern Ireland, our nearest neighbour, where the charge averages £1,500 for an average sized house. It is also worth pointing out that Ireland is almost unique in not having some form of direct local taxation. One element of restoring power to local authorities is giving them a proper stream of funding.

There are some weaknesses in this Bill in the sense that it does not go far enough. The €100 charge per house is to be lodged in the Local Government Fund, which is then passed on to local authorities. I have two problems with this and I ask the Minister to give serious consideration to amending the legislation before it goes on the Statute Book. The money collected should go directly to the local authority in which the dwelling is situated. If it goes into the general pot, the more populous local authority areas will not receive what its residents have paid. In this regard, it is the same situation as pertains with motor tax. The motor tax collected in each county goes into a general pot and is then divvied up. That means Dublin and other populous places such as Cork do not get the money that is collected in their areas.

Second, not only should the money go to the local authority for the area in which the money is collected, but each authority should be given the responsibility of collecting that money. It is important that local authorities have the ability to finance themselves. They should not be directly dependent on the Government. I realise this cannot be done immediately but I hope the Minister will consider it in the context of subsequent local government reform.

What I have outlined in my last two points will obviously be inadequate for rural counties with small populations, so some mechanism will have to be put in place to ensure they get central funding to make up the shortfall.

Another issue needs to be addressed as soon as possible. To be honest, a flat charge per house is unfair, in that it does not discriminate between the wealthy and less wealthy. The Minister accepts that this needs to be addressed. Ideally, the determination of a household rate should be influenced both by the size of the home and the wealth of its owners. Taxes related to the size of a home would encourage empty nesters to sell, thereby freeing up homes for young families. I appreciate that there are waivers. Will the Minister check that the waivers will actually go to the right people as the legislation is implemented?

This morning, I heard Deputy Pringle on the radio encouraging people not to pay either this charge or the septic tank charge. Frankly, that is highly irresponsible of the Deputy. It is important that people are encouraged to pay the tax that is imposed. None of us likes paying it, but that has been the case from time immemorial. If we do not pay the taxes that are imposed, it will set us on the road to chaos such as we have seen in Greece where many taxes are not collected at all.

Deputy Pringle's remarks highlight two further points. We need to work, in so far as possible, towards a more equitable system of income tax. There is also a need to secure greater fairness from the EU and IMF, because that would at least set a good example to people.

Deputy Eamonn Maloney: We would not be having this debate if our country was in a different position and if our economy had not been destroyed in the way it has been. The blame for that quite rightly rests with some developers, bankers, builders and politicians. We cannot blame outsiders for the economic crisis we are in. This debate would not be taking place today if it were not for that.

It is not mentioned sufficiently often that we exist under the benevolence of a handout from some of our European neighbours and our nearest neighbour, the United Kingdom, who keep the lights on for us and give us a cheque for €1.2 billion at the end of every month. We have to be realistic, deal with the state of the country as it is and not delude ourselves into believing we can oppose everything that comes in front of the House. It does not work like that.

The preoccupation of those on this side of the House is to turn the economy around, end the live register and get people off the dole and working. It is our single most important function. We know where we stand in this House. One is either for or against that. The priority

[Deputy Eamonn Maloney.]

is getting people back to work to fix the economy. This Bill is part of it. Do we expect more from those who have given us €1.2 billion? I doubt it.

I have heard people in opposition oppose the Bill and say the household charge is unfair. They are perfectly right; it is unfair. It is like a turkey voting for Christmas. I am one of the few people in the House who supports the principle of a property tax. Almost every other European country has one. Some of the people who have been the vanguard of that have been the Socialist Party in France. In Italy, the Communist Party has the policy that the greater the size of one's property and garden, the larger the amount of tax one pays. Those who say they are opposed to the household charge cannot oppose everything permanently for nine or ten months. What about proposing something? If this is not the answer they should propose a solution.

There has to be some means of funding local authorities. This is the best way, given that there are no other proposals. I wish to remind those in opposition who have opposed the charge that there are things more horrible than household charges. One of them was when some of the people in opposition walked in here in September 2008 and voted to bail out banks, at a cost of billions of euro — rather than €100 — to the taxpayer, and brought the country to its current crisis. I have listened to some of them crying about a €100 charge when they went through the lobbies to bail out Anglo Irish Bank for billions of euro. It says a lot about the political status of the House.

An Leas-Cheann Comhairle: Deputy Higgins has three minutes.

Deputy Joe Higgins: Why is that?

An Leas-Cheann Comhairle: The Minister is being called to reply at 5.35 p.m.

Deputy Joe Higgins: The Minister is not here.

An Leas-Cheann Comhairle: The Minister of State is here. The Deputy does not have much time.

Deputy Fergus O'Dowd: On a point of order, my speech will not take more than ten minutes maximum if that is helpful to Deputy Higgins.

An Leas-Cheann Comhairle: Deputy Higgins can have an extra five minutes.

Deputy Joe Higgins: I may share time with Deputy Seamus Healy.

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

Deputy Joe Higgins: The debate has been thrown into confusion by the readjustment of time earlier. It is totally unacceptable that this important debate is being curtailed in this way. The Minister of State has not been here for the discussion and has not heard the points we made, yet he is responding for the Government. It shows complete disrespect on the part of the Government for the Dáil. Where is the senior Minister who is piloting the Bill?

This is a despicable new tax. It is putting a burden on the shoulders of the majority of people at the diktat of the IMF, EU and European Central Bank as part of their general agenda that the Irish people have to pay sweat and blood from their resources, through punitive taxation and cuts, to save the European bankers, speculators, hedge fund operators and other financial gamblers that bet and lost in the Irish property market in private deals for private profit. That, in a nutshell, is what this tax is about.

The Labour Party Deputies and others who support this and other measures avoid the obvious and the truth of the situation. The argument of dismissing the tax as costing €2 per week is spurious. The ESRI, a Government think tank, has already laid out the future. There will be a property tax of €700 or €800 per household and a water tax of €500. That is the agenda.

This is the platform for a new swathe of taxation that will cost every household in the country up to €1,300 and beyond in due course. The so-called waiver scheme does not apply to the huge majority of low-income workers, unemployed people, pensioners and middle income workers who are already suffering grievously. Those in negative equity who were trapped by blackmail speculation in order to have the right to a home over their heads are now being treated to injury upon insult with this extra taxation.

The claim by a Fine Gael Deputy that there would have been no property bubble if a property tax was in existence is utter rubbish. Would a property tax of €500, €600, €700 or €800 have stopped the orgy of speculation by developers and bankers in the 2000s? It is notable that Fine Gael significantly and pointedly refused to call for a halt to the type of speculation and profiteering that was going on and created the current crisis.

The Labour Party Deputies are rolling in here pleading for local services and saying that the charge is needed. The Labour Party used to stand for taxation justice. Taxation justice would suggest that a tax on the €219 billion which exists in the financial and other assets of the top 5% of this society, as outlined by the Central Statistics Office and adjudicated on by Credit Suisse which is no left-wing think tank, would not just bring in €160 million for local government but billions of euro to enable the real development of local authority services.

We should stop paying the bondholders. We should not pay the €1.1 billion or €1.2 billion that is supposed to be paid by the middle of January. That is how we can raise the money. What happened to taxation justice?

It is not just the left that will oppose this. I predict that for a vast swathe of ordinary people who do not consider themselves to be political this will become a major issue of controversy in the next four months. I predict that hundreds of thousands of households, comprising ordinary, decent, law-abiding, tax paying pensioners and others, will exercise their discretion not to pay. They will use their right to non-payment as a protest and a means to stand up and be counted against the humiliations heaped on them in the last three years. The Government will have to contend with that. It will have to decide whether it wants to be the rack-renting landlord dragging decent people in front of the courts. There will be a major campaign of people power in every county, town and city to defeat this tax. The Fine Gael and Labour parties will rue the day they sought to impose this unjust burden on our people.

Minister of State at the Department of the Environment, Community and Local Government (Deputy Fergus O'Dowd): I heard nothing from Deputy Higgins that I have not heard from him before. In the Seanad, where we had more than 11 hours of debate on the Bill, all of the arguments, including many which were not alluded to by the Deputy, were put to me and to everybody else who attended the debate.

I will begin by clarifying several important points. Tens of thousands of people in this country will not have to pay this tax. These include those who live in local authority housing. No tenant of a local authority will be eligible for the charge. Likewise, no person renting private accommodation will have to pay the charge; all such persons are entirely and absolutely exempt.

Deputy Jonathan O'Brien: Landlords will pass the charge on to tenants.

Deputy Fergus O'Dowd: I did not interrupt the Deputy and I ask him to afford me the same courtesy.

[Deputy Fergus O'Dowd.]

In addition, all persons in receipt of a subsidy from the Health Service Executive on account of their inability to pay their mortgage — there were some 18,000 in that position at the last count — will be exempt. In the case of home owners living in what are deemed to be unfinished housing estates — there are some 1,200 categories of estate listed in the Department's report — none will be eligible for this charge. Each of these estates will be listed by the Minister, Deputy Hogan, early in the new year. To reiterate, there are significant exceptions to the payment of this charge. Moreover, section 12 of the Bill makes clear that local authority managers throughout the State may examine individual applications and, where there is evidence of extremely difficult circumstances, choose to waive part or all of the charge.

The household charge is being introduced out of the necessity to ensure local authority services are funded in a sustainable manner, to close the gap in income and expenditure in the national finances, and, ultimately, to ensure we meet our obligations under the EU-IMF programme of financial support for Ireland. My colleagues in the Labour Party received no answer when they asked Members opposite what they envisage happening if we do not honour our commitments under that programme. The reality is that we would have to find some €18 billion immediately in order to close the gap between expenditure and taxation. That would lead to an absolute devastation of our social infrastructure, including health, education and social services. That is why we must raise this money.

In the time available to us since taking office, it has not been possible to design, legislate for and implement a comprehensive, valuation-based property tax. Therefore, the household charge is being introduced as an interim measure. It is preferable to the alternative of rushing through a poorly designed or badly implemented property tax in order to meet the troika timeframe. The Minister, Deputy Hogan, will establish an expert interdepartmental group early in the new year, tasked with designing a property tax that is equitable and builds on previous work carried out in the area. The group will consider the modalities of the tax, including its scope, assessment criteria, exemptions and waivers and the means by which it should be paid and collected. There will be an opportunity for input into the deliberations of the group, which will report back to the Minister by mid-2012. At that point, the Minister will revert to Government with proposals for consideration.

Many of the Members who contributed to the debate cited their concerns about inequity in the imposition of the household charge. Much of that criticism has been framed as if the Government was entirely unaware of or unconcerned by equity issues. This is simply not the case. It is precisely because of its concerns in this regard that the Government is taking the time required to ensure the property tax, when introduced, will be as equitable and as fair as possible. It is for this very reason that we are introducing the household charge as an interim measure. Equity will be to the fore of the deliberations of the expert interdepartmental group. In the context of the property tax framework, the Government will ensure that fairness and the implications for personal income levels, employment circumstances and property values are given full consideration.

The introduction of the charge is also necessary to ensure that local authorities across the county will not have to curtail local service provision radically next year. As part of the budget announcements last week, Deputies were informed that Exchequer funding to the local government sector in 2012 has been reduced by €164 million over the 2011 level. This was an unavoidable measure to help close the gap in the public finances. It is also the latest in a series of reductions which have already seen funding for local authorities' day-to-day expenditure cut by some 21% between 2008 and 2011.

Even as an interim measure, I accept that the introduction of the household charge is an additional cost to households. I acknowledge that the description of the charge as relatively modest may be difficult for some to digest. This description in no way underestimates the daily financial pressures faced by many households. I assure Deputies that, at €100, the charge has been set at the lowest possible level consistent with raising the required level of funding for local authority services in 2012. In order to ease the burden, the Minister has provided that the charge may be paid in four instalments of €25 over the course of the year. I am satisfied that many of the most vulnerable groups in society are either exempted or entitled to a waiver. In response to Deputy Niall Collins, I confirm that full waivers will be provided for those in receipt of mortgage interest supplement and those residing in certain unfinished housing estates on the liability date. For the reasons outlined, I hope Deputies from all sides of the House will support the passage of the Bill.

We all know only too well that our economy, especially our tax revenue, has been overly reliant on activity in the construction sector. The decline in the yield from transaction taxes such as stamp duty, capital gains tax and value added tax on property has been a major factor in the imbalance in the public finances. The necessary correction is sharp and difficult and, unfortunately, further corrective actions will be required in the coming years. We will not stand back from what must be done, but we will do it as fairly as possible. The introduction of the household charge on residential property is one of the measures that must be taken to close the gap between expenditure and revenue.

However, it should be seen as more than simply a measure to raise revenue. In addition, it is a structural change to the State's revenue-raising system which provides an alternative revenue stream that will not be subject to the volatility associated with transaction-based property taxes. In addition, the household charge represents a new local source of funding for local authorities and reduces their dependence on central government.

It has been said that the ideal taxation measure is one that is equitable, simple and flexible. The Local Government (Household Charge) Bill 2011 meets the criteria of simplicity and flexibility. The charge is simple and cost effective to administer and will be simple to understand and comply with. It has the flexibility to cope with varying economic conditions while maintaining a stable yield. I look forward to a high compliance rate when it is introduced in the new year. That is in everybody's interest. I thank the Deputies opposite and those on the Government side. Second Stage has given rise to an interesting debate and I look forward to its continuance on Committee Stage. I commend the Bill to the House.

Amendment put:

The Dáil divided: Tá, 90; Níl, 50.

Tá

Bannon, James.
Barry, Tom.
Breen, Pat.
Bruton, Richard.
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.
Creed, Michael.
Daly, Jim.
Deasy, John.
Deering, Pat.
Doherty, Regina.
Donohoe, Paschal.
Dowds, Robert.
Doyle, Andrew.
Durkan, Bernard J.
English, Damien.

Tá—continued

Farrell, Alan.
 Feighan, Frank.
 Ferris, Anne.
 Fitzgerald, Frances.
 Fitzpatrick, Peter.
 Gilmore, Eamon.
 Griffin, Brendan.
 Hannigan, Dominic.
 Harrington, Noel.
 Harris, Simon.
 Hayes, Brian.
 Hayes, Tom.
 Heydon, Martin.
 Hogan, Phil.
 Howlin, Brendan.
 Humphreys, Heather.
 Humphreys, Kevin.
 Keating, Derek.
 Keaveney, Colm.
 Kehoe, Paul.
 Kelly, Alan.
 Kyne, Seán.
 Lawlor, Anthony.
 Lynch, Ciarán.
 Lynch, Kathleen.
 Lyons, John.
 McCarthy, Michael.
 McFadden, Nicky.
 McHugh, Joe.
 McLoughlin, Tony.
 Maloney, Eamonn.

Mathews, Peter.
 Mitchell, Olivia.
 Mulherin, Michelle.
 Murphy, Dara.
 Murphy, Eoghan.
 Nash, Gerald.
 Neville, Dan.
 Nolan, Derek.
 Ó Ríordáin, Aodhán.
 O'Donnell, Kieran.
 O'Donovan, Patrick.
 O'Dowd, Fergus.
 O'Mahony, John.
 O'Reilly, Joe.
 O'Sullivan, Jan.
 Phelan, Ann.
 Phelan, John Paul.
 Quinn, Ruairí.
 Ring, Michael.
 Ryan, Brendan.
 Sherlock, Sean.
 Shortall, Róisín.
 Spring, Arthur.
 Stagg, Emmet.
 Stanton, David.
 Timmins, Billy.
 Tuffy, Joanna.
 Twomey, Liam.
 Wall, Jack.
 Walsh, Brian.
 White, Alex.

Níl

Adams, Gerry.
 Boyd Barrett, Richard.
 Broughan, Thomas P.
 Browne, John.
 Calleary, Dara.
 Collins, Joan.
 Collins, Niall.
 Colreavy, Michael.
 Cowen, Barry.
 Crowe, Seán.
 Daly, Clare.
 Doherty, Pearse.
 Donnelly, Stephen S.
 Dooley, Timmy.
 Ferris, Martin.
 Flanagan, Luke 'Ming'.
 Fleming, Sean.
 Fleming, Tom.
 Grealish, Noel.
 Halligan, John.
 Healy, Seamus.
 Higgins, Joe.
 Kirk, Seamus.
 Kitt, Michael P.
 Mac Lochlainn, Pádraig.

McConalogue, Charlie.
 McDonald, Mary Lou.
 McGrath, Finian.
 McGrath, Mattie.
 McGrath, Michael.
 McGuinness, John.
 McLellan, Sandra.
 Martin, Micheál.
 Moynihan, Michael.
 Naughten, Denis.
 Nulty, Patrick.
 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.

Local Government (Household Charge) Bill 2011 [Seanad]: Committee Stage

SECTION 1

Acting Chairman (Deputy Charlie McConalogue): Amendment No. 1 has been ruled out of order.

Amendment No. 1 not moved.

Question proposed: “That section 1 stand part of the Bill.”

Deputy Brian Stanley: Sinn Féin opposes the Bill and the concept of a household charge. This is a form of double taxation which is being introduced on the back of other charges and stealth taxes. It will have a very negative impact and will be the final straw for many householders.

Deputy Joe Higgins: For the record, the United Left Deputies have tabled a formal amendment to oppose the section and should be called in precedence.

Acting Chairman (Deputy Charlie McConalogue): The formal amendment to section 1 has been ruled out of order as it is more suited to a reasoned argument against the Second Reading of the Bill because it seeks to provide for the Act to be temporary in nature. I call on Deputies who wish to oppose the section to contribute.

Deputy Joe Higgins: The point I am trying to make is that an amendment has been tabled to oppose the section. The Acting Chairman will see the words “section opposed” below Deputy Stanley’s amendment on the list.

Acting Chairman (Deputy Charlie McConalogue): In that case, I call Deputy Higgins.

Deputy Joe Higgins: Deputy Daly is leading in this debate.

Deputy Clare Daly: As Deputy Stanley stated, the section is fundamental to the rest of the legislation as it establishes the basis for the introduction of the household tax. This tax is being imposed on top of many other austerity measures that have been imposed in recent years. It is clear from other provisions that this is the first step towards broader provisions for a property tax and other charges on the home. Those who oppose the household charge will want the entire section removed from the Bill.

Deputy Niall Collins: As Fianna Fáil Deputies stated last night, we are not opposed in principle to a property tax. There are people who can and should pay. However, the legislation, as presented, does not provide equity and fairness. It is unjust to expect a wealthy person living on Ailesbury Road in Dublin 4 to be subject to the same flat rate charge as a person who is locked into negative equity and hardship in one of the urban areas with which we are familiar or a rural dweller living on an island off the west coast. The proposed flat rate charge is regressive and discriminates against the most vulnerable. As will be shown in some of the later amendments, my party is seeking extensive exemptions for such persons.

Deputy Aengus Ó Snodaigh: Like other Deputies, I am opposed to this legislation. This section contains some of the definitions which, if the Bill is passed, will facilitate the implementation of the regressive tax proposed by the Government. Sinn Féin has outlined an alternative wealth tax that would focus on some of those who have properties worth over €1 million and over €1 million in assets. It would capture much more money than the proposal outlined in

[Deputy Aengus Ó Snodaigh.]

this Bill. It would be a progressive tax rather than a regressive one. I will not repeat the arguments I have just made on Second Stage, when I outlined my total opposition to this tax.

Deputy Seamus Healy: I also want to oppose this section, which contains the various paraphernalia of the Bill, as has already been said. This flat-rate regressive tax targets people on lower incomes. It is completely and absolutely unfair that those earning the minimum wage or receiving social welfare will pay this tax at the same rate as those who are millionaires. There seems to be a policy of depressing demand further and creating additional job losses by taking money out of the economy. That is what this is all about. It is a continuation of the Government programme that has led to the destruction of a sizeable number of jobs.

The figures that were published by the CSO yesterday are absolutely horrendous. Some 25,000 jobs have been eliminated from the economy since the Government came to power. That has happened because the Government has continued to take vast sums of money out of the economy and thereby depress demand. Small businesses are closing or are hanging on by the skin of their teeth. This legislation will reduce demand and depress the economy further. I have mentioned that 25,000 jobs have gone since the Government took office. If the Government's rate of job destruction continues, more than 500,000 people will be unemployed very shortly, in addition to the 100,000 people who have emigrated. I am opposed to this section.

Deputy Joan Collins: I am opposing this section on the basis of what my colleagues have said. This is a poll tax. It is not progressive in any way. I listened to the Minister, Deputy Hogan, yesterday when he said there will be a cut in the universal social charge for those who earn less than €10,000. The Government is proud of itself for giving €4 back to people before taking €2 off them. I am absolutely opposed to this.

If the Government really wants to introduce a property tax — the United Left Alliance is not opposed to the idea of the wealthy paying a property tax — an exemption should be made for family homes. It could apply to four-bedroom or five-bedroom homes in certain areas. There could have been a different approach to the detail of the tax. We know what this is all about. The plan is to introduce a tax of between €1,000 and €1,300 — possibly more — on people's homes.

I will refer to the similar bin tax that was introduced in 2000. Contrary to what has been said in the House today, people were able to find the strong campaign against the tax in the Crumlin and Walkinstown areas of Dublin South-Central. If Sinn Féin received any queries about the bin tax, or had any problems, it could have contacted those involved in the campaign. It was quite clear who they were. No one in the area went to jail. No one in the area who did not want to pay the bin tax had to do so. They have not suffered any consequences from failing to pay it.

Deputy Joe Higgins: Ar an gcéad dul síos, teastaíonn uaim a rá leis an Aire Stáit, an Teachta Ó Dubhda, nach ceist pearsanta é seo.

Deputy Fergus O'Dowd: Tuigim é sin.

Deputy Joe Higgins: Ba cheart go mbeadh an Aire sinsearach sa Teach don díospóireacht seo. Ní dóigh liom go dtuigeann sé chomh tromchúiseach is atá an cheist seo. Tuigfidh sé é sara mbeidh mí Márta istigh. Is masla don Dáil é agus is masla dos na Teachtaí a thagann anseo chun ionadaíocht a dhéanamh é. Táimid ag iarraidh cás a dhéanamh ar son na cosmhuinitire maidir leis an gcáin nua mímhácánta mícheart seo.

Dúirt an Aire Stáit, an Teachta Ó Dubhda, go raibh an Bille seo sa Seanad ar feadh 11 uair. Nuair a thiocfaidh 10 a chlog anocht, ní bheidh ach cúig uaire go leith caite againn ar an reachtaíocht sa Teach seo. Dá bhrí sin, beidh ar a laghad dhá oiread an méid díospóireachta i dTeach nach bhfuil ghnáthdhaoine in ann vóta a chaitheamh dó is a bheidh anseo sa Dáil, ina shuíonn ionadaithe atá tofa go díreach ag muintir na tíre seo. Is masla eile é sin.

It is a despicable slight on the people of Ireland who send representatives to Dáil Éireann that this Bill has been given twice as much time in the Seanad as it will get in the Dáil. The Minister of State has said that it was debated for 11 hours in the Seanad. By the time 10 o'clock comes tonight, it will have been considered by this House for a maximum of five and a half hours. It is not good enough.

I am afraid the Government's whole attitude to this Bill is that it should be rammed through as part of business as usual. The Government thinks things will be all right on the day. It expects people to complain but ultimately to pay up. It will not be so. This tax is a burden too far. It marks the first opportunity for decent tax-paying people to say "No, you are going too far". It will be a referendum on the imposition of unjust taxes at a time when billions are being given to gambling bondholders in respect of whom the Irish people never entered into any contract. Dá bhrí sin, táimid ag cur in aghaidh glan an cuid seo den Bhille.

Deputy Brian Stanley: I understand we are discussing amendments Nos. 2, 9, 10 and 13 to 15, inclusive.

Acting Chairman (Deputy Charlie McConalogue): No. We will come to them.

Deputy Brian Stanley: Okay.

Acting Chairman (Deputy Charlie McConalogue): We are discussing section 1. Deputy Stanley's amendment was ruled out of order. We are dealing with the section as a whole.

Deputy Brian Stanley: On section 1, it is grossly unfair that a person on social welfare who is living in a small house will end up paying the exact same amount of money as a person who lives in a mansion with a dozen bedrooms. This flat tax does not discriminate between those who can pay and those who cannot. No provision has been made for people who are on social welfare payments. It is a very regressive tax.

Deputy Luke 'Ming' Flanagan: The whole concept of local taxation for local services and local people is a good idea, but the whole concept of local taxation to pay bondholders is a bad idea. Even if this money was going to the local authorities rather than to the bondholders — we know the Government is taking away the equivalent amount of money — there would be no accountability when the money arrived at local authority level. I oppose this section for many reasons.

Deputy Mick Wallace: I will oppose this section. Many of the measures that have been introduced in recent times are far from fair. The people have had just about enough. This is their first opportunity to have a say on the matter. They cannot do anything about many of the welfare cuts that have been introduced or about the VAT increase, which will have its biggest impact on the less well-off. On this occasion people can choose whether to register and pay or can choose not to do so. We had a meeting in Wexford on Monday and many people there were very angry. They do not believe this measure is fair and they have had enough. I will encourage people not to pay.

Deputy Catherine Murphy: I had an opportunity to speak on this last night. I will now make points on this section similar to those made by other speakers. The EU-IMF agreement

[Deputy Catherine Murphy.]

mentioned a property tax. How do we define a property tax? We call this a household charge. It is very similar to the Financial Provisions Act 1983 which introduced water and refuse charges. The Act had nothing to do with water and refuse charges but was about plugging a gap in the local government system. There was a reluctance to increase taxation because of the already very high tax rates, but the Act was quickly found to have nothing to do with water or refuse. This Bill has nothing to do with a household charge. Money is to be paid into a central fund and it is likely there will be an equalisation element to its distribution. No account is taken of ability to pay. If a person is on mortgage interest supplement and cannot work full-time, that will be found out quickly.

There is one point that should be taken into account. Until now, charges such as the universal social charge have been taken from people's wages. The cuts were taken out of social welfare payments and there was a certain element of powerlessness involved. There will not be that same powerlessness with a charge when people must physically go out and opt for paying it. I believe large numbers of people will make the choice and say this is a step too far.

Minister of State at the Department of the Environment, Community and Local Government (Deputy Fergus O'Dowd): Glacaim leis, i dtosach, nach bhfuil aon rud pearsanta sa mhéid a dúirt an Teachta Ó hUigín thall. Glacaim leis sin.

Tá an Bille seo ann toisc gur deineadh beart ag an Rialtas roimhe seo leis an EU/IMF agus toisc go gcaithfear dlí a dhéanamh chun an t-airgead a bhailiú. Níl aon dul as ag an tír seo ach é sin a dhéanamh. Níl aon rogha againn sa mhéid seo.

B'fhéidir go bhfuil rogha ag chuid den Fhreasúra. Is é an rogha atá acu gan aon airgead ar chor a bith a íoc. Dá dtarlódh sé sin bhéadh ganntanas mór airgid sa tír. Muna mbíonn an EU/IMF sásta leis an méid atá déanta ag an Rialtas stopfar an t-airgead a thagann uathu go dtí an tír seo agus titfidh cúrsaí eacnamaíochta, cúrsaí sóisialta, cúrsaí oideachais agus eile as a chéile. Ní bheidh aon airgead ann chun na hospidéal a choimeád oscailte agus dúnfar na scoileanna.

Is féidir leis na Teachtaí rud ar bith gur mhian leo a dhéanamh lena lámha ach sin an fhírinne ghlan. Níl aon dul as againn.

Níor chuala mé aon tuairim nua ón bhFreasúra thall anocht. Níl aon rud nua le rá acu. Tuigeann muintir na hÉireann an deacracht ina bhfuil an tír. Ní hé an Rialtas atá sa deacracht seo ach an tír féin. Caithfear an t-airgead a fháil chun an tír a choimeád slán. Seo an chéad uair gur féidir linn reachtaíocht a chur i bhfeidhm chun cuid den airgead sin a bhailiú.

Ní hé seo deireadh an scéil. Tá an fhírinne á rá agam sa mhéid sin freisin. As seo amach beidh níos mó staidéir á dhéanamh ar conas is féidir cáin réadmhaoine a leagadh a bhéadh cothrom do dhaoine a bhfuil a lán airgid agus tithe móra acu agus do dhaoine bochta nach bhfuil ach teach beag nó bothán acu.

I wish to make it very clear. We have no choice but to introduce this legislation.

Deputies: You had choices.

Deputy Fergus O'Dowd: I did not interrupt anybody so perhaps there might be some manners in the Chamber.

Deputy Acting Chairman (Charlie McConalogue: Order, please.

Deputy Fergus O'Dowd: The reason for introducing this legislation is that it is part of the EU-IMF deal. This Government is committed to the deal made by the previous Government

in order to keep money coming into the country. This measure is an essential and fundamental part of that agreement. The reality is that if we do not enact it, the cheques will no longer be signed and the money will not come from the EU-IMF. There will be a collapse in our infrastructure and our economy. Our education and health systems will be in very serious difficulties. That is the choice Deputies have to face. If all the Deputies on the other side were sitting on this side of the House, they would have to come up with an alternative. This is an interim measure that will last for two years.

I reiterate what I noted on Second Stage. I will be crystal clear. No individual local authority tenant, in Dublin, Cork, Galway, Drogheda, or wherever, will pay one penny of this charge. The broad general measurement of house ownership here is that if one does not own a house, one will not pay the tax. If a person is in private rented accommodation, he or she will not pay this tax. It is as simple as that. Deputies can shake their heads but that is what is stated in the Bill. If a person is in serious difficulties with a mortgage or is in receipt of a mortgage subsidy from the HSE, he or she will not pay this tax.

As for the builders and all those wonderful people who built estates that fall into categories 3 and 4, the 1,200 appallingly and disgracefully unfinished estates in our country, each of which will be listed and named separately in an order made by the Minister, Deputy Hogan — none of those people there will pay the tax.

I again direct the attention of Deputies to section 12 of the Bill. This section allows a county or city manager to take into account exceptional circumstances in regard to individual cases. A person would have to make a case regarding such exceptional circumstances. There are further powers in the Bill which will allow for that to happen.

The legislation will make local government more accountable because the money collected from this charge is to be ring-fenced solely for local authorities. It is correct to state it will go into a local government central fund but it will be disbursed to local authorities according to a formula that will be fair and equitable. Accordingly, counties that would face a potentially low income will not lose out because they do not have sufficient population base. The system will be fair and equitable.

Deputy Healy spoke about job losses. Let us put this on the line — there will be thousands of job losses if the EU-IMF deal stops and we do not receive the money. This measure will keep people in employment, keep them working in local government. It will put money in place to provide for the cleaning of the streets, the servicing of existing housing stock and the improvement of areas of designated poverty and disadvantage. The proposition to remove the section would take away every one of those provisions.

Accountability will mean that elected representatives at local level will be challenged by voters as to how they performed in the previous year. This will be the first time they will be asked what value they are giving for the money they spend. There will be more accountability, more efficiency and a much more effective local government. For that reason, my party believes this Bill should stand. If it must go to a vote, let us have it.

Question put and declared carried.

SECTION 2

Acting Chairman (Deputy Charlie McConologue): Amendment No. 2 is related to amendments Nos. 9, 10 and 13 to 15, inclusive and the amendments may be discussed together.

Deputy Clare Daly: I move amendment No. 2:

In page 6, subsection (2), between lines 2 and 3, to insert the following:

[Deputy Clare Daly.]

“(f) homes purchased under local authority Affordable Housing Schemes;

(g) homes on which stamp duty has been paid from January 1st 2003 up unto December 31st 2011;

(h) homes purchased through Shared Ownership Schemes;

(i) homes affected by pyrite.”.

The Minister claimed the household charge is an interim measure as it will disappear in the future. People realise it is, in fact, the first step to a much heftier form of taxation. Contrary to the Minister’s claim that the moneys raised by the charge will be ring-fenced for local authorities and is a positive development, the reality is the Government has slashed local authority budgets by more than will be raised by the household charge.

The other reason for this charge is not that ordinary people have not paid for their public services. In fact, they have consistently paid for them. The Government, however, has decided to divert those moneys to pay unsecured bondholders. It has also refused to tax the very wealthy in society.

We have a principled objection to this regressive and punitive taxation. Even those who do not have a principled opposition to this charge will agree many categories should be excluded from it. The Minister of State, the Minister, Deputy Hogan, and the Taoiseach this morning in reply to Deputy Higgins read out long lists of those excluded from this charge when in fact hardly anyone is excluded from it. Those on mortgage interest supplement, those living in ghost estates and tenants are the only ones excluded from this charge. While the Bill states the owner of the property is liable, many landlords are struggling and there is much evidence they will pass this charge on to their tenants.

The majority of households will be targeted. All Members have received e-mails and communications in the past week from various categories of household, such as those on disability allowance, social welfare and the State old age pension, struggling to make ends meet on €200 a week who will not be able to pay the charge. In the interest of fairness, they should be excluded from the charge. Instead, the Government is targeting them to pay a similar amount to that paid by those living in millionaire mansions on Ailesbury Road.

This amendment also proposes to extend exemptions to those who purchased their homes under local authority affordable housing schemes and shared ownership schemes. To apply the charge to those whose houses are in negative equity is just a joke. They should also be excluded from the charge.

The Government has feigned concern for those whose homes are affected by pyrite. Their houses are valueless because they will never be able to sell them as no institution will give a mortgage to buy such a property. In many instances, insurance companies will not cover the home owners who face bills of thousands of euro to rectify their houses. This category must also be excluded from this charge.

The Minister of State claimed there is an exceptional circumstances opt-out clause for local authorities but I cannot find it.

Deputy Fergus O’Dowd: It is in section 12.

Deputy Clare Daly: Surely, the Minister of State will accept now that these categories, while not exceptional, should be exempted legitimately. Why will he put county managers through hearing all of these cases when he knows those whose homes were affected by pyrite, for

example, should be excluded. Will he take the shortcut and build the exemption into the legislation now?

Deputy Seamus Healy: There is a narrow range of exemptions from this charge. The number of recipients of mortgage interest supplement will be significantly reduced next year because all community welfare officers are informing people they cannot get the assistance until they are 12 months in arrears and have spoken to their lenders.

Private tenants are also meant to be exempt from the charge. Anyone suggesting landlords will pay this charge and not pass it on to their tenants is not living in the real world. Former local authority tenants who purchased their houses from their local authority will pay this charge while their neighbours who may still be local authority tenants will not. During the height of the boom, people were told by every Government person and establishment agency that they needed to get on the first rung of the property ladder. Many of them now find themselves in negative equity with mortgages they cannot continue paying. They have not been exempted from the charge either.

The Minister of State claims the charge will only cost €2 a week. We all know the charge will rise to a much more significant figure, probably €1,000, in a short time. I recall when refuse charges were introduced in the then Clonmel Town Corporation, a Fianna Fáil councillor claimed the weekly charge would be the equivalent of the price of a box of matches. People ended up paying a minimum of €400 a year which, when broken down, works out much more than a box of matches every week. The same will happen to the household charge.

This is simply a tax, not a charge. It is not true to give the impression that it will be an additional fund for local authorities. At South Tipperary County Council's estimates meeting last Monday, there was no reference to an increase due to the funding from this charge. Far from it, there was a reduction in the council's fund of €757,000. The household charge is simply a tax, another way of extracting money from ordinary people while making vulnerable middle and low income households pay for a recession they had no hand, act or part in creating.

Deputy Catherine Murphy: The Minister of State claimed local authority tenants would be excluded from the household charge. The majority buy their houses by way of mortgage because they have little choice with, for example, 100,000 on local authority housing waiting lists. People have no choice but to house themselves in that way.

I refer to householders who have paid stamp duty. The late Brian Lenihan said on several occasions that we have a property tax called stamp duty. People who bought at the height of the boom were given some welcome relief in the budget but now a charge will be put on the same people the Government has identified as vulnerable. They have paid tens of thousands of euro in stamp duty, which is a property tax, in many cases at inflated rates because house prices were inflated. They should be excluded because they essentially own a debt. They do not own property. The EU-IMF programme says that Ireland will introduce a property tax. What property do these people have? I wish somebody would answer that. They do not have a tangible asset that could be called a property.

The idea that a central fund would make local authorities more accountable is nonsense. People will ask what they are getting in return for this charge. They will experience a reducing level of service at the same time they are asked to pay this. The State has failed to reform local government. I have said on numerous occasions that its structures should be radically reformed. We have a local government administration system rather than a local government system. Its funding is lopsided. The needs and resources model was used to allocate money and it took no account, for example, of population growth. Entire tracts of the State will be left with insuf-

[Deputy Catherine Murphy.]

ficient services because they have experienced population growth without a corresponding expansion in the services provided.

Everybody knows the €100 charge is an introductory offer. The same argument was used regarding the Local Government (Financial Provisions) Act 1983 and that is one of the reasons people will resist the charge.

With regard to NAMA estates, a differentiation has been made between ghost estates owned by NAMA and those that are not in NAMA. People living on ghost estates may well not be on the list of those who will be exempted and that needs to be clarified. The vast majority of people will be subject to this property tax, which is most unfair. No attention is paid to the ability of an individual to pay the charge.

Deputy Peter Mathews: I am grateful for the opportunity to make a few observations on the debate. It is obvious that this proposed tax is forced on us by the troika's programme, which has been designed to try to accommodate a workout for something we all know has been unfair. The losses of a banking system that went out of control have not been allocated to the people who funded them and that is the fundamental unfairness we are trying to address under forced circumstances in the programme designed by the troika.

There are a few ways to concentrate the minds of the people who have parked us in this impossible position. We know that the banking system has significant credit provided to it under the emergency liquidity assistance, ELA, provision. Approximately €50 billion has been provided directly by the ECB and an interest rate applies to that. While we may be forced to pass legislation that we do not relish, and certainly our citizens do not, there is a way of capturing the attention of the creditors. We might think about withholding 0.5% of the interest due on the €50 billion of emergency liquidity assistance. That would amount to €250 million a year, which is more than the €160 million the proposed household tax will generate. It is a way of underpinning the presentation of the justified arguments for debt restructuring for our country and getting attention in a nice, fair, commercial way because it links up the dots of how the ELA originated. It arose as a result of funding the exit of senior bondholders during the period that losses had not been acknowledged in the banking system.

While we may not enjoy passing this legislation, there have been honest efforts in the design of it. One can see the handcraft of the Government in a fairly honest effort to try to exclude local authority tenants and people living on unfinished estates. They are honest efforts to try to introduce fairness in a jaggedly imposed Bill, which has been forced on us by the troika. The way to get their attention and to show we do not like to be pushed around is to say we will withhold 0.5% of the interest charge on the ELA until the penny drops with them that the ELA, the creditor finance provided to the banks and the promissory notes on the balance sheet of the Irish Resolution Banking Corporation should be revisited justly and fairly. It is something to think about and I put it forward for the consideration of Members.

Deputy Joan Collins: We know that the Government will railroad this through because it has a majority but I want to give the Minister of State an opportunity to consider again those on whom he is forcing this unjust and unfair poll tax. Will he consider exempting people who bought their homes over the past six years for €250,000 or €300,000 and who are in negative equity and who paid stamp duty? They were forced to buy to get on the property ladder and they were told they had to do this. People who bought their homes in confidence that would be able to live in them for the rest of their days and now find they have a pyrite issue should also be exempted. Jobseekers and other social welfare claimants such as old age pensioners, blind pensioners, those claiming family income supplement and those claiming disability allow-

ance, the very people the Government tried to attack in the budget but had to step back from, can ill afford to pay this charge. This is an opportunity to review and broaden the exemptions.

My understanding is that the troika insisted on a property tax to extend the tax base. That can be interpreted in many ways. No Member is opposed to a property tax from the point of view of the wealthy paying a tax on their trophy homes. There are other ways to impose a property tax if that is what is needed. Anybody living in an average sized family home should be exempted from this charge. This is not a property tax; it is a family home tax that is being forced on 1.6 million people.

Reference was made to giving councils some form of accountability. The first thing that should be done is powers should be given back to local authority members to deal with environmental services and the section in the Planning and Development Acts giving all the power to the county or city manager to deal with these issues should be repealed. That would be a very good first step in regard to reforming the councils. They would be able to make those decisions themselves and not hide behind the skirts or suits of city managers, who impose these bin taxes, incinerators and the like on councillors who are elected by the people. That would be the way to go, rather than this way, which does not give councils any sort of accountability whatsoever. It would give councils a stick to beat ordinary people with if they did not pay this tax, and would tell the people they are at fault for not funding the services that are needed.

It is a clever trick which is being brought in by the Government but people can see beyond that and can see that €19 million has been cut from the budget of Dublin City Council on the basis that it will be funded through this unfair tax. This is an opportunity for the Government to reconsider it. The argument is that this will mean people who are affected will have an increase in property tax. If that is the case, the Government should be looking at those who earn under a certain amount, and whose houses are worth a certain amount, so those who can afford to pay a property tax will be those who will be hit. This is an opportunity for the Government to review the charge.

Deputy Niall Collins: I want to speak on my amendment and also to pick up on a few points that have been made. I am intrigued by Deputy Mathews' point on defaulting on interest payments. Is that the same language as "burning the bondholders"? Perhaps he could enlighten us.

Deputy Peter Mathews: I said "withholding". It serves to concentrate the mind.

Deputy Niall Collins: I do not know if there is a difference.

Deputy Peter Mathews: It is done in business.

Deputy Niall Collins: It is intriguing.

Deputy Joe Higgins: It is an example of contagion. He is getting the "don't pay" bug.

Deputy Niall Collins: It all amounts to keeping more money in this country, which will resonate with many people. How he presented it was an interesting use of language, I will grant him that.

The Minister of State made a number of comments in terms of the Government having no choice. That is patently not the case. It has a range of choices in how it reduces the gap between our expenditure and what the State brings in, and achieving our deficit reduction targets. My party, no more than his own or no more than Sinn Féin or any of the other groupings in the Dáil, has met the troika. Mr. A.J. Chopra said to us, face to face, that he did not mind how the bottom line figures were arrived at once they were arrived at. He told us he was not overly

[Deputy Niall Collins.]

concerned with the detail in terms of the measures to be taken to achieve the bottom line. That is the first point.

The second point is that much play has been made around the four year plan and reducing the budget deficit to 3% by 2014. That was moved out by the Government to 2015, which gives more space. The measure contained in this legislation should be parked in the space that has been provided by moving the deficit reduction period out to 2015.

The Minister of State stated that local authorities will become more accountable. Most Deputies have been members of local authorities and will know they are not accountable. Local authorities basically have sham corporate governance procedures and, while they have audit committees and the like, the local government auditor is not accountable to the Houses of the Oireachtas and operates completely independent of the Oireachtas. That is not good enough. There is much going on within local government which should be subject to the scrutiny of the Committee of Public Accounts and of the Dáil environment and local government committee.

The McLoughlin report of the local government efficiency review group recommended that €511 million worth of savings can be achieved across the local authority sector per annum. There is extensive scope across the local authorities to achieve these savings before we bring in this flat rate, regressive tax on top of people. From that point of view, we are looking for a number of exemptions.

What we seek in our amendments is similar to what the other groupings and Deputies are speaking in favour of. I will run through the issues dealt with in the amendments. With regard to medical card holders, anybody who holds a medical card should be exempt from payment of the charge if they are the principal of the household. To hold a medical card a person has been subjected to a means test and, arising from that, it has been determined independently that the person does not have the wherewithal to pay to attend the doctor to look after their health, which is so important to them, or to pay for drugs. If a person cannot afford to pay for health services and needs and holds a medical card, it is a logical extension that such a person cannot afford to pay the €100 household charge.

We must bear in mind that many medical cards are granted to people who have exceptional and severe health conditions, and are effectively prisoners within their own homes. This legislation is recognising that people are prisoners within their own homes and taxing them anyway, which is patently unfair and unjust. I believe the Minister of State will agree with me on that, although whether he will agree with the amendment is another day's work. I just want to make the point.

With regard to people who are living with the support of the Department of Social Protection, unemployed people, including those on jobseeker's allowance and benefit, will have been assessed and will be living on €188 a week or less. People who are in receipt of supplementary welfare allowance will also have been subjected to rigorous means testing and they are granted that allowance in addition to their other allowances because they need it. If they are on supplementary welfare allowance, ergo, they will not have the ability to pay the €100 household charge. The position is similar for people on family income supplement and farm assist.

We then move to the senior citizen category, in particular, old age pensioners who are living on State pension only. It does not make sense that these people, who are in the twilight years of their lives, who worked hard to build up the State over generations and who are living only on the humble support provided by the State through the State old age pension, would now be subject to this charge. As pointed out by other speakers, during their working lives many of these people would have bought their houses through local authority mortgages and annuity loans. They now own those properties but they are living on the same support as those living

in local authority houses beside them, yet they will be subject to the charge. It is a big issue. The way it is being presented is that anybody who has had any connection to local authority housing through their lifetime will be exempt from this charge, which is not the case. A huge section of people cannot afford to pay this charge but will be brought under the umbrella of the Bill. We are also seeking exemptions for people on disability allowance and benefit, and blind pension.

There is the whole area of the negative equity generation. These people paid stamp duty at the higher rate during the Celtic tiger boom and most, if not all, of that group will find themselves in negative equity. Despite some of them being in receipt of mortgage interest supplement and some of them receiving enhanced mortgage interest relief, which
7 o'clock was announced by the Minister, Deputy Noonan, during the Budget Statement, my party considers it reasonable that where a person can prove their mortgage payments have fallen into arrears by 75% — in other words, where they have not made more than 75% of their mortgage payments — or where their property has fallen into negative equity at a level of below 75% of the sum they paid for it, and this is independently certified by a suitably qualified person or financial institution, the persons should be exempt also.

We recognise there are people who can afford to pay the charge and will have no problem in doing so. However, there are very many who are being dragged under the umbrella of this legislation. That is inherently unfair, as is the fact they are being asked to pay into a local authority sector which is not being sweated down in the first instance.

If we arrived at a situation where the local authorities were sweated down to the degree detailed in the local government efficiency report, where savings of €500 million were identified and implemented, and if there was a sweated down efficient local government service across the country, then raising taxes to give to local authorities might be looked on differently from raising taxes to put into a service which has been identified as highly inefficient.

Acting Chairman (Deputy Charlie McConalogue): We must adjourn at this stage.

I might outline at this stage who has indicated to speak. I suggest when we recommence after Private Members' business that the Deputies get the opportunity to speak in the same order. Deputy Luke 'Ming' Flanagan was next, followed by Deputies Ó Snodaigh, Wallace, Higgins and Stanley, and Deputy Mathews.

Deputy Joe Higgins: Could we invite the Labour Party Deputies to come in for these motions? They could champion the plight of the downtrodden whom they claim to be concerned about.

Acting Chairman (Deputy Charlie McConalogue): I will leave it to Deputy Higgins to invite them.

Progress reported; Committee to sit again.

Message from Select Committee

Acting Chairman (Deputy Charlie McConalogue): The Select Sub-Committee on Jobs, Enterprise and Innovation has completed its consideration of the Competition (Amendment) Bill 2011 and has made amendments thereto.

Private Members' Business**Rural Areas: Motion (Resumed)**

The following motion was moved by Deputy Michael Moynihan on Tuesday, 13 December 2011:

That Dáil Éireann:

- condemns the Government for introducing a series of budgetary measures that discriminate against those who can least afford it and particularly those in rural Ireland;
- objects to the overall policy direction introduced by the Government of progressively reducing and closing rural services;
- rejects the move by the Government to reduce and ultimately close small rural schools;
- further rejects the closure of rural Garda stations throughout the country;
- further objects to the increase in school bus costs that adversely affects rural families;
- opposes the cutbacks in community employment schemes that provide vital services to rural Ireland on a self-help basis;
- further opposes the abolition of the local improvement scheme;
- rejects the cuts to farm assist, third level grants for agricultural families, the rural environmental protection scheme and the disadvantaged areas scheme;
- strongly disagrees with the increase in charges for basic services, specifically aimed at rural areas, through septic tank upgrade costs and fees; and
- calls on the Government to abandon its anti-rural bias and adopt a fair and balanced approach to the budget.

Debate resumed on amendment No. 1:

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

- “ — recognises that the gap that has emerged between revenues and expenditure is not sustainable;
- recognises that the comprehensive review of expenditure process, which was undertaken across all Departments, examined all areas of expenditure and ensured that the principles of fairness, growth and reform underpinned the outcomes set out in

budget 2012, within the resource framework set out in the programme of financial assistance with the EU-IMF negotiated by the previous Administration;

- notes that the expenditure reduction measures put in place in budget 2012 were some €300 million less than those proposed in the previous Government's national recovery plan; and
- acknowledges that the plans set out by Government in budget 2012 form an important step in returning Ireland's economy to a sound footing and regaining our fiscal sovereignty."

— (Minister for the Environment, Community and Local Government)

Deputy Catherine Murphy: I am sharing time with Deputies Luke Flanagan, Seamus Healy and Joan Collins.

I was quite intrigued by the Private Members' motion put down by the Fianna Fáil Party in that every sentence of it referred to rural Ireland. It is probably to do with the fact that most of the Fianna Fáil Party Deputies are from rural Ireland and, obviously, there is no Dublin Deputy in the House representing the party.

Some aspects of the Private Members' motion affect urban and rural people in exactly the same way. I specifically want to focus on community employment schemes. I am one of the directors of the resource centres for the unemployed in Kildare and I am also involved on the voluntary committees of a couple of other CE schemes. Essentially, what has been lost in much of this debate is that there seems to be a measurement in community employment schemes regarding the progression into work. As the House will be aware, there is limited enough work. There seems to be an incapacity to understand that in many cases the CE schemes provide important social services such as meals on wheels, the resource centres for the unemployed and a resource to sporting and community organisations that in most other countries would be provided by the local authority.

The reduction in the materials grants, from €1,500 to €500, will mean that some community employment is simply not sustainable. I would ask that this matter be reviewed specifically with a view to maintaining some of those services.

Deputy Seamus Healy: I also refer specifically to the community employment schemes. Obviously, these schemes affect not only rural areas. Every town, city and village in the country will be severely hit by the changes to the schemes, both in grants and in personal payments. There is also the cost of septic tank upgrades. I refer to those two items in particular.

I want to focus on the part of the Government amendment which states that "the principles of fairness, growth and reform underpinned the outcomes set out in budget 2012", which is a completely unbelievable statement. Nobody in the country believes that. This budget is specifically targeted at middle and lower income families. The Government had a choice and we in the ULA put forward that choice consistently over the past number of months. Of course, the Government does not want to hear it because it means taxing its friends and cronies.

There is space for a wealth and assets tax in this country. There is none here, but such a tax is in operation in a number of other countries, including EU countries, and parts of the United States. The wealthiest 5% of persons in this country have personal assets, not business assets, amounting to €219 billion. A 5% tax on that would bring in €10 billion. That is the type of income that super wealthy persons should pay to the State. It would be at least a start in ensuring that everybody paid his or her fair share.

[Deputy Seamus Healy.]

That is a choice the Government has and should make. It is a choice that would create rather than destroy jobs. The Government has destroyed 25,000 jobs in the past nine months.

Deputy Luke ‘Ming’ Flanagan: I agree with the motion, but I would also have to say that the current Government does not have a monopoly on destroying rural Ireland. I come from Castlerea in County Roscommon. As the years go by, bit by bit we become smaller and smaller. There is a road — they call it the Ballymoe Road — out of Castlerea on the way to Roscommon and there is a shop there called Mannion’s. I always remember asking my parents why one would put a shop there and who would ever go into it, stating that they must have been daft. There were people who used that shop at one stage. Taking it one step further, a village near me called Castleplunkett used have three shops. I used be a little baffled, wondering what would one do with three shops there. The answer is “Nothing”, because they have all closed down. Moving on to a slightly bigger town, Ballinlough had approximately ten shops at one stage and now it is down to one. Then one moves on to a bigger town called Boyle, which had any amount of shops. People used travel from all over the country to it — similar to my own town — but nearly every one of those shops has closed down. I wonder at what stage someone will do something about the fact that rural Ireland is dying.

I hear this rubbish that people do not want to live in the countryside; they want to move to cities and they want to go to other areas. This is not a fact. The reality is that we have no choice. No more than the 19 out of the 20 in my family and my wife’s family who had to leave our area, the same is the case for many other friends of mine. As I stated at the outset, the Government does not have a monopoly on ruining and destroying rural Ireland.

What I would like to see is someone coming up with a plan to save rural Ireland because it is an excellent place to live and to bring up one’s kids.

An Ceann Comhairle: I thank Deputy Flanagan.

Deputy Luke ‘Ming’ Flanagan: We should preserve it and we should see it as the precious thing that it is. From the point of view of tourism,—

An Ceann Comhairle: The Deputy is overtime.

Deputy Luke ‘Ming’ Flanagan: —in years to come people will not come to this country to see empty towns. The Government will kill that as well unless it does something about it rapidly.

Deputy Shane McEntee: Rural Ireland is flying.

Deputy Joan Collins: We must ask whether the Government has a bias against rural Ireland only. In my mind, the bias of Government is against working people and the poor in general, regardless of whether they live in rural or urban areas.

It is disingenuous of the Fianna Fáil Party to pose itself as the champion of rural Ireland. It is a false and cynical attempt to create the impression that rural communities will suffer more than others as a result of the budget cuts.

Those who are genuinely opposed to the transfer of the cost of the crisis, from the elite who caused the crisis onto the backs of the working people and the poor, have no interest in creating a false division between rural and urban communities. The task is to unite all communities and groups affected to fight back, put an end to the austerity that is destroying jobs and social and community services, tax the wealth and assets of those on very high incomes, as addressed by my colleagues, and invest in jobs.

My last point is on the Government's amendment. Last week, Deputy Pringle stated the Government's amendments are direct negatives of the original motions and, therefore, contrary to Standing Orders. This matter needs to be dealt with if the Government is to fulfil its promise to make debates and proceedings of the House more relevant. While I will not be holding my breath, I ask the Ceann Comhairle to determine whether amendments are contrary to motions or part and parcel thereof.

Deputy Nicky McFadden: I am sharing time with Deputies Dan Neville, Derek Nolan, Tom Barry, Colm Keaveney and Patrick O'Donovan.

While difficult decisions were made in budget 2012, they were made in the context of improving Ireland's economy in the longer term. No decisions were taken lightly and, while I acknowledge many people are struggling and will be affected adversely by some of the cuts, it is important to note that positive change can only come about if the necessary decisions are taken now. The bottom line is that if we are to make genuine and long-lasting improvements to our economy, we must reduce the deficit. We ought to focus on allocating resources in an intelligent and progressive way. It was the previous Government's complete inability to make the necessary decisions and its lack of foresight, through implementing unsustainable policies and policies of short-term gain, that led Ireland into economic crisis.

As the Minister for the Environment, Community and Local Government, Deputy Hogan, has said, the motion laid down by the Opposition bears no relation to the reality of what is happening. The Government is acutely aware of the challenges facing many people across the country. This is the job that the people of this country gave us a mandate to do. We have been elected to fix the problems that this country was left with owing to years of mismanagement. This will not be done overnight but it is achievable.

The Government's first priority is jobs. Everything we do is done to make this an economy in which we can create jobs. We have an action plan for jobs, a plan to help provide temporary credit for commercially viable small businesses and a new strategic investment fund and plan to help finance micro-enterprises. We are working to a reform agenda. The public service is being streamlined, with 23,000 fewer positions, more efficient working methods and better value for money in the lifetime of this Government.

Local government plays a pivotal role in the delivery of local services such as housing, water supply and road maintenance. Local authorities need the appropriate resources to deliver efficient and effective services. Commercial rates are collected and spent locally, ensuring that money is invested in essential local public services. The introduction of a household tax will further contribute to the provision of essential local services. The focus now should be on efficiency so local authorities can play a role in developing local enterprise.

The Minister is not introducing the legislation on septic tanks because he wants to; he is doing so to address a European Court of Justice ruling against Ireland from October 2009. It was a lack of will on the part of the previous Government that resulted in a lack of action on the issue. The charge is by no means an attack on rural Ireland but a measure to protect rural Ireland by providing good-quality drinking water. The protection of ground-water is vital.

People have a responsibility to ensure their septic tanks are in good working order and not endangering their water supply and that of local communities. Householders who already meet their responsibilities have no reason to fear an inspection system. We must ensure that septic tanks are not endangering human health or the environment.

I am particularly confident that agriculture will play a key role in Ireland's economic recovery. The Government's overall objectives are job creation, addressing the fiscal challenge as fairly as possible and creating a more efficient public service which provides value for money.

[Deputy Nicky McFadden.]

To deliver on this strategy, the agriculture, food and marine budget focuses on four key objectives: to support schemes for farms targeting available funding at active, productive farms in vulnerable areas; to encourage productivity and up-skilling; to focus available funds on driving the Food Harvest 2020 strategy objectives; and to introduce reforms within the Department and State agencies under the Department's remit to generate efficiencies and savings.

The rate of stamp duty on agricultural land is being cut from 6% to 2%. A half rate of 1%, which will be available on transfers to close relatives until the end of 2014, should encourage the transfer of farms to the next generation. This will help to improve the age profile of Irish farmers and ensure the viability of the sector. Restructuring the retirement relief on capital gains tax will further incentivise the earlier transfer of farm assets to younger farmers.

Deputy Dan Neville: I welcome the opportunity to contribute to this debate. I want to speak about an area of concern in rural areas that is addressed in the budget, namely, the levels of depression, loneliness, isolation, attempted suicide and suicide, as raised in the House over the past year. Rates have increased over the years and, in recent years, there has been a dramatic increase. Figures show there is a higher rate of suicide and depression in rural areas.

Following the promise in the programme for Government, the budget resulted in the allocation of an extra €35 million for the development of mental health services, as outlined in A Vision for Change. The €35 million is ring-fenced for this purpose. When former Minister for Health and Children Mary Harney allocated money to the HSE for this purpose, it was hived off for other purposes. In 2009, she informed me she would allocate no money in this area because the HSE would not use it for its stated purpose, that is, the development of mental health services. We must, therefore, ensure there is a detailed plan for the spending of the €35 million.

We are asking that just €4 million of the €35 million, or 11.5%, be allocated for suicide prevention. Six hundred people died by suicide last year. This is an enormous number. It is not unreasonable to ask that just €4 million of the €35 million be allocated to assist the National Office for Suicide Prevention in its work to prevent and research suicide and assist those who are bereaved thereby. To that purpose, it is important that somebody has executive responsibility and that there be a directorate of mental health services to ensure we have the necessary change management capacity and skills to drive the implementation of A Vision for Change. We are not asking for extra people as there are very good people already. There is a very good person in the HSE who is capable of doing what I suggest very efficiently. I ask that he have executive responsibility to do so.

In the period 2009 to 2010, the mental health service lost 1,000 posts. It lost a disproportionate number of health service staff. Despite exemptions to the recruitment moratorium for certain grades of staff, it appears that the number of new staff is falling far short of the losses. Only 54 nurses have been recruited to the psychiatric service even though 600 retired in 2009. I back the Minister of State, Deputy Kathleen Lynch, on her proposal to re-examine the moratorium on psychiatric nursing appointments.

Deputy Derek Nolan: This debate takes place one week after the budget. Over the past seven days I have reflected on what is happening in the economy and the country. When I first got involved in politics in NUI Galway ten years ago, I did not expect to be implementing an austerity programme, reducing people's living standards and changing the way the country operates by reducing expenditure. It is difficult to be a Deputy at a time of scarce resources and unpalatable decisions. We do not blindly follow without thinking through the repercussions of our decisions. I am convinced that being in coalition with the Fine Gael Party is worthwhile

but it is not easy to explain that social welfare could have been cut by a further €190 million if we were not in Government when we are cutting ourselves. It is difficult to convince people when the cuts are having an adverse impact on them.

We all compromised on our manifestos after the election. Fine Gael got agreement that taxes would not increase. We kept our pledge that there would be no cuts in social welfare. If the Labour Party was not in Government, both the Fine Gael and Fianna Fáil parties would have cut basic social welfare rates. These are measures the coalition negotiated and changed but it is something I feel proud of when I go to my constituency to justify my presence in Government.

Whatever difficulties I face as a Deputy, the people I represent face even greater hardships. Unemployment is ravaging society. People on reduced incomes are trying to save face and rearrange their lifestyles. They are trying to continue their children's banjo lessons, as one of my constituents explained, or keep their cars on the road. The uncertainty is the most difficult aspect of our current circumstances, however. The Government has worked out a plan based on the deal the previous Government entered into with the EU, the IMF and the ECB but the uncertainty caused by Europe and the global economy is getting to people. If they thought there was a clear goal that could be reached in three or four years time, they would be less fearful but there is constant change in the global economy and the European Union. We need to address these issues at European level in order to provide certainty.

I will not deny that rural Ireland is experiencing difficulties but the focus on rural Ireland resembles the previous Government's attempt to pitch public and private sector workers against each other. Fianna Fáil Deputies are now trying to pitch rural Ireland against urban Ireland by claiming that rural areas are being hit harder than protected urban areas. That is a false and unfair argument.

The motion condemns the Government for budget measures that discriminate against those who can least afford them. This accusation comes from the party that cut the minimum wage and introduced the universal social charge for the lowest earners. The motion "rejects the move by the Government to reduce and ultimately close small rural schools", even though nobody is planning to cut small schools. We are trying to re-energise small schools by introducing clustering and getting value for money. It opposes the cuts in community employment schemes but there are no cuts to viable community employment schemes. Finally, it strongly disagrees with charges for septic tanks although Fianna Fáil ignored the issue while in Government. After running the economy disastrously and delivering the country into an EU-IMF programme, Fianna Fáil Members are taking a superior attitude and pretending none of this would have happened if they were in power. It is hard to sell the message that we are cutting €300 million less than Fianna Fáil would if it was in Government but I know in my soul that being in Government to curb these excesses is the right thing to do.

Deputy Tom Barry: I hate to spoil the party but the Fianna Fáil Party has identified all the solutions after ten months of a new Government. I have made a point of not criticising that party in this House or on the doorsteps because the electorate can make its own democratic decisions. However, I feel obliged to answer this motion in a forthright manner.

With the possible exception of Deputy Moynihan, Fianna Fáil Deputies do not understand farming. They think crop rotation means wheat, beet and bungalows. The bungalows have stopped, the beet is gone and we are left with continuous wheat. That is not sustainable farming. Former Minister Mary Coughlan shut down the sugar industry in Ireland. She wanted more stamp duty and she had a golden share that she did not use. Mr. Liam Carroll, who owned 30% of Greencore, was the first person admitted into NAMA. We will be paying promissory notes for the next ten years to sort out that mess. AIB also had shares in Greencore and is equally responsible.

[Deputy Tom Barry.]

We need to work our way out of this mess but we will not do so by means of a pyramid scheme. The last Government operated great pyramid schemes until they fell apart. Have the Members opposite ever created a job, beside their own? It is difficult to take their criticisms seriously given that they never had to worry about finding the money to pay their employees next week. I do not like to criticise the previous Administration but it is difficult to hold back when motions like this are moved in the House.

Fine Gael was criticised for not bringing the bondholders or implementing haircuts but breeding comes out in the eyes of a cat. Fianna Fáil burned the farmers of Ireland in 1932. The land annuities the British Government loaned to Irish farmers were withdrawn. That landed us in the economic war. It was terrible because we decided to boycott English goods in retaliation for the tariffs imposed on our exports. That crippled our economy and the United Left Alliance should study what happened during that period. Funds were diverted from annuities to local government to buy votes. The Land Commission transferred land from widows to their own people to buy votes. That happened in my locality until the 1960s. The left should bear in mind Edmund Burke's advice to resort to experience rather than consult with invention.

Fianna Fáil burned the public service. It increased the number of public servants and gave them more money to buy their votes. When it had no more money to give, it doled out big pensions and lump sums. Then a brilliant person decided to benchmark the people who had retired. How can one be productive when one is retired? This vote buying exercise landed us in our current predicament. They are burned now because they went out to spend according to what they were earning. They believed their future was safe but they are screwed, they are gone and they are caught. It is terrible because Fianna Fáil burned them and their children's futures. The very people it bought off were hurt the most. The experience gives a new meaning to the acronym "B and B", namely, burn and buy. The gas thing is that Fianna Fáil burned its own house at the end of the day. It is terrible that a fine party has been reduced to what it is now.

The Fianna Fáil Deputies went to the fountain of confession, dipped themselves in the water of forgiveness, stood up and said "We are all better". I do not buy it, and neither do the people of this country or the employers of this country. I suggest that maybe it is time for them to wrap it up. They do not need to rebrand. They should wrap up the whole blessed thing and put the deficit in their funds into NAMA. However, there is no need to make that decision tonight. They should go home for Christmas, the season of goodwill, sit down and look at what has happened, and, unless they intend to come up with constructive motions in the future, admit that there is no room for them. If Fianna Fáil's agricultural policies had been followed, P.J. Sheehan, who sat here for many a year, would have been right, because all we would have been left with is bullocks, briars and bachelors.

Deputy Colm Keaveney: I wish the proposers of the motion a happy Christmas. Santa Claus has come early to Fianna Fáil. Judging by the palpable sense of relief on the faces of many of its Deputies, they are delighted to be out of Government. Thomas Jefferson once wrote: "History, in general, only informs us of what bad Government is." The budgetary measures that Fianna Fáil seeks to condemn this Government for are the very same as those to which Fianna Fáil, through the late Brian Lenihan, signed up in December 2010. The memorandum of understanding between Ireland and the EU and IMF is not an agreement that anybody in this House should be proud of. It has tied the hands of this Government in certain matters of fiscal and economic policy. We have little scope to form the policies we believe in. Not all of the proposals outlined in the budget last week are palatable, but they are necessary in order for us to recover our economic sovereignty, which was surrendered by the previous Administration. Despite the

constraints faced by the Government, we have committed not only to protecting but to increasing labour activation within our communities. We will spend €95 million extra on labour activation, which is an endorsement by this Government of the role of community employment schemes. The Government is fully committed to protecting the community, promoting community development and providing valuable services in the areas that are most deserving in society.

Without doubt, this motion sets out to scaremonger on the issue of rural school closures. I have contacted the Department of Education and Skills, which informed me that there is no plan to close any rural schools. Fianna Fáil gave us the McCarthy report, produced by a man who has a pathological hatred of rural Ireland. The report that will be issued in February is a Fianna Fáil report, but we will consider it in terms of getting better value for money for rural schools. When I talk about better value for money, this is because Fianna Fáil has pulverised the public purse.

It is true that 30 of our Garda stations will close next year, and that is regrettable. Eight of these have not been resourced over the last number of years because there have been no gardaí in them. We are shackled by an employment framework as a consequence of the arrangement with the EU and IMF. As Deputy Barry said, we have to control the number of people within the public service.

The savings the Government has made on the rural environment protection scheme will be as a result of alterations in eligibility and qualifying criteria. In this way, we will be preventing abuse of the scheme by wealthy landowners and we can control subsidies that we otherwise could not afford. The Government has set out to insulate the taxpayer from having to fund frivolous spending on those who simply do not require it. I am delighted to say that no cuts will be made to the disadvantaged area scheme, which is important in the area from which Deputy Kitt and I come.

I know Fianna Fáil Deputies are hesitant about reading the memorandum of understanding to which they signed up. I have a copy here for anybody who has not read it to date, and I refer the Deputies to page 25, in which Fianna Fáil committed the Government to introducing a property tax and carbon taxes. On page 26, it committed to the introduction of water charges. That is the reality.

The Government has reduced stamp duty on agricultural land sales from 6% to 2% and introduced a new VAT rate of 9% for farms. We have allocated €5 million towards the establishment of beef technology. The threshold for exemption from the universal social charge has been raised from €4,004 to €10,036, which will be of particular interest to low-paid workers in rural Ireland.

This motion is nothing more than selective posturing to try to create a credible position with regard to one particular demographic in society. It is politics at its worst. As with the contributions from some Fianna Fáil Deputies on the economic situation last week, I am left wondering if they have nothing more constructive to add. They are living in denial and trying to prevent any acceptance of the fact that Fianna Fáil's fingerprints are all over the destruction of this economy. Its signature is on the memorandum of understanding. It wrote this country away, but we will resurrect it. We will give this economy the kiss of life. We will get people back to work, and it will have nothing to do with any contribution Fianna Fáil has to make.

Deputy Nicky McFadden: Well done.

Deputy Patrick O'Donovan: I welcome the opportunity to speak. When I first looked at this motion, I wondered whether it was a joke. The Fianna Fáil Deputies have fair neck, as they say. I often wonder whether the people were kind of stupid for booting them out last February,

[Deputy Patrick O'Donovan.]

because to listen to them, one would think that in these nine months they would have everything solved. They have identified every problem that rural communities are faced with, so we have to ask ourselves, if they could only have hung on for another nine months, would we have any problems at all. The reality is that we would, because to be honest, the biggest problem we had was not that they did not stay the additional nine months but that they stayed 14 years. In that time, they managed to put this country on a one-way route back to the Stone Age. Now they come in here and have the audacity and cheek to distance themselves from this, while at the same time adopting an air of empathy — they understand what the people are feeling, they understand that rural people are under fierce pressure, they understand that the country has no money. It is an awful pity they did not do something about it when they had the opportunity, rather than coming in here now to lecture the people who have been left to clean up the mess they conveniently walked away from, albeit in depleted numbers.

In the last couple of days, I have been speaking to people of my own age group and younger, and I have been asking them specifically what they would like to see for rural communities. They have been hearing the Opposition parties, varied in colour as they are, giving out about everything that is wrong until they are blue in the face. What they are looking for is suggestions similar to those put forward by the Minister for Finance last week in the budget, such as proposals on stock relief, stamp duty and tax relief on land transfers from one generation to the next. These are tangible things that will make a big difference to the community. In the constituency I represent, the only industry that will have any major potential to drag the country out of the economic doom and gloom it is suffering at the moment is the farming industry. When the farming industry does well, many of the issues dealt with in this motion will be resolved — although it will take time — because the rising tide should lift the rural boats. The strategy adopted by the Minister for Agriculture, Food and the Marine, in which we target Brazil, Russia, India and China, among a swathe of other countries, with the aim of breaking into new markets for Irish goods and services, is something we need to examine. Unlike some members of the Opposition, who take cheap shots at the Minister for using the Government jet to promote the sale of Irish cheese in Algeria, I feel that if the Minister could sell another ten thousand tonnes of Irish cheese in Algeria he should keep the Government jet on the road every day of the week.

Deputy Michael P. Kitt: It does not go on the road.

Deputy Patrick O'Donovan: The only way we will get this country back to work and out of the mire in which Fianna Fáil left it is by allowing people such as Deputy Noonan, Deputy Coveney and Deputy Howlin to adopt initiatives. The attitude should be: when we have a massive problem, we can look at it the Fianna Fáil way, by pulling the duvet over our heads and pretending it will go away, or we can actually tackle it.

I mentioned the memorandum of understanding to which this country signed up. I spent all day in a committee today listening to two people who, quite frankly, would wreck your head, talking about septic tanks. We have to introduce a tank registration charge, among other things such as household charges and water charges, thanks to the position in which the country now finds itself. When Members of the Dáil bring forward motions such as this, I wish they would visit the Oireachtas Library and Research Service and ask for a copy of the last programme for Government which they signed up to with the Green Party. About halfway through page 4 or page 5 it states that the Government will introduce an inspection regime for septic tanks and, among other things, it would introduce property charges. Then one hears one of the Fianna Fáil Deputies say that the party is in agreement in principle with what the Government is doing. In practice, however, the party opposes everything for the sake of it. As I have often

said previously, those benches are the cheap seats. It is easy to knock things from over there. However, if I was a member of a party that did to this country what the party proposing this motion has done, I would not be so quick to take cheap shots at the crowd that is now trying to resolve it.

Deputy Michael P. Kitt: I commend Deputy Michael Moynihan on putting this motion forward. It offers a great opportunity to discuss many aspects of the budget. A Member has already paid tribute to Deputy Moynihan and his knowledge of agriculture. When Deputy Moynihan says there were cuts in the disadvantaged areas and the rural environment protection schemes, it is worthwhile listening to what he says.

Rural communities have been hit very hard by a number of cuts in the budget, regardless of how one dresses it up. As well as the cutbacks in agriculture, there was also the announcement of the closure of rural Garda stations and rural schools in addition to the increase in school transport charges, which is very important in rural areas. In the area of social welfare, the farm assist payment has been of great benefit to smallholders. However, the means test for farm assist has been changed in terms of the income criteria and this is hitting farmers who are struggling to make a living.

The issue of smaller primary schools is interesting. While there was no change in the pupil-teacher ratio, we were told that if a school had four teachers or less, there would be changes in the ratio. Of course, those smaller schools are located in rural areas and provincial towns. The cuts will hit those schools but we will know more about it in the future. Combine that cut in education with the changes in the DEIS schools and the abolition of the modern languages in primary school initiatives. These affect approximately 500 primary schools, which has led to further hardship. If this was not an issue, why would Government Deputies complain about it? Indeed, in the Topical Issue debates today and yesterday Government Deputies quite correctly raised the DEIS schools and the modern languages in primary school initiatives.

The Minister for Education and Skills is trying to promote literacy and numeracy, and I applaud him for that. However, at the same time, he is withdrawing other services for primary schools. I can offer an example. There is currently no school library grant, which is a great pity. Deputy Nolan and Deputy Keaveney represent Galway and I represent east Galway. If there was a school library grant of even €1 million for the entire country, there would be €100,000 for school library books in County Galway. We do not have that. We should have it if one is genuinely interested in numeracy and literacy.

There has been great disappointment with the cutbacks in funding for community employment schemes. Like all Deputies in the House, most of the e-mails I have received relate to the very important role these schemes play in the community. I received an e-mail from Ballinasloe community resource centre, where 34 people are employed. The e-mail states that the centre provides an information service, adult literacy, a learning and study centre, a jobs club and IT for senior citizens, to name a few of its services. It has participants working in the community crèche, meals on wheels, local sporting and social organisations, a charity shop and parish properties. Its target groups are the long-term unemployed, one-parent families and people with disabilities. In its 15 years of existence the centre has helped hundreds of people from these groups to get back to work, but this will now stop.

I received similar e-mails from the Ryehill community council in Monivea and my home village of Castleblakeney, where there is a scheme that serves the four villages of Castleblakeney, Caltra, Ahascragh and Gorteen and in which excellent work is done. When I hear the Minister talking about a review of the ongoing viability of each scheme, I am concerned that some of them will be stopped. It would be a great shame, considering the great work they have

[Deputy Michael P. Kitt.]

done. I hope the Minister will reconsider and allow the schemes to continue in view of their great work down through the years.

Finally, given all the expenses these schemes have in terms of getting a premises, paying the heating and insurance, paying a caretaker for maintenance, painting work and so forth, let us ensure there are enough resources in place for the schemes so they can continue the very good work they are doing, particularly helping people who are vulnerable, marginalised and who need a helping hand. The 34 people in Ballinasloe currently have employment, which is what we want for this country. We want people to have jobs. With that initiative in place we will get our people back to work.

Deputy John McGuinness: I listened carefully to the debate. When Members on the Government benches point to the last Government and what happened, what has been forgotten is the fact that they were elected with a huge majority on a particular mandate. They are now in Government with the Labour Party but they appear to have abandoned all the plans they put forth and which won that majority of votes in the last general election. By and large, those Members have moved away from the promises they made. They broke those promises, which are regularly listed in the media and by Members on this side of the House as a reminder.

The Members conveniently approach debates such as this by hiding behind what happened in the past. They fail to debate the context of the motion before us or, indeed, some of the substantial legislative measures brought before the House. They also fail to understand that the electorate made a decision about this party. That decision was that this party would be in the House in these numbers and in Opposition. In that democratic role we must use these benches to criticise or make suggestions about the policies put forward by the Government. If the debate was approached in that light, we might make better progress in terms of making the better judgments that are required about the policies we implement that affect the lives of people throughout this country and not just in rural communities.

This motion refers particularly to rural communities because the budget and the general direction of this Government is very anti-rural. It is not as if there are no other solutions available to resolve the problems we face. The household charge, for example, will raise €160 million. The McCarthy report has pointed out that with better management of local government we could save €500 million. There are obvious and costed solutions available from previous reports which should lead the Government in a much better and more constructive way than what it is doing at present.

The same applies to the septic tank charge. This brings me to another point, which relates to fear. During the debate about the budget before it was introduced in the House all sorts of kites were flown. One could hardly see the clouds with the number of kites. They put fear into every community in this country, communities that were built up through family resource centres and through funding provided by the Government over the last 15 years. Those community organisations are delivering services to the public, the people we serve, in a cost effective manner. We are now taking away some of that funding through cuts that might not even have been announced, perhaps through HSE budgets and so forth which are affected every day. The level of service provided by those organisations will drop and rural communities and the structures within rural society will change dramatically. They will not be able to deliver to a community that is generally in distress as we speak.

I listened to Deputy Barry say that nobody on this side of the House might have created a job and that we did not understand the difficulties of small businesses and so forth. There are people on this side of the House who created employment. I understand that and the difficulties

the Deputy is talking about having to face an employee and tell them one is sorry because one does not have a job for him or her any more. That is the reality of the economy we are in.

The 2% increase in VAT applied in the budget will cost every single household, family and business in the country money. As it is applied in the course of the first quarter of next year people will begin to see the hidden costs of the budget and how the Government sneakily put its hand into their pockets and took away a substantial amount of money from businesses and families. It should be ashamed of itself because of the different promises it made during the general election campaign. It should have told people the truth.

An Ceann Comhairle: I ask people to respect speakers. We have had peace to up to now.

Deputy Robert Troy: I compliment my colleague for tabling this motion despite what members of the Government have to say, namely that we should be ashamed to table a motion or talk about any issue in the House. As I said before, the electorate has spoken. We are where we are and the Government is where it is. It has received a strong mandate based on election manifestoes. Both parties went in front of the people and promised one thing and another, and the Government was elected as a result of that. We are here as a result of the role we played over the past 14 years and we acknowledge that. The Government must acknowledge that our job as an Opposition party is to hold it to account and we make no apology for that.

For many years people on all sides of the House signed up to the agreement of spending more and taxing less. If the Government does not believe me all it has to do is look at the 2002 and 2007 manifestoes from all political parties, not just Fianna Fáil. In the amendment to the motion the Government states: "The Government in budget 2012 forms an important step in returning Ireland's economy to a sound footing and regaining our fiscal sovereignty." I compliment it on the job it has done so far.

There are 20,000 more people unemployed. In terms of getting people back to work, what it plans to do to CE schemes flies in the face of that. I have received numerous calls from throughout my constituency from CE schemes which told me they are not viable and will be unsustainable if the cut which has been voted upon is implemented. Both Government parties voted last Friday to reduce the grant to CE schemes by 66%. They then talked about having a review early in the new year. Why have a review in the new year when the cut has been announced? Why was a review not done prior to making an announcement?

I have met representatives from four or five different CE schemes in my constituency who will not be in a position to keep going if the cuts proceed. They would have been able to take cuts of 10%, 15% or 20% and would have helped the Government to achieve some of its targets. These schemes help people with disabilities, lone parents and the most marginalised in society. They give them a step up and an opportunity to return to work. Not only that, they provide much needed man hours for many community projects.

I am on the board of a community crèche and if it were not for a CE scheme providing it with three employees it would be closed. If it closed 15 jobs would be lost as well as a loss of service to the general area. Where would working parents in my area bring their children to be looked after? I would like to speak for longer on many other issues, especially the cuts proposed to rural schools.

The budget is discriminatory towards rural Ireland and the most marginalised in society. That was brought home to me when on the evening of the budget someone asked me how the budget had affected me. I said the 2% VAT hike affected me, which is a disgraceful result. People who are well paid were not hit in the budget. The Government chose to go after the most marginalised people in society and shame on it for that. It had choices to make and made the wrong ones. It said we did not propose any alternative. We did, but it chose not to listen.

Deputy Dara Calleary: The Minister made a comment today that he could not understand why we were trying to divide urban Ireland and rural Ireland by tabling this motion. We are not trying to do that. We are trying to show that the emphasis of the budgetary decisions will impact far more on services in rural than in urban Ireland. For instance, to qualify for a second teacher a school has to have more than 12 pupils. In three years' time, because of the budget, a school will require 20 pupils to get a second teacher. That is not a problem in a city or urban environment where most schools are bursting at the seams but it is a problem in rural areas. The Minister has emphasised that no school will be closed, yet in response to a parliamentary question he said schools will be encouraged to amalgamate. That is a withdrawal of services from rural communities.

Community nursing homes will be a major issue in 2012. I referred to it this morning when I spoke about the Croke Park agreement being used as a Trojan horse to justify bad decisions. The Minister for Health, Deputy Reilly, told the Joint Committee on Health and Children last week that nursing homes with fewer than 50 beds are not viable and he would have great difficulty keeping a lot of them open during 2012 and 2013. They are the standard model in rural Ireland and across the country. He referred to 50 beds as if they are inanimate objects but they involve older people who have been left hanging because of his comments. Such people generally live in rural areas.

My colleagues have referred to CE schemes and the impact of the reduction in the grant from €1,500 to €500. Such schemes include meals on wheels, older care services and sports services. Every year the Ballina Salmon Festival results in about 75,000 people visiting our town over a ten day period. They spend money and invest in the local economy. A large scheme is associated with it. At this time of year it is involved in crafts, making props and dealing with the physical equipment that goes with such a large event. It stands to lose €35,000 because of this decision.

It is in the budget documentation, but not the social welfare legislation, with a saving beside it. The Minister for Social Protection said she will conduct a review of each scheme starting in January but has not given us the conditions or time lines. Will it involve whichever scheme she likes best? Unless we get an independent analysis of the situation how can the success of schemes be determined?

Elsewhere in the budget there is a cut of €50 million — sorry, it is identified as efficiencies — in disability and mental health services. This will affect organisations, such as Western Care, which provide community and voluntary led health services.

Deputy Brendan Howlin: From €2.8 billion.

Deputy Dara Calleary: Some €50 million is still a lot of money for a lot of organisations. The difficulty is that we do not have detail. The saving has been included in the budget documentation in order to specify an amount.

We spoke at length in the House on septic tank legislation. It is an attack on rural Ireland. I live in a town and do not have a septic tank, therefore I will not have to pay the charge or fine that may be imposed because of what I did 30 years ago which was correct at the time, but it will affect those in rural areas.

Of the 31 Garda stations to be closed, although some are in Dublin city, the majority are in rural areas. It is easier in a city for other gardaí to cover an area than it is for gardaí to travel, for example, from Castlebar to Tourmakeady, where I was yesterday, which is 40 minutes from Castlebar. Yet when an incident occurs we expect a garda to be on the scene without delay.

We are not intent on splitting the country with this motion. Rather, we are pointing out that the emphasis of this budget is anti-rural, as is the emphasis of Government policy to date. In pointing that out, we hope the Government will rectify it for 2012. We hope those around the Cabinet table will be more conscious of the impact of these policies. When they impose a reduction of €50 million, which is detailed as an “efficiency”, or produce a school staffing schedule which will increase class sizes from 12 to 20 by 2014, they should be cognisant of the specific effect of such changes on rural areas.

That is why we are taking this opportunity to raise these issues, and I commend Deputy Moynihan on bringing forward the motion. We do so constructively. I was four years on the other side of the House and saw how those in government behaved. In fairness, the Minister, Deputy Howlin, as Leas-Cheann Comhairle, was not part of the chorus led by his party leader, the Tánaiste, which damned every decision taken by the last Government. The language became increasingly apoplectic as the years went on, with the Minister for Social Protection, Deputy Joan Burton, being the lead cheerleader. To point out that the Government is now getting a dose of its own medicine is not constructive, but its members delivered that treatment for four years. We are asking the Government, when we come back in 2012, to bear in mind that decisions taken in the first nine months of its term have weighed disproportionately on rural Ireland.

Deputy Timmy Dooley: I welcome the opportunity to contribute to this important debate. There has been a suggestion that my party, or this side of the House generally, has sought to streamline the debate into an urban versus rural divide. That is not the case at all. We are concentrating, in this motion, on the impact of the budget on rural pursuits and the rural way of life. In doing so we do not deny its significant impact on urban life. I am sure we will have an opportunity to deal with that in due course.

As my colleagues have identified, the budget includes cuts to services that will impact substantially on those living in rural areas. The first that comes to mind — incidentally, it is one which bridges the gap between urban and rural — is the reduction in funding for community employment schemes. I had an opportunity at the weekend to meet with various people involved in this sector, including those who are attempting to run the schemes. It is clear that 99.9% of them are run exceptionally well and in a highly efficient manner. These scheme benefit both their communities and those who participate in them.

I am confused as to what exactly is being reviewed in respect of the community employment sector. The Minister, Deputy Burton, has made several statements, indicating on the one hand that there will be a review and, on the other, that no schemes will be shut down. I did not think there was a proposal that any would be shut down unless they had failed to meet their audit requirements, as was always the case. What is of greatest concern to the people trying to operate these schemes is the proposed reduction in the funding per participant of €1,000. Many of these schemes have already made payments towards the services they will provide next year by way of the purchase of materials. I visited one scheme at the weekend where the people running it had chosen to purchase certain goods and materials in advance on account of the Government’s plan to increase the VAT rate by two percentage points. They are being penalised for using their heads, being now in an uncertain state as to whether the funding will be made available to pay for those purchases.

A red herring was put forward by some backbenchers on the Government side to the effect that people were not being trained to an appropriate level under these schemes or that some of the money was being lost in the system. That is not correct. For the past five years, as I understand it, if the sum apportioned to a participant was not spent on the individual concerned, that money was automatically returned. In other words, there was a safeguard in place

[Deputy Timmy Dooley.]

which prevented commingling of the training pool. As such, a level of efficiency was built into the system.

What is of most concern now is the capacity of these schemes to continue their work without the materials grant. Some of the schemes with which I am familiar used it for the provision of bus services for people with disabilities, for example. If those schemes are no longer operational, it will fall to the Health Service Executive to provide that service. I do not want to get into the cuts to the health budget, some of which we accept are necessary. However, the reality in this case is that a service was being provided in an efficient way, through community employment schemes — a service, moreover, which the State has an obligation to provide. The schemes effectively provide cheap labour, offering service delivery in an holistic, community-based way which benefits everybody who participates, including the recipient of the service. Yet, for the sake of a few million euro, the Government is potentially dismantling an entire architecture that has taken a great deal of time to build up.

Will the Minister clarify whether or not the saving which has been identified in the Budget Statement is now off the agenda and will be restored to the Estimates for the coming year? If not, will he give us some indication of whether the proposed savings will be achieved through the elimination of some schemes or by forcing schemes to take cuts to the extent that they will be unable to continue to provide the relevant service? Unless he does that, I will have the same issues this weekend when I meet representatives of the schemes, as will Government backbenchers. The types of platitudes trotted out last weekend — that there will be a review and that no schemes will be closed — are nothing I have not heard before. I was that soldier in the past. We rallied against that evasion and sought a straight and honest statement. When we got it and delivered it, we sometimes suffered the consequences of doing so, but at least we were up-front in explaining people's situation and allowing them to plan, albeit in a lesser way

As it stands, we are left with a hiatus where people do not know what they will be doing next year, whether they will be able to collect the goods from the hardware store, whether they should begin planning, or whether they should simply pull down the shutter, sit in a corner and say, "To hell with it, we will get the few bob anyway and there is no need to bother looking at the output". That will hollow out the outstanding work that was done in bringing these schemes to such a level that they are now an integral part of communities throughout the State.

Deputy Seamus Kirk: I welcome the opportunity to speak in favour of this important motion. Colleagues have highlighted the broad range of areas affected by the changes brought forward in the budget, including means testing for the farm assist scheme, reductions in disadvantaged area payments, closures of rural Garda stations, increases in school transport charges, an increase in the pupil-teacher ratio, the abolition of the local improvement schemes for rural roads, and changes in funding for community employment schemes. In the case of the dreaded septic tank regime, the fear is not the inspection charge itself but the costs that may subsequently arise for householders. In County Cavan, for example, it is estimated that there is a malfunction in 25% of domestic septic tanks, requiring remedial work at an average cost of some €2,500 per owner. That is the type of charge facing many households in rural areas, including farmers, elderly pensioners and so on. It will impose severe stress on people.

I listened to two Deputies from County Cork speaking before the Minister, Deputy Howlin, came into the Chamber. It was enough to make me think that we should implore Paddy Sheehan, "All is forgiven, Paddy, please come back". These two speakers derided Members on this side of the House for their lack of knowledge of rural issues and the agricultural industry. The Minister for Agriculture, Food and the Marine, Deputy Simon Coveney, is a decent, hard-working man from the same county as those Members. We on this side of the House have been lobbying for some time for a review of the milk quota regime, including the transitional

arrangements up to 2015. We must examine whether changes can be effected that will improve the prospects of the rural economy in a tangible way.

When my colleague, Deputy Brendan Smith, was Minister for Agriculture, Fisheries and Food, he brought forward an important initiative. The Food Harvest 2020 initiative envisaged a 50% increase in milk production in Ireland yet we have the outrageous situation that on the island of Ireland with a total population of approximately 5 million, individual farmers in the Republic, in the province of Leinster in particular, and in particular in County Meath, which the Minister of State, Deputy McEntee, represents, will be severely affected by super levy bills come early April 2012.

The Department and the Ministers should ask the EU authorities for a bilateral arrangement with the UK to ensure that at least we could utilise the unused quota north of the Border and which would go a long distance to dealing with the serious problems confronting many farmers in the country, those who are planning to expand their production and their output to benefit in a real and tangible way, not alone the local economy but also the export statistics which are sorely needed in order to turn this economy around. There has been a pathetic effort made to try to push forward that agenda——

Deputy Shane McEntee: You did not mislead them two years ago?

Acting Chairman (Deputy Jack Wall): Please, Minister, allow the Deputy.

Deputy Seamus Kirk: Deputy Michael Moynihan raised the matter in this House——

Deputy Shane McEntee: You misled the young farmers with false promises.

Deputy Seamus Kirk: ——and there has been no progress. At least a decent effort should have been made to tackle the problem to see if we can have a bilateral agreement. It would go a long way to solve the real problems confronting the agricultural industry in this country.

Minister for Public Expenditure and Reform (Deputy Brendan Howlin): I am pleased to have the opportunity to contribute to this debate. I listened with great interest to Fianna Fáil's response to the two Budget Statements. I congratulate both Deputy Seán Fleming and Michael McGrath on their contributions. Deputy McGrath, in particular, took the opportunity to outline the philosophical approach his party would adopt as a party of opposition. He said his party would take a positive approach to its role, mirroring what the party leader said on assuming office. He accused the current Government of being cynical in opposition. He went on to say that the choices made by the Government in our budget were those of the Government and the Government alone. This is fine rhetoric but it bears little relationship to reality. The choices made by this Government in this budget are those foisted upon us by the catastrophic failure of the previous Fianna Fáil Government. Our opposition in the last Dáil was opposition to the bungling and ineptitude that has left this country in penury and our opposition was both appropriate and necessary.

Deputy Dara Calleary: They are now delivering everything they opposed.

Deputy Brendan Howlin: The Irish people will not allow Fianna Fáil to rewrite history.

Deputy Timmy Dooley: We wrote it.

Deputy Brendan Howlin: This Government has been elected to clean up the biggest economic mess ever created in this country's history. That mess was created by the previous Administration and no amount of fine words from the opposite side of the House will change that fact. The issues being discussed are serious because they impact upon people's lives. We know

[Deputy Brendan Howlin.]

the impact the issues will have. They are the latest in a series of measures which the Irish people have had to endure since this crisis began. The decisions taken last week were not easy to take and nobody knows that better than myself. The choices to be made were not between these cuts and no cuts; they were between the cuts we decided upon and other cuts.

On the announcement of the Estimates, Deputy Fleming indicated that his party accepted the scale and composition of the Government's fiscal correction and so it should because anything else would be rank hypocrisy. Therefore, Fianna Fáil should spell out exactly where it would have sought to make cuts.

Deputy Robert Troy: We did.

Deputy Brendan Howlin: The last time Fianna Fáil could make the decisions, it cut child benefit for all and reduced basic social welfare payments. It is little wonder the party opposite is annoyed at this Government's budget which has protected these areas.

If Fianna Fáil is to seek to base its relationship with the people on honest agreement, as Deputy McGrath said last week and echoed by some Deputies tonight, then it should start now. As the Government amendment alludes, the fiscal correction on the current spending side decided upon a short 12 months ago by the party opposite is €300 million more than we implemented. Fianna Fáil needs to be upfront with the people.

Deputy Timmy Dooley: Like the Government was in February.

Deputy Brendan Howlin: In addition to spelling out how it would meet this Government's fiscal targets, it should go further and spell out how it would meet its own far more onerous targets, an additional €300 million in cuts. The leader of my party, Deputy Eamon Gilmore, went on national television before the last election to say we would implement the cuts and this is what we did in the budget. There is no dishonesty there.

Deputy Timmy Dooley: It must have been late at night.

Deputy Brendan Howlin: I reject the thrust of this motion. For too long since this crisis emerged, some within this society have sought to divide the people by pitting public and private sector workers against each other. This has become almost a national pastime. The reality is that we require every worker and every sector of society to pull together in the national interest in order to get through this crisis.

Fianna Fáil's motion seeks to pit rural life against urban life. This may be a reflection of that party's anger at the capital city in particular which has chosen to reject Fianna Fáil utterly. The awful truth is that public spending cannot be reduced to the kind of levels necessitated by the inept management of this economy by the previous Administration, without placing a terrible burden on the people. We have further difficult choices to make on the road to regaining fiscal sovereignty. This Government may well make mistakes in some of the choices we make but we will be guided by the principles of fairness and job creation. The party opposite, in acknowledging its past culpability, might not pretend there are easy or pain-free alternatives.

Deputy Éamon Ó Cuív: Cuireann sé áthas orm labhairt ar an rún seo. The Minister spoke about pitting rural Ireland against urban Ireland. As somebody who comes from urban Ireland I believe in justice and if justice is meted out against one section of the community, all of the community will stand by that section. Since this Government came to power there has been a series of announcements that clearly discriminate against and do damage to rural Ireland. These include the reversal of the policy of decentralisation, the refusal to make funds available for waste water services in rural Ireland while spending billions of euro on these services in urban

Ireland, along with a whole series of policies, well outlined by my colleagues last night and tonight, which are clearly intended to tear the heart out of rural Ireland and in particular, smaller rural communities. The Government has clearly declared a long war against our communities but if it believes rural Ireland will go down without a fight, it is mistaken.

It would also be true to say that this Government has shown scant regard for more disadvantaged urban communities with its attacks on the weak and vulnerable in the recent budget. Fianna Fáil's commitment to rural Ireland has been consistent from the day of our foundation. We believe that a proper balance must be struck between our rural and urban populations and that this balance is good for both. When in Government, we pursued proactive development policies in rural Ireland and appointed a senior Minister with responsibility for rural development. This Government has no such Minister.

When in government, we published a White Paper on rural development and we developed the CLÁR programme. We pursued spatial policies supportive of rural Ireland, developed the devolved school building scheme that ensured virtually every school in rural Ireland was upgraded, we improved the pupil-teacher ratio in small rural schools, provided water and sewerage schemes, broadband, new health services, the rural social scheme, decentralisation and many other initiatives. The Government, in a few short months, has managed to undo much that was done. It has halted and even reversed decisions on decentralisation. It is refusing to provide basic infrastructure, withdrawing vital services, strangling the life out of our local schools and imposing many new extra charges aimed exclusively at rural area. It is rushing the Water Services Bill through the Houses with unnecessary haste. This legislation will have disastrous consequences for our rural communities.

There is nothing new in the Labour Party's attack on rural areas. The Minister for Education and Skills has long been openly critical of the settlement pattern of rural Ireland, preferring us all to live in towns and cities. We are told by the experts, whom the Government clearly believes, that it is too expensive to provide services in rural areas. We are told rural areas are economically unsustainable, our lifestyle is ecologically damaging and, in any case, we should conform to European norms in the way we live. Each of these propositions can be shown to be false. However, even allowing for this, surely the most important measure of societal success are social outcomes for young people? Any analysis will show that when one compares the average number of students going to third level per 1,000, rural Ireland outscores urban Ireland. Any analysis of drug abuse will also show a lower incidence in rural areas. If we believe our children are our future, surely these are the most important measures?

On the proposition that our settlement pattern and policies are different from the rest of Europe, many other things are different here and should remain so. Historically our society developed in a different way, with our dispersed settlement pattern going back 6,000 years. Nowhere else is the attachment to the Baile Fearainn, civil parish, county and province so strong and nowhere else does this geography, which runs counter to the normal hierarchy of the city, town and village, have so much attachment and loyalty. As island people, we are different in many ways from continental Europe. Nowhere else do they have hurling, football and the GAA, music, dance and Comhaltas, the station mass and the many ties that bind us to our own townland or Baile Fearainn. Those who seek to destroy these differences on the spurious arguments of ecology and efficiency are wrong. Surely the answer to the ecology argument lies in technological developments such as electric cars, micro-generation and solar power?

On the cost of services, unless one totally depopulates the countryside, one must face the truth that the cost of providing rural services decreases as the population rises and increases with population decline. We are told the future lies in cities. I have nothing against cities and believe people have a right to live in them if that is what they want to do. Equally, however,

[Deputy Éamon Ó Cuív.]

people should have a right to live in the country and enjoy all basic services if that is what they choose to do. What will distinguish the 21st century from the 20th century is that not only will the nature of work change, but increasingly people will be able to work from home or wherever they choose to be. In a global world for many workers choice of location will be more and more a personal matter. While cities will continue to exist, thriving rural areas will co-exist with them.

Os rud é gur ceatracha tuaithe iad mórchuid de na ceatracha Gaeltachta, is ionsaí ar an tuath iad moltaí an Rialtais i leith polasaí teanga an Stáit agus an straitéis 20 bliain freisin. Mar is eol don Aire, an Teachta Howlin, scriosfaidh na moltaí atá curtha ar aghaidh ag an Aire Oideachais agus Scileanna na ceatracha beaga tuaithe mar go ndúnfar go leor scoileanna.

The policy which perhaps epitomises more than any other the attitude of the Government and the Labour Party in particular is the decision to attempt to squeeze the life out of our two, three and four teacher schools. The name of the game is to say one has a choice. Effectively, however, the Government is saying that in the case of any school with fewer than 20 pupils, the one teacher policy that existed before the Fianna Fáil Party entered office in 1997, when it was changed by Deputy Martin, will apply. In practice, the pursuit of this policy effectively forces schools to close because parents will not send children to one teacher schools. The Government is trying to attack three teacher schools to make them two teacher schools and four teacher schools to make them three teacher schools. It is tearing the heart out of rural Ireland. Parents in rural communities will not accept this as they know that communities die when schools close because people will not live far away from schools. We will oppose this policy with every sinew we can muster because it is retrograde, negative and defies the logic of educational outcomes. All surveys show that rural schools produce many of our top graduates and are disproportionately represented in our universities. All the statistics show that closing rural schools will, in terms of future generations, kill the goose that laid the golden egg of a well educated population about which we boast around the world. A disproportionate number of those who drive the large multinationals attended small rural schools.

Political parties will have to stand up and declare where they stand on rural issues.

Deputy Shane McEntee: The Deputy did not mention how good the budget was for agriculture.

Deputy Éamon Ó Cuív: It has been clear for some time where the Labour Party stands. I know there are many genuine rural Deputies in the Fine Gael Party and the question for them is whether they will allow the Labour Party tail wag the Fine Gael dog. Sitting idly by while the areas they represent are decimated will not be accepted by the people. I call on the Deputies in question to make a stand within their party and insist the policies to which I have referred are reversed. In the meantime, the Fianna Fáil Party will continue to fight the cause from townland to townland and from parish to parish in defence of our heritage. We will bring the fight to every county council, the Dáil and Seanad and, if necessary, Europe because we know this battle is about the heart of our nation and the survival of so much that makes us what we are.

The choice facing us is a simple one. Do Deputies believe in balanced spatial development or in decimating small communities and destroying much of what makes this country unique in the name of a type of modernity that is, in fact, post-modern in nature because its policies are from the 20th rather than 21st century?

Deputy Brendan Howlin: The Deputy knows his party broke the country.

Deputy Éamon Ó Cuív: It is interesting to watch the club championships every year because one finds to one's surprise that a large number of the clubs that reach county and provincial finals and even go on to win the national championship are from communities without any significant urban settlement. Will we destroy this on the altar of some dogma put forward by town planners or will we run this country in the interests of ordinary people who want to preserve the communities to which they have always belonged?

One of the extraordinary differences between this country and other countries is our great attachment to place. Large numbers of high powered, well educated young people return to their parishes every weekend because that is where their hearts are and they want to be part of them. This is due to the attachment to place that is prevalent in this country.

I have often noticed that people who do not have any real experience of rural Ireland other than looking at it as they drive around tend to view the countryside as a collection of houses. They are utterly stunned when we say they do not understand the geography because each house belongs to a village, not in the sense of a village in continental Europe because, as Professor Caulfield has frequently pointed out, our villages pre-date much of the modern history of continental Europe. People within boundaries that might not be visible to those who do not understand have an attachment and a connection that is absolutely vital to their well-being.

Deputy Brendan Howlin: The historic bungalow.

Deputy Éamon Ó Cuív: Well-being is not just about fiscal issues. It is also about quality of life. Those who choose the quality of life of rural Ireland should have the same right to basic services as those who choose to live in our cities. The proposition that cities are cheaper to service than country areas is belied by all the statistics on transport and other facilities. When one breaks down the figures, such services can be provided equally cheaply in rural Ireland.

Amendment put:

The Dáil divided: Tá, 93; Níl, 45.

Tá

Bannon, James.
Barry, Tom.
Breen, Pat.
Broughan, Thomas P.
Bruton, Richard.
Burton, Joan.
Butler, Ray.
Buttimer, Jerry.
Byrne, Catherine.
Byrne, Eric.
Cannon, Ciarán.
Carey, Joe.
Coffey, Paudie.
Collins, Áine.
Conaghan, Michael.
Conlan, Seán.
Connaughton, Paul J.
Conway, Ciara.
Coonan, Noel.
Corcoran Kennedy, Marcella.
Costello, Joe.
Daly, Jim.
Deasy, John.
Deenihan, Jimmy.
Deering, Pat.
Doherty, Regina.
Dowds, Robert.

Doyle, Andrew.
Durkan, Bernard J.
English, Damien.
Farrell, Alan.
Feighan, Frank.
Ferris, Anne.
Fitzpatrick, Peter.
Flanagan, Charles.
Gilmore, Eamon.
Griffin, Brendan.
Hannigan, Dominic.
Harrington, Noel.
Harris, Simon.
Hayes, Brian.
Hayes, Tom.
Heydon, Martin.
Hogan, Phil.
Howlin, Brendan.
Humphreys, Heather.
Humphreys, Kevin.
Keating, Derek.
Keaveney, Colm.
Kehoe, Paul.
Kelly, Alan.
Kyne, Seán.
Lawlor, Anthony.
Lynch, Ciarán.

Tá—continued

Lynch, Kathleen.
Lyons, John.
Maloney, Eamonn.
Mathews, Peter.
McCarthy, Michael.
McEntee, Shane.
McFadden, Nicky.
McHugh, Joe.
McLoughlin, Tony.
Mitchell, Olivia.
Mitchell O'Connor, Mary.
Mulherin, Michelle.
Murphy, Dara.
Murphy, Eoghan.
Nash, Gerald.
Neville, Dan.
Nolan, Derek.
Nulty, Patrick.
Ó Riordáin, Aodhán.
O'Donnell, Kieran.

O'Donovan, Patrick.
O'Dowd, Fergus.
O'Mahony, John.
O'Reilly, Joe.
O'Sullivan, Jan.
Phelan, Ann.
Phelan, John Paul.
Reilly, James.
Ring, Michael.
Ryan, Brendan.
Sherlock, Sean.
Shortall, Róisín.
Stagg, Emmet.
Stanton, David.
Timmins, Billy.
Tuffy, Joanna.
Twomey, Liam.
Wall, Jack.
Walsh, Brian.

Nil

Adams, Gerry.
Boyd Barrett, Richard.
Browne, John.
Calleary, Dara.
Collins, Joan.
Collins, Niall.
Colreavy, Michael.
Crowe, Seán.
Daly, Clare.
Doherty, Pearse.
Donnelly, Stephen S.
Dooley, Timmy.
Ellis, Dessie.
Ferris, Martin.
Fleming, Sean.
Fleming, Tom.
Grealish, Noel.
Halligan, John.
Healy, Seamus.
Higgins, Joe.
Kirk, Seamus.
Kitt, Michael P..
Mac Lochlainn, Pádraig.

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

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

Amendment declared carried.

Question, "That the motion, as amended, be agreed to", put and declared carried.

**Local Government (Household Charge) Bill 2011 [Seanad]: Committee Stage (Resumed)
and Final Stages**

SECTION 2

Debate resumed on amendment No. 2:

In page 6, subsection (2), between lines 2 and 3, to insert the following:

“(f) homes purchased under local authority Affordable Housing Schemes;

(g) homes on which stamp duty has been paid from January 1st 2003 up unto December 31st 2011;

(h) homes purchased through Shared Ownership Schemes;

(i) homes affected by pyrite.”.

(Deputy Clare Daly)

Acting Chairman (Deputy Jack Wall): Deputy Ó Snodaigh has possession.

Deputy Aengus Ó Snodaigh: We are dealing with amendment No. 2 and also with the section opposed by the United Left Alliance. Dúirt an Aire níos luaithe go bhfuil an locht ar an Rialtas deiridh. Dúirt sé gurb é sin an fáth gur gá don Rialtas an reachtaíocht seo a chur os ár gcomhair faoi dheifir agus faoi fhuadar. Dúirt sé nach bhfuil aon rogha eile ann. Bhí rogha eile ann, mar a dúirt roinnt Teachtaí a labhair romham. Tá rogha fós ag an Aire. Nuair a labhair mé ar an Dara Céim, luaigh mé gur féidir linn cáin rachmais nó cáin maoine a thabhairt isteach. Dá mbeadh sé sin á dhéanamh againn, beimid fós ag déileáil go díreach leis an gcinneadh nó gealltanas a rinne an Rialtas deiridh. Bheadh cáin de shórt éigin ar shealúchas, tithe nó foirgnimh. Bheadh sé san áireamh go bhfuil cáin maoine i gceist. Dúirt an tAire, an Teachta Noonan, sa Dáil go bhféadfaimís breis is €500 milliún a ardú dá mbeadh a leithéid de cháin againn. Cáin forásach a bheadh i gceist. Bainfeadh sé leo siúd a bhfuil breis acu, seachas iad siúd atá ar an ngannchuid. Tá rogha ag an Aire. Bhí rogha eile aige. Nuair a toghadh an Rialtas seo, dúradh go ndéanfar iarracht athphlé a dhéanamh leis an IMF chun an cinneadh ar fad a athrú. Tháinig an Rialtas ar ais go dtí an Dáil ag maíomh gur éirigh leis ó thaobh an ráta úis. Níor lorg an Rialtas go mbeadh an tír seo saoraithe ón gcinneadh nó gealltanas a ghlac an Rialtas deiridh maidir leis an gcáin seo. Tá an deis sin fós ag an Rialtas. Bheadh sé an éasca dul ar ais chuig an IMF agus a rá go bhfuil an Rialtas ag iarraidh dul i dtreo eile. Ba cheart don Rialtas a léiriú go bhfuil bealach eile ann.

These amendments capture the essence of the argument I have made that people dependent on social welfare will be hit hard by this Bill as drafted. It would be reasonable for the category of houses listed in the amendment to be exempted from the charge. Other houses should also be included. Several years ago, we passed planning regulations which set down a minimum space requirement for new houses. Any house that falls below that certain square footage should be exempted. There are also homes with minimum maintenance standards. It is obvious the owners do not have a bean. If they were able to save the €100 on the charge, they could carry out some maintenance on their homes.

Some houses are not serviced by their local authority. For example, water could be drawn from a well or sewage treatment may be provided through an on-site septic tank. In some instances, the local authority may not even provide the roadway to the house. While I accept a high number of homes are not affected by this, those that are should be exempted.

Houses in ghost estates will be exempt from the charge. There are places, however, where one half of an estate is not taken charge of and the other half is. What happens when the good half is at the back of the estate and one has to go through a wasteland of rag order roads and so forth to get to it? What about apartment blocks which are half occupied? These categories should also be exempted.

Those on rent supplement will not be exempted from the charge. Some providers of social housing, such as ALONE, recently changed their payment arrangements with their residents. Instead of the residents paying a differential rate, rent or contribution, they applied for rent

[Deputy Aengus Ó Snodaigh.]

allowance and now pay it to the social housing organisation. Will ALONE now have to pay €800 on household charges?

Deputy Fergus O'Dowd: It is excluded.

Deputy Aengus Ó Snodaigh: It is excluded provided it is social housing. However, if it requires its tenants to apply for rent supplement, will it be covered by the provisions for exemption?

I support this amendment.

Deputy Mick Wallace: The Minister of State has pointed out the categories of household which will be exempt from the charge. However, there are still many left out who will not be in a great position to pay it. The amendment will include those who bought a house from 2003 on. It should actually go back to 2001.

Instead of the Government imposing a household charge on the 450,000 unemployed, it would be better off cutting their welfare benefits by an equivalent amount. The Government was adamant that it would not touch welfare payments but it might as well as it is hitting it indirectly with this charge.

Life is difficult enough for those on disability benefit without this extra tax being imposed on them. If the Government insists it has no choice but to do what our masters in Europe want us to do, I do not see how they can shoot the Government if it applies a greater level of fairness extending exemptions to those in negative equity, the unemployed and those on disability benefit and other assistance. If the Government had applied a greater level of fairness, it would not have this animosity towards this Bill.

Deputy Joe Higgins: Earlier, Deputy Mathews of Fine Gael made an interesting point that this country should make a protest by withholding €250 million from one of the bailout interest commitments. He reasoned this would signal to the IMF-EU-ECB the unhappiness of this country with how it is being treated. What the opponents of these household and water taxes — United Left Alliance and other Deputies — are proposing will, however, be a far sharper and clearer message to the IMF-EU-ECB that the Irish people are simply not going to accept any more massive cutbacks in their services and living standards to bail out the financial sharks in the EU market.

Accordingly, any Deputy who wants the voice of the ordinary people of Ireland to be heard should support the boycott campaign of the registration and the payment of this household tax. It will send a clear message to these overlords, representatives in reality, of the European speculators. Come the end of March, more than 1 million households taking such a stand will rock them and make them wonder if they can continue to see our people as a soft choice to bail out this crazed market system.

These amendments should be supported. If the utterances of both Fine Gael and Labour Deputies are to be taken seriously, then they will vote with these amendments. Amendment No. 2 calls for several categories of houses to be exempted, including those affected by pyrite. I was rather taken to see the Fine Gael Member, Deputy Regina Doherty of Meath East — whose acquaintance, unfortunately, I have not had the opportunity of yet making — calling for homes affected by pyrites to be exempted from the household tax. Can we invite her, along with any other Member opposite who agrees with her just contention, to vote in favour of this amendment?

I was alarmed to hear one of RTE's main political correspondents report on the news this evening that Ministers were reporting that they were not getting feedback from Government backbenchers that the household tax was an issue in their constituencies, which is extraordinary.

Either they are not listening or they are not relaying the messages they are getting. Just in case they have not got the message, we should ensure that in the next month or so, they are left in no uncertain state of mind with regard to the huge opposition that exists to this tax in order that they will go to Ministers and relay that this is a huge issue on which people up and down the country will take a stand. That will happen in the campaign that has been set up and that will be intensified.

The Minister of State and others rounded on us in regard to having no alternative but they are not listening. The United Left Alliance, for example, brought out a budget statement and, with hard facts and figures, we pointed out that on the basis of information compiled by the Central Statistics Office and the giant international finance company, Credit Suisse, on how wealth is apportioned in this State, the conclusion is that 5% of the wealthiest have 46.8% of the wealth in financed and other assets, not including their homes, worth €219 billion. We suggested a modest wealth tax of 5%, which would bring in €10 billion. That is the alternative to hitting those who are suffering as a result of this crisis and those in negative equity with mortgage commitments that are a terrible burden on them every month as a result of being victims of the blackmail of the speculators in the housing bubble and hitting people generally. That would result in significantly more resources for local authorities to improve services rather than what is happening where fewer workers are expected to meet more burdens, which is not sustainable.

When we oppose this tax, we are, at the same time, proposing a tax on the wealth that exists in our society. This tax would make a huge difference to public services and investment in jobs and it would regenerate this broken economy, which is the only way we will get out of this hole. The problem is when the Minister of State attacks us for opposing this tax by saying it will cost jobs in local authorities, we cannot take him seriously because the Government's policy, following that of Fianna Fáil and the Green Party, to cut, slash and burn the living standards of our people has ratcheted up unemployment to such a disastrous degree. Sadly and unfortunately, more austerity means more unemployment. When we oppose this tax and demand an alternative to raise far more funding, we are the champions of job creation.

While we will continue to oppose this tax relentlessly, if the Government and the backbenchers who contributed to the debate were serious when expressing concern for those who might be in difficulty, they should at least agree to the extension of the waivers and the exemptions proposed in the amendments. We can give many more examples of exemptions that would be natural if the concern of Government backbenchers was real. They can vote in favour of these amendments and, at least, make the tax less of a burden on a certain strata. We will support these exemptions while continuing to campaign for the removal of the tax completely.

Deputy Brian Stanley: Before the debate adjourned earlier, the Minister of State outlined that the €160 million this tax will generate will fund local authorities and give them greater choice. The implication of what he said was that local authority members would have more autonomy. Last week's budget put paid to that because it proposed a cutback of €165 million from the Local Government Fund. This proposed poll tax will be collected centrally, redistributed by the Department among the local authorities, which means there will be no connection between the local authorities collecting the charge and how it is redistributed. It is simply a means of moving money around.

The €165 million reduction in the Local Government Fund is being used to pay the interest on the bank bailout loans for the coming year and if this tax gets off the ground, it could be used the same way in future years. I fundamentally object to that because it means the Government will collect a bank tax off householders locally under the guise of a household charge, deposit it in central funds, cut the funding to local government, move the money to pay the

[Deputy Brian Stanley.]

bank bailout loans and use the revenue from the household charge to fill the hole. This is a flat tax and applying the same charge to the poor and to millionaires is a problem.

The propaganda line has been that the tax equates to less than €2 a week. Mr. John FitzGerald of the ESRI — the Government takes a great deal of advice from him and his colleagues — is reported to have said that there is no reason the charge could not be as high as €1,300 per annum. Perhaps he will want to deny that but he has been reported in one publication as saying that.

With regard to the manner in which the charge will be levied on different types of houses, bed-sits have been instanced. The response is that the landlord will pay it but that raises two problems. If the landlord pays it, he will recoup it from the unfortunate tenant. If a widow, for example, lets a room in her house to supplement her income, she will face two charges once it is a separate unit. In addition, no allowance is made for the tenant purchase scheme.

The Minister of State asked for alternatives for savings. Yesterday evening, I proposed that the numbers and salaries of senior local authority officials could be cut. Reference has been made a number of times to the fact that up to a few years ago, a county manager, county secretary and county engineer ran the show. Smaller local authorities are much more top heavy than that. That needs to be addressed along with the rates of pay. They all earn more than €100,000 annually.

Every time the Minister of State asks for alternatives, I respond with my party's proposals. We have put forward budget proposals which are perhaps more modest than those of the United Left Alliance but, nevertheless, we proposed a wealth tax and other taxes which would not impact on those earning below €75,000, who will be hit most by this charge. They are the people we need to try to protect. We need to make choices.

Amendment No. 10 includes a list of groups on farm assist, old age pensions, non-contributory pensions, blind pensions and so on. We included these because if the Government is going to push this through, it might at least accept the amendment and not punish those people. We also include all houses vested in any Minister of the Government. This is for good reason given there are people in Army quarters and similar accommodation. I appeal to the Government side of the House——

Deputy Fergus O'Dowd: To be helpful, they will be exempt.

Deputy Brian Stanley: That is good. However, many other categories will not be. I appeal to the Government to accept the list of exemptions regarding people on low incomes and social welfare to take them out of this position.

The context is that this is the fifth budget which has brought in severe austerity since the emergency budget which, if I recall correctly, was at Easter or perhaps in May 2008. There has been a succession of these budgets, all of which have taken money out of people's pockets and added extra VAT and increased charges in ways over which people have no control. In this case, the Government is asking people to put money into an envelope or to walk into a local authority office, for which they will be charged an extra €10 to pay the fee, as I understand it. There is a very large section of the population who will simply not do it, and another large section who cannot do it because the Government has skinned them and gone as far as it can go with them. The budget last week was the last straw. They have gone over the edge and simply will not pay this.

Deputy Peter Mathews: To pick up on some of the points that have been made on all sides of the House, Deputy Joe Higgins referred to an earlier contribution I made, as did Deputy Niall Collins. Deputy Niall Collins mentioned that Mr. A. J. Chopra observed that what is

important for Ireland in its programme is to achieve the elements on the bottom line and it is within our own power to work out the choices to get to that bottom line. What Mr. Chopra also said when he was here at an economic conference in Kerry in the late autumn was that it can be argued that the legacy debt in the banks in this country is debt that needs to be restructured and written down, more or less.

Deputy Niall Collins: We would agree with that.

Deputy Peter Mathews: That is why, to get the concentration and the thrust to act to that end, it is important at every opportunity to get the concentration of the minds of the people who make the big decisions in Europe and the ECB. The way to get their attention is to do as I have suggested, which is not to renege on or default on but, to get their concentration, to withhold 0.25% or 0.5% of the quarterly or monthly interest charges on the emergency liquidity assistance. This should be done because that emergency liquidity arose as a result of senior bondholders being paid in full when there was no acknowledgement of the scale of bank losses in this country.

I know that is a fact because I spoke to President Van Rompuy about five months ago, and he admitted he had not been aware that as much as between €70 billion and €100 billion of bank loan losses had arisen in a period when €70 billion to €75 billion of senior bondholders had been redeemed in full. That brought a new complexion to the situation in which the banks now owe the Central Bank of Ireland and the ECB a total of approximately €150 billion.

Deputy Niall Collins: Should we hold back on the Anglo bonds next January?

Deputy Peter Mathews: My professional advice would be “Do not pay it. Have a discussion.” That is my personal, professional advice.

Deputy Niall Collins: Did you hear that, Minister of State?

Deputy Peter Mathews: Sorry, Deputy Collins, speak to me. I am talking personally.

An Leas-Cheann Comhairle: Deputies should speak through the Chair.

Deputy Peter Mathews: I beg your pardon. It is important because the banks have not got the money to pay that bond.

Deputy Niall Collins: The country does not have the money.

Deputy Peter Mathews: No, the banks owe the bond redemption. They have not got it. Why would they borrow to pay something they cannot pay back? That is an invitation for discussion. That is why it is important just to pause. When we pause, we do not actually default on a debt. When we ring up the bank and say we want a discussion, that is not a default, it is a discussion.

An Leas-Cheann Comhairle: Thank you, Deputy.

Deputy Peter Mathews: I want to add a few points. There are two imperatives at present. One is the crisis in the eurozone. We are missing the big crisis. Every country is in its own compartment on the Titanic while we are all sailing towards an iceberg. There is a shadow banking system as well as the obvious banking system of which we are all aware. The shadow banking system is connected with the Wall Street and investment banks and their subsidiaries, most of which are in London, doing business, which is re-hypothecation of funds and assets which are used as security for loans and doing business, with gearing of four, five and six times. London is the least regulated place in the financial world for carrying on this business. In fact, in the United States re-hypothecation is restricted to 140% of the original hypothecated assets.

[Deputy Peter Mathews.]

I do not want to get into technicalities. There is an article in Thomson Reuters dated 7 December — only last week — which explains this in the microcosmic example of MF Global, which failed and left its clients out to dry for \$1.2 billion. It is a microcosm of what could happen on the macro scale. The banks of Europe are extremely fragile. Deutsche Bank has a leverage level of about 52 times, which is higher than Lehman Brothers was. JP Morgan has off-balance sheet exposures under these re-hypothecation liabilities of about €500 billion. It is these sort of figures in the greater architecture of the financial world that are mind-bogglingly risky at the moment.

The eurozone needs to make sure the ECB or whatever institution can do it — I think the ECB can do it — has probably at least the size of the eurozone's GDP — €8 trillion or whatever it takes — to provide the liquidity to the system. If not, there could be a surprise bank failure anywhere in the system and, because there is so much off-balance sheet exposure by banks, related investment firms, primary dealers in Wall Street and so on, nobody knows where the explosions could occur. That is why it requires leadership, statesman-stature leadership, in Europe at present to stop the noise, the phony summits and the phony meetings that are taking place. I use “phony” in the sense of noisy voices. The origin of the word “phony” is voice. That is why it was called the phony war before the Second World War. There were voices everywhere, documents, administrators, meetings and more meetings. Now, we need action so that confidence and trust is restored.

People holding paper do not know what to trust. People say “Buy gold”. However, if one does not physically own the gold, who says the paper a person is holding is any good? It is the same with sovereign debt. Germany is the largest and strongest economy in Europe at present. Ironically, two of its banks are extremely fragile. Deutsche Bank has assets of €1.85 trillion, which is nearing 80% of the entire German GDP. The House will remember we were all frightened that our banks were five times larger than our economy. Everybody at a responsible level in politics and leadership needs to snap out of it and get down to doing what is needed. Intergovernmental treaties and agreements can be worked out over the coming months.

By the way, we should not be frightened of sharing responsibilities and mutual accountability. For instance, in all the airports of Europe there is a common standard of safety in air traffic control, take off and landing. That is what we want in fiscal behaviour. Of course, we want Governments to keep to balanced budgets. Of course, Ireland should have the right to visit and see that the German Government is behaving in drawing up its budgets as much as it has to come and see what we do. Let us get real. Medications are sold in pharmacies all around Europe and we trust that the standards that we are used to here apply also in Rome.

Europe is an important large community of people with different traditions, different languages, different mentalities and different ways of viewing the world and they all are very worthy and we should value them. We should ensure that whatever the framework, the architecture, the plumbing——

Deputy Richard Boyd Barrett: Deputy Mathews, we are a little tight on time.

Deputy Peter Mathews: I am sorry, I beg Deputy Boyd Barrett's pardon.

An Leas-Cheann Comhairle: I am loathe to interrupt the Deputy but there are four Members who wish to contribute.

Deputy Peter Mathews: I beg the Leas-Chathaoirleach's pardon. Anyway, the Members get the idea. We can concentrate the minds of the leaders of Europe by doing things like catching their attention.

Deputy Seamus Healy: Deputy Mathews should vote against this now and start the ball rolling.

An Leas-Cheann Comhairle: I call Deputy Maureen O'Sullivan.

Deputy Seamus Healy: That is the fact. Talk is all very fine.

Deputy Peter Mathews: It is the big picture I am voting on.

An Leas-Cheann Comhairle: There are four Deputies offering.

Deputy Maureen O'Sullivan: I will return to the micro from the macro, where we were for the past while, merely to make the point that this budget hits certain persons severely and totally disproportionately to other sections of society. I consistently state and totally believe that persons with disabilities, persons with mental health issues and their carers should be sacrosanct when it comes to budget time and they should never have an additional worry or stress that anything will be taken from them or add to their particular burdens, and that is the purpose of my amendment.

In the past couple of days, I visited three different DEIS schools in Dublin schools which, if the proposals are given effect — it appears from the Minister for Education and Skills that they will — will be totally decimated. They will lose large numbers of teachers, more than any other school in the country. They will lose the resources that have made such a difference to those young children and that have brought them nearly onto a level playing field with others so that they can realise their potential.

Many of their parents are carers. Many of them depend on family income supplement. One gets to the point where there is only a certain amount that one can get out of a social welfare payment and it is impossible to expect an additional payment to be taken out of that.

These are people with limited means. They are being hit totally disproportionately with what has been happening in the budget. They definitely need to be exempted and I hope that amendment is supported.

Deputy John Browne: I listened with interest to Deputy Mathews. Of course, we need leadership and we need shared responsibility, but we also need fairness. Certainly, this household charge Bill is not based on fairness.

I support the amendments from this side of the House, particularly that from my colleague, Deputy Niall Collins, which calls for the exclusion of those who are on jobseeker's benefit, jobseeker's allowance, supplementary welfare allowance, family income supplement, farm assist, disability allowance, disablement benefit and blind pension and those who are not in a position to pay their mortgage.

We speak of ordinary persons on low incomes. There is something blatantly unfair with a system where there are millionaires and wealthy persons who will pay the €100 charge yet those on social welfare are asked to do the same. I live on an estate in Enniscorthy where probably half of the residents have lost their income from jobs in recent years, and yet they will be asked to pay €100 the same as myself or others in that estate who are working. That is a situation at which the Government Members on the far side of the House must look seriously. They must consider the exemptions we have asked for here. The backbenchers on the other side spoke much about fairness and equality, but certainly this household charge Bill is not in that area. I would ask the Minister to reconsider the situation and to look seriously at exempting those whom I have outlined.

On a daily basis, there are people coming into our clinics who are unable to pay their mortgage. Some are prepared to hand back their houses to the mortgage companies because they

[Deputy John Browne.]

are not in a position to pay the mortgage, yet we are also asking these people, some of whom might be getting supplementary welfare allowance, to pay the €100 charge. This is also totally unfair and unwarranted. I would support the amendments from this side of the House.

Deputy Richard Boyd Barrett: The list of categories that we are seeking in these amendments to have excluded from the charge are unanswerable for anybody who claims to be even vaguely interested in fairness. Unless somebody on that side of the House in the Government will tell us soon — I would like to see the Minister of State, Deputy O'Dowd, nod his head and state that I am absolutely right and that the Government will agree — they are, in fact, exposing the truth about this charge. With all the talk about fairness and how there will be exclusions for the small number of categories that the Minister has decided to exclude, if he does not exclude these categories then the talk of fairness is rubbish.

How could the Minister possibly not exclude the 350,000 who have lost their jobs through no fault of their own over the past three years? Is it not bad enough that they have lost their jobs through no fault of their own, through the behaviour of gamblers and bondholders, developers and politicians? Is it not bad enough that they must suffer that ignominy of unemployment with little prospect of recovery anywhere close on the horizon, and that their children are leaving the country? The Minister states that it is okay to load another austerity measure on top of them, as well as hitting various other payments, in the budget the Government has just passed and in the social welfare Bill, that they would receive and that would bolster their income, which is miserable compared to what they would have enjoyed when they were working hard, as they want to be, and contributing to society. How can the Minister not exclude anybody who has lost his or her job?

How can the Minister not exclude those on family income supplement who are at the lowest level of income? That is why they get State support. How can the Minister not exclude those with a disability? How can he not exclude State pensioners? How can he not exclude those who are in negative equity because of the behaviour of reckless bankers and developers? How can he not exclude those on medical cards? The reason they are on medical cards is because they do not have enough money to provide for their health care. If those groups do not deserve to be excluded from this household charge, then it is an attack on those groups. There is not other way to describe it. It is quite obscene.

Of course, the reason the Minister of State is not nodding his head and is not giving the commitment is because even the groups that the Minister has excluded have nothing to do with the Government's desire for fairness but have everything to do with trying to pull a con trick on the public as to the real nature of this charge. Just as they did when they supported bin charges where they brought in the waivers at the beginning to try to soften people up to try to disorganise and undermine the legitimate opposition to the bin charges, after a few years the waivers disappear. Everybody out there knows that is what will happen here. It is merely a ruse. It is merely a tactic. It has nothing to do with fairness. It is about playing games with people. It is about the same cynical politics, which has wrecked this country and which has infected and corrupted the political culture. The Minister thinks it is okay. He thinks it is funny. He thinks it is tactical to play games with people, pretending that there will be some element of fairness when the intention is nothing more than to get the foot in the door for this charge, and then for the water charges, do away with the waivers and ratchet up the charges as the years go by. That is the intention. Most members of the public know this. It is very important that it be said loud and clear; otherwise the Deputies would not vote with us on the amendments.

This issue turns on the question of fair taxation, and the Minister of State and Government know this well. They keep wringing their hands saying they do not like what they are doing and wish they did not have to do it. They say the troika made them do so. It is obscene that

this measure is in the troika agreement and that the Government is doing its bidding to pay off the bondholders. Notwithstanding its ridiculous, pathetic decision to capitulate to the troika, there are alternatives, and these have been spelled out.

Why will the Government not be honest? Deputy Joe Higgins referred to the wealth tax and I will not repeat the point. Why is it never complicated to attack the poor, vulnerable and least well off and why are we always told it is too complicated to tax the wealthy? It is stated that while the latter approach might be fair, it is just not possible. I do not understand this. Perhaps the Minister of State could explain it to me.

Could the Minister of State explain why the 10,000 highest earners in the State who, according to the Revenue Commissioners, earn an average of €500,000 per year, or €6 billion between them, paid less than €2 billion in tax? This represents an effective tax rate of 29%. Even if it were increased to 39% — I would be in favour of increasing it to at least 49% — it would yield €1 billion. Is €250,000 or €300,000 per year not enough for these people? Do they honestly believe it would be unfair to take from them the €160 million the Government is choosing to take from the poor and vulnerable? Could they not afford it? Could they not manage on €250,000 or €300,000 per year? Is it that difficult to live on that money? Could the Government not go after some of the former taoisigh and Ministers who have left the Oireachtas with annual earnings of €145,000, in spite of their not having reached retirement age? This is unbelievable. When David Cameron resigns, he will receive £32,000 as a former Prime Minister. Two of our former Prime Ministers walk off with €145,000 each per year. Why does the Government not go after them? Why is it so difficult? It is a question of whether the Government is committed to fairness or cynical bogus tactics to pull the wool over the eyes of the least well off and most vulnerable.

I agreed with Deputy Mathews' analysis but his one problem is that he does not recognise that the troika and Government will not listen to him because they do not care. They have made a cold, calculated decision that working people and the poor will pay for the crisis of the bondholders.

Deputy James Bannon: I want to put the record straight on the bin charges. They were introduced by those on the other side of the House when in government.

Deputy Catherine Murphy: They were introduced in 1983 by Fine Gael and Labour.

Deputy James Bannon: The Deputy will have her opportunity to speak. She left the meeting earlier today when we were discussing the septic tank charge.

Deputy Catherine Murphy: I left it in good hands.

Deputy James Bannon: It is a bit rich of her to come in here and contradict me today. I note there is a spilt in the Technical Group but that is its own business.

I agree with Deputy Mathews that we need more time for serious debate in the House, particularly in these extraordinary times, on issues that concern people. Politics is all about people, engaging with and listening to people and bringing forward policies in their best interest. Politicians are the servants of the people and are elected by them for their betterment.

I am annoyed and disgusted by the decision to guillotine this Bill. I have put this on the public record previously. The guillotine has precluded many Members from making a contribution on Committee Stage.

Deputy John Halligan: Yet the two Deputies are voting for it.

Deputy James Bannon: The same was the case with the Water Services (Amendment) Bill. I do not understand why we rush legislation in this House. While I am part of the Government

[Deputy James Bannon.]

side, I have made my views known at public parliamentary party meetings etc. This time, the lead-up to Christmas, is a most unfortunate time for dealing with these Bills.

The country is in a serious financial situation and we need to consider the contractual agreements to protect the very rich at the expense of the most vulnerable. I refer to the many politicians who have retired on extraordinarily high pensions. This has angered the public right across the country. We need to tackle the disgraceful pensions and we need legislation to lower them to an affordable level. These are extraordinary times and we need quick and drastic action.

Deputy Stanley referred to the Local Government Act 2000, which created well-paid positions within the public service. When I was honoured and delighted to be elected to Longford County Council in 1985, I worked in the best interest of the people, and I continue to do so as a Deputy. In 1985, there were three responsible people, the county manager, county engineer and county secretary. When one made representations on behalf of constituents at the time, one was told whether something was achievable. Nowadays, the directors of services and such staff are on huge salaries and one must wait months for a decision. This is because one's query goes around in circles beforehand. The concept of better local government has not worked for the betterment of the country.

We need to consider this matter. The Minister of State needs to consider those in mortgage arrears. Some sort of waiver scheme needs to be applied for them and those in the shared ownership scheme. The disabled and most vulnerable——

Deputy Joe Higgins: Voting for amendment No. 2 will be no problem to the Deputy.

Deputy James Bannon: ——have extra costs. While I will not vote against my Government, I plead with the Minister of State to consider the case of people with disabilities because they face hidden costs that able-bodied people do not. Some concessions should be made for them.

Will the owner or the occupier of a house be liable to the tax?

Deputy Fergus O'Dowd: The owner.

Deputy James Bannon: Who will collect it? We hear about agencies and quangos. Will collection be the responsibility of the local authority and will the funding collected go back into local communities to service them? Local authorities do a great amount of good work. Every day when we leave our houses——

Deputy Catherine Murphy: Did the Deputy read the Bill?

Deputy James Bannon: ——we see the extraordinary work done by local authorities. A percentage of the funding, if not all, should go to local authorities.

An Leas-Cheann Comhairle: The Minister of State will respond in due course.

Deputy John Halligan: While Deputy Mathews spoke quite eloquently about the crisis in Europe, I remind people about the crisis in ordinary Irish households. I am speaking about middle income groups who cannot pay any more. What is it about this that the Government does not understand? It would do well to consult Social Justice Ireland but Ministers did not even give that organisation the courtesy of responding to its pre-budget submission. It could also speak to St. Vincent de Paul, which is dealing with increasing numbers of middle income families in financial crisis. The head of St. Vincent de Paul in Waterford told me that people do not even have €2 to spare at the end of the week.

It is offensive that Fine Gael is continuing Fianna Fáil's budget mantra by claiming the increase equates to €2 per week. Fine Gael Deputies must not be listening to the people who visit their advice centres to explain that they are strapped and do not have any more money. Enough is enough.

I will not rehearse what my colleagues have said about where the money can be found. Households with incomes of more than €750,000 became 5% richer last year. Billionaires got richer. Those who earned more than €150,000 got richer. There were reports in today's newspapers about people who have not bothered to pay their taxes. None of them will be brought to court. We have given ten tax exemptions to people in this country. Millionaires and billionaires have thumbed their noses to successive Governments. Individuals who fail to pay for their television licences or fall into arrears on their rent can be brought to court but somebody else can say to the Exchequer, "Eff off, your are not getting the €200,000 I owe you" and nothing will happen.

I am offended by the absence of Labour Party Members from the Chamber but I am not surprised because they are unable to face up to injustice. Their party has a simple legacy. It was the first to introduce water rates and cut off people's water. In Waterford, thugs came in to cut people's water supplies and they were offensive to women and children until they were physically driven out. Now it is the first party to introduce household charges. At least some Fine Gael Members are present. I might not agree with them but I respect them for fighting their corner. Both Deputies present appear to be at one with us on some of our amendments. They can easily follow the former Labour Party Deputies over here because we will make room for them if they want to vote against the Bill. They will always be welcome.

The Government should stop claiming that the tax will only cost €2 or €5 per week. St. Vincent de Paul dealt with 150,000 cases in Dublin this year. The Government could ask how many of those cases involved middle income groups and working people. In Waterford, Wexford and other areas it is primarily dealing with working people who are letting everything else go to pay their mortgages. That €2 means a lot to those who do not have a penny. I appeal to the Labour Party Deputies who are sitting in their offices around Leinster House to stand up for the working people that James Connolly taught them to defend.

Deputy Luke 'Ming' Flanagan: The Minister of State believes this charge will result in greater accountability in county councils. That is the opposite of what will happen, however, because rather than introduce the exemptions suggested by my colleagues he holds out the possibility that discretion will be allowed in county councils. From my experience, I expect that will mean councillors who do not point out their local authority is wasting money hand over fist will be rewarded when they seek exemptions on behalf of individuals on high incomes. There will be a massive benefit for the Government because its Deputies will be able to contact their local councils to tell the people who depend on Government funding that Mr. Johnny Something cannot afford to pay the charge even though he earns €100,000 per year. There will be less accountability, councillors will be bought off with favours and the council will be terrified to refuse the hand that feeds it.

Minister of State at the Department of the Environment, Community and Local Government (Deputy Fergus O'Dowd): I thank the Deputies opposite for the variety of their contributions. I listened to them with great interest. The estimates prepared by my Department regarding the number of people will not be paying this charge indicate that the number of local authority, voluntary and co-operative housing tenants comes to 155,000; ghost estates, which are mainly in category 4 but also category 3, account for 32,000 households; and 18,000 people are in receipt of mortgage interest supplement. Approximately 205,000 tenants will be exempted from this charge. These figures make it clear that a large number of people will be exempt.

[Deputy Fergus O'Dowd.]

In regard to Deputy Luke 'Ming' Flanagan's comments, section 12 of the Bill vests specific powers in the local authority manager in exceptional circumstances.

Deputy Luke 'Ming' Flanagan: That is what I am worried about.

Deputy Fergus O'Dowd: It may be helpful to the Deputy if I explained how the measure will be interpreted. A national directive would be necessary to set out what can or cannot be taken into account when offering exemptions. The same rules would have to apply to every manager. I presume this would be a reserved function for the manager and the council would not make the decision. This power is comparable to that of the Revenue Commissioners in regard to reducing tax bills.

We spend €80 out of every €100 that comes into this country on education, health and social welfare. The social welfare budget is approximately €20 billion per annum and more than 400,000 people are unemployed. The State is taking in €16 billion less annually than it was at the height of the boom. We are in a difficult position but we have made it clear that we expect the charge to apply for approximately two years.

We will be bringing in a property tax. The Minister, Deputy Hogan, will establish an expert interdepartmental working group early in the new year to design a property tax that is equitable and builds on previous work in this area. The group will consider the modality of a property tax, including its scope, assessment criteria, exemptions and waivers and the means by which it should be collected. There will be opportunities for input into the group's deliberations and the Minister has asked it to report back to him by mid-2012. The tax will be levied according to an individual's wealth, property portfolio and income. I expect the Members opposite to support the property tax given that it will be based on principles of equity and ability to pay.

An Leas-Cheann Comhairle: There are a few other Deputies who wish to speak.

Deputy Fergus O'Dowd: I just want to reply to some of the amendments.

An Leas-Cheann Comhairle: I will call other people then.

Deputy Fergus O'Dowd: I appreciate that the problem is time. I would like to talk about the issue of pyrite, which was raised by a number of people. The Minister for the Environment, Community and Local Government, Deputy Hogan, has already taken appropriate measures to address problems arising from the presence of pyrite in hardcore material under the concrete ground-floor slabs in housing developments. In September, the Minister set up an independent panel with the remit of seeking to facilitate a resolution of the issue of pyrite contamination in private housing. The panel of three persons has the requisite blend of experience and technical knowledge to address this very complex issue. The panel has commenced its work and is, I understand, currently meeting with a broad range of key stakeholders who can assist it in undertaking its task. The Minister has asked the chairperson to report to him early in the new year, and the report will be put in the public domain.

I understand the difficult and challenging situation faced by householders who, through no fault of their own, must contend with the consequences of pyrite in their homes. The Minister will further consider a waiver for certain pyrite-affected houses upon receipt of the report of the independent panel. He will also need to consider issues with regard to the identification of problematic properties and the appropriate operational mechanisms and administrative arrangements required. However, it must be clearly understood that responsibility for compliance with the building regulations rests with the building owner and/or the builder or developer who carries out the works. The State bears no liability. This position is supported by the outcome of the recent High Court case in which a quarry which supplied hardcore for a con-

struction project was found liable for the supply of defective pyritic material. The case is now under appeal to the Supreme Court.

I am in the hands of the Leas-Cheann Comhairle. There are many amendments to which I have not yet responded. In fairness to me and to everybody, I would like to do so.

An Leas-Cheann Comhairle: Deputy Collins indicated that he had a question.

Deputy Niall Collins: The Minister has covered it in his discussion of section 12.

Deputy Fergus O'Dowd: I thank the Leas-Cheann Comhairle for that. In a democracy, it is our job to listen to what everybody has to say and then sum up at the end.

The household charge as proposed under the current Bill is forecast to raise in the region of €160 million on full collection, and any significant reduction in that amount would have significant implications for the level of services that local authorities can provide to their communities. In order to meet this funding requirement while ensuring that the household charge is set at the lowest possible level, it is necessary both to have a broad-based liability for the charge and to keep the administrative costs associated with the collection of the charge to a minimum.

The Bill provides for a number of exemptions to the household charge. The Government considers, in conjunction with the waivers provided, that these are sufficiently broad and will exclude those households in particular difficulties from the ambit of the household charge. The

10 o'clock proposed exemptions are as follows — properties that are part of the trading stock of a business and have not been sold or occupied or been the source of any income since their construction; properties vested in local authorities or voluntary or co-operative housing bodies for social housing, as making such properties liable would lead to a circular flow of income and be unnecessarily bureaucratic — this is relevant to the point made by Deputy Ó Snodaigh; properties owned by a Department or the HSE and used or let in the performance of their functions, as making such properties liable would lead to unnecessary circular administrative structures; properties to which commercial rates apply — as with the non-principal private residence charge, it is intended that this charge would operate as an alternative to commercial rates, with properties liable either for commercial rates or for the household charge if they are domestic properties, but not both; properties whose owners have been forced to vacate them because of long-term mental or physical infirmity — this exemption was included in the Local Government (Charges) Act 2009 as a compassionate measure intended to provide for elderly people who have no choice but to move out of their sole or main residence into a residential nursing home; and properties owned by charities.

In addition to these exemptions, two important waivers will apply. The Government proposes to exclude from the household charge households in receipt of mortgage interest supplement from the Department of Social Protection. This waiver is expected to apply to 18,000 households. The Government also intends to provide a waiver for households in certain categories of unfinished housing estate. The Minister for the Environment, Community and Local Government will set out in regulations to be made under the legislation the list of the unfinished estates to which the waiver will apply. There will be total transparency about the names and locations of these estates. This waiver will benefit residents of these unfinished estates as they work with stakeholders in implementing resolutions for these problematic developments.

It should also be noted that under the Bill, liability to the household charge will not apply to the following groups: tenants in private rented accommodation for any lease or tenancy under a term of 20 years; tenants in local authority housing; tenants in receipt of supplementary welfare allowance rent supplement from the Department of Social Protection; households that are purchasing their homes under the shared ownership scheme, where the local authority still retains an ownership stake; tenants or those living in housing provided by voluntary or co-

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operative bodies; persons living in housing vested in the HSE or a Minister of the Government — somebody mentioned the Department of Finance; homeowners who have been forced to vacate their properties by reason of long-term mental or physical infirmity and are now living in properties they do not themselves own; households in receipt of mortgage interest supplement; homeowners residing in certain unfinished housing estates; and those residing in properties owned by charities or discretionary trusts.

While I accept that the introduction of the household charge is an additional cost to households, I remind Deputies that those liable to pay the charge will have the opportunity to do so in instalments of €25, four times throughout the year. I also point out to Deputies that expanding the number of exemptions in the manner proposed in the amendments they have tabled would leave no option but to increase the quantum of the charge in order to raise the revenue necessary to abate the reduction in Exchequer resources to local government.

In his Budget Statement, the Minister for Finance, Deputy Noonan, announced that for first-time buyers who purchased their homes between 2004 and 2008, the rate of mortgage interest relief will be increased to 30%. He also announced that for individuals who purchase homes in 2012, enhanced rates of mortgage interest relief will be applied at the rate of 25% for first-time purchasers and 15% for other purchasers. This will act as a further boost to those first-time purchasers who took out mortgages in the housing boom years.

I thank the United Left Alliance for its proposed amendment on income thresholds for the purposes of exemption from the household charge. I am heartened to see the income levels at which Deputies who purport to represent those who are most in need in our communities propose exemption from the household charge. Sinn Féin has suggested, in amendment No. 5, that those with incomes below €75,000 — I repeat, those with incomes below €75,000 — should be exempt from the household charge, while the United Left Alliance has pitched its proposal at a mere €150,000, or just twice that proposed by Sinn Féin.

Deputy Joe Higgins: Yes, because of our income tax proposals.

Deputy Paul Kehoe: The Deputy has the Independent allowance. It makes up more income for him.

(Interruptions).

An Leas-Cheann Comhairle: Order, please.

Deputy Fergus O'Dowd: This is the heart of the matter.

Deputy Paul Kehoe: He will have the pension as well — all the better.

An Leas-Cheann Comhairle: I must——

Deputy Fergus O'Dowd: Tá nóiméad amháin fágtha agam.

Deputy John Halligan: They are getting €20 million for five years.

An Leas-Cheann Comhairle: Allow the Minister of State to continue, please.

Deputy Fergus O'Dowd: I am nearly finished lads.

An Leas-Cheann Comhairle: This is to finish at 10 p.m.

Deputy Fergus O'Dowd: It simply beggars belief that Deputies could suggest——

Deputy Paul Kehoe: Deputy Higgins will have a pension as well. A European Parliament pension.

Deputy Joe Higgins: A sum of €20 million for Fine Gael Deputies.

Deputy Fergus O'Dowd: —that those in most need in our communities would be on salaries of up to €150,000. Let us get real. I urge the Deputies to withdraw the amendments. It is just ridiculous.

The exemptions to the household charge, taken together with the waivers contained in the Bill, provide a reasonable level of protection for those in greatest need in our communities. As such, it is not proposed to provide for additional waivers or exemptions and, accordingly, I cannot accept the amendments proposed by the Opposition.

An Ceann Comhairle: As it is now 10 p.m. I am required by an order of the Dáil of this day to put the following question: “That in respect of each of the sections undisposed of, the section is hereby agreed to, the Title is hereby agreed to, the Bill is accordingly reported without amendment, Fourth Stage is hereby completed and the Bill is hereby passed.”

Question put:

The Dáil divided: Tá, 90; Níl, 47.

Tá

Bannon, James.
Barry, Tom.
Breen, Pat.
Bruton, Richard.
Butler, Ray.
Buttimer, Jerry.
Byrne, Catherine.
Byrne, Eric.
Cannon, Ciarán.
Carey, Joe.
Coffey, Paudie.
Collins, Áine.
Conaghan, Michael.
Conlan, Seán.
Connaughton, Paul J.
Conway, Ciara.
Coonan, Noel.
Corcoran Kennedy, Marcella.
Costello, Joe.
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.
Ferris, Anne.
Fitzpatrick, Peter.
Flanagan, Charles.
Gilmore, Eamon.
Griffin, Brendan.
Hannigan, Dominic.
Harrington, Noel.
Harris, Simon.

Hayes, Brian.
Hayes, Tom.
Heydon, Martin.
Hogan, Phil.
Humphreys, Heather.
Humphreys, Kevin.
Keating, Derek.
Keaveney, Colm.
Kehoe, Paul.
Kelly, Alan.
Kyne, Seán.
Lawlor, Anthony.
Lynch, Ciarán.
Lynch, Kathleen.
Lyons, John.
McCarthy, Michael.
McEntee, Shane.
McFadden, Nicky.
McHugh, Joe.
McLoughlin, Tony.
Maloney, Eamonn.
Mathews, Peter.
Mitchell, Olivia.
Mitchell O'Connor, Mary.
Mulherin, Michelle.
Murphy, Dara.
Murphy, Eoghan.
Nash, Gerald.
Neville, Dan.
Nolan, Derek.
Ó Riordáin, Aodhán.
O'Donnell, Kieran.
O'Donovan, Patrick.
O'Dowd, Fergus.
O'Mahony, John.
O'Reilly, Joe.
O'Sullivan, Jan.
Phelan, Ann.
Phelan, John Paul.

Tá—*continued*

Rabbitte, Pat.
 Reilly, James.
 Ring, Michael.
 Ryan, Brendan.
 Sherlock, Sean.
 Stagg, Emmet.

Stanton, David.
 Timmins, Billy.
 Tuffy, Joanna.
 Twomey, Liam.
 Wall, Jack.
 Walsh, Brian.

Níl

Adams, Gerry.
 Boyd Barrett, Richard.
 Broughan, Thomas P.
 Browne, John.
 Collins, Joan.
 Collins, Niall.
 Colreavy, Michael.
 Cowen, Barry.
 Crowe, Seán.
 Daly, Clare.
 Doherty, Pearse.
 Ellis, Dessie.
 Ferris, Martin.
 Flanagan, Luke ‘Ming’.
 Fleming, Sean.
 Fleming, Tom.
 Grealish, Noel.
 Halligan, John.
 Healy, Seamus.
 Higgins, Joe.
 Kirk, Seamus.
 Kitt, Michael P.
 Mac Lochlainn, Pádraig.
 McConalogue, Charlie.

McDonald, Mary Lou.
 McGrath, Finian.
 McGrath, Mattie.
 McGrath, Michael.
 McGuinness, John.
 McLellan, Sandra.
 Moynihan, Michael.
 Murphy, Catherine.
 Nulty, Patrick.
 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 Paul Kehoe and Emmet Stagg; Níl, Deputies Seán Ó Fearghaíl and Aengus Ó Snodaigh.

Question declared carried.

The Dáil adjourned at 10.15 p.m. until 10.30 a.m. on Thursday, 15 December 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 11, inclusive, answered orally.

Agri-Food Industry

12. **Deputy Bernard J. Durkan** asked the Minister for Agriculture, Food and the Marine if he is satisfied that in conjunction with his EU colleagues he can ensure the viability of the food industry throughout Europe in the future with particular reference to the need to achieve food security and employment for farm families and the wider ancillary sectors, reduced dependency on imports throughout the EU and that such objectives are not frustrated by subsequent discussions at the World Trade Organisation; and if he will make a statement on the matter. [39822/11]

Minister for Agriculture, Food and the Marine (Deputy Simon Coveney): I believe there is a good commitment within the EU to a strong agri-food sector and an increased recognition of the importance of the sector's contribution to the achievement of economic, social and environmental objectives. In developing the EU2020 strategy for recovery and growth in Europe, Heads of State and Government in the European Council recognised this contribution concluding that "a sustainable, productive and competitive agricultural sector will make an important contribution to the new strategy, considering the growth and employment potential of rural areas while ensuring fair competition".

Moving forward to the CAP Reform Package, the three key principles underpinning the EU Commission's proposals for reform of the Common Agricultural Policy are to preserve food production potential in the EU, to ensure sustainable management of natural resources and to maintain viable rural areas. In those circumstances, I am satisfied that there is good support to ensure the future viability of the food industry in Europe while achieving security of food supply and maintaining farm families on the land.

Over recent years an alliance of some 14 Member States, including Ireland, has pressed on a continuous basis for a strong CAP and to defend EU agricultural interests in the WTO. Indeed this alliance has been augmented from time to time by support from additional Member States. It is worth noting that the conclusions drawn up earlier this year by the Hungarian EU Presidency seeking a strong CAP with resources commensurate with its objectives gained the

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support of twenty Member States. These Member States also agreed that one of the three main objectives for the future CAP should be to ensure viable food production. They also endorsed the other objectives of sustainable management of natural resources and climate action as well as balanced territorial development.

As to the WTO Doha Development Round, talks are stalled at present and the prospects for conclusion of an agreement are uncertain at this point in time. Nevertheless, I will continue to maintain pressure to secure an acceptable outcome from these negotiations that does not undermine the development of European and Irish agriculture.

Fur Farming

13. **Deputy Michael Colreavy** asked the Minister for Agriculture, Food and the Marine his position on fur farming; if it will be included in the Animal Health and Welfare Bill; and if he will make a statement on the matter. [39053/11]

Minister for Agriculture, Food and the Marine (Deputy Simon Coveney): I have established a Review Group in my Department to review all aspects of fur farming. The terms of reference of the group are as follows:

- To review fur farming in Ireland taking into account existing legislative provisions for the licensing of mink farming
- To comment on the economic benefits of the sector
- To consider the effectiveness of existing welfare controls, and
- To make appropriate recommendations

Submissions have been invited on the review with a 31 December 2011 closing date for receipt of submissions. I will consider what action, if any, to take following the submission of the Review Group's findings.

Question No. 14 answered with Question No. 8.

Milk Quota

15. **Deputy Áine Collins** asked the Minister for Agriculture, Food and the Marine the effect the budget announcements for 2012 will have on Ireland's ability to deal with the removal of milk quotas in 2015; and if he will make a statement on the matter. [38936/11]

Minister for Agriculture, Food and the Marine (Deputy Simon Coveney): I am satisfied that the removal of milk quotas in 2015 represents a major opportunity for the Irish dairy sector to expand production, increase its contribution to the Irish economy and improve returns to dairy farmers.

The Deputy will appreciate that the significant challenge facing the Government in the context of Budget 2012 was to address the very large deficit the public finances while continuing to provide support for the productive sectors. I am satisfied that in framing budget 2012, the Government demonstrated its commitment to the development of the agri food sector, including the dairy sector.

In particular, the budget day announcement included a strategic tax package designed to assist the development of the agrifood sector, and these measures will be of particular assistance to the dairy sector. These include:

- a stock relief incentive to encourage milk production partnerships;
- reduction in the stamp duty rate on agricultural land from 6% to 2%, so as to stimulate land sales and land transfers. Facilitating land transfers to dairy farmers who are developing their production capacity in the run up to 2015 is a key strategic aim ;
- a restructuring of retirement relief available on capital gains tax to incentivise the earlier transfer of farm assets to the next generation. Encouraging new blood into the dairy sector has been a key element in dairy policy for a number of years now and this measure is entirely consistent with that aim.;
- the retention of the 90% agricultural relief on Capital Acquisitions Tax for transfers of farms valued at €2.5 million or less which are transferred to a son or daughter, or a favoured nephew or niece. This measure will also facilitate the transfer of land to the next generation of dairy farmers;
- the doubling for farmers of the income tax deduction in respect of the increased costs arising from the change in carbon tax on agricultural diesel;
- An amendment to the VAT refund order for farm construction to allow farmers, including dairy farmers, to claim a refund on wind turbines purchased from 1st January 2012.

On the expenditure side, I have provided for significant funding to re-open TAMS, which will include a component for a Dairy Equipment Scheme to encourage capital investment at farm level. I have also provided some €128 million in grant in aid to Teagasc, which plays a key role in the research and knowledge transfer in the dairy sector. This is in addition of course to the €6 million which will be provided in 2012 through unspent Single Farm Payment Scheme funds for the Dairy Efficiency Scheme, which has been a singular success in encouraging participants to adopt best practice and improve their efficiency through their participation in discussion groups.

I have also announced that I intend to begin a consultation process to determine whether additional activity could be undertaken by Bord Bia to complement the efforts underway by industry to ensure the successful promotion and marketing of the expected increase in dairy production. I must stress in this regard that there should be no duplication and overlap between the activities of Bord Bia and IDB or other operators in the industry. It is precisely to avoid any such duplication, and to ensure that any additional activity by Bord Bia adds value to the very successful work of existing operators in this field, that such a consultation is critically important. The question of any additional funding required will be considered in the context of these consultations.

Finally, I should say that the opportunities in the dairy sector will primarily be driven by increasing global population and an associated increase in demand for dairy products as developing economies expand, their peoples become more affluent and their diets become more westernised. These factors, are driving strong milk prices at present, and the medium and long term forecasts are positive, and this will help to support the dairy expansion in Ireland.

Food Harvest 2020 includes a strategic roadmap for the development of the dairy sector and I am personally chairing the High Level Implementation Group to ensure that all of the stakeholders in this very important sector are committed to achieving the ambitious targets that the industry has set for itself.

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I am satisfied that we have made a very positive start to the implementation of Food Harvest 2020 and that with a continuation of the commitment that is evident from all stakeholders to date, the target for a 50% increase in production is achievable.

Job Creation

16. **Deputy Jim Daly** asked the Minister for Agriculture, Food and the Marine the work that has been undertaken in order to retain and create jobs within coastal communities here; and if he will make a statement on the matter. [38947/11]

Minister for Agriculture, Food and the Marine (Deputy Simon Coveney): I am committed to continuing the path set out in Food Harvest 2020 for the development of the seafood sector in Ireland. Food Harvest identifies the potential of the seafood industry to increase employment by 3,000 to 14,000 full time equivalent jobs by 2020, mostly in peripheral coastal communities. The strategy set out in Food Harvest involves the catching, processing and value adding and aquaculture sectors. Achievement of the targets set out in Food Harvest is supported by Bord Iascaigh Mhara's Strategy for the period 2010 to 2012 — *'Delivering on the potential of Irish Seafood'*. That BIM Strategy sets out 69 individual actions to stimulate and grow the seafood sector, with a focus on creating jobs in coastal communities. The Strategy seeks to add value to output, assist in industry restructuring, improve route to market and grow aquaculture volumes.

In relation to the seafood processing sector, Food Harvest 2020 recognised that the sector was fragmented, lacking in scale, uncompetitive in terms of production costs, too focussed on export of commodity products and constrained by inconsistent supply of raw material. BIM, with Enterprise Ireland and Udaras, is working to address each of these issues. Grant aid support under the Seafood Processing Business Investment Scheme was provided in 2011 to improve competitiveness and help the companies concerned develop export markets for high value added products. Some 18 seafood processing projects with a total investment of €7 million were made through the Scheme. These investments are expected to generate new sales of €32 million and 158 jobs in the seafood processing sector by 2014.

BIM launched a new Seafood Value Adding Scheme in 2011 to support seafood companies with developing added-value products. The scheme assists with concept development, including business planning, product development and packaging. Fifteen projects have been approved, covering testing, developing a range of new products, new packaging formats and development of high value by-products from primary processing.

BIM's Seafood Development Centre (SDC) in Clonakilty has been open for two years now and in that time has brought market-led seafood innovation and new product development to the forefront in the Irish seafood industry. The SDC is working with over 330 large, small, and innovative start up companies to develop Ireland into an international seafood leader. New product sales developed by the Centre are estimated at roughly €10 million per annum to date and growing. The Centre is also leading graduate placement and sustainable innovation through training programmes.

With regard to employment in aquaculture, my Department and its agencies have been working together on a twin track approach to overcoming existing constraints, firstly through the comprehensive bay by bay environmental impact assessments required by EU Birds and Habitat Directives for Natura 2000 sites and secondly through development of the feasibility of locating aquaculture in less sensitive but more challenging conditions offshore. I have tasked BIM, working with the Marine Institute, to investigate suitable sites for the development of finfish aquaculture in deeper waters outside Natura 2000 sites. It is expected that BIM will submit a licence application for a suitable site early in 2012 and if granted, will source a major

commercial investor to develop the site. This initiative will serve to develop finfish farming to a sustainable commercial level, while maintaining the highest protection for the environment. It is estimated that just one of these production areas could generate 350 direct jobs, while a further 150 jobs will be created indirectly in the service sector. BIM is also exploring other areas off the west coast for suitable sites.

In June of this year, following on from the Economic Report for the European Commission, which assessed the status, development and potential diversification of Killybegs as a fisheries dependent community I initiated the formation of a High Level Group whose brief was to focus on the advancement of job creation opportunities in the Killybegs region. The group which comprised both public and private stakeholders worked to a target that was both ambitious and timely. This High Level Group reported back to me on 23 November and I made their report available on the following day. The report sets out how a target of 250 jobs in a number of diverse areas can be achieved for the Killybegs region. Achieving the jobs target will require the co-operation and involvement of many stakeholders. I look forward to seeing the actions identified in the report being completed and the benefits that they will bring to the Killybegs region.

Food Labelling

17. **Deputy Brendan Smith** asked the Minister for Agriculture, Food and the Marine the steps he has taken to implement the new EU country of origin labelling system for pork, sheep meat, poultry meat and goat meat; and if he will make a statement on the matter. [39805/11]

Minister for Agriculture, Food and the Marine (Deputy Simon Coveney): Responsibility for the enforcement of general food labelling legislation including country of origin, rests with the Food Safety Authority of Ireland (FSAI), a body under the aegis of the Minister for Health. This is achieved through service contracts between the FSAI and the relevant agencies including the Health Service Executive, the Local Authority Veterinary Service, the Sea Fisheries Protection Authority and my Department.

EU Council and Parliament Regulation 1169/2011 of 25 October 2011 on the provision of Food Information to the Consumer extends country of origin labelling to pork, sheepmeat, poultrymeat and goatmeat with effect from 13th December 2014 when, following impact assessments at EU level, the Commission shall adopt implementing acts. My Department fully supports this development and will continue to liaise with the Department of Health, the FSAI and relevant bodies representing farmers, processors and the retail sector regarding any requirements to be adopted to ensure conformity with new labelling requirements.

I am committed to ensuring that Irish consumers will have all the necessary information on the origin of meat products to allow them to make appropriate choices when purchasing food items.

Forestry Sector

18. **Deputy Nicky McFadden** asked the Minister for Agriculture, Food and the Marine the changes to the capital budget 2012 will make to the forestry sector; and if he will make a statement on the matter. [38953/11]

Minister for Agriculture, Food and the Marine (Deputy Simon Coveney): The Government will provide almost €112 million in funding for the forestry programme in 2012. The total amount of funding for forestry is the amount announced in the 2012 Estimates augmented by a carryover of Departmental savings of €27 million from 2011.

[Deputy Simon Coveney.]

This allocation reflects the Government's continued commitment to a sector which is important both in creating and maintaining employment in rural areas, while also playing a significant climate change role. €110.1 million of the allocation for forestry in 2012 will be expended on the capital side with the remainder funding promotion, training and forestry development on the current side.

The capital funding will ensure continuation of the afforestation programme. In the current economic circumstances this is a clear acknowledgement of the many benefits accruing from this programme. The continued investment in afforestation will help sustain employment in sectors such as nurseries and the planting sector. It is also an investment for the future in terms of meeting our climate change targets.

The allocation will enable us to pay for new planting at a level similar to this year of almost 7,000 hectares. In addition it will pay for annual premiums to existing forestry owners. Approximately 16,000 recipients, the majority of whom are farmers, will receive almost €75 million in premium payments in 2012. It is envisaged that the annual premium run will take place in April 2012. I am pleased to confirm that there will be no change in relation to the rate of payment of forestry premiums, which continue at current levels.

In addition to the afforestation budget there is provision for forestry management schemes. These schemes support best management of forests already planted to ensure that the State investment is fully realised. Since the late 1980s, the State has invested a significant amount of money in forestry — approximately 300,000 hectares of new forestry has been planted with the assistance of grant aid. In order to capitalise fully on this investment, it is important to ensure mobilisation of this timber resource. Forests planted in the 1990's are now approaching the time of first and second thinning. Providing a level of support for the creation of forestry harvesting roads incentivises thinning. It also ensures that a sustainable level of timber supply is provided to the downstream wood processing sector and the emerging vibrant wood energy sector.

The capital funding provided by the Government to forestry in 2012 is an acknowledgement of the importance of forestry to the economy both in terms of its employment creation and maintenance and as an investment for the country's future.

Proposed Legislation

19. **Deputy Michael Colreavy** asked the Minister for Agriculture, Food and the Marine when he will be publishing the Animal Health and Welfare Bill; and if he will make a statement on the matter. [39052/11]

Minister for Agriculture, Food and the Marine (Deputy Simon Coveney): The Programme for Government 2011 contains a commitment to amend and strengthen legislation on animal cruelty and animal welfare. The main vehicle to fulfil this commitment will be the Animal Health and Welfare Bill which is a wide-ranging piece of legislation providing a basis for regulating the related areas of animal health and welfare. I intend to publish the Animal Health and Welfare Bill as soon as possible. The exact timing will depend on the legal text being finalised by the Attorney General's Office and the Cabinet agreeing to publication. As the Bill is a major piece of legislation with over seventy sections, I am sure that the Deputy will appreciate that it requires careful consideration and examination. I am hopeful however that matters will be progressed early in the New Year during the next Dail Session.

Job Creation

20. **Deputy Bernard J. Durkan** asked the Minister for Agriculture, Food and the Marine the

extent to which any evaluation has been done to determine the degree to which minor or major, new or existing food processing enterprises can be encouraged with a view to job creation, increased exports, import substitution and economic recovery; and if he will make a statement on the matter. [39823/11]

Minister for Agriculture, Food and the Marine (Deputy Simon Coveney): *The Food Harvest 2020* report identified opportunities to sustain jobs in food processing and in the primary sector by improving competitiveness, achieving greater scale and innovation. The report concluded that a net gain of 6,500-7,000 jobs in food and aquaculture could be achieved by 2020.

The Government's recently announced Action Plan for Jobs highlighted the agri-food sector as an area that offers significant potential for generating jobs and growth and my Department has identified key actions to enhance the industry's sustainability and capacity in this regard.

In addition, Government Agencies are providing key supports to help food companies, both large and small, to create jobs, supply a quality product and grow businesses. Bord Bia, Teagasc, Enterprise Ireland and agencies at county level are each working towards a common goal of helping companies develop and expand; be it through opening doors in local or exporting markets, providing assistance in research or new product development or by way of providing key funding.

This week, I announced grant awards of approximately €10 million for research projects being undertaken, on a collaborative basis, by researchers from 13 third-level institutions across the island of Ireland. This funding is vital to the future development and growth of the food industry and primary agricultural production which are at present providing a leading example of the success of Irish exports.

Agri-Food Industry

21. **Deputy John Paul Phelan** asked the Minister for Agriculture, Food and the Marine the effect budget 2012 will have on active farmers; and if he will make a statement on the matter. [38946/11]

Minister for Agriculture, Food and the Marine (Deputy Simon Coveney): The taxation measures announced in Budget 2012 reflect this Government's commitment to the agri-food industry and in particular to the expansion planned in the Food Harvest 2020 strategy. The measures announced have been designed specifically to:

- Encourage farming as a career for young people
- Incentivise farm partnerships and greater productivity at farm level
- Stimulate land sales and land transfers
- Facilitate new enterprise opportunities in farming
- Help agri-food businesses innovate and export

One of the most significant new measures introduced in Budget 2012 is the new stock relief incentive to encourage farm partnerships. For registered farm partnerships, the current rate of 25% stock relief will increase to 50%, and, for certain young trained farmers entering such partnerships, a rate of 100% stock relief will be available. This new incentive will run until December 2015. I believe that this measure will encourage active farmers to look at new ways of collaborating to improve quality and output.

[Deputy Simon Coveney.]

I am supporting farm partnerships because I believe that it will bring more innovative and energetic young prospective farmers into farming. More farming partnerships are required to increase productivity and meet the Food Harvest 2020 targets.

Encouraging farm partnerships will also support the dairy herd expansion required over the coming years, enabling Irish farmers to avail of the opportunity presented by the abolition of EU milk quotas in March 2015. Another measure that will benefit active farmers is the reduction in the stamp duty rate on agricultural land from 6% to 2%, with immediate effect. In addition, half the rate (1%) will be applicable on transfers to close relatives until the end of 2014.

This change will substantially reduce the stamp duty payable on transfers of farm land by gift or by sale. It should stimulate a stagnant land market — currently only 0.5% of total agricultural land is offered for sale annually — and ensure that land transfers to more active producers. It will also promote inter-generational transfer, as the cost of lifetime transfer to transferees who do not qualify for the young trained farmer stamp duty relief has reduced considerably.

I am confident that this measure will give younger, progressive, commercial farmers a greater opportunity to purchase land and thereby increase their farm size, which will make the farm more competitive. Budget 2012 has also restructured the retirement relief available on *Capital Gains Tax* in order to incentivise the earlier transfer of farm assets to the next generation, and to encourage the sale of land by those farmers with no successors. As of 1st January 2014, for those farmers aged 66 and over, an upper limit of €3m will be introduced on family transfers, compared to an unlimited amount currently. On non-family transfers, the current upper limit of €750,000 will be reduced to €500,000. Applying the new limits from 1st January 2014 allows farmers already aged 66 and over to plan the orderly transfer of assets in advance of that date.

It is important to remember that these new measures do not mean that a farmer has to cease farming altogether beyond the age of 66, but it allows them to plan for a phased gradual transfer of assets to the next generation.

We are restructuring retirement relief in order to encourage farmers around the normal retirement age, who have successors, to transfer their land and holdings to young, innovative, ambitious, prospective farmers. This restructuring will also encourage farmers with no successors to sell some of their land before normal retirement age. This measure will encourage an improvement in the age profile of farmers, and should ensure that farmland is put to more productive use.

Beef Industry

22. **Deputy Marcella Corcoran Kennedy** asked the Minister for Agriculture, Food and the Marine the effect the changes outlined in budget 2012 will have on beef farmers; and if he will make a statement on the matter. [38940/11]

Minister for Agriculture, Food and the Marine (Deputy Simon Coveney): There were a number of changes in the recent budget which will have an impact on beef farmers and which also will support the Food Harvest 2020 objectives, contributing to jobs and growth in the sector. While it was of course necessary to reduce public expenditure overall I have been able to continue with important measures for suckler farmers, for those in disadvantaged areas and to introduce a new Beef Technology Adoption Programme.

The Suckler Cow Welfare Scheme will continue to be fully funded from national funds. In particular, despite the financial constraints faced, I will continue to provide the necessary funding to meet all payments due in 2012 at the current rates.

For farmers benefitting under the Disadvantaged Areas Scheme, there will be no changes in either the rates or the maximum eligible areas qualifying for payment despite the fact that expenditure will be reduced by some €30 million in 2012. This lower financial limit will be achieved by the introduction of targeted reform in the Disadvantaged Areas Payments, which will be achieved through changes to the stocking density minimum requirements, retention period and other elements of the scheme. The changes being introduced will focus the level of funding available on active farmers, who are making a valuable contribution to the rural economy.

I have allocated €5m towards the establishment of a Beef Technology Adoption Programme which will build on the work done to date under the Better Farm Programme. The roll-out of the Beef Discussion Groups will give beef farmers access to a range of additional skills to increase productivity. This programme was a key recommendation of the Beef 2020 Activation Group.

The taxation measures announced in Budget 2012 reflect this Government's commitment to the agri-food industry and in particular to the expansion planned in the Food Harvest 2020 strategy. As the tax measures announced have been designed specifically to encourage farming as a career for young people and to incentivise farm partnerships and greater productivity at farm level, I feel confident that they will be of great benefit to active farmers, including those in the beef sector.

The main measures in the Budget which will benefit the agri-food sector are as follows:

- a stock relief incentive to encourage Farm Partnerships;
- reduction in the stamp duty rate on agricultural land from 6% to 2%, so as to stimulate land sales and land transfers;
- restructuring of Capital Gains Tax retirement relief so as to encourage inter-generational transfer.

I am satisfied that these measures will help to address, in a strategic way, the issues relating to land mobility and consolidation and will help to bring new blood into farming including beef farming.

Departmental Funding

23. **Deputy Aodhán Ó Ríordáin** asked the Minister for Agriculture, Food and the Marine if he intends to investigate the current funding criteria for the horse and greyhound industry, taking into account that under the Horse and Greyhound Act 2001, the horse and greyhound fund received €57 million this year and the Irish Sports Council received €25.6 million for 2011; if he will reassess this situation in the interest of equity; and if he will make a statement on the matter. [39223/11]

Minister for Agriculture, Food and the Marine (Deputy Simon Coveney): Under Section 12 of the Horse and Greyhound Racing Act, 2001(No. 20 of 2001), the horse and greyhound racing industries receive financial support from the State through the Horse and Greyhound Racing Fund (the Fund). State funding provided through the Fund is pivotal to the survival of the horse and greyhound racing industries.

[Deputy Simon Coveney.]

The funding provided to both Horse Racing Ireland and Bord na gCon supports these two very important industries and helps to sustain the important role of horse and greyhound breeding and training enterprises in the development of the rural economy. There are a total of 26 horse racing tracks and 17 greyhound racing tracks spread right across the country, owners and breeders are similarly distributed throughout the country. These industries generate very substantial economic activity and make a vital contribution to the rural economy, including farm incomes, and also to the social and cultural fabric of the nation. These are industries in which we as a nation excel.

The funding mechanism, which was established under the Horse and Greyhound Racing Act 2001 Act, has proven not to be satisfactory insofar as it has required an increasing level of Exchequer funding, over the years, due to successive cuts in betting duty coupled with an increasing amount of betting activity migrating to tax free platforms. It is against this background that the Government recently decided to proceed with legislation to amend the Betting Act 1931. This will provide for the extension of the betting duty regime to remote betting. It is the Government's intention that this legislation will be introduced in the first quarter of 2012.

I announced earlier in the week that I will shortly be commissioning an external review of the structures and legislation governing the industry. The 1994 Irish Horseracing Act and the 2001 Horse and Greyhound Racing Act achieved structural reform but I believe the reform now needs to be completed to ensure that governance and administrative procedures are modernised and fully effective in supporting a world-class industry. In taking this action I am acutely aware of the huge effort and commitment given by so many in bringing the industry to where it is today. But now we need to build on this and provide the framework that will facilitate all of us, concerned with the well being of the horse industry, to achieve further progress. I believe that the funding of the sector has to be placed on a more secure footing and I will be including this aspect in the review process.

The horse and greyhound industries are indigenous Irish industries supporting 21,000 jobs across the country, generating approximately €1.4bn in economic output in the economy annually. These industries produce a very good return on the State's investment and are a significant net contributor to the exchequer. They tick all the boxes in terms of employment, foreign direct investment and they are the type of export-orientated industries we need.

I believe the amount provided for in the estimates for the Fund in 2012 is appropriate given the current constraints on the public finances. Issues relating to the funding of the Irish Sports Council are a matter for my colleague the Minister for Transport, Tourism and Sport.

Agri-Food Industry

24. **Deputy Martin Heydon** asked the Minister for Agriculture, Food and the Marine his plans to progress the recommendations of Food Harvest 2020; the effects he believes the budget 2012 announcements will have on these targets; and if he will make a statement on the matter. [38927/11]

Minister for Agriculture, Food and the Marine (Deputy Simon Coveney): As I mentioned earlier in my reply to Parliamentary Question No. 8, it was my intention that, broadly speaking, the measures announced in Budget 2012 would encourage farming activity, incentivise greater productivity at farm level and so assist the achievement of the growth targets mentioned in Food Harvest 2020.

In relation to Food Harvest 2020, I am personally driving progress on the FH2020 report, and through the efforts of the High Level Implementation Committee (HLIC) , considerable

progress has been made in the first year of its implementation. In July, I published ‘*Milestones for Success*’ which set out the level of action which had been taken on the 215 recommendations in FH2020. It also itemised 54 actions already taken over the past year by my Department and relevant State Agencies on Acting Smart, Thinking Green and Achieving Growth; the key themes of FH2020.

I am continuing to drive implementation of FH2020 through active engagement with state bodies, industry and farm organisations at HLIC meetings and personal interaction with these key stakeholders. In addition, I have set myself and the agencies working with me on this critically important project, a series of 40 tasks to be completed by end July 2012. To make sure that these plans remain on track, the HLIC and myself have agreed quarterly targets which will help monitor progress and I will assess the progress on the September-December 2011 targets at the next HLIC meeting scheduled for end January 2012. Another monitoring mechanism was the decision to set interim milestones for 2013 and 2105 and all parties are committed to meeting these milestones.

25. **Deputy Dara Murphy** asked the Minister for Agriculture, Food and the Marine his views on the role that agriculture and the agri-food sector can play in Ireland’s economic recovery with particular regard to the Food Harvest 2020 report produced by him; and if he will make a statement on the matter. [38952/11]

44. **Deputy Seán Kyne** asked the Minister for Agriculture, Food and the Marine the way the agri-food sector can contribute to the country’s economic revival; the effect that changes made in budget 2012 may have on this revival; and if he will make a statement on the matter. [38950/11]

59. **Deputy Seán Kyne** asked the Minister for Agriculture, Food and the Marine his views on the role that the agri-food sector can play in Ireland’s economic recovery; the effect he believes the announcements in budget 2012 will have on the agri-food sector; and if he will make a statement on the matter. [38949/11]

Minister for Agriculture, Food and the Marine (Deputy Simon Coveney): I propose to take Questions Nos. 25, 44 and 59 together.

The agri-food sector is contributing to the country’s economic recovery through its significant role in adding value to the economy and its contribution to the export led recovery. CSO data shows that Ireland’s agri-food exports increased by 11% in 2010, reaching almost €8 billion. This sector is continuing to improve in 2011 with current figures showing a 12% improvement in the first six months of 2011 vis a vis the same period in 2010 and final year projections are of the order of €8.9 billion.

The agri-food sector plays a particularly strong role in encouraging domestic expenditure. Analysis shows that more than 70% of its expenditure is on Irish goods and services. This, allied to its lower level of profit repatriation, means that its contribution to the Irish economy is significantly greater than that of other manufacturing industries.

The Deputy should also be aware of the embedded nature of this sector which according to the Census of Agricultural Production has

- An annual turnover of €22billion, which is 20% of industries turnover
- Accounts for 18% of Ireland’s total industrial output and
- Provides an outlet for produce from Ireland’s 128,000 farms and is the main employment for circa 135,000 people

[Deputy Simon Coveney.]

To ensure the continued development of the sector, I am personally leading the implementation of *Food Harvest 2020* which sets out the industry's strategic vision for the next decade and which contains over 200 recommendations designed to assist the industry achieve its key growth targets. Fuller details on plans to progress this report are available in my answer to Parliamentary Question 38927/11 of today's date.

It is my view, broadly speaking, that the measures announced in Budget 2012 would encourage farming activity, incentivise greater productivity at farm level and so assist the achievement of the growth targets mentioned in *Food Harvest 2020*.

Departmental Expenditure

26. **Deputy Barry Cowen** asked the Minister for Agriculture, Food and the Marine the amount of money he has spent on external public relations broken down by area such as photography, publications and so on since March 2011 to date. [39795/11]

Minister for Agriculture, Food and the Marine (Deputy Simon Coveney): My Department does not employ external public relations companies and has not for 2011. Public relations advice, where required is provided by my Department's Press Office. It is not possible to provide costs for this service, as the work is carried out as part of the standard duties of the staff involved.

Table 1

Nature of Service Provided	Payment €
Photography	27,548
Advertising*	269,451
Printing	2,924
Total	299,923

*The vast bulk of the Departments advertising is carried out in the print media. This figure, which has reduced by 42% compared to 2010, includes the publication of statutory notices that are required to comply with various National & EU legislative requirements. Other media such as television & radio are rarely used. Internet media has not been used to date.

Question No. 27 withdrawn.

Fishing Industry Development

28. **Deputy Willie O'Dea** asked the Minister for Agriculture, Food and the Marine the measures he has undertaken to review and reform the management of herring fisheries in Ireland to date. [39828/11]

Minister for Agriculture, Food and the Marine (Deputy Simon Coveney): Earlier this year I asked the fishing industry and other interested parties to make proposals on the future management arrangements for all Irish herring fisheries. In response to my notification of the review, a number of proposals were received from industry, many offering conflicting views, particularly in regard to the need to ring fence the fisheries. Taking account of the views expressed I am currently examining a number of options for new management arrangements. I plan to make these proposals available to Industry representatives for views shortly, before making a final decision on the management arrangements for the 2012 herring fisheries. Revised arrange-

ments, if any, will be on the basis that they deliver a proper and effective management regime for the stock.

State Bodies

29. **Deputy David Stanton** asked the Minister for Agriculture, Food and the Marine the way in which Coillte is responsible to him; the interaction he has had with Coillte since taking office; and if he will make a statement on the matter. [38959/11]

Minister for Agriculture, Food and the Marine (Deputy Simon Coveney): Coillte Teoranta was established as a private commercial company under the Forestry Act, 1988. In accordance with that Act, my consent is required by the company for certain actions. For some of those actions, the approval of the Minister for Finance, or now, following the enactment of the Ministers and Secretaries (Amendment) Act 2011, the approval of the Minister for Public Expenditure and Reform, is also required. Coillte, as a state body, is also subject to the Code of Practice for the Governance of State Bodies. This Code, which was updated in 2009, sets out the governance framework agreed by the Government for the internal management, and the internal and external reporting relationships, of commercial and non-commercial state bodies. The Code specifies *inter alia* the reports that the Chairperson and the Company must provide to me, and my Department, on a range of issues.

In relation to my interaction with Coillte since taking office, I have met with the Chairman, the Chief Executive and other representatives of the company on a number of occasions since March and there is ongoing contact and correspondence between officials in my Department and Coillte as and when required.

Agri-Food Industry

30. **Deputy Heather Humphreys** asked the Minister for Agriculture, Food and the Marine the initiatives he is undertaking to open new markets for Irish food abroad; and if he will make a statement on the matter. [38956/11]

Minister for Agriculture, Food and the Marine (Deputy Simon Coveney): I am of the belief that it is always beneficial to have a wide range of outlets available for our high quality agricultural produce. To this end my Department engages with Bord Bia and the Department of Foreign Affairs, in consultation with the industry, to secure access to more third country outlets.

In relation to meat, we reached agreements in 2011 with the authorities in Turkey, Egypt and Singapore which allow for the export of beef. My Department also hosted visits by official delegations from the Philippines (beef access), Australia (pork access), China (pork and beef access) and Korea (pork access) as part of our efforts to gain access for Irish meats to these rapidly growing markets. There are ongoing discussions at EU level with the Russian Federation which, it is hoped, will allow for the export of sheepmeat from EU counties (including Ireland), in the future, and we have been pressing at EU level for an adjustment in the US TSE rule which would permit Irish and EU beef and sheepmeat to be exported to the US. Longer term targets for Irish meat access include China for beef and lamb, and Japan for beef. Other targeted markets include access for Irish beef and lamb to the North African and Middle East regions. My Department is engaging actively with the authorities in these countries in order to secure access for these products. There is a strong demand for meat globally. My Department remains focused, in consultation with the industry, on ensuring that Irish exporters are able to take full advantage of the opportunities that arise. At present 20% of all Irish pork

[Deputy Simon Coveney.]

is exported outside of the EU and most Irish exports of beef and lamb go direct to other EU countries.

On the dairy side, Ireland already has access to dairy markets worldwide. Nonetheless I am working with industry to raise the profile of the Irish dairy sector, and the Irish agri food sector generally in emerging markets. In this regard I visited Algeria in September to meet my counterpart, Minister Rachid Benaissa and to open a new Irish Dairy Board Office and Packing Centre in what is already a significant, but expanding market for Irish dairy products, and I am confident that my continuing work in this area will ultimately pay dividends for the dairy and other sectors.

Once my Department has obtained access to markets for any agri food products, the extent to which those markets are exploited by Irish agri food businesses is determined by the usual commercial considerations, including demand, supply and price. My Department and I remain committed to working with industry, through Bord Bia and with the assistance of the international network of Irish Embassies, to raise the profile of Ireland and the Irish agri food sector, and to build the kind of confidence in our production and control systems that forms the foundation of successful international trade, so that Irish agri food businesses can continue to develop a strong international profile and increase exports in traditional and emerging markets.

In terms of the scoping and development of new markets, Bord Bia implements a comprehensive market development programme to acquire new customers for Irish food and drink companies in priority markets. Through a network of 10 overseas offices, Bord Bia undertakes in excess of a thousand buyer presentations/meetings per year. In addition the Bord Bia Marketing Fellowship with 26 experienced graduates undertaking 106 commercial assignments in 12 overseas markets from the US to South Korea delivers increased business and market insight for about 80 exporting companies. In February of next year, Bord Bia's Marketplace International 2012 will provide a business development platform for 177 Irish food and drink companies to meet with over 300 international buyers and about 100 Irish buyers.

Fisheries Protection

31. **Deputy Noel Harrington** asked the Minister for Agriculture, Food and the Marine the response he has received from the European Commission in relation to the recently published discard atlas; and if he will make a statement on the matter. [38943/11]

Minister for Agriculture, Food and the Marine (Deputy Simon Coveney): On 8 November, I launched an Irish “discard” atlas, which is a detailed compendium of discards by the Irish Fleet on a stock by stock and area by area basis. The Atlas, compiled and produced by the Marine Institute and Bord Iascaigh Mhara with the support of Irish Industry, outlines a range of potential measures to help reduce discarding. I sent a copy of the Atlas to Commissioner Damanaki.

This is the first publication of its kind and places Ireland firmly to the fore in the debate on eliminating discards. The atlas will inform the process to achieve real change and a significant reduction in discarding within the new Common Fisheries Policy, identifies where action needs to be taken, and the potential measures that could be adopted.

The information provided in the Atlas is based on information that is collected by and available to all Member States. I asked Commissioner Damanaki, in the interests of tackling the discards problem appropriately, to encourage other Member States to make this type of

information available in a similar format to inform the current discussions on this critical element of the new CFP.

Commissioner Damanaki has responded and has identified the Atlas as an excellent initiative in finding an effective solution to the wasteful practice of discarding. She advised that she sees the Atlas as a positive step and considers that it would be useful for other Member States to have such information collated. She also welcomes the inclusion of a number of potential measures in the publication to reduce discarding and expresses her commitment to working to eliminate discards under the Reform of the Common Fisheries Policy.

I will continue to work both nationally and in the context of the reform of the CFP to pursue actions that will ensure that the shared objective of all to address the discards problem is giving priority.

Common Agricultural Policy

32. **Deputy Pat Deering** asked the Minister for Agriculture, Food and the Marine his plans to consult with the stakeholders in the farming industry here in relation to the negotiations on the reform of the Common Agricultural Policy; and if he will make a statement on the matter. [38944/11]

42. **Deputy Frank Feighan** asked the Minister for Agriculture, Food and the Marine his views on the reform of the Common Agricultural Policy; and if he will make a statement on the matter. [38931/11]

48. **Deputy Pat Deering** asked the Minister for Agriculture, Food and the Marine his priorities in the negotiations on the reform of the Common Agricultural Policy; and if he will make a statement on the matter. [38932/11]

55. **Deputy Denis Naughten** asked the Minister for Agriculture, Food and the Marine the steps which he is taking to construct an alliance at member state level to support Ireland's case for reform of the Common Agricultural Policy; and if he will make a statement on the matter. [39014/11]

Minister for Agriculture, Food and the Marine (Deputy Simon Coveney): I propose to take Questions Nos. 32, 42, 48 and 55 together.

I would refer colleagues to the statement I made to this House in October last following the launch of the CAP reform proposals. This set out in detail my views on the package and my priorities in the negotiations. To summarise the position, my priorities in these negotiations are:

- To ensure that the negotiations on the next EU budget framework deliver a well-resourced CAP to support sustainable food production in the EU.
- To retain Ireland's funding both for direct payments and for rural development in any redistribution of CAP funds between Member States;
- To obtain flexibility for Member States in relation to payment models and transition arrangements for distribution of single payment funds to farmers;
- To ensure that rural development policy includes appropriate targeted measures to support competitiveness and sustainability; and finally,
- To keep CAP processes as simple and as effective as possible and to minimise unnecessary bureaucracy for the farmer and costs for the State.

[Deputy Simon Coveney.]

Turning to the details, first of all on overall funding, the parallel proposal on the multiannual financial framework for the next EU budget, which was presented by the Commission last June, maintains, at least in nominal terms, the current level of CAP funding. This is a reasonable starting point in the negotiations and compares favourably with the pressure for severe cuts to the CAP from certain elements of the Commission and a good number of Member States earlier this year.

As regards the distribution of CAP funds between Member States, the proposal to use a pragmatic basis to redistribute Pillar 1 Direct Income supports between Member States is broadly positive. But I continue to believe that it would be best to use this approach for the distribution of pillar 1 and pillar 2 funds combined. Realistically we cannot agree to an allocation of pillar 1 funds until we see exactly what is proposed for pillar 2.

Another serious concern relates to distribution of Direct Payments within Member States. I have a major problem with the proposal to impose uniform national or regional payment rates. This would cause large transfers in Ireland from the more productive farms to more marginal and lower productivity holdings. I believe that it will also cause difficulties in other Member States. I will be looking for the maximum flexibility for Member States to design the payment model that suits their own conditions, provided of course that this does not interfere with competition. This is a key point for me. The transition process proposed by the Commission is also much too abrupt and front loaded. Any transition process to a new payment model, whatever that model may be, should be gradual and back-loaded to avoid sudden adjustments and to give farmers time to adjust.

I have related concerns about the proposal to assign 30% of the Direct Payment to a greening component. I am not opposed to greening of the CAP. Indeed Ireland actively promotes sustainable and carbon efficient agricultural production. However, I have issues with the Commission proposal. It will hasten the movement to flat rates of payment, double administration effort adding to bureaucracy and there are also issues with the individual greening criteria proposed. We need to look at less bureaucratic and simpler means of further greening the CAP, building on what we have already achieved through cross compliance and GAEC. There is a huge variation in agro-ecological conditions and farming systems throughout the EU. In these circumstances it does not seem realistic to impose the same three criteria in all cases. Flexibility for Member States in the form of a menu approach would be more realistic and would allow member states to adapt the green payment to their own conditions and to their own level of environmental ambition — subject to some minimum default requirements.

The proposal to use 2014 as a reference year for establishing new entitlements has generated much comment. I continue to have concerns about the effects this may have on the land market between now and then. My office has outlined these concerns in some detail to the Commission. This is an issue that will need to be clarified and sorted out in the detailed discussions to come.

On a positive note, I am very pleased at the inclusion of the provision on payments to young farmers in pillar 1. It is very important that we support our young farmers and encourage structural change through both the first and second pillars of the CAP. There is also a proposed scheme for small scale farmers who, as an alternative to tiered direct payments, may opt for lump sum payments of between €500 and €1,000. At first sight this seems more geared to the subsistence type holdings found in some of the southern Member States than to the size of holdings we would consider small in Irish terms. For that reason, I am not sure whether there is much of interest for us in this proposal but we will consider it in consultation with the farming organisations and other stakeholders. There are further options for Member States to use part of their national ceilings to support areas of natural handicap and for coupled payments. Over-

all I believe there is merit in having a series of flexible and voluntary options available to Member States to gear their payments best to their own farming conditions.

I would take issue with the way the Commission is proposing to define an active farmer. I believe this proposed definition may give rise to unnecessary bureaucracy and I will be seeking in the negotiations to have some changes made. The key point in my view is to give Member States sufficient room to define an active farmer in a way suitable to their own conditions. As to the progressive capping foreseen of large payments, the reality is that capping would have very little impact in Ireland. Most of our farms are small family farms and would not come close to the capping threshold proposed.

Turning to Rural Development, I welcome the continuation of the three current objectives and the abolition of axis balance requirement in pillar 2. But I have concerns about the very cumbersome process proposed for co-ordination of priorities and spending between the various EU funds; I will be seeking for it to be streamlined and simplified.

There are some interesting new options in the menu of measures proposed. These include new measures for farm and business development that provide start up aid for young farmers, small farms and non-agricultural activities. The latter provide considerable scope as they are directed at farmers, farm households and SMEs and Micro Enterprises. The new options to facilitate cooperative projects and to address risk management may also be of interest. Producer groups also feature in the menu of measures available. Support for LEADER activities will also be a part of our next programme. We will examine all of these options carefully. Of course, my over-arching priority is to maintain support for on-farm investment, including appropriate support for afforestation, to assist the restructuring necessary to deliver sustainable intensification of food production and a more competitive primary food production system.

As to market supports, I am pleased that the Commission has proposed retention of intervention at safety-net level and private storage aid, although I have some concerns at the additional discretion proposed to be given to the Commission to activate these measures. The important issue now is to ensure that there are adequate funds available and accessible for these measures.

I also strongly support the proposal to abolish sugar quotas from 2015. There is clearly a problem with the supply of sugar across the EU and I firmly believe that we need to move away from supply limiting measures at the earliest possible opportunity. We need to address the realities of the market and ensure there is security of supply for the food industry and consumers.

These proposals will be subject to detailed examination and discussion in the negotiations that will now take place. In that connection, since I took up office earlier this year I have made it a priority to build up alliances with my counterparts in like-minded Member States in order to garner support for my position on the proposed reform of the CAP. I have had formal bilateral meetings with my German, French, UK, Spanish, Estonian and Danish Ministerial colleagues. I have also taken the opportunity to meet with my Ministerial colleagues from the other Member States and the EU Commission at the EU Council of Agriculture Ministers meetings held each month in Brussels or Luxemburg and also at the Informal Ministerial Councils held in Hungary and Poland. Last month I addressed a meeting of the Agricultural Committee of the European Parliament. Over the coming months I plan to intensify these contacts. I have meetings scheduled tomorrow and Friday in Brussels with my Danish and Finnish colleagues. Early in the new year I will meet again with MEPS and I will host a visit to Ireland by the Commissioner for Agriculture and Rural Development. As negotiations develop, I will continue to interact with my Ministerial colleagues and with the Commission

[Deputy Simon Coveney.]

and European Parliament. My intention is to maintain and develop alliances with like-minded Member States to secure the best possible outcome for Ireland.

Of course, my consultations are not confined to my EU counterparts. An initial consultation process was launched with stakeholders by my Department in July 2009 to obtain views on what EU agriculture policies would serve Ireland and the EU best in the years to come. In 2010, a Consultative Committee on the CAP was set up by my Department comprising all the major farming and agriculture related representative organisations as well as a number of academics. The Committee have met on several occasions, most recently in November, and also participated in the Stakeholder event organised by my Department during the visit of Commissioner Ciolos last year. The most recent meeting provided an opportunity for all the stakeholder organisations to give their initial reactions to the formal Commission proposals. My officials and I will continue to consult with farming organisations and stakeholders as the negotiations progress.

Alternative Energy Projects

33. **Deputy David Stanton** asked the Minister for Agriculture, Food and the Marine the way in which he is supporting agricultural based renewable energy; and if he will make a statement on the matter. [38960/11]

Minister for Agriculture, Food and the Marine (Deputy Simon Coveney): As the Deputy is aware, energy policy, including renewable energy policy, is a matter in the first instance for my colleague the Minister for Communications, Energy and Natural Resources, Pat Rabbitte, T.D. Officials from my Department work closely with their counterparts in Minister Rabbitte's Department and also with other Agencies and Bodies such as the Sustainable Energy Authority of Ireland and Teagasc in developing renewable energy policy in the Agriculture Sector.

The Bioenergy Scheme, which has been in place since 2007, has provided grant-aid of up to 50% of establishment costs of the energy crops willow and miscanthus. Up to the end of 2011, over 3,000 hectares of energy crops have been established under the Bioenergy Scheme. On Monday 5th December 2011, as part of the announcement of the expenditure estimates for my Department in 2012, I announced the re-opening of the Bioenergy Scheme for 2012. The Scheme in 2012 has the potential to support the establishment of a further 1,400 hectares of energy crops in 2012.

My Department has also provided funding for research under the Stimulus fund 2007-2013 to three projects related to anaerobic digestion. These are:

(a) Developing grass for sustainable renewable energy generation and value added products — led by Dr Padraig O'Kiely (Teagasc Grange) and in collaboration with QUB and UCC.

(b) Energy generation option for pig manure and sustainable disposal of residue — led by Dr Peadar Lawlor (Teagasc Moorepark) and in collaboration with NUIG and AFBI Northern Ireland.

(c) Evaluating Irish grassland as a source for bioenergy: Environmental Impacts and long term sustainability — led by Dr. Tomara Hochstrasser (UCD) and in collaboration with Teagasc Oakpark and AFBI Northern Ireland.

A Scheme of Investment Aid for Demonstration of On-Farm Waste Processing Facilities was introduced by my Department in June 2006 under the aegis of the 2000-2006 National Develop-

ment Plan, with funding of €4m as provided for in that Plan. In 2007, grant-aid was approved under the Scheme for the development of ten on-farm anaerobic digestion facilities. The grant-aid is payable only on completion of the work concerned and one grant of €400,000 has been drawn down to-date.

The Deputy may also be aware of the recent decision by DG Competition to grant State Aid clearance for proposed Renewable Energy Feed-in Tariffs (REFIT) for Biomass Technologies. I am confident that the introduction of these tariffs will help to underpin the further development of renewable energy initiatives in the Agriculture Sector.

Departmental Reforms

34. **Deputy Nicky McFadden** asked the Minister for Agriculture, Food and the Marine the measures being taken by him in regard to reform and cost saving measures to ensure cost savings and efficiencies; and if he will make a statement on the matter. [38954/11]

Minister for Agriculture, Food and the Marine (Deputy Simon Coveney): My Department has been engaged in an ongoing programme of reorganisation and structural reform at all levels. In the context of the 2012 Budget negotiations, my priorities have been to continue the process and to achieve further efficiencies and improved service delivery both within the Department and in the State bodies under its remit. I am determined to ensure that all schemes and services are delivered as efficiently and effectively as possible and the Comprehensive Expenditure Review, which was completed earlier in the year, was a rigorous exercise involving a thorough review and analysis of all elements of expenditure.

In addition to managing reduced funding for programmes in 2012, there will be a further reduction of €12m in the Administrative Budget for the Department. This saving will be implemented through a combination of reduced staffing levels, changes in work practices and the manner in which schemes are administered, reductions in disease levels resulting from more intensive and targeted controls, the advanced use of information technology and a programme of internal reviews of business units, including a root and branch review of the local office network, which has led to improved business processes and greater operational efficiency.

The programme of reorganisation and reform, both in my Department and agencies, has yielded and will deliver the following savings:

- a 25% reduction in Department staffing levels from 4,800 in 2005 to less than 3,600 currently,
- a 22% reduction, or about €68m, in the Administrative Budget for the Department in 2012 by comparison with 2008;
- reductions in funding and staffing levels for State bodies,
- the Local Office Re-organisation Programme will reduce the number of local offices from 58 to 16, when fully completed in 2012;
- expansion of the shared services programme for agencies and other Government Departments.

I intend to keep the situation under close scrutiny to ensure the further improvements are introduced and that value for money is provided in the administration of the Department.

Beef Industry

35. **Deputy Marcella Corcoran Kennedy** asked the Minister for Agriculture, Food and the

[Deputy Marcella Corcoran Kennedy.]

Marine his views on the potential of Ireland's beef industry; the support he is providing to them with regard to the Food Harvest 2020 targets; and if he will make a statement on the matter. [38941/11]

Minister for Agriculture, Food and the Marine (Deputy Simon Coveney): Beef production is the predominant activity on Irish farms with more than 100,000 holdings involved in supplying the raw material to an industry that employs almost 8,000 people and exported product worth more than €1.5 billion in 2010. The prospects for 2011 are positive with the value of beef exports expected to grow by 9% to upwards of €1.7 billion for the year.

The Food Harvest 2020 report offers a vision for the long-term development of all the main food industry sectors. In relation to the beef sector specifically, an industry-led Activation Group reported earlier this year.

The report suggests that there is market demand to support growth in the suckler and dairy herds. Maximising beef output potential from the national herd is contingent on a number of factors, not least on the price of beef on EU and international markets. In light of current and future market developments, it is essential that a co-ordinated approach is taken by stakeholders to improve efficiency at farm and processing level, to breed better animals, maintain high standards of quality and food safety and maximise the market potential of Ireland's unique natural advantages.

Already we are seeing results, for example, in the areas of innovation and collaboration. Bord Bia has secured accreditation for its beef carbon footprint model. This is now part of the Beef and Lamb Quality Assurance Scheme making it the first such scheme to include environmental criteria. I see this as an important practical step towards the goal of creating an umbrella Brand Ireland identity as recommended in the 2020 strategy. On the production side, Teagasc is working with the processing industry on research projects investigating dairy beef production and on optimal young bull production and my Department is continuing to make a substantial financial contribution to the Irish Cattle Breeding Federation to support its efforts to improve breed quality.

In 2012 my Department will continue to operate the Suckler Cow Welfare scheme which has been allocated €25 million of national funds and is an important measure in the continuing development of high quality animals in the national herd. Also I have secured funding of €5 million for beef discussion groups. These discussion groups, the establishment of which was called for by the industry led Activation group, will allow farmers in the livestock and beef sectors to follow best practice in the implementation of the latest development in cattle breeding and grassland management.

International Trade

Insofar as our international trade in beef is concerned, I have been extremely active in developing relationships in new and expanding markets in order to build the kind of confidence in Irish production and control systems that provide a platform for long-term trading relationships in the future. As part of that effort, I hosted a visit from the Chinese Vice-Minister for Agriculture earlier this year, and signed a mutual co-operation agreement in the agri-food sector. In addition, my Department has engaged with a range of third countries, including Australia, the Philippines, South Korea, China, Turkey, Egypt, Algeria and others, with a view to opening new markets and expanding the presence of Irish beef in existing markets. And of course Bord Bia continues, through its marketing and promotional activities, and through its quality assurance schemes, to consolidate the position of the Irish agri-food on the domestic market and to expand its presence in EU and third country markets.

Common Agricultural Policy

36. **Deputy Colm Keaveney** asked the Minister for Agriculture, Food and the Marine the reforms being discussed under the Common Agricultural Policy negotiations that will affect farmers in the west of Ireland who work on less favourable land; and if he will make a statement on the matter. [38934/11]

57. **Deputy Colm Keaveney** asked the Minister for Agriculture, Food and the Marine if he will provide an update on the issue on Common Agricultural Policy reform measures and their implications for designated disadvantaged areas; and if he will make a statement on the matter. [38933/11]

Minister for Agriculture, Food and the Marine (Deputy Simon Coveney): I propose to take Questions Nos. 36 and 57 together.

Firstly I would like to emphasise that it is my intention in the ongoing negotiations on the reform of the Common Agricultural Policy to ensure that the reform delivers the environment in which Irish agriculture and food production can develop and prosper based on viable family farms in all parts of Ireland.

The EU Commission proposals, published on 12 October 2011, contain texts of seven draft Regulations covering the three main aspects of the CAP (direct income supports, market supports and rural development) the financing, control and inspection arrangements and transitional arrangements for 2013.

Provision is made in the Direct Payments proposal for Member States to allocate up to 5% of National Envelope to farmers situated in Areas of Natural Constraints. These are areas that we know as disadvantaged or less favoured areas. I welcome the flexibility provided by this option in the proposals. We will have to consider, in association with all of the stakeholders, whether to take up this option.

The Rural Development proposal contains the Commission's latest proposals for the delineation of Less Favoured Areas (now renamed areas of natural constraint). I am pleased that the Commission has finally accepted "soil moisture balance" as one of the bio-physical criteria to be used to determine inclusion in such areas. This was a point pressed repeatedly by Ireland with a view to ensuring that proper account was taken of the cool damp climate in Ireland and its effect of trafficability of the soil. I still have some issues with the latest Commission proposals notably concerning the percentage of land that must be affected by one of the bio-physical criteria to qualify for inclusion. I will be taking this matter up with the Commission in the course of the negotiations.

Agri-Food Industry

37. **Deputy Tom Barry** asked the Minister for Agriculture, Food and the Marine the current projections for Irish agri-exports in view of the fact that his annual report showed them to have increased 11% from 2009; the effect the recent budget announcements will have on exports; and if he will make a statement on the matter. [38929/11]

Minister for Agriculture, Food and the Marine (Deputy Simon Coveney): The projections for 2011 in relation to Irish agri-food exports have remained good all year, although there was a decrease in some sub-sectors in the third quarter. According to the Irish Exporters Association we can expect exports for 2011 to be in the region of 12% higher in 2011 than they were in 2010. It is estimated that food and drink exports will total €8.9bn in 2011. If these figures are borne out in the final results in January it will be another excellent result for the sector.

[Deputy Simon Coveney.]

The Food Harvest 2020 strategy outlines the plans for increased output by the sector over the coming decade. Most of Ireland's food production is exported and therefore the changes introduced in budget 2012 will also impact on our exports. The taxation measures announced in Budget 2012 reflect this Government's commitment to the agri-food industry and in particular to the expansion planned in the Food Harvest 2020 strategy. The measures announced have been designed specifically to:

- Encourage farming as a career for young people
- Incentivise farm partnerships and greater productivity at farm level
- Stimulate land sales and land transfers
- Facilitate new enterprise opportunities in farming
- Help agri-food businesses innovate and export.

Animal Diseases

38. **Deputy Martin Ferris** asked the Minister for Agriculture, Food and the Marine the evidence there is to show that badgers spread TB; the research that has been carried out in relation to same; and if he will make a statement on the matter. [39054/11]

Minister for Agriculture, Food and the Marine (Deputy Simon Coveney): There is considerable evidence that badgers are responsible for the spread of bovine TB and that their removal results in a reduction in the incidence of the disease in cattle. I would refer the Deputy to a paper entitled *Mycobacterium bovis Infection in the Eurasian Badger (Meles Meles): the Disease, Pathogenesis, Epidemiology and Control* which was published in Science Direct earlier this year. This paper summarises the evidence on the role of badgers in the spread of TB in cattle both in Ireland and the UK and concludes that “the ability to eradicate badgers is severely constrained while infection continues to be spread from badgers”.

In Ireland, the first major research project took place in East Offaly between 1989 and 1995. Badgers were removed from an area of 528 square kilometres and the change in the incidence of TB was compared with data from a reference area surrounding the removal area. The risk of herd breakdowns in the removal area was significantly reduced, the risk of a TB breakdown in a herd being 14 times higher in the control area compared with the removal area. The next significant study was conducted from 1997 to 2002 in four different areas of the country. This study, known as the Four Area Project, involved the intensive and proactive removal of badgers in four “removal” areas and “reactive” culling of badgers in matched reference areas. The published results of this project demonstrated that there was a significant reduction in TB levels in cattle following the removal of badgers. In particular, the total number of herd restrictions in the removal areas for the study period was almost 60% lower than in the pre study period. In addition, in County Laois, targeted badger removal between 1989 and 2005 was shown to have a significant beneficial impact on the risk of future breakdowns (Olea-Popelka et al 2009).

In view of this research, the Bovine TB eradication programme implemented by my Department contains a comprehensive wildlife strategy in order to limit the spread of TB from badgers to cattle. My Department is satisfied that this strategy has contributed to a reduction in the incidence of TB over the past number of years and, accordingly, to a significant reduction in the cost of the programme to the taxpayer. Herd incidence has fallen from 7.5% in 2000 to 4.6% last year and reactor numbers will be under 20,000 this year, the lowest recorded since

the commencement of the programme in the 1950s. The enhancement of the badger culling strategy has been the only significant change in my Department's approach to TB eradication over the past 10 years.

As I have indicated previously, it is my intention is to replace culling with a vaccination programme as soon as on-going research demonstrates that this is a practicable proposition.

Agriculture Sector

39. **Deputy Brendan Griffin** asked the Minister for Agriculture, Food and the Marine the effect that budget 2012 will have on young farmers; and if he will make a statement on the matter. [38938/11]

47. **Deputy Brendan Griffin** asked the Minister for Agriculture, Food and the Marine the effect that budget 2012 will have on those looking to get involved in farming, particularly young farmers; and if he will make a statement on the matter. [38939/11]

Minister for Agriculture, Food and the Marine (Deputy Simon Coveney): I propose to take Questions Nos. 39 and 47 together.

The taxation measures announced in Budget 2012 reflect this Government's commitment to the agri-food industry and in particular to the expansion planned in the Food Harvest 2020 strategy. The measures announced have been designed specifically to:

- Encourage farming as a career for young people
- Incentivise farm partnerships and greater productivity at farm level
- Stimulate land sales and land transfers
- Facilitate new enterprise opportunities in farming
- Help agri-food businesses innovate and export

The main measures in the Budget which will benefit the agri-food sector are as follows:

Incentive for Farm Partnerships

One of the most significant new measures introduced in Budget 2012 is the new stock relief incentive to encourage farm partnerships. For registered farm partnerships, the current rate of 25% stock relief will increase to 50%, and, for certain young trained farmers entering such partnerships, a rate of 100% stock relief will be available. This new incentive will run until December 2015.

I am supporting farm partnerships because I believe that collaboration through partnership can improve farm structures generally, facilitating farms to operate more efficiently, increasing scale on farms, and bringing more innovative and energetic young prospective farmers into farming. More farming partnerships are required to increase productivity and meet the Food Harvest 2020 targets.

I am confident that providing an additional incentive to farm partnership formation will encourage farmers to consider more closely the benefits of farm partnerships to their farming business and in providing a better work-life balance.

Encouraging farm partnerships will also support the dairy herd expansion required over the coming years, enabling Irish farmers to avail of the opportunity presented by the abolition of EU milk quotas in March 2015.

[Deputy Simon Coveney.]

Stamp duty reduction

I am particularly pleased that Budget 2012 reduces the stamp duty rate on agricultural land from 6% to 2%, with immediate effect. In addition, half the rate (1%) will be applicable on transfers to close relatives until the end of 2014.

This change will substantially reduce the stamp duty payable on transfers of farm land by gift or by sale. It should stimulate a stagnant land market — currently only 0.5% of total agricultural land is offered for sale annually — and ensure that land transfers to more active producers. It will also promote inter-generational transfer, as the cost of lifetime transfer to transferees who do not qualify for the young trained farmer stamp duty relief has reduced considerably.

I am confident that this measure will give younger, progressive, commercial farmers a greater opportunity to purchase land and thereby increase their farm size, which will make the farm more competitive.

Capital Gains Tax retirement relief

Budget 2012 has restructured the retirement relief available on Capital Gains Tax in order to incentivise the earlier transfer of farm assets to the next generation, and to encourage the sale of land by those farmers with no successors. As of 1st January 2014, for those farmers aged 66 and over, an upper limit of €3m will be introduced on family transfers, compared to an unlimited amount currently. On non-family transfers, the current upper limit of €750,000 will be reduced to €500,000. Applying the new limits from 1st January 2014 allows farmers already aged 66 and over to plan the orderly transfer of assets in advance of that date.

It is important to remember that these new measures do not mean that a farmer has to cease farming altogether beyond the age of 66, but it allows them to plan for a phased gradual transfer of assets to the next generation.

We are restructuring retirement relief in order to encourage farmers around the normal retirement age, who have successors, to transfer their land and holdings to young, innovative, ambitious, prospective farmers. This restructuring will also encourage farmers with no successors to sell some of their land before normal retirement age. This measure will encourage an improvement in the age profile of farmers, and should ensure that farmland is put to more productive use.

Milk Quota

40. **Deputy Áine Collins** asked the Minister for Agriculture, Food and the Marine his views that Ireland could be over quota in the new 2011-2012 milk quota; and if he will make a statement on the matter. [38935/11]

Minister for Agriculture, Food and the Marine (Deputy Simon Coveney): I am of course concerned that Ireland could be over quota in the 2011/2012 milk quota year. Favourable market and weather conditions during the 2010/2011 milk quota year contributed to a dramatic increase in milk production, which resulted in a remarkable turnaround from a position where the country was 10 per cent under quota at the end of the 2009/2010 milk quota year. These favourable conditions have continued through the current quota year, and although supplies have begun to fall back in recent weeks, estimated delivery figures for the period up to the end of November show that the country is 0.41 per cent over quota.

In such circumstances, it is appropriate to again remind all dairy farmers of the need to carefully plan their production activities and to pay close attention to the limitations imposed

by the quota regime if they are to avoid potentially very damaging super levy fines. This will be particularly important as the sector moves into the spring calving period in early 2012 and milk production resumes in earnest. Even allowing for a further increase of one per cent in the national quota since 1 April 2011, a repeat of the delivery pattern seen in spring 2011 could put the country in serious danger of going over quota. It is therefore incumbent upon every milk producer to continue to exercise the necessary caution and to seek advice from, for example, Teagasc on the most sensible approach to be taken in managing their enterprises as they enter a crucial phase of the preparations for quota abolition in 2015.

For my part, I intend to continue my efforts to raise the issue of the soft landing at every opportunity with Member State colleagues and with the Commission. However, the latter has resisted attempts to revisit this matter, and there is, in any event, no guarantee that a majority of Member States will support calls for a more flexible milk quota regime. Therefore Irish dairy farmers must continue to operate on the assumption that no further changes will be made to the quota arrangements agreed in the context of the CAP Health Check.

Disadvantaged Areas Scheme

41. **Deputy Denis Naughten** asked the Minister for Agriculture, Food and the Marine the steps he is taking to support agricultural development in less favoured areas; and if he will make a statement on the matter. [39015/11]

Minister for Agriculture, Food and the Marine (Deputy Simon Coveney): The Disadvantaged Areas Scheme is a very important Scheme for the country, as the total area designated as disadvantaged is almost 75% of Ireland's total land area. From an economic perspective, the Scheme is particularly significant, contributing to the support of Irish farm families, whose ability to farm is restricted by the physical environment and, in particular, the impact of the prevailing wet cold climatic conditions. The Disadvantaged Areas Scheme, as implemented in Ireland, compares very favourably with the aid paid to farmers in other Member States both from the point of view of the rate of aid payable and the number of farmers covered. In fact, less than 50% of all farmers situated in Less Favoured Areas across the EU do not benefit from aid under this Scheme.

While it was necessary to reduce the total funding for the Scheme as part of the recent budgetary process, I am pleased that there will be no change in either the rates of aid payable or the total maximum areas payable under the Disadvantaged Areas Scheme.

I am introducing targeted reform in the Disadvantaged Areas Payments, which will be achieved through reform of the stocking density, retention period and other elements of the scheme. The changes being introduced will favour active farmers, who are farming exclusively in Less Favoured Areas and are subject to clearance by the European Commission.

The Suckler Cow Welfare Scheme is also an important measure for many farmers situated in Less Favoured Areas. This fully nationally funded Scheme will continue in place and I have provided the necessary funding to meet all payments due in 2012 at the current rates of €40 per cow. Over the next few days, my Department will pay over €12.3 million to 21,000 farmers, the vast majority of which are situated in Less Favoured Areas.

Question No. 42 answered with Question No. 32.

Agri-Food Industry

43. **Deputy Peadar Tóibín** asked the Minister for Agriculture, Food and the Marine in view

[Deputy Peadar Tóibín.]

of the role of the agri-food sector as a major employer and exporter, if he will support the development of an all Ireland approach to developing jobs in this sector. [35943/11]

Minister for Agriculture, Food and the Marine (Deputy Simon Coveney): In the context of my engagement at North/South Ministerial Council I have made it clear that the implementation of the all-island Animal Health and Welfare Strategy is a necessary prerequisite to greater co-operation on the development of the agri-food sector. Progress is being made in this respect.

The primary responsibility for the fostering of jobs on an all island basis lies with my colleague the Minister for Enterprise, Jobs and Innovation, Richard Bruton TD in the context of the North South Ministerial Council and the North South Body Intertrade Ireland which comes under his auspices. This is the business development body, whose mission is to promote North-South trade by building business capability, jobs and competitiveness.

Question No. 44 answered with Question No. 25.

Fishing Industry Development

45. **Deputy Joe McHugh** asked the Minister for Agriculture, Food and the Marine the effect that budget 2012 will have on the potential of the Irish fishing industry; and if he will make a statement on the matter. [38958/11]

Minister for Agriculture, Food and the Marine (Deputy Simon Coveney): Under Budget 2012 €10 million has been allocated for development of the seafood industry and €6 million for the Fishery Harbours and Coastal Infrastructure Capital Development Programme. This compares to €10.6 million for seafood development and €10.1 million for the Fishery Harbours and Coastal Infrastructure Capital Development Programme in 2011. In the present economic situation and in view of the cutbacks being experienced elsewhere, this must be considered a vote of confidence by Government in the potential of the seafood industry to contribute to economic growth and job creation.

Following an Interim Evaluation of the EU co-funded Seafood Development Operational Programme during 2011, my Department and BIM are reviewing the content of that Programme and the investment priorities identified within it, to prioritise investment in those areas that can best contribute to growth and jobs and the targets identified in Food Harvest 2020. The revised Programme will be subject to approval by a Monitoring Committee of stakeholders and by the European Commission. I am satisfied that the funding available in 2012 will be sufficient to support the continued development of the seafood sector.

The Fishery Harbour and Coastal Infrastructure Development Capital Programme provides funding for works at the six State-owned Fishery Harbour Centres as well as other Local Authority owned harbours and landing places around the coast.

This programme enhances harbour infrastructure, provides much needed employment in coastal communities during the construction phase and establishes a platform to create and support sustained employment in the fishing, aquaculture and marine leisure sectors.

Forestry Sector

46. **Deputy Dessie Ellis** asked the Minister for Agriculture, Food and the Marine his plans to reduce forestry premiums in budget 2012; and if he will make a statement on the matter. [39057/11]

Minister for Agriculture, Food and the Marine (Deputy Simon Coveney): The Government will provide almost €112 million in funding for the forestry programme in 2012. The total amount of funding for forestry is the amount announced in the 2012 Estimates augmented by a carryover of Departmental savings of €27 million from 2011. This allocation reflects the Government's continued commitment to a sector which is important both in creating and maintaining employment in rural areas, while also playing a significant climate change role.

The allocation will enable the State to pay for new planting at a level similar to this year of almost 7,000 hectares. In addition it will pay for annual premiums to existing forestry owners. Approximately 16,000 recipients, the majority of whom are farmers, will receive almost €75 million in premium payments in 2012. It is envisaged that the annual premium run will take place in April 2012. I am pleased to confirm that there will be no change in relation to the rate of payment of forestry premiums, which continue at current levels.

Question No. 47 answered with Question No. 39.

Question No. 48 answered with Question No. 32.

Agri-Food Industry

49. **Deputy Andrew Doyle** asked the Minister for Agriculture, Food and the Marine the reason behind any changes made in budget 2012 including his key priorities for the agri-food sector; and if he will make a statement on the matter. [38925/11]

Minister for Agriculture, Food and the Marine (Deputy Simon Coveney): The taxation measures announced in Budget 2012 reflect this Government's priorities for the agri-food industry and in particular the expansion planned in the Food Harvest 2020 strategy. The measures announced have been designed specifically to:

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I am supporting farm partnerships because I believe that collaboration through partnership can improve farm structures generally, facilitating farms to operate more efficiently, increasing scale on farms, and bringing more innovative and energetic young prospective farmers into farming. More farming partnerships are required to increase productivity and meet the Food Harvest 2020 targets.

[Deputy Simon Coveney.]

I am confident that providing an additional incentive to farm partnership formation will encourage farmers to consider more closely the benefits of farm partnerships to their farming business and in providing a better work-life balance.

Encouraging farm partnerships will also support the dairy herd expansion required over the coming years, enabling Irish farmers to avail of the opportunity presented by the abolition of EU milk quotas in March 2015.

Stamp duty reduction

I am particularly pleased that Budget 2012 reduces the stamp duty rate on agricultural land from 6% to 2%, with immediate effect. In addition, half the rate (1%) will be applicable on transfers to close relatives until the end of 2014.

This change will substantially reduce the stamp duty payable on transfers of farm land by gift or by sale. It should stimulate a stagnant land market — currently only 0.5% of total agricultural land is offered for sale annually — and ensure that land transfers to more active producers. It will also promote inter-generational transfer, as the cost of lifetime transfer to transferees who do not qualify for the young trained farmer stamp duty relief has reduced considerably.

I am confident that this measure will give younger, progressive, commercial farmers a greater opportunity to purchase land and thereby increase their farm size, which will make the farm more competitive.

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We are restructuring retirement relief in order to encourage farmers around the normal retirement age, who have successors, to transfer their land and holdings to young, innovative, ambitious, prospective farmers. This restructuring will also encourage farmers with no successors to sell some of their land before normal retirement age. This measure will encourage an improvement in the age profile of farmers, and should ensure that farmland is put to more productive use.

Food Harvest 2020 measures

A range of measures which will support the Food Harvest 2020 objectives are also being implemented that will contribute to jobs and growth in the agri-food sector.

- The Suckler Cow Welfare Scheme will continue to be fully funded from national funds. In particular, despite the financial constraints faced, I will continue to provide the necessary funding to meet all payments due in 2012 at the current rates.
- I have allocated €5m towards the establishment of a Beef Technology Adoption Programme which will build on the work done to date under the Better Farm Programme.

The roll-out of the Beef Discussion Groups will give beef farmers access to a range of additional skills to increase productivity. This programme was a key recommendation of the Beef 2020 Activation Group.

- I am re-opening the Targeted Agricultural Modernisation Schemes (TAMS) which had been suspended earlier in the year because of the uncertain budgetary situation. I am providing funding in 2012 to enable all of the schemes to re-open — Poultry and Pig Welfare, Dairy Equipment, Sheep Handling and Rainwater Harvesting Schemes, as well as the Bio-energy scheme. In addition to providing an incentive for farmers to invest in their enterprises and secure their futures, these schemes will make a worthwhile contribution to job creation and to the maintenance of existing jobs in rural areas.
- In forestry, I am anxious to deliver on the Government's commitment to afforestation and to support a sector which contributes to job creation and to the maintenance of jobs in rural areas and which has a vital climate change role. Overall Expenditure for Forestry will be higher than the published figures and will amount to €111.76 million when the published estimate of €84.86m is boosted by a further €27m by way of carry-over of savings from 2011. This increased forestry funding of €112 million will allow afforestation to continue at roughly 7,000 hectares per annum as well as providing for the building of forest roads. There is no change in relation to the rate of payment of forestry premia, which continue at current levels.

Fisheries Protection

50. **Deputy Mick Wallace** asked the Minister for Agriculture, Food and the Marine his plans to challenge the proposals made by the European Commission which will adversely affect Ireland's fishing industry; if he will seek to stop the proposed ban on cod fishing in the Irish Sea at the Council's December meeting; and if he will make a statement on the matter. [40017/11]

Minister for Agriculture, Food and the Marine (Deputy Simon Coveney): Scientific advice shows that many stocks where Ireland has a quota are not in a healthy biological state and therefore are in need of urgent remedial action. I have consistently stated that wherever the available scientific advice indicates a need for a cut in TAC levels I will accept this measure. The Sustainability Impact Assessment on TACs and quotas for 2012, which I presented to the Dail on 23rd November, agrees with the need to cut the quotas for some of the stocks in 2012, though the level of these cuts is queried in some cases, while in others there is clear scientific data to suggest that a cut is unwarranted. In other cases, the available evidence is that an increase in the TAC can be justified.

There is a high cost from a social and economic perspective when quota cuts are proposed and we have to be satisfied that in every case these cuts are justifiable. Fishing ports and whole communities all around our coast are dependent on fisheries for their very survival. But it is equally important to ensure the long term sustainability and health of the fishing resource, because without the stocks there would be no fishing industry.

The science on Irish Sea Cod shows that the stock is in a very poor state, though there are some positive signs with recruitment in 2009 above the recent average, the Commission has proposed a zero catch for Cod in 2012. A long term management plan for this stock has been in place since 2008 which if followed would reduce the TAC in 2012 by 25%. I will be supporting the 25% reduction in the Irish Sea Cod TAC at the December Council of Fisheries Mini-

[Deputy Simon Coveney.]

sters being held on December 15th and 16th in Brussels, where the levels of Total Allowable Catch (TAC) and ultimately the quotas for Ireland in 2012 will be determined.

State Agencies

51. **Deputy Frank Feighan** asked the Minister for Agriculture, Food and the Marine the reforms that are being undertaken by agencies under his remit over the past year; and if he will make a statement on the matter. [38937/11]

Minister for Agriculture, Food and the Marine (Deputy Simon Coveney): Across the five non-commercial State Agencies that fall under the remit of my Department a wide range of initiatives are in progress aimed at improving organisational structures and securing greater levels of efficiency and cost effectiveness in programme delivery.

All of the agencies have reduced staff numbers in recent years and under the Employment Control Framework, further staff reductions will continue up to 2015. In addition, efficiencies in procurement arrangements, in project management, in the delivery of ICT services, in office rental costs, in on — line service delivery and in internal restructuring of business areas, have all contributed to lower running costs. There is a strong commitment to reform in each of the agencies and the delivery of these reforms is being monitored as part of the mechanisms for the review under the Public Service (Croke Park) Agreement 2010-2014.

Fisheries Protection

52. **Deputy Mick Wallace** asked the Minister for Agriculture, Food and the Marine his views that it is unreasonable to cut the total allowable catch by 25% in areas in which data from the International Council for the Exploration of the Seas are not available; his further views that these measures will adversely affect the Irish fishing industry; and if he will make a statement on the matter. [40018/11]

Minister for Agriculture, Food and the Marine (Deputy Simon Coveney): Scientific advice shows that many stocks where Ireland has a quota are not in a healthy biological state and therefore are in need of urgent remedial action. I have consistently stated that wherever the available scientific advice indicates a need for a cut in TAC levels I will accept this measure. The Sustainability Impact Assessment on TACs and quotas for 2012, which I presented to the Dail on 23rd November, agrees with the need to cut the quotas for some of the stocks in 2012, though the level of these cuts is queried in some cases, while in others there is clear scientific data to suggest that a cut is unwarranted. In other cases, the available evidence is that an increase in the TAC can be justified.

There is a high cost from a social and economic perspective when quota cuts are proposed and we have to be satisfied that in every case these cuts are justifiable. Fishing ports and whole communities all around our coast are dependent on fisheries for their very survival. But it is equally important to ensure the long term sustainability and health of the fishing resource, because without the stocks there would be no fishing industry.

The science on Irish Sea Cod shows that the stock is in a very poor state, though there are some positive signs with recruitment in 2009 above the recent average, the Commission has proposed a zero catch for Cod in 2012. A long term management plan for this stock has been in place since 2008 which if followed would reduce the TAC in 2012 by 25%. I will be supporting the 25% reduction in the Irish Sea Cod TAC at the December Council of Fisheries Ministers being held on December 15th and 16th in Brussels, where the levels of Total Allowable Catch (TAC) and ultimately the quotas for Ireland in 2012 will be determined.

I have consistently stated that wherever the scientific advice indicates a need for a cut in TAC levels I will accept this measure. The Sustainability Impact Assessment on TACs and quotas for 2012, which I presented to the Dail on 23rd November, agrees with the need to cut the quotas for some of the stocks in 2012, though the level of these cuts is queried in some cases, while in others there is clear scientific data to suggest that a cut is unwarranted. In other cases, the available evidence is that an increase in the TAC can be justified.

There is a high cost from a social and economic perspective when quota cuts are proposed and we have to be satisfied that in every case these cuts are justifiable. Fishing ports and whole communities all around our coast are dependent on fisheries for their very survival. Our fishing fleet depends totally on having healthy and long term sustainable stocks to remain viable and productive. In order to balance all three pillars it will be necessary to take hard decisions on some stocks that will result in reduced fishing opportunities.

However, we need to use all sources of verifiable science when determining our decisions on fishing levels to ensure that the right balance is struck between the health of the fishing resource and the wider ecosystem with the economic and social realities of our network of rural coastal communities. I will be making every effort to ensure, at the Fisheries Council this week, we deliver on these objectives.

Grant Payments

53. **Deputy Martin Ferris** asked the Minister for Agriculture, Food and the Marine the reason there is a delay for farmers awaiting payments under the agri-environment options scheme; and if he will make a statement on the matter. [39055/11]

Minister for Agriculture, Food and the Marine (Deputy Simon Coveney): Under EU Regulations governing the Agri-environment Options Scheme (AEOS) 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. This administration check has been completed and payments under AEOS in respect of 2010 commenced in September. My Department is now dealing with applications on which queries and issues arose in the course of the administrative checking process and further payments are issuing on an ongoing basis as queries are resolved. The administrative checks have also been carried out in respect of 2011 and those payments will commence shortly.

I continue to give high priority to the processing and payment of AEOS applications and to the elimination of all unnecessary delays.

Sugar Industry

54. **Deputy Dessie Ellis** asked the Minister for Agriculture, Food and the Marine his plans for the restoration of the beet industry in Ireland; and if he will make a statement on the matter. [39056/11]

Minister for Agriculture, Food and the Marine (Deputy Simon Coveney): In 2006, a temporary scheme for the restructuring of the sugar industry, was introduced by the EU Commission with the aim of reducing EU sugar production in order to comply with WTO and other international obligations. The scheme provided an incentive for sugar processors to renounce sugar quota and dismantle the associated sugar processing plant and it provided compensation for affected stakeholders. Greencore, the sole Irish sugar processor and holder of the Irish sugar quota, decided to avail of this scheme and accordingly the company renounced the quota and dismantled the last remaining sugar factory at Mallow in compliance with the conditions of the scheme.

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There is no mechanism under the present EU Regulations which are in force until 30 September 2015 which would allow for the re-instatement of the sugar quota for the growing of sugar beet in Ireland for the production of sugar. I have strongly supported the abolition of sugar quotas from September 2015 as part of the CAP reform discussions in the Council of Ministers.

In this regard, I have also met with two separate groups who have conducted feasibility studies, over the past several months, into the possibility of establishing a sugar/bioethanol facility. At both meetings I stated that any venture to develop a combined sugar/bioethanol production facility would have to be a commercial proposition, financed in total by investors and interested parties and make sound economic sense in order to be viable.

Question No. 55 answered with Question No. 32.

Agri-Food Industry

56. **Deputy Andrew Doyle** asked the Minister for Agriculture, Food and the Marine the reason behind the changes made in budget 2012 including his main priorities for the agricultural sector; and if he will make a statement on the matter. [38926/11]

Minister for Agriculture, Food and the Marine (Deputy Simon Coveney): The taxation measures announced in Budget 2012 reflect this Government's commitment to the agri-food industry and in particular to the expansion planned in the Food Harvest 2020 strategy. The measures announced have been designed specifically to:

- Encourage farming as a career for young people
- Incentivise farm partnerships and greater productivity at farm level
- Stimulate land sales and land transfers
- Facilitate new enterprise opportunities in farming
- Help agri-food businesses innovate and export

The main measures in the Budget which will benefit the agri-food were designed to encourage collaboration between farmers and to facilitate the timely transfer of agriculture land to more active and younger farmers.

The new stock relief incentive for farm partnerships will improve farm structures generally, facilitating farms to operate more efficiently, increasing scale on farms, and bringing more innovative and energetic young prospective farmers into farming. More farming partnerships are required to increase productivity and meet the Food Harvest 2020 targets.

I am confident that providing an additional incentive to farm partnership formation will encourage farmers to consider more closely the benefits of farm partnerships to their farming business and in providing a better work-life balance.

Encouraging farm partnerships will also support the dairy herd expansion required over the coming years, enabling Irish farmers to avail of the opportunity presented by the abolition of EU milk quotas in March 2015.

The reduction in stamp duty will substantially reduce the stamp duty payable on transfers of farm land by gift or by sale. It should stimulate a stagnant land market — currently only 0.5% of total agricultural land is offered for sale annually — and ensure that land transfers to more

active producers. It will also promote inter-generational transfer, as the cost of lifetime transfer to transferees who do not qualify for the young trained farmer stamp duty relief has reduced considerably.

I am confident that this measure will give younger, progressive, commercial farmers a greater opportunity to purchase land and thereby increase their farm size, which will make the farm more competitive.

The changes in Capital Gains Tax will incentivise the earlier transfer of farm assets to the next generation, and encourage the sale of land by those farmers with no successors. It is important to remember that these new measures do not mean that a farmer has to cease farming altogether beyond the age of 66, but it allows them to plan for a phased gradual transfer of assets to the next generation.

We are restructuring retirement relief in order to encourage farmers around the normal retirement age, who have successors, to transfer their land and holdings to young, innovative, ambitious, prospective farmers. This restructuring will also encourage farmers with no successors to sell some of their land before normal retirement age. This measure will encourage an improvement in the age profile of farmers, and should ensure that farmland is put to more productive use.

All of the measures outlined above are designed to increase productivity and help the sector in attaining the challenging targets outlined in the Food Harvest 2020 strategy.

Question No. 57 answered with Question No. 36.

Common Fisheries Policy

58. **Deputy Noel Harrington** asked the Minister for Agriculture, Food and the Marine if he will provide an update on the reform of the Common Fisheries Policy; and if he will make a statement on the matter. [38942/11]

Minister for Agriculture, Food and the Marine (Deputy Simon Coveney): The **Common Fisheries Policy** (CFP) is the fisheries policy of the European Union which was first put in place in 1983 and has been subject to reviews every 10 years, the most recent was in 2002 and the next reform is scheduled for adoption in the latter half of 2012.

The CFP is scheduled for adoption in the latter half of 2012. This is an ambitious target and there is a strong possibility that the adoption of the new policy will be delayed and fall into 2013 during the Irish Presidency of the EU.

A reformed CFP is a critical policy issue for Ireland as it will shape the strategic blueprint for the European fishing industry for the next decade. The CFP impacts on the social, economic and environmental pillars of the wider seafood industry and the proposals will hold both opportunities and risks for Ireland.

My overarching goal for the new CFP is for a sustainable, profitable and self reliant industry that protects and enhances the social and economic fabric of rural coastal communities dependent on the seafood sector, while balancing these objectives with the need to deliver a sustainable and fisheries landscape for future generations. I am pursuing initiatives that will deliver and sustain jobs in coastal communities rather than those that promote the concentration of wealth and delivery of excessive profits for a few big international businesses.

I broadly support the general thrust of the proposals put forward by the Commission in their proposal of 13th July on such key issues as enhanced conservation, rebuilding fish stocks, reducing discarding of fish, introducing more selective fishing gears to allow small fish and

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unwanted by catches to escape and the use of multi annual plans as a primary tool to rebuild and manage fish stocks.

However I have differing views on some key points from an Irish perspective. Subject to further negotiation on important details in respect of those issues I would expect that by the conclusion of the negotiations, I would hope to be in a position to support these important elements of the Reform proposals. Within the package there are specific issues that are of critical importance to Ireland, which I will address in more detail.

I have serious concerns about the implications of the Commissions intention to impose the mandatory introduction of individually transferable concessions (quotas). Under this system, fish quotas would be allocated as tradeable commodities to private individuals and companies for at least 15 years and those individuals would be permitted to sell on the quotas.

There is serious concern in Ireland that under the current set of proposals, which the Commission has published, there is a real risk that the economic benefit from our quotas will be increasingly lost to Ireland. Despite the Commissions assurances, at this point, I can see no safeguards that could be built into the proposals which would prevent this happening.

In relation to discards, I fully support the objectives on addressing the unacceptable and wasteful practice of discarding as set in this proposal. The Commission proposal involves the introduction of a blanket ban on discarding of fish which would be applied incrementally over the period 2014 to 2016.

Ireland has been to the forefront in the debate on discards and as recently as Tuesday the 8th November published an Irish “atlas of discards” which details the level of discards by the Irish fleet and proposes potential solutions.

I believe that we need radical action to bring an end to this wasteful practice which is as abhorrent to fishermen as it is to the general public. In my opinion, the Commission proposal for a ban is too simplistic and is more likely to result in the concealment of the practice than a change in the behaviour. I am absolutely committed to addressing the problem in a practical and progressive manner working directly with fishermen and scientists.

The retention of the Hague Preferences is a key issue for Ireland as it gives Irish Fishermen a safety net of additional quotas when stock levels go below a certain point. In the Commission proposal, the Hague Preferences are recognised in the same manner as here to fore. Ireland sought their full integration into the CFP to avoid the current situation where their application each year is a matter for decision by the EU Fisheries Council. I will continue to pursue this approach but I am fully aware that we may face opposition for their inclusion, in any form, from those Member States who lose quota when they are invoked

In terms of the process, there is a long road to take before the reform of the CFP is finalised, many Member States will have conflicting agendas on certain issues. Commissioner Damanaki has visited Ireland and I had a good opportunity to set out Ireland’s priorities and to give her a full understanding of the situation of the sector in Ireland and the likely impacts of her proposals, both positive and negative.

I have been actively building alliances with like minded colleagues in Europe. I met with my French Counterpart Minister Le Maire on the 30th September and issued a joint communiqué which included a commitment to work closely on sustainability measures including discards, regionalisation and importantly on our opposition to the proposals on ITQs as they currently stand.

I also met my British and Scottish counterparts at the November Fisheries Council where we had a broad discussion on fisheries related issues including the reform of the CFP.

In addition I am working very closely with the Irish industry to ensure an orchestrated and focussed message on Ireland's priorities for the reformed CFP is brought to as many fora as possible in Brussels.

I intend to continue this process and will take every opportunity to explain Ireland's priorities and seek support for our stance, in order to strengthen our negotiating position and deliver the best possible outcome for Ireland.

Question No. 59 answered with Question No. 25.

Agri-Food Industry

60. **Deputy John Paul Phelan** asked the Minister for Agriculture, Food and the Marine the support that is being given to active farmers in vulnerable areas following budget 2012 announcements; and if he will make a statement on the matter. [38945/11]

Minister for Agriculture, Food and the Marine (Deputy Simon Coveney): My Department is always fully supportive of all active farmers, particularly those in vulnerable areas.

The taxation measures announced in Budget 2012 reflect this Government's commitment to the agri-food industry and in particular to the expansion planned in the Food Harvest 2020 strategy. As the tax measures announced have been designed specifically to encourage farming as a career for young people and to incentivise farm partnerships and greater productivity at farm level, I feel confident that they will be of great benefit to active farmers, and potential farmers, in vulnerable areas.

The main measures in the Budget which will benefit the agri-food sector are as follows:

- a stock relief incentive to encourage Farm Partnerships;
- reduction in the stamp duty rate on agricultural land from 6% to 2%, so as to stimulate land sales and land transfers;
- restructuring of Capital Gains Tax retirement relief so as to encourage inter-generational transfer.

Suckler Cow Welfare Scheme

The Suckler Cow Welfare Scheme will continue to be fully funded from national funds. In particular, despite the financial constraints faced, I will continue to provide the necessary funding to meet all payments due in 2012 at the current rates of €40 per cow.

Disadvantaged Areas

There will be no changes in either the rates or the eligible areas qualifying for a disadvantaged area payment. I am introducing targeted reform in the Disadvantaged Areas Payments, which will be achieved through reform of the stocking density, retention period and other elements of the scheme. The changes being introduced will favour active farmers and are subject to clearance by the European Commission.

Beef discussion groups

I have allocated €5m towards the establishment of a Beef Technology Adoption Programme which will build on the work done to date under the Better Farm Programme. The roll-out of the Beef Discussion Groups will give beef farmers access to a range of additional skills to increase productivity. This programme was a key recommendation of the Beef 2020 Activation Group.

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Farm Partnerships

In common with farmers all around the country, active farmers in vulnerable areas will be able to avail of the new stock relief incentive aimed at encouraging farm partnerships. Under this initiative, an enhanced 50% stock relief will be available for all registered farm partnerships, and a 100% stock relief will be available for certain young trained farmers forming such partnerships. I recently published a useful Reference Paper on farm partnerships on my Department's website, which highlighted the benefits that such arrangements can bring to farm families. The economic benefits include increased economies of scale, shared capital investment, removal of duplicate costs, and risk sharing. The partnership model encourages farmers to share best farming and business management practice, thereby increasing their skill set and providing opportunities to diversify into alternative enterprises. Collaborating and farming in partnership can also have social benefits through reducing isolation, improving the work-life balance and also facilitating succession planning. Farmers can avail of these benefits while also helping to secure the future of their family farms, including, and perhaps most particularly, in vulnerable areas.

61. **Deputy Tom Barry** asked the Minister for Agriculture, Food and the Marine the effects budget 2012 will have on the agri-food industry; and if he will make a statement on the matter. [38930/11]

Minister for Agriculture, Food and the Marine (Deputy Simon Coveney): The taxation measures announced in Budget 2012 reflect this Government's commitment to the agri-food industry and in particular to the expansion planned in the Food Harvest 2020 strategy. The measures announced have been designed specifically to:

- Encourage farming as a career for young people
- Incentivise farm partnerships and greater productivity at farm level
- Stimulate land sales and land transfers
- Facilitate new enterprise opportunities in farming
- Help agri-food businesses innovate and export.

The main measures in the Budget which will benefit the agri-food sector are as follows:

Incentive for Farm Partnerships

One of the most significant new measures introduced in Budget 2012 is the new stock relief incentive to encourage farm partnerships. I am supporting farm partnerships because I believe that collaboration through partnership can improve farm structures generally, facilitating farms to operate more efficiently, increasing scale on farms, and bringing more innovative and energetic young prospective farmers into farming. More farming partnerships are required to increase productivity and meet the Food Harvest 2020 targets.

I am confident that providing an additional incentive to farm partnership formation will encourage farmers to consider more closely the benefits of farm partnerships to their farming business and in providing a better work-life balance.

Encouraging farm partnerships will also support the dairy herd expansion required over the coming years, enabling Irish farmers to avail of the opportunity presented by the abolition of EU milk quotas in March 2015.

Stamp duty reduction

I am particularly pleased that Budget 2012 reduces the stamp duty rate on agricultural land from 6% to 2%, with immediate effect. In addition, half the rate (1%) will be applicable on transfers to close relatives until the end of 2014.

This change will substantially reduce the stamp duty payable on transfers of farm land by gift or by sale. It should stimulate a stagnant land market — currently only 0.5% of total agricultural land is offered for sale annually — and ensure that land transfers to more active producers. It will also promote inter-generational transfer, as the cost of lifetime transfer to transferees who do not qualify for the young trained farmer stamp duty relief has reduced considerably.

I am confident that this measure will give younger, progressive, commercial farmers a greater opportunity to purchase land and thereby increase their farm size, which will make the farm more competitive.

Capital Gains Tax retirement relief

Budget 2012 has restructured the retirement relief available on Capital Gains Tax in order to incentivise the earlier transfer of farm assets to the next generation, and to encourage the sale of land by those farmers with no successors.

It is important to remember that these new measures do not mean that a farmer has to cease farming altogether beyond the age of 66, but it allows them to plan for a phased gradual transfer of assets to the next generation.

We are restructuring retirement relief in order to encourage farmers around the normal retirement age, who have successors, to transfer their land and holdings to young, innovative, ambitious, prospective farmers. This restructuring will also encourage farmers with no successors to sell some of their land before normal retirement age. This measure will encourage an improvement in the age profile of farmers, and should ensure that farmland is put to more productive use.

Food Harvest 2020 measures

A range of measures which will support the Food Harvest 2020 objectives are also being implemented that will contribute to jobs and growth in the agri-food sector.

- The Suckler Cow Welfare Scheme will continue to be fully funded from national funds. In particular, despite the financial constraints faced, I will continue to provide the necessary funding to meet all payments due in 2012 at the current rates.
- I have allocated €5m towards the establishment of a Beef Technology Adoption Programme which will build on the work done to date under the Better Farm Programme. The roll-out of the Beef Discussion Groups will give beef farmers access to a range of additional skills to increase productivity. This programme was a key recommendation of the Beef 2020 Activation Group.
- I am re-opening the Targeted Agricultural Modernisation Schemes (TAMS) which had been suspended earlier in the year because of the uncertain budgetary situation. I am providing funding in 2012 to enable all of the schemes to re-open — Poultry and Pig Welfare, Dairy Equipment, Sheep Handling and Rainwater Harvesting Schemes, as well as the Bio-energy scheme. In addition to providing an incentive for farmers to invest in their enterprises and secure their futures, these schemes will make a worthwhile contribution to job creation and to the maintenance of existing jobs in rural areas.
- In forestry, I am anxious to deliver on the Government's commitment to afforestation and to support a sector which contributes to job creation and to the maintenance of

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jobs in rural areas and which has a vital climate change role. Overall Expenditure for Forestry will be higher than the published figures and will amount to €111.76 million when the published estimate of €84.86m is boosted by a further €27m by way of carry-over of savings from 2011. This increased forestry funding of €112 million will allow afforestation to continue at roughly 7,000 hectares per annum as well as providing for the building of forest roads. There is no change in relation to the rate of payment of forestry premia, which continue at current levels.

Departmental Expenditure

62. **Deputy Arthur Spring** asked the Tánaiste and Minister for Foreign Affairs and Trade the amount of money spent by him on public relations companies each year since 2006. [40180/11]

Tánaiste and Minister for Foreign Affairs and Trade (Deputy Eamon Gilmore): The Department of Foreign Affairs and Trade is responsible for two Votes — Vote 28 (Foreign Affairs) and Vote 29 (International Cooperation). Details of payments made to public relations companies since 2006 are provided as follows. My Department commissions external public relation companies only where specialised knowledge and/or skills are not available within the Department. The commissioning of these contracts is in full compliance with national and EU procurement regulations concerning tendering requirements.

Vote 28 — Hiring of Public Relations companies 2006-date

Year	Organisation	Detail of project	Amount €
2008	The Communications Clinic	Action Plan under the Communicating Europe Initiative	€41,000
2009	The Communications Clinic	Action Plan under the Communicating Europe Initiative	€6,300

Vote 29 — Hiring of Public Relations companies 2006-date

Year	Organisation	Detail of project	Amount €
2006	Drury Communications	Advice on preparation of a public information strategy for the Government's aid programme.	€62,464
2007	Bannon & Bannon	Communications and strategic advice on Hunger Task Force information promotion	€5,082
2008	DHR Communications	Planning/ Management/coordination of Africa Day events	€34,485
2009	DHR Communications	Planning/Management/coordination of Africa Day events	€63,058
2010	DHR Communications	Planning/Management/coordination of Africa Day events	€56,023
2010	DHR Communications	Management of Simon Cumbers Media Fund	€31,363
2011	DHR Communications	Planning/Management/coordination of Africa Day events	€6,806
2011	DHR Communications	Management of Simon Cumbers Media Fund	€49,302

63. **Deputy Arthur Spring** asked the Tánaiste and Minister for Foreign Affairs and Trade the amount of money spent by him on advertising with international, national and local media for each year since 2006. [40196/11]

Tánaiste and Minister for Foreign Affairs and Trade (Deputy Eamon Gilmore): My Department is responsible for two votes — Votes 28 (Foreign Affairs) and 29 (International cooperation — Irish Aid). Advertising undertaken by my Department typically includes: advisory notices on public opening hours over holiday periods, changes in passport application procedures and fees, and public information notices relating to significant developments in the European Union (such as the Lisbon Treaty) or in regard to Ireland's Official Development Assistance programme, Irish Aid. While much of this material is now placed on the Department's website, a certain level of advertising continues to be necessary in order to reach all of our customers, particularly in relation to important passport and consular services. Details of advertising expenditure per year for both votes are included in the table below.

Year	Advertising	
	Vote 28	Vote 29
2006	286,078	17,042
2007	323,250	27,827
2008	388,746	26,994
2009	231,619	35,689
2010	160,245	58,021
2011 to date	129,093	16,437

In addition to this, the network of Irish diplomatic missions abroad occasionally incurs some limited expenditure on local advertising and public relations. This would include advertising of Embassy opening hours, changes to consular services, promotion of Irish cultural events, etc.

I am very conscious of the need to achieve value for money on such expenditure, and as with all expenditure appropriate financial controls and regulations are in place.

Middle East Peace Process

64. **Deputy James Bannon** asked the Tánaiste and Minister for Foreign Affairs and Trade if he will note that a recent political humanitarian delegation to enter the Gaza Strip consisted of 100 delegates across the political spectrum from 40 countries; if he will further note that around 1.6 million persons are besieged in the Gaza Strip with insufficient supplies of medicine in the area and that, according to the World Health Organisation, the water supply is far below standard and is deteriorating; if he will recognise that the economy and health service of the Gaza Strip are unable to continue with the current export and import ban on goods and that the ordinary day-to-day lives of persons in the area are severely affected, with high incidences of psychological problems; if he will note the demise of the Gazan fishing industry since the restrictions imposed on their territorial waters; if he will further note that young persons in Gaza cannot leave the area for education or job opportunities; if he will further note the importance of the two main political parties of Gaza agreeing to have democratic elections in the spring of 2012 and the call on the international community to support those democratic aims and work towards ending the siege of Gaza; and if he will make a statement on the matter. [40220/11]

Tánaiste and Minister for Foreign Affairs and Trade (Deputy Eamon Gilmore): I am aware that a delegation from the Council for European Palestinian Relations travelled to Gaza last

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month to highlight the ongoing humanitarian crisis in Gaza. The Government's position on the blockade of Gaza is well-known. I regard the blockade as it is practised as completely unjust, counter-productive and contrary to international humanitarian law. Ireland has consistently sought, both nationally and at EU level, to maintain a focus on the need to bring the blockade to an end. I would hope to visit Gaza myself in the near future in order to see for myself the conditions currently obtaining on the ground. The slight relaxation in the blockade of Gaza last year, while welcome, has not gone nearly far enough or fast enough. While overall volumes transferred to Gaza have increased, they remain at only one-third of pre-blockade levels. There is a flourishing tunnel economy providing goods at elevated prices to replace goods not imported through Israel. This simply strengthens Hamas as it gives them a reliable source of funding and runs contrary to Israel's own interests. It also most heavily impacts on the poorest citizens in Gaza, who are unable to afford smuggled goods.

Of similar concern is the almost complete lack of provision for exports from Gaza, without which economic life and employment cannot recover, leaving more than half the population directly dependent on humanitarian aid. Exports at almost negligible levels are only permitted to Europe. Before 2007, 85% of goods exported from Gaza were destined for the West Bank and Israel. The security rationale employed by Israel to justify the blockade — preventing weapons entering Gaza — does not stand up to scrutiny concerning goods leaving Gaza for export. There can be no justifiable reason for denying Gaza access to its natural market of the West Bank and Israel.

The volume of construction materials being allowed into Gaza is entirely insufficient for the essential reconstruction needs of both people and infrastructure. Hamas and other groups of most concern to Israel are readily able to access building materials through the tunnel economy. The Israeli restrictions therefore impact principally on the UN and other international bodies, who can only use materials from authorised sources. I welcome the partial moves last month to enable the importation of construction material for ten factories under a supervision and control mechanism to ensure that the raw materials reach their intended destinations. I hope this mechanism is expanded to enable UNRWA and other international bodies import sufficient construction material for the reconstruction of schools and other essential infrastructure. These are key issues that I will continue to focus on in discussion bilaterally with the Israeli authorities, as well as in international fora.

Subsequent to the reconciliation agreement reached between Fatah and Hamas in May 2011, agreement has been provisionally reached on the holding of parliamentary elections next year while efforts continue to form a Palestinian government of national unity. Reconciliation amongst all Palestinian parties remains extremely important and desirable, in the context of achieving further progress towards the overall goal of a comprehensive negotiated peace settlement, based on the two-State solution, between Israel and the Palestinians. Ireland will continue to support strongly all efforts aimed at advancing Palestinian reconciliation as well, of course, at ending the unjust blockade and securing the opening of all crossing points into Gaza to all normal movement, in and out.

Pension Provisions

65. **Deputy Michael McGrath** asked the Minister for Finance his views on the extent to which private pension provision, particularly additional voluntary contributions, has been discouraged by the introduction of the pension fund levy; and if he will make a statement on the matter.

[40231/11]

Minister for Finance (Deputy Michael Noonan): Pension industry sources have indicated to my Department that contributions to pension savings arrangements, generally, have fallen since the beginning of 2010. The economic downturn will clearly have impacted on the confidence and ability of individuals to invest in pension savings. I cannot say whether and to what extent individuals would be influenced in this regard by the pension fund levy. I would very much hope that individuals already saving for their retirement and those considering doing so would not be unduly influenced in a negative way by the levy. The levy is a charge for a temporary period on the significant assets of pension funds, much of which are represented by investments outside of Ireland. The Finance (No. 2) Act 2011 legislation which gives effect to the pension fund levy provisions makes clear that it is to apply for a four year period only.

The moneys raised from the pension fund levy are being used to pay for the tax reductions and the additional expenditure measures announced in the Jobs Initiative in May last. The various measures in the Initiative represented the first steps by the Government towards improving the competitiveness of important sectors of the economy and facilitating the return to work of people currently unemployed. The levy is a reasonable and targeted tax measure introduced to fund the various measures set out in the Jobs Initiative.

In my Budget speech last week, I acknowledged the significant contribution being made by the pensions sector towards resolving our current difficulties. I also made the point that I did not propose to move to standard rating tax relief on pension contributions. Such contributions, including additional voluntary contributions, remain tax-relieved at the individual's marginal rate of income tax, subject to limits. However, changes are still required to the incentive regime for pension saving in order to make the system sustainable and more equitable over the long term. I believe that the various stakeholders in the pensions sector share that view and my Department and the Revenue Commissioners will work with those stakeholders over the coming year to develop workable solutions to that end.

Tax Refunds

66. **Deputy Patrick O'Donovan** asked the Minister for Finance the reason a person (details supplied) in County Wexford is unable to claim a refund of tax paid now that they have finished work; and if he will make a statement on the matter. [40039/11]

Minister for Finance (Deputy Michael Noonan): I am advised by the Revenue Commissioners that the person concerned had three different employments in 2011. However, no P45 was submitted in connection with one of these. In the absence of form P45 tax credits cannot be updated. The person concerned has been contacted and advised to submit form P45.

67. **Deputy Patrick O'Donovan** asked the Minister for Finance when the refund of income tax for 2008 will be made to a person (details supplied) in County Wexford; and if he will make a statement on the matter. [40040/11]

Minister for Finance (Deputy Michael Noonan): I am advised by the Revenue Commissioners that the person concerned applied for PAYE reviews on 3rd August 2011 for the years 2007, 2008 and 2009. This resulted in refunds for the three years, which were issued on the 8th August. If the person concerned considers that there are additional refunds due, the person should contact Revenue at 1890 444425.

Financial Services Regulation

68. **Deputy David Stanton** asked the Minister for Finance if he received a report from the

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Financial Regulator in 2009 regarding an investigation into a company (details supplied); his plans to publish same; and if he will make a statement on the matter. [40064/11]

Minister for Finance (Deputy Michael Noonan): My Department did not receive a report in 2009 regarding the firm mentioned by the Deputy and the Central Bank has confirmed that no such report was forwarded to the Department. I would like to advise the Deputy that, for confidentiality purposes, the Central Bank would not normally inform my Department about supervisory matters such as these which are within the sole remit of the Central Bank. The first report seen by my Department regarding an investigation into this company was the final report to the High Court, prepared by Court Appointed Inspectors and dated 19th October 2011. On 21 October 2011, the High Court ordered that the final report of the inspectors be published in redacted form on the website of the Central Bank.

Tax Code

69. **Deputy Michael Healy-Rae** asked the Minister for Finance if he will reverse the VAT increases, in view of the fact that there are many persons who will be affected by this change; and if he will make a statement on the matter. [40086/11]

Minister for Finance (Deputy Michael Noonan): The standard rate of VAT will be increased by 2 percentage points from 21% to 23% from 1 January 2011. This change is being introduced as part of a general package of revenue-raising measures to contribute to Exchequer funding and is in line with commitments made in the Programme for Government and in the EU/IMF Programme. The effect of the 2% increase in the standard rate is that the price of goods and services, which apply at this rate, will increase by 1.65%. This equates to an increase of 33c on a good costing €20, or €1.65 on a good costing €100.

It must be noted that the 2% standard VAT rate increase will have no impact on the goods and services subject to the other VAT rates in the Irish VAT structure. There will be no change to the price of most food, children’s clothes and footwear and oral medicines, as these are subject to the zero rate of VAT. Domestic fuels, housing, labour intensive services and general repairs and maintenance apply at the 13.5% VAT rate which is not being increased. Furthermore, restaurant services, hotel and holiday accommodation, and various entertainment services will not be subject to a VAT increase as they continue to apply at the 9% rate.

Departmental Expenditure

70. **Deputy Arthur Spring** asked the Minister for Finance the amount of money spent by him on public relations companies each year since 2006. [40179/11]

72. **Deputy Arthur Spring** asked the Minister for Finance the amount of money spent by him on advertising with international, national and local media for each year since 2006. [40195/11]

Minister for Finance (Deputy Michael Noonan): I propose to take Questions Nos. 70 and 72 together.

My Department has had no expenditure on any public relations companies from 2006 to date. The table details spend on advertising in that same time period:—

Year	Advertising Expenditure €
2011 (to date)	28,944
2010	40,231

Year	Advertising Expenditure €
2009	76,776
2008	140,567
2007	276,582
2006	364,388

National Asset Management Agency

71. **Deputy Peter Mathews** asked the Minister for Finance the status of land (details supplied) in the National Asset Management Agency; if this site will be put on the open market; if this site is being sold to a local authority; if NAMA or its agents sought offers for this site or are following up on offers or inquiries about this site; if NAMA has met any local groups regarding this site; and if he will make a statement on the matter. [40187/11]

Minister for Finance (Deputy Michael Noonan): NAMA informs me that it has met with one interest group and has also been contacted by a local authority regarding this property. This property is listed on the NAMA website as one of the properties subject to enforcement action. I understand from NAMA that the property has been offered for sale on the open market by a receiver, RSM Farrell Grant Sparks, appointed by NAMA. The receiver previously has had discussions with a number of interested parties and NAMA advise me that additional expressions of interest can be directed towards the receiver at namaproperties@rsmfngs.ie .

NAMA advise me that the appointment of a sales agent by the receiver is imminent. The sales agent will seek purchase offers from interested parties. Any offers made will be submitted by the receiver to NAMA for the final decision as to which offer should be accepted.

Question No. 72 answered with Question No. 70.

73. **Deputy Gerry Adams** asked the Minister for Finance the annual salary, expenses or other entitlements of the chairman of the National Asset Management Agency; if the person is in receipt of any other pensions from the State or receives any payments from their membership of any other State boards. [40215/11]

Minister for Finance (Deputy Michael Noonan): The fee payable to Frank Daly in respect of his functions as Chairman of the NAMA Board is €150,000 for 2011, on the basis of his full time availability. I am informed by NAMA that expenses totalling €3,199 have been paid to him in the year 2010 and in the year 2011 to date. As a retired Chairman of the Revenue Commissioners, Mr Daly is also in receipt of an annual pension of €114,893.40 which takes account of a reduction of € 11,978.10 in respect of Public Service Pension Reduction.

Mr Daly receives no other payment from membership of State boards.

Tax Reliefs

74. **Deputy Michael McGrath** asked the Minister for Finance the amount of tax relief at source provided for each year since 2002; the expected cost of the scheme in 2012; the amount that would be saved if the average interest rate on qualifying mortgages was 0.5% less than projected; and if he will make a statement on the matter. [40228/11]

Minister for Finance (Deputy Michael Noonan): I am informed by the Revenue Commissioners that the cost to the Exchequer of mortgage interest relief by way of tax relief at source (TRS) in each of the years 2002 to 2011 inclusive is as follows:

[Deputy Michael Noonan.]

Tax Year	Cost €m
2002	193
2003	221
2004	232
2005	279
2006	352
2007	543
2008	705
2009	486
2010	375
2011 (11 months)	335*

*This figure is provisional and subject to revision.

A forecast of the expected cost of mortgage interest relief for the year 2012 is €420 million.

The reduced cost of tax relief that would arise if average interest on qualifying mortgages was 0.5% less than projected would depend on a variety of factors, including the numbers of mortgages affected, the rate of relief applying to those mortgages and the extent to which the lower relief would fall below the current ceilings. Accordingly, it is not possible to provide an accurate estimate of the potential saving.

National Asset Management Agency

75. **Deputy Michael McGrath** asked the Minister for Finance his views on the possibility of selling the National Asset Management Agency in the future; and if he will make a statement on the matter. [40229/11]

Minister for Finance (Deputy Michael Noonan): In his recently published NAMA Review, Mr Michael Geoghegan stated that “an eight year exit strategy for NAMA needs to be developed and hence NAMA needs to start thinking now as to what size it will be and what experience it will have by the years 2017-2019, so that a possible trade sale could be achieved”. The Deputy will be aware that I have asked Mr Geoghegan to chair an Advisory Group which I am establishing to advise me on NAMA’s strategy and its capacity to deliver on that strategy through property disposal and the ongoing management of its assets. Any decision that I may make regarding NAMA’s future will be informed by the advice of the Advisory Group.

Illicit Trade in Tobacco

76. **Deputy Michael McGrath** asked the Minister for Finance his estimate of the amount of revenue lost to the Exchequer annually through tobacco smuggling; the number of persons who were brought to court, convicted, imprisoned and fined for tobacco smuggling in 2010 and to date in 2011; the average fine for tobacco smuggling in each year; the extent to which the increased fines allowable for tobacco smuggling, as set out in the Finance Act 2010, have been utilised; his plans to introduce new measures, legislative or otherwise, to combat tobacco smuggling; and if he will make a statement on the matter. [40233/11]

Minister for Finance (Deputy Michael Noonan): I am informed by the Revenue Commissioners, who are responsible for the collection of tobacco products tax, and for tackling the illicit trade in cigarettes and tobacco, that there is no internationally recognised method for precisely determining the amount of tax lost as a result of the illicit trade in cigarettes. However,

a survey commissioned by Revenue and the Office of Tobacco Control in 2009 estimated that 20% of cigarettes consumed in the State had not been taxed in this jurisdiction. The 20% figure was further broken down as 14% illicit product and 6% legally imported by passengers arriving into the State from other jurisdictions. Revenue and the Office of Tobacco Control commissioned a similar survey in the last quarter of 2010 and the results of this latest survey show a consistency with the 2009 figures, i.e. 20% of all cigarettes consumed in the State were not taxed in the State with 14% again classified as illegal product and 6% classified as legal non-Irish duty paid product. Based on an estimate of 14%, the loss to the exchequer from illicit cigarette consumption during 2010 would be in the region of €250m (excise duty + VAT). A further survey is currently underway.

In 2010, Revenue enforcement officers seized 178.3 million cigarettes and 3,342 kg of tobacco. There were ninety-seven convictions for cigarette smuggling secured in the courts with fifteen custodial sentences imposed of which ten were suspended. Total fines for cigarette smuggling amounted to €50,380, with an average fine of €593. A further forty-one convictions were secured for illegal selling of unstamped tobacco products with seven custodial sentences, of which four were suspended, and in addition two community service orders were imposed. Total fines for illegal selling amounted to €107,750, with an average fine of €2,912.

To date in 2011, a total of 98.05m cigarettes and 11,314kgs of tobacco have been seized. There have been ninety-three convictions for cigarette smuggling with thirty custodial sentences, of which nineteen were suspended and a further five community service orders, one of which is under appeal. Total fines for cigarette smuggling amounted to €128,550, with an average fine of €1,761. A further fifty-one convictions were secured for illegal selling of unstamped tobacco products, with twelve custodial sentences, of which seven were suspended. Total fines for illegal selling amounted to €107,850 with an average fine of €2,656.

With regard to the criminal sanctions available for prosecution of tobacco smuggling offences, the penalty on summary conviction for evasion of duty is €5,000 and/or a term of imprisonment not exceeding 12 months. The penalty on indictment is up to €126,970 and/or a term on imprisonment not exceeding 5 years, or, where the value of the product concerned is greater than €250,000, up to three times the value of the products. The monetary penalty of €126,970, which was sanctioned by the Oireachtas in the 2010 Finance Act, represents a significant increase on the previous monetary penalty of €12,695. Revenue reviews the relevant legislation on an annual basis in the context of Finance Act requirements and submits proposals to my Department as necessary.

As regards the penalty provisions of the 2010 Finance Act, I am advised that on account of the timeline involved in bringing cases to court stage on indictment, it is too early as yet to assess the impact of these penalties. The Deputy will also appreciate that the precise penalty imposed on conviction in any individual case is solely a matter for the Courts and I do not propose to make any comment in that regard.

The Commissioners inform me that they regard the tackling of the illicit tobacco trade as a high priority area. They have established a high level internal group, chaired at Commissioner level, to examine the risks related to tobacco products tax and to oversee and optimise the detection of contraband and counterfeit tobacco products. This group has promoted a number of initiatives aimed at counteracting the illicit trade in tobacco. These include improved profiling of passengers and freight to detect tobacco smuggling, the establishment of a tobacco hotline, co-ordinating national blitz-style operations, evaluation and acquisition of scanning and other detection technologies and learning from best international practice.

Tax Yield

77. **Deputy Michael McGrath** asked the Minister for Finance the basis of his calculation of a full-year yield of €670 million arising from the 2% increase in the standard rate of VAT; if his calculation takes account of any expected changes in consumer behaviour arising from the increase; the assumed change in the volume of sales as a result of the rate increase; and if he will make a statement on the matter. [40236/11]

Minister for Finance (Deputy Michael Noonan): I refer the Deputy to my response to his question on this topic on 24th November, 2011 (reference number 36891/11). The estimated additional yield from a 2% increase in the standard rate of VAT that I announced in my recent Budget speech is €560 million in 2012 or €670 million in a full year. These estimates were calculated by applying a direct increase of 2% to the expected yield from the 21% rate of VAT in 2011. They are “static” estimates in that they do not take into account any behavioural change on the part of taxpayers as a consequence of the rate change. However, the projection for personal consumption in 2012, upon which the Budget 2012 VAT forecast is primarily based, takes account of the rate change along with other factors affecting household spending (such as uncertainty and balance sheet rebuilding). The Budget 2012 forecast for VAT receipts, at €9,995 million, represents a €265 million or 2.7% increase on the estimated 2011 outturn.

Tax Collection

78. **Deputy Michael McGrath** asked the Minister for Finance if he will provide details of the proposed change to a cumulative basis for the collection of the universal social charge; the basis of his estimation of a €50 million yield from the measures in a full year; the way this change will impact on individual taxpayers; and the circumstances in which a person will end up paying more universal social charge arising from the change. [40237/11]

Minister for Finance (Deputy Michael Noonan): The position is that the Universal Social Charge (USC), as with the Income Levy before it, has operated on what is known as “a week-one” basis. The week-one basis allows for the collection of USC by employers on a weekly basis in a similar way to PRSI. This means that USC is deducted from each payment of weekly wages/salary, where the payment is greater than the exemption limit, at the rate of 2% up to €193, 4% between €194 and €308 and 7% from everything in excess of €309. The week-one basis was applied to the collection of the USC, to facilitate its speedy implementation. The week-one basis, however, is not ideally suited to the USC as the USC is a multi-rate tax that applies on a progressive basis to a person’s aggregate income for the year. The week one basis, in some cases can result in an underpayment of the USC. This happens, in particular, where a person has multiple employments or where wages/salary is paid unevenly throughout the year.

I am advised by the Revenue Commissioners that they intend to introduce Regulations that will require USC to be operated by employers on a full cumulative basis similar to that used for PAYE income tax with effect for all payments of wages/salary made on or after 1 January 2012. The estimation of a €50m yield from the move to a cumulative basis for the collection of the USC is based on an analysis by the Revenue Commissioners of income data relating to employees and of the employment patterns of employees.

The change to a cumulative system will ensure that employees with multiple employments or who only work for short periods in the year or who are paid irregularly, pay the correct amount of USC on each pay day. For example, if a person had two employments, each below the new proposed exemption rate of €10,036, on a week-one basis each employment would be dealt with in isolation and the person would pay no USC whatever in the year. If the cumulative pay for the two employments exceeded €16,016 the person should be paying USC at the rate

of 7% on the portion of their earnings in excess of €16,016. A similar issue could arise where a person was in receipt of irregular payments throughout the year.

For taxpayers, putting the USC on a cumulative basis means that:

- People changing employment and people in multiple employments will pay the correct amount of USC consistently throughout the year.
- The possibility of underpayments or overpayments of USC will be minimised.
- There will be a reduction in the administrative burden on employers due to a reduction in the cost of managing payroll. It will remove the need to perform end of year reconciliations for the purpose of providing refunds to employees where overpayments arise.

Banking Sector Regulation

79. **Deputy Simon Harris** asked the Minister for Finance if he will outline the statutory mechanisms and oversights which enable the State to compel financial institutions in which it has shareholdings to pass on ECB interest rate cuts; his views on whether the current statutory mechanisms are sufficient; if he intends to introduce reforms in this area; and if he will make a statement on the matter. [40242/11]

Minister for Finance (Deputy Michael Noonan): Neither I, as Minister for Finance, nor the Central Bank, have a statutory role in the setting of interest rates charged or paid by financial institutions regulated by the Central Bank. 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. Ultimately the pricing of financial products, including variable mortgage interest rates, is a commercial decision for the respective management teams and boards of the banks having given due regard to its customers and the State as majority shareholder.

In his recent letter to the Taoiseach, the Deputy Governor of the Central Bank stated that the Central Bank was not requesting the power to have regulatory control over the setting of retail interest rates. He indicated that the experience of such controls in the past, and in other countries, did not encourage the Central Bank to believe that such a regime would be advantageous in net terms as the banking system recovers its normal functioning. Binding controls tend to reduce availability of credit and channel it to the most creditworthy customers, starving smaller and less secure customers from credit. This could have an adverse effect on sound competition in the market. The Deputy Governor mentioned also that, within its existing powers and through the use of suasion, the Central Bank will engage with specific lenders which appear to have standard variable rates set disproportionate to their cost of funds.

Tax Code

80. **Deputy Brendan Griffin** asked the Minister for Finance his views on a matter (details supplied) regarding the universal social charge; if he will clarify the position regarding the examples given; and if he will make a statement on the matter. [40281/11]

Minister for Finance (Deputy Michael Noonan): The position is that the Universal Social Charge (USC) does not apply to social welfare payments or payments of a similar nature made by any other state or territory. However, I should point out that occupational pensions are liable to the USC, if the payment is greater than the exemption limit, which from 1 January 2012 is €10,036 per annum. In this particular case the retired couple in question receives a higher proportion of their total income from occupational pension than the retired couple in

[Deputy Michael Noonan.]

the newspaper article and therefore pays more USC. In both cases the State Pensions are exempt from the USC.

81. **Deputy Brendan Smith** asked the Minister for Finance the annual cost to the Exchequer of the VAT reductions announced earlier in the summer; if there was any monitoring to check that the VAT reductions were passed on; if such monitoring is still ongoing; if any action has been taken or is proposed against firms that reduced their charges for a few weeks following the VAT reduction and have since put their charges back up again; if the matter can be reported on; and if he will make a statement on the matter. [40284/11]

Minister for Finance (Deputy Michael Noonan): The Finance (No. 2) Act 2011 provided for a second reduced VAT rate, of 9%, on a temporary basis in respect of certain tourism-related services and goods for the period 1 July 2011 to end 2013. This measure was estimated to cost €120 million in 2011, €350 million in 2012 and in 2013, and €60 million in 2014. Businesses must account for VAT at the 9% rate on these specified goods and services provided by them on or after 1 July 2011. Where the goods and services are supplied to another VAT-registered business a VAT invoice must be issued, charging VAT at the new rate. However, where the supplies are to unregistered customers there is no obligation to show the VAT separately.

Businesses dealing with unregistered customers are not legally obliged to reduce their (VAT-inclusive) pricing to reflect the lower VAT rate, but would be expected to do so. However, in reducing the VAT burden on activities related to the tourism industry, the introduction of the 9% VAT rate is aimed at contributing towards boosting tourism and the creation of additional jobs in that sector. With this in mind, the VAT reduction will be kept under review and evaluated before end 2012 in order to determine its effectiveness in aiding the industry. If it is shown that the VAT reduction has little or no effect in aiding the industry then the measure is open to being reformed or abolished. In addition, checks on the correct operation of VAT, including the rates of VAT applied are integral parts of Revenue's audit and compliance programmes.

Banking Sector Regulation

82. **Deputy Finian McGrath** asked the Minister for Finance his views on a matter regarding Christmas bonus payments in respect of a person (details supplied). [40290/11]

83. **Deputy Finian McGrath** asked the Minister for Finance the reason the lowest paid staff at EBS are not receiving their 13 month payment when management received same. [40334/11]

Minister for Finance (Deputy Michael Noonan): I propose to take Questions Nos. 82 and 83 together.

I am advised by the institutions involved that the payments in question are considered bonus payments as per their description in the relevant contracts. On this basis, as the conditions governing the provision of State assistance to Allied Irish Banks (AIB) prohibit the payment or awarding of bonuses whatsoever, the bank took the view that it is not in a position to make such payments to employees of EBS (which since 1 July 2011 is a wholly owned subsidiary of AIB). I am informed by AIB that no such payments have been made to management since 1992 and no bonuses of any kind have been paid to this cadre of employee since 2008.

Third Level Sector

84. **Deputy Richard Boyd Barrett** asked the Minister for Education and Skills the reason a State body, UCD, is going to pay the wages of staff in the UCD restaurant who will be in the employment of a private company; and if he will make a statement on the matter. [40350/11]

Minister for Education and Skills (Deputy Ruairí Quinn): As the Deputy will be aware, UCD is an autonomous institution and the Minister has no role in its day to day management.

However I understand from the HEA that the current UCD restaurant staff will continue to remain employees of UCD and UCD has no plans to change this arrangement. Management are currently in discussion with SIPTU and will abide by any dispute resolution procedures as set out in the Croke Park Agreement.

School Staffing

85. **Deputy Seán Ó Fearghaíl** asked the Minister for Education and Skills the effect of the decision to introduce phased adjustments to the staffing schedules in one, two, three and four teacher schools from 2012-2013 on a school (details supplied) in County Kildare. [40020/11]

86. **Deputy Seán Ó Fearghaíl** asked the Minister for Education and Skills the effect of the decision to introduce phased adjustments to the staffing schedules in one, two, three and four teacher schools from 2012-2013 on a school (details supplied) in County Kildare. [40021/11]

87. **Deputy Seán Ó Fearghaíl** asked the Minister for Education and Skills the effect of the decision to introduce phased adjustments to the staffing schedules in one, two, three and four teacher schools from 2012-2013 on a school (details supplied) in County Kildare. [40022/11]

88. **Deputy Seán Ó Fearghaíl** asked the Minister for Education and Skills the effect of the decision to introduce phased adjustments to the staffing schedules in one, two, three and four teacher schools from 2012-2013 on a school (details supplied) in County Kildare. [40023/11]

89. **Deputy Seán Ó Fearghaíl** asked the Minister for Education and Skills the effect of the decision to introduce phased adjustments to the staffing schedules in one, two, three and four teacher schools from 2012-2013 on a school (details supplied) in County Kildare. [40024/11]

90. **Deputy Seán Ó Fearghaíl** asked the Minister for Education and Skills the effect of the decision to introduce phased adjustments to the staffing schedules in one, two, three and four teacher schools from 2012-2013 on a school (details supplied) in County Kildare. [40025/11]

91. **Deputy Seán Ó Fearghaíl** asked the Minister for Education and Skills the effect of the decision to introduce phased adjustments to the staffing schedules in one, two, three and four teacher schools from 2012-2013 on a school (details supplied) in County Kildare. [40026/11]

92. **Deputy Seán Ó Fearghaíl** asked the Minister for Education and Skills the effect of the decision to introduce phased adjustments to the staffing schedules in one, two, three and four teacher schools from 2012-2013 on a school (details supplied) in County Kildare. [40027/11]

93. **Deputy Seán Ó Fearghaíl** asked the Minister for Education and Skills the effect of the decision to introduce phased adjustments to the staffing schedules in one, two, three and four teacher schools from 2012-2013 on a school (details supplied) in County Kildare. [40028/11]

94. **Deputy Seán Ó Fearghaíl** asked the Minister for Education and Skills the effect of the decision to introduce phased adjustments to the staffing schedules in one, two, three and four teacher schools from 2012-2013 on a school (details supplied) in County Kildare. [40029/11]

95. **Deputy Seán Ó Fearghaíl** asked the Minister for Education and Skills the effect of the decision to introduce phased adjustments to the staffing schedules in one, two, three and four teacher schools from 2012-2013 on a school (details supplied) in County Kildare. [40030/11]

96. **Deputy Seán Ó Fearghaíl** asked the Minister for Education and Skills the effect of the decision to introduce phased adjustments to the staffing schedules in one, two, three and four teacher schools from 2012-2013 on a school (details supplied) in County Kildare. [40031/11]

97. **Deputy Seán Ó Fearghaíl** asked the Minister for Education and Skills the effect of the decision to introduce phased adjustments to the staffing schedules in one, two, three and four teacher schools from 2012-2013 on a school (details supplied) in County Kildare. [40032/11]

98. **Deputy Seán Ó Fearghaíl** asked the Minister for Education and Skills the effect of the decision to introduce phased adjustments to the staffing schedules in one, two, three and four teacher schools from 2012-2013 on a school (details supplied) in County Kildare. [40033/11]

99. **Deputy Seán Ó Fearghaíl** asked the Minister for Education and Skills the effect of the decision to introduce phased adjustments to the staffing schedules in one, two, three and four teacher schools from 2012-2013 on a school (details supplied) in County Kildare. [40034/11]

100. **Deputy Seán Ó Fearghaíl** asked the Minister for Education and Skills the effect of the decision to introduce phased adjustments to the staffing schedules in one, two, three and four teacher schools from 2012-2013 on a school (details supplied) in County Kildare. [40035/11]

101. **Deputy Seán Ó Fearghaíl** asked the Minister for Education and Skills the effect of the decision to introduce phased adjustments to the staffing schedules in one, two, three and four teacher schools from 2012-2013 on a school (details supplied) in County Kildare. [40036/11]

Minister for Education and Skills (Deputy Ruairí Quinn): I propose to take Questions Nos. 85 to 101, inclusive, together.

As part of the Budget decisions announced last week, the number of pupils required to gain and retain a teaching post in small primary schools will be gradually increased between September 2012 and September 2014. The schools concerned are those with four or less classroom teachers. It is important to emphasise that no small schools will be closed due to the changes that have been announced.

The pupil thresholds for DEIS Band 1 schools (disadvantage schools) are not as high as they reflect the newly introduced 22:1 staffing schedule. Reduced pupil thresholds will continue to apply in respect of schools that are the only primary school on an island. The phased adjustment is estimated to yield a saving of 250 teaching posts over the next three years, with 100 of these posts being removed in 2012/13 school year. The resulting surplus teachers will be redeployed to vacancies in other neighbouring schools in accordance with the redeployment arrangements. The phasing of these measures provides the schools concerned with time to consider the potential for amalgamation with other schools where this is feasible. We have a very significant number of small schools across the country. Due to the way the staffing schedule works at present, small primary schools benefit from significantly lower pupil teacher ratios than larger primary schools. For example, the minimum pupil threshold for the appointment of the second teacher in a 2-teacher school is currently 12 pupils. This means that this school has an average of 6 pupils in each of its 2 classes. The changes that we are introducing will mean that in September 2012 a minimum of 14 pupils will be required for the appointment of the second teacher in the 2 teacher school. The subsequent increases in September 2013 and September 2014 will increase this minimum pupil threshold to 20 pupils. Even when all of these phased increases are implemented the threshold will still be significantly lower than the minimum of 28 pupils that were required for the appointment of the second teacher in schools prior to the mid 1990's.

The existing staffing schedule also acts as a disincentive for small schools to consider amalgamation. We have to ensure that the very valuable but limited resources we have available in the system are used in the best and fairest way across the whole system. All areas of public spending have had to experience some adjustment given the scale of our economic crisis. Despite this challenge, the Government has sought to do this in as fair a way as possible.

European Globalisation Fund

102. **Deputy Pearse Doherty** asked the Minister for Education and Skills the total amount of money returned to or due to be returned to the European globalisation fund to date providing a breakdown of moneys returned by EGF application; and if he will make a statement on the matter. [40063/11]

Minister of State at the Department of Education and Skills (Deputy Ciarán Cannon): The total funding allocations for the following EGF programmes in support of eligible redundant workers in Ireland were as follows:

- Dell: €22.8m (of which the EGF maximum 65% contribution is €14.8m and the national co-funded element is almost €8.0m)
- Waterford Crystal: €3.96m (EGF €2.57m, national €1.39m)
- SR Technics: €11.46m (EGF €7.45m, national €4.01m)

An EGF Final Report and Statement of Eligible Expenditure are required to be submitted to the European Commission by the Irish authorities within 6 months of the end of the EGF implementation period. The first such report is for the Dell EGF programme and is due on 28 December 2011. It is only at that stage that final certified expenditure is notified to the European Commission and any unused funds identified where applicable.

The certification of final expenditure is ongoing and in this context, a number of claims from service providers are currently awaited or are being processed. As no EGF programme final report has yet been submitted to the EU, and no financial expenditure statements have yet been completed, any final EGF funding underspend has not yet been identified for these programmes. To date, on the basis of claims processed, my Department has paid out the following amounts on the three EGF programmes:

- Dell: €6.46m
- Waterford Crystal: €1.61m
- SR Technics: €1.30m

Whilst the final Dell programme expenditure certified is expected to double, it is clear at this stage that final expenditure will be significantly less than was originally expected could be used on that programme.

Physical Education Facilities

103. **Deputy Dominic Hannigan** asked the Minister for Education and Skills the grants available under any scheme for the purchasing of small items of equipment for outdoor activity with children who are involved in FÁS schemes or disadvantaged schools; and if he will make a statement on the matter. [40065/11]

Minister for Education and Skills (Deputy Ruairí Quinn): My Department is committed to the provision, maintenance and modernisation of physical education and physical activity facilities in our schools for our children and young people. In a new school building or refurbishment/extension, PE facilities are included as an intrinsic part of the design. While my Department currently has no specific grant schemes in place to provide funding for the purchase of outdoor equipment, primary schools received €2,000 each in PE equipment grants in 2006, at a total cost of €6.5 million. A similar grant of €4,000 per school, at an overall cost of around €3 million, issued to post-primary schools in 2007. In 2010 grant aid in excess of €16m issued to both primary and post-primary schools to allow each school address its own specific PE and outdoor equipment needs. It is also open to primary schools to use their annual minor works grant to purchase items of furniture and/or equipment. Individual primary schools received a grant in the sum of €5,500 plus €18.50 per pupil for the current school year.

Teaching Qualifications

104. **Deputy Billy Timmins** asked the Minister for Education and Skills the position regarding teachers who are studying for masters (details supplied); and if he will make a statement on the matter. [40073/11]

115. **Deputy Michael Creed** asked the Minister for Education and Skills if he will clarify the situation regarding entitlement to a salary allowance for teachers on the completion of a masters qualification; the eligibility for this allowance for students who have now completed the first year of their masters; if the proposed changes will exclude these from this entitlement; and if he will make a statement on the matter. [40168/11]

Minister for Education and Skills (Deputy Ruairí Quinn): I propose to take Questions Nos.104 and 115 together.

The Government announced as part of Budget 2012 that, pending completion of the public service-wide review of allowances, changes to teacher qualification allowances were being made with immediate effect. These changes will affect both existing teachers and new appointees in future. This decision was taken due to the upward pressure on the cost of teacher allowances. Without any changes, the cost of qualification allowances are expected to result in an additional €150 million increase in the cost of teacher salaries by 2020. To put this in context, the other reductions in education expenditure announced in Budget 2012 amount to €76 million. Without immediate action, this upward pressure would have cancelled out the savings made elsewhere in the education system and would bring about even harsher adjustments to schools and services.

This measure does not affect allowances currently being paid to existing teachers. However, those teachers will not be paid any additional allowance if they acquire any further qualification. The position of teachers who, on 5 December 2011, were undertaking courses will be considered in the context of the public service-wide review of allowances announced in Budget 2012 which is to be led by the Department of Public Expenditure and Reform. Any teacher being employed for the first time in a recognised school will not be able to obtain an allowance at a level greater than that applying to those who hold an honours degree. This means that qualifications at Masters or Doctorate level will not be paid, and those who hold a H.Dip will not be permitted through any combination of allowances to exceed the level of allowance payable in respect of an honours degree. Where a teacher on first appointment is eligible for payment of an allowance below that equivalent to honours degree level he or she will, in common with existing teachers, not be paid any additional allowance should he or she acquire a further qualification. My Department will be publishing information on this matter for teachers and schools on www.education.ie within the next week.

Special Educational Needs

105. **Deputy Charlie McConalogue** asked the Minister for Education and Skills the reason an all girls' school will get four hours per week learning support, for each mainstream post compared to five hours per week for mixed schools and all boys' schools; and if he will make a statement on the matter. [40074/11]

Minister for Education and Skills (Deputy Ruairí Quinn): I wish to advise the Deputy that the revised arrangements, which will update schools' General Allocation Model (GAM) allocations, based on the number of class teaching posts in schools for the previous year, reflect existing arrangements whereby differing pupil teacher ratios applied under the GAM in relation to boys, girls and mixed schools in order to account for differentials of prevalence of learning difficulty between boys and girls. The rationale for the differing ratios is based on international literature on the incidence of disability as well as international and national surveys of literacy and numeracy which indicate that there is a greater incidence of disability/learning difficulty in boys than girls. The applicable ratios which had previously applied are set out in Circular SP ED 02/05, available on www.education.ie.

The NCSE Report on the Implementation of the Education for Persons with Special Educational Needs Act, of 2006, also examined a range of sources to establish prevalence rates, including national databases, local and international studies and expert estimates, which indicated significantly higher rates of Mild General Learning Difficulty and Specific Learning Disability prevailing in boys, in comparison to girls.

Educational Disadvantage

106. **Deputy Charlie McConalogue** asked the Minister for Education and Skills if the post of administrative principal in DEIS 2 schools will be retained following changes announced as part of budget 2012; and if he will make a statement on the matter. [40076/11]

107. **Deputy Charlie McConalogue** asked the Minister for Education and Skills if DEIS 2 schools will be subject to mainstream staffing schedules as a result of changes announced in budget 2012; and if he will make a statement on the matter. [40077/11]

Minister for Education and Skills (Deputy Ruairí Quinn): I propose to take Questions 106 and 107 together.

Given the scale of our economic crisis, adjustments have had to be made across all areas of the public sector. Despite this challenge, the Government has sought to do this in as fair a way as possible. We have protected the pupil-teacher ratio at primary level, prioritised targeted support for the most disadvantaged schools and maintained the overall number of resource teachers and SNAs to support children with special needs.

While DEIS schools are not immune to budgetary measures, a key priority for me is to continue to prioritise and target funding at schools with the most concentrated levels of educational disadvantage. In order to ensure fairness in the distribution of resources available under the DEIS plan, it is no longer possible to allow some schools to retain legacy posts on a concessionary basis that pre-date the introduction of DEIS. A range of measures has been announced to withdraw supports (428 posts) from earlier disadvantage programmes/schemes in 270 primary schools and 163 post primary schools, both DEIS and Non-DEIS that exceed what equivalent schools are entitled to under DEIS or to which non-DEIS schools are not entitled. These measures will take effect from the 2012/13 school year.

[Deputy Ruairí Quinn.]

Some phasing arrangements will be available for those schools considered to be most acutely affected by these changes. Schools will be notified in January 2012 of their staffing entitlements under the new arrangement for 2012/12, including any phasing arrangements that may apply. All Band 2 urban DEIS Schools will be subject to the mainstream staffing schedule from 2012/13 onwards. DEIS Urban Band 2 schools are currently entitled to the allocation of administrative principals on lower enrolment and staffing figures than apply in primary schools generally. From 2012/13 school year, the allocation of administrative principals will be enrolment based only. In DEIS Urban Band 2 schools, an enrolment of 145 pupils will facilitate the principal becoming an administrative principal, compared to 178 in other schools. Schools affected by the change to allocating administrative principals on enrolment basis only, will retain their administrative principal status until there is a change of principal in the school. When an administrative principal post needs to be filled in future, the allocation will be made on an enrolment basis only.

The Government's protection of schools serving disadvantaged areas is further underlined by the maintenance of €13 million in enhanced funding for DEIS schools, €2 million in school book funding for DEIS schools, as well as a €26 million investment in the Home School Community Liaison scheme. All of these areas have been protected from reductions in expenditure for 2012.

Special Educational Needs

108. **Deputy Charlie McConalogue** asked the Minister for Education and Skills if he will clarify if it is the base school which needs the 15 hours to retain the full time special education needs resource post; and if he will make a statement on the matter. [40078/11]

109. **Deputy Charlie McConalogue** asked the Minister for Education and Skills the number of full time learning support posts a school is entitled to if they have 28 allocation hours as a result of budget 2012; and if he will make a statement on the matter. [40079/11]

Minister for Education and Skills (Deputy Ruairí Quinn): I propose to take Questions Nos. 108 and 109 together.

The Deputy will be aware that as part of the budget announcements the teacher allocation processes will be reformed to provide greater autonomy to schools and to facilitate and simplify the work involved in creating shared posts, and in carrying out redeployment and recruitment. As part of this process 1,600 primary schools throughout the country will be identified by the Department as base schools for about 2,450 full-time resource only posts to cater for allocations determined by the National Council for Special Education (NCSE).

A school's approved NCSE allocation for the current school year will be used as a basis for the distribution of these full-time resource posts (which comprise 25 hours of teaching time) throughout the school system. The teachers in these full-time permanent posts will undertake NCSE approved resource hours in the base schools or in neighbouring schools. Through his/her role in allocating resources the local SENO will have an oversight role in relation to the sharing arrangements between schools so that they operate as efficiently as possible and time loss due to travel between schools can be kept to a minimum. Schools that are unable to have their NCSE approved resource hours met from this network of full-time resource posts will be allocated mainly part-time temporary posts. My Department will be notifying schools in January of the new staffing arrangements for 2012/13 school year.

European Globalisation Fund

110. **Deputy Pearse Doherty** asked the Minister for Education and Skills if he or anyone acting on behalf of his Department has written to or made contact with the 9,000 workers made redundant in the NACE 41 Construction of Buildings, NACE 43 Specialised Construction Activities and NACE 71 Architectural Services construction sub-sectors between 1 July 2009 and 31 March 2010 and in whose name an application was made to the European globalisation fund; and if he will make a statement on the matter. [40109/11]

111. **Deputy Pearse Doherty** asked the Minister for Education and Skills if he will provide a county by county breakdown of the location of the 9,000 workers made redundant in the NACE 41 Construction of Buildings, NACE 43 Specialised Construction Activities and NACE 71 Architectural Services construction sub-sectors between 1 July 2009 and 31 March 2010 in whose name an application to the European globalisation fund has been made; and if he will make a statement on the matter. [40111/11]

Minister of State at the Department of Education and Skills (Deputy Ciarán Cannon): I propose to take Questions Nos. 110 and 111 together.

The Deputy is referring to an application for funds under the European Globalisation Fund made by the previous government for the purposes of helping construction workers made redundant between July 2009 and March 2010. A breakdown by county of former employment location of the redundant workers included in the EGF applications for the NACE 41 Construction of Buildings, NACE 43 Specialised Construction Activities and NACE 71 Architectural Services construction sub-sectors is set out as follows. My Department has not notified any of the identified redundant workers to date. However, it is intended that letters notifying all persons who are eligible for EGF co-financed assistance of a number of new supports being made available to them will issue very shortly.

Employment County	No. persons
Carlow	217
Cavan	169
Clare	152
Cork	1,268
Donegal	162
Dublin	2,661
Galway	430
Kerry	220
Kildare	429
Kilkenny	303
Laois	121
Leitrim	41
Limerick	369
Longford	43
Louth	163
Mayo	195
Meath	417
Monaghan	73
Offaly	65
Roscommon	77
Sligo	75

[Deputy Ciarán Cannon.]

Employment County	No. persons
Tipperary	271
Waterford	336
Westmeath	135
Wexford	353
Wicklow	179
Outside Ireland	1

Vocational Education Committees

112. **Deputy Noel Harrington** asked the Minister for Education and Skills the number of legal cases taken against County Cork Vocational Education Committee, VEC, in each of the years since 2000 relating to employment legislation; the number of these cases in which findings were made against County Cork VEC in each year; the legal costs and penalties in each of these cases for each year to the County Cork VEC; and if he will make a statement on the matter. [40115/11]

Minister for Education and Skills (Deputy Ruairí Quinn): The Deputy will appreciate that the information requested by him is not held by my Department, as such cases are a matter for County Cork VEC. My officials have contacted the VEC and have ascertained that it would require an inordinate amount of administrative time to compile the information sought.

113. **Deputy Noel Harrington** asked the Minister for Education and Skills if his attention has been drawn to the steps that County Cork Vocational Education Committee has taken following a court case (details supplied) to prevent any further occurrences of this practice; if he is satisfied that this practice has now been discontinued; and if he will make a statement on the matter. [40116/11]

Minister for Education and Skills (Deputy Ruairí Quinn): I understand that the outcome of the case referred to is currently the subject of a judicial review application before the High Court. It would therefore be inappropriate for me to comment on the matter at this time.

School Accommodation

114. **Deputy Joe Higgins** asked the Minister for Education and Skills further to Parliamentary Question No. 89 of 20 April 2011, the location in Dublin 15 that it is envisaged to locate the gaelscoil in 2012. [40164/11]

Minister for Education and Skills (Deputy Ruairí Quinn): As the Deputy is aware, approval has been given for the opening of a new gaelscoil under the patronage of An Foras Pátrúnachta in Dublin 15 in September 2012. The new school will serve the Mulhuddart Area. Arrangements for accommodation for this school are currently being advanced by my Department.

Question No. 115 answered with Question No. 104.

Departmental Expenditure

116. **Deputy Arthur Spring** asked the Minister for Education and Skills the amount of money spent by him on public relations companies each year since 2006. [40177/11]

Minister for Education and Skills (Deputy Ruairí Quinn): The information requested is not currently available. My Department's officials will collate the relevant material and I will forward a final response to the Deputy as soon as possible.

117. **Deputy Arthur Spring** asked the Minister for Education and Skills the amount of money spent by him on advertising with international, national and local media for each year since 2006. [40193/11]

Minister for Education and Skills (Deputy Ruairí Quinn): My Department incurs expenditure on public advertisements in connection with a wide range of educational programmes and schemes including, staff appointments in the education sector; invitations to attend local hearings; invitations to forward submissions on education-related schemes/projects; invitations to tender for school building projects. The amount of money (to the nearest thousand euro) spent by my Department on advertising for each of the years 2006 to 2011 (to date) is as follows: 2011 — €95,000 (to end November); 2010 — €105,000; 2009 — €77,000; 2008 — €340,000; 2007 — €816,000; 2006 — €800,000.

Higher Education Grants

118. **Deputy Brendan Smith** asked the Minister for Education and Skills if a person (details supplied) who hopes to commence a four year degree course next October and previously did a two year diploma in DIT-VEC, 2004 to 2006, still qualifies for full or partial free fees or full maintenance grants; if the person has an entitlement to all services and grants which are available to a mature student; and if he will make a statement on the matter. [40224/11]

Minister for Education and Skills (Deputy Ruairí Quinn): The decision on eligibility for a student grant is a matter for the relevant grant awarding authority. The Deputy will appreciate that in the absence of all of the relevant details that would be contained in an individual's application form it would not be possible for me to say whether or not a student would qualify for a student grant. However, to satisfy the terms and conditions of the student grant scheme in relation to progression, a student must be moving from year to year within a course having successfully completed the previous year or be transferring from one course to another where the award for the subsequent course is of a higher level than the previous course.

The objective of this policy is to help as many students as possible in obtaining one qualification at each level of study thereby increasing their employment prospects. Ultimately, a student must apply to his/her grant awarding authority to have their eligibility for a grant assessed.

Under my Department's Free Fees Schemes tuition fees are not paid in respect of a student pursuing a second undergraduate course. However, where a student already holds a Level 6 or Level 7 qualification and is now progressing to a Level 8 course without necessarily having received an exemption from the normal duration of the course they may be deemed eligible for free fees. The actual determination of a student's eligibility for free fees is a matter for the third level institution to which a student wishes to attend.

Schools Building Projects

119. **Deputy Michael McGrath** asked the Minister for Education and Skills the position regarding an extension to a primary school (details supplied) in County Cork; and when construction work is expected to commence. [40282/11]

Minister for Education and Skills (Deputy Ruairí Quinn): The Deputy will be aware from my previous response to him in September that this project is at an advanced stage of the tender process. The project's Design Team is currently addressing a number of technical issues that have arisen in relation to access to the site. These issues need to be resolved before the project can progress to construction.

120. **Deputy Martin Heydon** asked the Minister for Education and Skills the progress being made and the proposed timeline for a decision on refurbishment works and an extension for a school (details supplied) in County Kildare; and if he will make a statement on the matter. [40348/11]

Minister for Education and Skills (Deputy Ruairí Quinn): A major building project for the school referred to by the Deputy was included in the School Buildings Work Programme for 2011 announced last January and the process of appointing a Design Team will commence shortly.

The current position of all projects on the school building programme, including this project may be viewed on my Department's website at *www.education.ie*. Details in relation to projects are updated regularly during the year.

Garda Stations

121. **Deputy Jonathan O'Brien** asked the Minister for Public Expenditure and Reform the amount of money spent on refurbishment of Loughlinn Garda station, County Roscommon; and his future plans for this station. [40103/11]

124. **Deputy Dara Calleary** asked the Minister for Public Expenditure and Reform the full expenditure to date on a project (details supplied); and if he will outline in a tabular basis showing construction, design costs and any other cost. [40119/11]

Minister of State at the Department of Public Expenditure and Reform (Deputy Brian Hayes): I propose to take Questions Nos. 121 and 124 together.

Prior to the decision being taken by Government in December 2011 that Loughglynn Garda Station is to be closed, the Commissioners of Public Works had awarded contracts for maintenance works, consisting primarily of asbestos removal and the replacement of windows, in September 2011.

The expenditure to date is as follows:

Classification of works	Cost	VAT	Total
Fascia, soffit repair, window replacement and consequential internal repairs.	€19,800.00	€2,673.00	€22,473.00
Minor electrical works associated with above works	€2,046.00	€276.21	€2,322.21

On completion of the electrical works and the asbestos removal works further expenditure of €37,750 approx., is expected.

No decision has yet been taken as to the future of this property when vacated by An Garda Síochána. I have asked my Office to set out on a case by case basis the potential uses for this and other Garda properties. I have an open mind as to their future use.

Public Private Partnerships

122. **Deputy John Browne** asked the Minister for Public Expenditure and Reform his views

on the future of public private partnerships and the role that they will play in the building of roads, schools and Government projects in the future; and if he will make a statement on the matter. [40274/11]

Minister for Public Expenditure and Reform (Deputy Brendan Howlin): It is my view that Public Private Partnerships (PPPs) can continue to play a valuable role in delivering public infrastructure alongside more traditional procurement. PPP procurement represents the most suitable method for securing additional private financing for capital investment as there is a degree of familiarity with the PPP process, and we have already put in place the legislative, guidance and institutional framework. Assuming that a project itself makes sense, what the State wants from PPPs is efficiency, speedy delivery and most importantly value for money.

The PPP model has provided roads, schools and water services on a value for money basis and that are delivered on time. While access to PPP funding is difficult to secure in the current economic environment it remains an option to complement Exchequer funding when circumstances allow. Such proposals would of course have to be on the right terms for the tax payer.

I understand that a preferred bidder has been selected for Schools bundle 3 and a further two schools bundles are being prepared which were announced as part of the Jobs Initiative. In addition as outlined in the Infrastructure and Capital Investment Framework which I published on 10 November, the National Roads Authority is seeking to progress a number of roads projects as PPPs, the most advanced of which are the N11/Newlands Cross Interchange and the N17 Gort/Tuam.

Departmental Contracts

123. **Deputy Eric Byrne** asked the Minister for Public Expenditure and Reform the policy of the Office of Public Works in respect of ensuring that all contractors awarded projects under its remit have discharged all obligations to employees and former employees when a decision of an industrial relations forum, that is, the EAT, LRC, Labour Court, awards compensation under statutory employment law, or when it is brought to its attention of a failure to do so, the OPW's procedures for ensuring those awards are discharged in full. [40041/11]

Minister of State at the Department of Public Expenditure and Reform (Deputy Brian Hayes): In engaging contractors, the Office of Public Works (OPW) complies with the procedures and requirements of the Department of Finance Capital Works Management Framework, the system within which all public sector bodies operate.

Following the award of a contract, OPW is required to ensure that the Conditions of Contract are fully observed. The provisions of Par 5.3.3 of the standard Capital Works Management Framework contract documentation are of particular reference to the issue raised by the Deputy. The discharge of any invoices presented would be contingent on the Contractors' ongoing compliance with these requirements.

Question No. 124 answered with Question No. 121

Flood Relief

125. **Deputy Dara Calleary** asked the Minister for Public Expenditure and Reform the projects that were discussed during his recent visit to County Mayo; and if a specific project (details supplied) was discussed. [40155/11]

126. **Deputy Dara Calleary** asked the Minister for Public Expenditure and Reform the progress on a project (details supplied) in County Mayo; and if he will outline the delays blocking progress of same. [40156/11]

Minister of State at the Department of Public Expenditure and Reform (Deputy Brian Hayes): I propose to take Questions Nos. 125 and 126 together.

During my recent visit to County Mayo I met a deputation to discuss the flooding problem at Roundfort / Hollymount. As outlined in my response to Question number 102 on 6th December, 2011, the position in relation to that scheme is that the Office of Public Works are continuing to refine the proposals in order to address the concerns of the National Parks and Wildlife Service regarding potential impacts of the works on water levels in turloughs in the area.

No discussions took place during my visit regarding the proposed flood relief scheme for Crossmolina. The position in relation to that scheme is that the OPW has carried out a preliminary examination of potential mitigation options. Consultants will be commissioned in the Spring to develop these options and to carry out a cost benefit analysis with a view to putting detailed proposals on public exhibition in Autumn 2012.

As indicated in my announcement last Friday, the allocation for flood risk management and mitigation in the Government's Infrastructure and Capital Investment Framework 2012-2016 will enable the OPW to continue to progress both of these schemes.

Departmental Staff

127. **Deputy Alan Farrell** asked the Minister for Public Expenditure and Reform the cost or estimate of the cost of increments paid to staff for 2010, 2011 and 2012 in his Department to date in tabular form; and if he will make a statement on the matter. [40166/11]

Minister for Public Expenditure and Reform (Deputy Brendan Howlin): In the timeframe allowed, it is not possible to provide the information required by the Deputy. However, the information will be forwarded directly to the Deputy as soon as possible.

Departmental Expenditure

128. **Deputy Arthur Spring** asked the Minister for Public Expenditure and Reform the amount of money spent by him on public relations companies each year since 2006. [40184/11]

129. **Deputy Arthur Spring** asked the Minister for Public Expenditure and Reform the amount of money spent by him on advertising with international, national and local media for each year since 2006. [40200/11]

Minister for Public Expenditure and Reform (Deputy Brendan Howlin): I propose to take Questions Nos. 128 and 129 together.

Since its establishment in July 2011 my Department has had no expenditure on public relations companies. It has spent €13,525 on advertising, in relation to entry into the 2012 State Directory.

The Deputy should note, that expenditure from 2006 to July 2011 for my Department is covered by material provided by the Department of Finance, given that the Department of Public Expenditure and Reform was not officially established until last July.

Information and Communications Technology

130. **Deputy Dan Neville** asked the Minister for Jobs, Enterprise and Innovation regarding a draft statutory instrument which he published in June 2011 for consultation regarding the practical solution of seeking Internet service providers to act reasonably to preclude customers from copyright theft, illegal downloading, when he intends signing same. [40038/11]

132. **Deputy Olivia Mitchell** asked the Minister for Jobs, Enterprise and Innovation the outcome of the consultation on the draft statutory instrument requiring Internet service providers to exclude customers committing digital copyright theft; if there is a timescale for the signing of the statutory instrument; and if he will make a statement on the matter. [40170/11]

Minister of State at the Department of Jobs, Enterprise and Innovation (Deputy Sean Sherlock): I propose to take Questions Nos. 130 and 132 together.

The public consultation process referred to attracted more than 50 submissions from interested parties on this subject. Several of these submissions contained legal arguments in regard to the issue as well as comments in respect of the draft statutory instrument which was published as part of the consultation process. These comments were forwarded by my Department to the Office of the Attorney General for consideration.

I consider that there is further work to be done on the issue between my Department and the Office of the Attorney General.

It is an issue on which there is interaction between rights holders, the internet service providers (ISPs) and the end users, of whom there are millions.

We must ensure that we get the balance right and that the legislation is correct in this area. I have been holding discussions with a number of the stakeholders, in this regard, and I hope to be in a position to finalise this matter by the middle of January 2012.

Work Permits

131. **Deputy Terence Flanagan** asked the Minister for Jobs, Enterprise and Innovation the position regarding a work permit in respect of a person (details supplied); and if he will make a statement on the matter. [40161/11]

Minister for Jobs, Enterprise and Innovation (Deputy Richard Bruton): My Department processes applications in respect of the different types of employment permits and all applications are processed in line with the Employment Permits Act 2006. I wish to advise the Deputy that this Work Permit application was refused on the 26th July 2011 on the grounds that it is current Government policy to issue new employment permits only in respect of:

- highly skilled, highly paid positions or;
- non-EEA nationals who are already legally resident in the State on valid employment permits or;
- positions requiring specialist or scarce skills, expertise or qualifications which cannot be filled otherwise.

Furthermore, new Work Permit applications can only be considered where it is established that the position has been advertised with FAS/EURES for a period of 8 weeks and for at least six days in both local and national newspapers. In addition, it appeared from the information supplied that the proposed employee's immigration permission in the State precluded them from entering fulltime employment.

The applicant was notified of this decision in writing and of their right to appeal within 21 days. As no appeal was received in the Employment Permits Section within this timeframe the fees in this case were refunded to the applicant.

In these circumstances, therefore, this application cannot be re-visited.

Question No. 132 answered with Question No. 130.

Departmental Expenditure

133. **Deputy Arthur Spring** asked the Minister for Jobs, Enterprise and Innovation the amount of money spent by him on public relations companies each year since 2006. [40182/11]

Minister for Jobs, Enterprise and Innovation (Deputy Richard Bruton): The total spend of my Department and the Offices of my Department on Public Relations companies for each year since 2006 is as follows:—

Year	Public Relations Costs
2006	€142,997
2007	€296,216
2008	€147,900
2009	€20,303
2010	€29,011
YTD 2011	€18,226

The expenditure levels for the period 2006 to 2008 are higher than those recorded in subsequent years, due to a number of distinct promotional campaigns that were undertaken relating to the National Minimum Wage; the ICT Audits Programme for Small Business and broadcast media services for Employment Information Services being offered by NERA (National Employment Rights Authority).

134. **Deputy Arthur Spring** asked the Minister for Jobs, Enterprise and Innovation the amount of money spent by him on advertising with international, national and local media for each year since 2006. [40198/11]

Minister for Jobs, Enterprise and Innovation (Deputy Richard Bruton): The total spend of my Department and the Offices of my Department on public advertisements in national and local media for each year since 2006 is as follows:—

Year	Advertising Costs
2006	€723,192
2007	€760,895
2008	€457,926
2009	€255,446
2010	€113,035
YTD 2011	€131,610

These figures include the cost of all public advertisements undertaken in print media, broadcast media and internet media.

The expenditure levels for 2006 and 2007 are higher than those recorded in subsequent years, due in part to the fact that the ODCA and the Interim NCA Board advertising spends are included in these totals. They are not included in subsequent years, as the NCA was established on a separate statutory footing from 01 May 2007; and from then had a separate advertising budget. In addition, NERA (National Employment Rights Authority) also undertook a significant broadcast media campaign in 2007, to raise public awareness of its Employment Information Services.

Pension Provisions

135. **Deputy Brendan Smith** asked the Minister for Social Protection if she will clarify the matter of qualified adult allowance payments to a person on contributory State pension; if the person qualifies for QAA irrespective of income; if the person's spouse's personal income is the only relevant means testing considered and is the spouse assessed with any portion of the spouse's private or total income. [40059/11]

Minister for Social Protection (Deputy Joan Burton): Entitlement to state pension (contributory) is based on the number of contributions paid by the recipient over the duration of his/her working life. It entitles the recipient to a personal rate of pension (i.e. the amount payable to a single person with no dependants) regardless of any other means or income that they have.

An increase may also be paid in respect of a dependent adult, provided the dependent adult satisfies a means test. A full increase for a qualified adult (IQA) is payable where the dependent spouse's income is less than €100 per week — income from employment, self-employment, savings, investments and capital is taken into account. A reduced IQA is payable when the dependent spouse's income is between €100 and €310 per week.

The income of the pensioner who paid PRSI and qualifies for the state pension is not taken into account in the assessment for an IQA. Where capital is held jointly by a couple, half of the value is assessed as means for the IQA.

Social Welfare Benefits

136. **Deputy Joe Higgins** asked the Minister for Social Protection the number of persons in receipt of mortgage interest supplement; and the criteria for awarding same. [40081/11]

Minister for Social Protection (Deputy Joan Burton): There are currently over 18,900 households benefiting from the mortgage interest supplement scheme for which €77.2m has been allocated for 2011.

A person may be entitled to a supplement towards the amount of mortgage *interest* payable in respect of his or her residence provided that:

- The loan agreement was entered into at a time when, in the opinion of the Department, the person was in a position to meet the repayments.
- The residence in respect of which the loan is payable, is not offered for sale
- He or she is habitually resident in the State

The Department must be satisfied in all cases that:

- The amount of the mortgage interest payable by the claimant does not exceed such amount as the Department considers reasonable to meet his or her residential and other needs.
- It is reasonable to award a supplement having regard to the amount of any arrears outstanding on the loan.

Budget 2012 announced changes to the mortgage interest supplement scheme. The minimum contribution that all households are required to pay has been increased by €6 to €30 per week for a single person. The minimum contribution payable for all couples categories will be increased by a further €5, to €35 per week.

[Deputy Joan Burton.]

Receipt of mortgage interest supplement will also be deferred for 12 months while the person engages with the Mortgage Arrears Resolution Process. This approach is consistent with the recommendations of the Mortgage Arrears and Personal Debt Group and the Inter-Departmental Working Group on Mortgage Arrears.

Social Welfare Appeals

137. **Deputy Caoimhghín Ó Caoláin** asked the Minister for Social Protection if she will request the social welfare appeals office to reschedule, as speedily as possible, a date for oral hearing in respect of the disability allowance appeal of a person (details supplied) in County Monaghan. [40083/11]

Minister for Social Protection (Deputy Joan Burton): The Social Welfare Appeals Office has advised me that an oral hearing was scheduled for the person concerned on 3rd October 2011. The appellant notified the Social Welfare Appeal that he had a hospital appointment on the same day and the Oral Hearing was duly cancelled. The case has been re-listed for an oral hearing and will be re-scheduled at the earliest available date.

There has been a very significant increase in the number of appeals received by the Social Welfare Appeals Office since 2007 when the intake was 14,070 to 2010 when the intake rose to 32,432. This has significantly impacted on the processing time for appeals which require oral hearings and, in order to be fair to all appellants, they are dealt with in strict chronological order.

While every effort is being made to deal with the large numbers awaiting oral hearing as quickly as possible, it is not possible to give a date when the person's oral hearing will be heard, but s/he will be informed when arrangements have been made.

The Social Welfare Appeals Office functions independently of the Minister for Social Protection and of the Department and is responsible for determining appeals against decisions on social welfare entitlements.

138. **Deputy Bernard J. Durkan** asked the Minister for Social Protection if and when a decision will issue in respect of an appeal for disability allowance in the case of a person (details supplied) in County Kildare; and if she will make a statement on the matter. [40085/11]

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 he was medically unsuitable for the allowance. An appeal was registered on 23rd November 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 of the Department and is responsible for determining appeals against decisions on social welfare entitlements.

Social Welfare Benefits

139. **Deputy Jack Wall** asked the Minister for Social Protection the position regarding a carer's allowance in respect of a person (details supplied) in County Kildare; and if she will make a statement on the matter. [40121/11]

Minister for Social Protection (Deputy Joan Burton): I confirm that the department has received three separate applications for carer's allowance from the person concerned in respect of three care recipients, including the person mentioned above.

Her file has been referred to an investigative officer of the Department who has been asked to report and confirm whether all conditions for receipt of carer's allowance are satisfied in respect of the applicant and the three care recipients.

On completion of the necessary investigations relating to all aspects of her claims a decision will be made and she will be notified directly of the outcome.

Employment Support Services

140. **Deputy Seán Ó Fearghaíl** asked the Minister for Social Protection the number of community employment and job initiative schemes currently operational in County Kildare; the number of participants in each scheme; and if she will make a statement on the matter. [40123/11]

Minister for Social Protection (Deputy Joan Burton): Community employment (CE) helps long-term unemployed people to re-enter the active workforce by breaking their experience of unemployment through a return to work routine. Some 1,100 organisations in the community, voluntary and not-for-profit sectors provide work and training placements for participants nationwide. The number of placements available during 2011, including supervisor positions, was of the order of 23,300. Places are allocated regionally to reflect the underlying level of unemployment.

Current information on community employment and job initiative (JI) schemes operational in County Kildare and the numbers of participants and supervisors engaged is set out in the tables below. In delivering these placements, the Department of Social Protection/FÁS will continue to operate with sponsor organisations in a flexible manner in order to maximise progression to the labour market and ensure placements are fully utilised, while at the same time facilitating support for the delivery of community services.

TABLE 1 — Details of Community Employment Placements in Co. Kildare

Sponsor	Contract Duration		Participants	Supervisors
	Start	Finish		
Cill Dara Ar Aghaidh Teo	14.11.2011	09.11.2012	18	1
Oval And Round Ltd	28.02.2011	24.02.2012	26	2
Athy Community Council	03.10.2011	28.09.2012	22	1
Cuan Mhuire Teoranta	05.12.2011	30.11.2012	22	2
Carbury CE Scheme Ltd	27.06.2011	22.06.2012	14	1
Castledermot CE Ltd	05.12.2011	30.11.2012	14	1
St. John Of God	07.11.2011	02.11.2012	13	1
Celbridge Community Centre Ltd	05.12.2011	30.11.2012	22	1
Irish Wheelchair Assoc D.3	28.03.2011	23.03.2012	24	1
Curragh Area CE Project Ltd	22.08.2011	17.08.2012	18	1
Balyna Rural Enterprise Development Ltd	11.04.2011	06.04.2012	18	1
Broad/Clogh/Johnstownbridge CE	28.11.2011	23.11.2012	15	1
North Kildare Leisure Club Ltd	04.04.2011	30.03.2012	26	1
Kilcullen Area CE Ltd.	20.06.2011	15.06.2012	20	1
Kilmead Community Development Group Ltd.	24.01.2011	20.01.2012	18	1

[Deputy Joan Burton.]

Sponsor	Contract Duration		Participants	Supervisors
	Start	Finish		
Nurney/Kildangan CE Project Ltd	14.11.2011	09.11.2012	21	1
Kildare Town Sports CE Co Ltd	13.06.2011	08.06.2012	15	1
Allen Area CEP Ltd	21.03.2011	16.03.2012	30	1
The Leixlip Amenities Group Ltd	28.03.2011	23.03.2012	20	1
Kildare Centre For Unemployed Ltd	24.10.2011	19.10.2012	16	1
Leixlip Ballyoulster Utd	21.11.2011	16.11.2012	22	1
Lullymore Heritage Park CE	17.10.2011	12.10.2012	20	1
Maynooth Community Council	27.12.2010	23.12.2011	12	1
Maynooth Environmental Group Ltd	05.12.2011	30.11.2012	15	1
Monasterevin Parish CEP Ltd	28.11.2011	23.11.2012	27	2
Kildare Youth Services Ltd	14.03.2011	09.03.2012	19	2
Rathmore Area CE Ltd	18.04.2011	13.04.2012	15	1
Kildare Cent For The Unemployed Ltd	17.01.2011	13.01.2012	34	2
Ballymany Area Project Ltd	06.06.2011	01.06.2012	24	1
Kare CE Project	31.10.2011	26.10.2012	16	1
Prosperous Area CE Project Ltd	04.07.2011	29.06.2012	18	1
Rathangan CE Group Ltd	07.03.2011	02.03.2012	15	1
Total			629	37

TABLE 2 — Details of Job Initiative in Co. Kildare

Sponsor	Start	Finish	Participants	Supervisors
Athy Community Council	01.08.2011	27.07.2012	17	1
Total			17	1

Departmental Staff

141. **Deputy Alan Farrell** asked the Minister for Social Protection the cost or estimate of the cost of increments paid to staff for 2010, 2011 and 2012 in her Department to date in tabular form; and if she will make a statement on the matter. [40167/11]

Minister for Social Protection (Deputy Joan Burton): The majority of civil servants commence their employment in the civil service on a pay scale that provides for annual increments up to a maximum point when they are regarded as having the full capacity for their role. The annual increment is normally paid on the anniversary of appointment provided performance, which includes attendance and punctuality during the year, is satisfactory.

There is currently a total of 6,042 staff serving in my Department. The estimated cost to the payroll to provide for the payment of increments to eligible staff for the periods requested is set out in the following table.

Year	2010	2011	2012
Number of increments	2,176	2,368	2,585
Estimated value of increments	€1,490,890	€1,400,000	€1,200,000

The estimate for 2012 is in respect of Department of Social Protection staff only and does not take account of the Community Welfare Service staff that transferred into my Department on 1 October 2011. The additional estimate for the provision of increments to these staff is being prepared. The estimate for the provision of increments to the officers transferring from FÁS on 1st January 2012 cannot be included as the personal details of the officers concerned are not yet available to my Department.

Departmental Expenditure

142. **Deputy Arthur Spring** asked the Minister for Social Protection the amount of money spent by her on public relations companies each year since 2006. [40185/11]

Minister for Social Protection (Deputy Joan Burton): The Department's press office generally deals with all media queries and public relations matters. No money has been spent by my Department on public relations companies since 2006.

143. **Deputy Arthur Spring** asked the Minister for Social Protection the amount of money spent by her on advertising with international, national and local media for each year since 2006. [40201/11]

Minister for Social Protection (Deputy Joan Burton): Advertising for the Department falls under two categories:

- Routine newspaper/magazine advertisements to advise the public of office closures, relocations or recruitment.
- General advertising to raise awareness of schemes and services including campaigns on radio, television and in the print media.

The amount of money spent by my Department on advertising in national and local media is as follows:

Year	2006	2007	2008	2009	2010	2011(to date)
Total Expenditure	997,000	1,413,000	1,147,000	182,000	155,000	94,000

In 2006, awareness campaigns were held in respect of Family Income Supplement, Carers Benefit and Respite Care Grant. In 2007, the awareness campaigns related to the introduction of the All Ireland Free Travel scheme, the Back to School Clothing and Footwear Allowance scheme and the new Half Rate Carer's scheme and in 2008, advertising costs incurred were in respect of a campaign on the Back to School Clothing and Footwear Allowance scheme, on inviting submissions and input from the public in relation to the Green Paper on Pensions and the development of the Carer's Strategy and Customer Action Plan and Charter.

There has been no major advertising awareness campaigns undertaken since 2008 and the costs incurred from 2009 to date related to routine advertising.

There were no costs incurred by my Department on advertising with international media during this period.

Social Welfare Benefits

144. **Deputy Patrick Nulty** asked the Minister for Social Protection the number of appli-

[Deputy Patrick Nulty.]

cations for jobseeker’s allowance that have been made by self-employed persons in the years 2009, 2010 and to date in 2011; the rate of successful applications; the reason for refusal of payment of jobseeker’s allowance; the number of applications which are withdrawn or not proceeded with; the reason for same; and if she will make a statement on the matter.
[40204/11]

Minister for Social Protection (Deputy Joan Burton): I have attached a table which sets out the total number of Jobseekers’ Allowance claims from self-employed persons that were processed by my Department during 2009, 2010 and to date 2011. The table also shows the number of claims awarded as a percentage of the total number of claims awarded, disallowed or withdrawn in each of the years.

A separate table indicates the number of claims disallowed in each of the years specified, and reasons for disallowance. Where an application is withdrawn or not preceded with there is no requirement on the applicant to provide a reason for their reason to withdraw their claim. Accordingly, the information sought by the Deputy in that regard is not available.

	2009	2010	2011 (to 30/11/11)
Awarded Applications	5,966	5,482	4,428
Disallowed Applications	449	373	310
Withdrawn Applications	596	560	513
Total	7,011	6,415	5,251
Percentage of processed claims awarded	85.1%	85.5%	84.3%

Year	Number Disallowed	Disallowance Reason
2009	361	Applicants Means exceed the scheme’s maximum criteria
	61	Applicant failed to disclose their means to the Department
	13	Not Habitually Resident
	14	Other
2010	305	Applicants Means exceed the scheme’s maximum criteria
	37	Applicant failed to disclose their means to the Department
	17	Not Habitually Resident
	14	Other
2011	247	Applicants Means exceed the scheme’s maximum criteria
	36	Applicant failed to disclose their means to the Department
	10	Not Habitually Resident
	17	Other

Social Welfare Appeals

145. **Deputy Michael McGrath** asked the Minister for Social Protection the position regarding a disability allowance appeal in respect of a person (details supplied) in County Cork.
[40205/11]

Minister for Social Protection (Deputy Joan Burton): The Social Welfare Appeals Office has advised me that an appeal by the person concerned was registered in that office on 22nd

November 2011. It is a statutory requirement of the appeals process that the relevant Departmental papers and comments by or on behalf of the Deciding Officer on the grounds of appeal be sought. These papers were received in the Social Welfare Appeals Office on 8th December 2011 and the appeal will be assigned, in due course, to an Appeals Officer who will decide whether the case can be decided on a summary basis or whether to list it for oral hearing. The Social Welfare Appeals Office functions independently of the Minister for Social Protection and of the Department and is responsible for determining appeals against decisions on social welfare entitlements.

Question No. 146 withdrawn.

147. **Deputy James Bannon** asked the Minister for Social Protection the reason a person (details supplied) in County Longford has been refused a carer's allowance, despite the medical aspect of the appeal being approved; and if she will make a statement on the matter. [40218/11]

Minister for Social Protection (Deputy Joan Burton): The person concerned was refused on two separate issues, firstly on the grounds that the care recipient is not so invalided or disabled as to require full-time care and attention as laid down in legislation and secondly on grounds that he has not established that he is providing full time care and attention as laid down in the carer's allowance guidelines.

On 14 July 2011, he was notified of this decision and the reasons for it. The person in question appealed the decision and submitted additional medical evidence in support of his claim. The medical aspect of his application was approved. However, an appeals officer, having fully considered all the evidence, disallowed the appeal of the person concerned as it had not been established that he was providing full-time care. He was notified of the decision on his appeal on 2 September 2011. The decision of an appeals officer is final and may only be reviewed in the light of new evidence or facts not already presented at the time of appeal.

148. **Deputy Sean Fleming** asked the Minister for Social Protection when a decision on an appeal for a carer's allowance will be granted in respect of a person (details supplied) in County Laois; and if she will make a statement on the matter. [40221/11]

Minister for Social Protection (Deputy Joan Burton): I am advised by the Social Welfare Appeals Office that an Appeals Officer having fully considered all the available evidence disallowed the appeal of the person concerned by way of a summary decision. Under Social Welfare legislation, the decision of the Appeals Officer is final and conclusive and may only be reviewed by the Appeals Officer in the light of new evidence or new facts. 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.

Redundancy Payments

149. **Deputy John McGuinness** asked the Minister for Social Protection further to Parliamentary Question No. 143 of 2 November 2011, when a person (details supplied) in County Kilkenny will receive their redundancy payment; and if she will make a statement on the matter. [40263/11]

Minister for Social Protection (Deputy Joan Burton): A redundancy lump sum claim in respect of the person concerned was received on 26 May 2011. Redundancy lump sums claims received at the start of May 2011 are currently being processed.

Community Employment Schemes

150. **Deputy Michael Healy-Rae** asked the Minister for Social Protection if she will respond to correspondence (details supplied) regarding cuts to community employment schemes; and if she will make a statement on the matter. [40335/11]

Minister for Social Protection (Deputy Joan Burton): Due to the current economic circumstances and the need for the Department of Social Protection to find savings of €475 million in Budget 2012, it was necessary to examine all aspects of the Department's expenditure. As a result Budget 2012 contained a reduction in the Community Employment (CE) materials and training grants from €1,500 to €500 per participant per annum. The implementation of the cut to the CE materials and training grant will result in an annual saving of €27.5 million and represents a cut of 7.5% in the total 2011 CE budget of €360 million.

Despite this change the Department of Social Protection will be spending in excess of €960 million on employment supports (including CE schemes) in 2012, up from €882 million in 2011.

My Department will seek to minimise the effects of these changes on those schemes most affected and will examine the income and expenditure of schemes with reference to their capacity to absorb the changes made to the grant. The National Training Fund will provide €4.2 million for training on CE in 2012. In addition, SOLAS will continue to provide access to its training programmes to CE participants.

The need for training on CE varies depending on the needs of participants and how long they have already been on the scheme and the training already received. Progression to employment is the key aim of the Government and there is a need to ensure that the supports we have in place aim to improve substantially individuals' chances of securing employment. Forfas published its "Review of Labour Market Programmes" last year which showed that CE participant's progression into employment is low and is only 3% higher than individuals who remain on the Live Register. There needs, therefore, to be a better focus on progression and value for money and this requirement will inform considerations in this area.

Social Welfare Code

151. **Deputy Michael Healy-Rae** asked the Minister for Social Protection if she will respond to correspondence (details supplied) regarding family income supplement payments; and if she will make a statement on the matter. [40337/11]

Minister for Social Protection (Deputy Joan Burton): From January 2012, income from carer's allowance and carer's benefit payments will be included in the income assessment for Family Income Supplement (FIS). This measure brings the treatment of carer's allowance and carer's benefit, for the FIS income assessment, into line with how other primary social welfare payments are assessed.

Social Welfare Appeals

152. **Deputy Brendan Ryan** asked the Minister for Social Protection if she will expedite an appeal for invalidity pension with a view to a successful outcome in respect of a person (details supplied) in County Dublin taking into account both the applicants health condition and the advice received from their local office which recommended the application for invalidity pension; and if she will make a statement on the matter. [40349/11]

Minister for Social Protection (Deputy Joan Burton): I am advised by the Social Welfare Appeals Office that an Appeals Officer, having fully considered all the evidence has allowed the appeal of the person concerned. The person concerned has been notified of the decision.

The Social Welfare Appeals Office functions independently of the Minister for Social Protection and of the Department and is responsible for determining appeals against decisions on social welfare entitlements.

Departmental Expenditure

153. **Deputy Arthur Spring** asked the Minister for Arts, Heritage and the Gaeltacht the amount of money spent by him on public relations companies each year since 2006; and if he will make a statement on the matter. [40173/11]

154. **Deputy Arthur Spring** asked the Minister for Arts, Heritage and the Gaeltacht the amount of money spent by him on advertising with international, national and local media for each year since 2006. [40189/11]

Minister for Arts, Heritage and the Gaeltacht (Deputy Jimmy Deenihan): I propose to take Questions Nos. 153 and 154 together.

As the Deputy will be aware, my Department, as currently configured, was established on 2 June 2011 and therefore the available information is being provided from that date. The total amount spent by my Department on public relations companies from 2 June 2011 to 13 December 2011 is €162,301 and this expenditure was incurred in relation to *Imagine Ireland*, Culture Ireland's year-long programme of events in America during 2011.

With regard to advertising, I am advised that my Department spent €226,873 on advertising for official purposes during the same period.

Áras Shorcha Uí Ghuairim

155. D'fhiafraigh **Éamon Ó Cuív** den Aire Ealaíon, Oidhreacht agus Gaeltachta an bhfuil i gceist aige deontas a íoc le hAcadamh na hOllscolaíochta Gaeilge in 2012 i leith Áras Shorcha Uí Ghuairim; agus an ndéanfaidh sé ráiteas ina thaobh. [40260/11]

Minister of State at the Department of Arts, Heritage and the Gaeltacht (Deputy Dinny McGinley): Tá allúntas de €1m á chur ar fáil ag mo Roinnse d'Acadamh na hOllscolaíochta Gaeilge don bhliain acadúil 2011/2012. Cuimsítear san allúntas seo na hionaid Ghaeltachta ar fad atá faoi scáth an Acadaimh. Is faoin Acadamh atá sé an t-allúntas seo a bhainistiú agus a úsáid ar an mbealach is éifeachtaí agus is éifeachtúla i gcomhréir lena gcuid pleananna do na hionaid atá acu sa Ghaeltacht.

Grant Payments

156. **Deputy Brendan Griffin** asked the Minister for Arts, Heritage and the Gaeltacht if he will provide information regarding grants (details supplied); and if he will make a statement on the matter. [40279/11]

Minister for Arts, Heritage and the Gaeltacht (Deputy Jimmy Deenihan): The Deputy will appreciate that it is not possible to provide the information requested within the confines of a details supplied question. I am arranging for the information to be provided directly to the Deputy as soon as possible.

Semi-State Bodies

157. **Deputy Éamon Ó Cuív** asked the Minister for Communications, Energy and Natural Resources the progress he has made on restructuring State companies and strengthening regulatory arrangements; and if he will make a statement on the matter. [40067/11]

158. **Deputy Éamon Ó Cuív** asked the Minister for Communications, Energy and Natural Resources the timeframe he is considering for the proposed sale of each State asset; and if he will make a statement on the matter. [40068/11]

159. **Deputy Éamon Ó Cuív** asked the Minister for Communications, Energy and Natural Resources if core transmission assets in gas and electricity will be considered as part of the disposal of State assets; and if he will make a statement on the matter. [40069/11]

160. **Deputy Éamon Ó Cuív** asked the Minister for Communications, Energy and Natural Resources the State assets he will be discussing with the troika as part of the programme of disposal of State assets; and if he will make a statement on the matter. [40070/11]

Minister for Communications, Energy and Natural Resources (Deputy Pat Rabbitte): I propose to take Questions Nos. 157 to 160, inclusive, together.

The EU/IMF Programme for Ireland contains a commitment that the Government will outline methods to raise funds through disposals of State owned assets.

The Government is continuing its discussions with the Troika of EU, IMF and ECB on the scope for utilising proceeds from any future disposal of non-strategic assets to invest in economic renewal, in line with the commitment in the Programme for Government. A full evaluation of the optimum approach, to be taken to the sale of a minority stake in ESB, as has been decided by the Government, is being progressed by a group co-chaired by my Department and the Department of Public Expenditure and Reform. A separate inter Departmental Group is evaluating the approaches to developing a programme of disposal of non-strategic State assets. The reports of both groups which have been finalised will inform further consideration by the Government of its approach to all the issues inherent in divestment of State assets.

In accordance also with the EU/IMF Programme an independent assessment (being undertaken by the International Energy Agency) of the efficiency of the gas and electricity sectors will inform considerations as to any necessary strengthening of the energy regulatory regime in the coming months. The gas and electricity transmissions networks are key strategic State assets and their retention in at least majority State control is a critical determinant of any decisions in relation to possible further disposals of State assets.

Public Service Contracts

161. **Deputy Sandra McLellan** asked the Minister for Communications, Energy and Natural Resources the reason the ESB was given sole contract of electric vehicle charging points; if under EU legislation the contract should have been sent out to tender; and if he will make a statement on the matter. [40084/11]

Minister for Communications, Energy and Natural Resources (Deputy Pat Rabbitte): There is no contract between my Department and the ESB for the installation of Electric Vehicle charge points.

The ESB, as the single operator of the electricity distribution system, is responsible for implementing the public Electric Vehicle charging infrastructure across Ireland.

I understand that, to date, the installation of charge points on public sites has been undertaken by contractors working on behalf of the ESB. I also understand that from time to time the ESB hold tendering competitions whereby interested parties may apply to be registered on a 'tender list'. The ESB then signs framework agreements to last for a fixed period with successful candidates. Over the period of the framework agreement, contractors on the list will be engaged to undertake work on projects such as installation of charge points.

Departmental Expenditure

162. **Deputy Arthur Spring** asked the Minister for Communications, Energy and Natural Resources the amount of money spent by him on public relations companies each year since 2006. [40175/11]

Minister for Communications, Energy and Natural Resources (Deputy Pat Rabbitte): In the time available, it has not been possible to identify and assemble the information requested.

My Department is in the process of identifying and assembling the information and I will revert to the Deputy as soon as possible.

163. **Deputy Arthur Spring** asked the Minister for Communications, Energy and Natural Resources the amount of money spent by him on advertising with international, national and local media for each year since 2006. [40191/11]

Minister for Communications, Energy and Natural Resources (Deputy Pat Rabbitte): In the time available, it has not been possible to identify and assemble the information requested.

My Department is in the process of identifying and assembling the information and I will revert to the Deputy as soon as possible.

Energy Conservation

164. **Deputy Michael McGrath** asked the Minister for Communications, Energy and Natural Resources the reason grants under the better energy homes scheme were cut from 8 December 2011; his views that these reductions are inconsistent with supporting employment in the energy retrofitting area, the urgent need to tackle fuel poverty and reduce the nation's dependency on imported fossil fuels; and if he will make a statement on the matter. [40230/11]

165. **Deputy Michael McGrath** asked the Minister for Communications, Energy and Natural Resources the number of applicants on waiting lists for the home energy saving scheme and the warmer homes scheme; and if he will make a statement on the matter. [40232/11]

Minister for Communications, Energy and Natural Resources (Deputy Pat Rabbitte): I propose to take Questions Nos. 164 and 165 together.

The Sustainable Energy Authority of Ireland (SEAI) administers Better Energy on behalf of my Department. As announced in the context of the Budget, the Government has committed funding of €76 million on the Better Energy Programme next year. While the overall allocation represents a decrease, it will support substantial economic activity in 2012 supporting at least 4,500 jobs and generating anticipated energy savings of 340 GWh. The Budget allocation inevitably reflects the need to make reductions across the public capital programme but the continued level of support endorses the positive economic impact of the programme. I anticipate that all the resources made available in 2012 will be drawn down and that the scheme will continue to support a significant level of employment.

Better Energy: Homes programme has overseen the upgrade of over 100,000 homes since commencement in May 2009. There is no waiting list for the Better Energy: Homes scheme. One of the aims of the programme is to develop a mature market for wall insulation. In recent months, there has been a significant and growing level of applications for both internal and external wall insulation, which points to the development of a mature market. In response, and to obviate against dead weight, grant levels have been adjusted. It is worth noting that there have been minor changes to the most popular measures, so for the majority of applicants there will be little or no impact.

[Deputy Pat Rabbitte.]

The Programme for Government commits to a withdrawal of grant aid for Better Energy Homes and a transition to a Pay-As-You-Save scheme by 2014.

Improving the energy efficiency of our homes, business and public sector will realise significant financial savings, while also reducing Ireland's dependence upon imported fossil fuels. The present and forthcoming National Energy Efficiency Action Plans are designed to realise significant emissions reductions, where energy efficiency has a pivotal role to play.

Better Energy: Warmer Homes aims to provide energy efficiency improvements to low-income homes unable to afford the cost of implementing such measures. To date, efficiency improvements have been made in over 75,000 homes. There are currently 8,546 homes nationwide on the Better Energy: Warmer Homes waiting list. SEAI is working to ensure work is completed on homes on the waiting list as soon as is practicable.

I published the Affordable Energy Strategy on 27 November 2011, which sets out 48 time bound actions across Government designed to protect households in energy poverty, a copy of which was circulated to all Deputies last week.

Better Energy: Homes scheme	Previous Support Levels €	Current Support Levels €
Roof Insulation	200	200
External wall insulation		
Apartment (any) OR Mid-terrace House	4,000	1,800
Semi-detached OR End of terrace		2,700
Detached House		3,600
Internal Wall Dry-Lining		
Apartment (any) OR Mid-terrace House	2,000	900
Semi-detached OR End of Terrace		1,350
Detached House		1,800
Cavity Wall Insulation	320	250
High Efficiency Gas or Oil fired Boiler with Heating Controls Upgrade	560	560
Heating Controls Upgrade	400	400
BER After Upgrade Works (Only one BER grant per home)	80	50
Solar Thermal	800	800

Electricity Generation

166. **Deputy Brendan Griffin** asked the Minister for Communications, Energy and Natural Resources when he will introduce the new REFIT tariff on renewable energy, which was announced by the previous Government in May 2010 but was never put into practice; and if he will make a statement on the matter. [40259/11]

Minister for Communications, Energy and Natural Resources (Deputy Pat Rabbitte): My Department has recently received State Aid clearance from the European Commission in respect of the REFIT (Renewable Energy Feed in Tariff) for electricity from biomass technologies. Government approval for the scheme has now been obtained and I expect the scheme to open very shortly for applications.

Telecommunications Services

167. **Deputy Michael Healy-Rae** asked the Minister for Communications, Energy and Natural

Resources if he will respond to correspondence (details supplied) regarding next generation broadband; and if he will make a statement on the matter. [40336/11]

Minister for Communications, Energy and Natural Resources (Deputy Pat Rabbitte): The provision of electronic communications services, including broadband, is, in the first instance, a matter for private sector service providers operating in Ireland's fully liberalised telecommunications market, regulated by the independent regulator, the Commission for Communications Regulation (ComReg).

Under the NewERA proposals in the Programme for Government, there is a commitment to co-invest with the private sector and commercial Semi State sector to provide Next Generation Broadband customer access to every home and business in the State. The Next Generation Broadband Taskforce which I convened earlier this year has an important role to play in this regard. It comprises the CEOs of all of the major telecommunications companies operating in the Irish market, as well as CEOs of some other companies that provide broadband services. The purpose of the Taskforce is to discuss and report on policy issues and proposals in relation to the provision of high speed broadband across Ireland. I expect that the Taskforce will help to identify how best to deliver wider customer access to high-speed broadband generally and thereby assist in delivering on the commitment in the Programme for Government.

The Taskforce will conclude its deliberations shortly. It is my intention to consider the findings, conclusions and recommendations of the report of the Taskforce and to move quickly thereafter to put in place the optimal policy environment for the delivery of high speed broadband.

Community Development

168. **Deputy Dominic Hannigan** asked the Minister for the Environment, Community and Local Government the grants that are available for organisations under any scheme for the purchasing of small items of equipment for outdoor activity with children who are from disadvantaged areas; and if he will make a statement on the matter. [40066/11]

174. **Deputy Simon Harris** asked the Minister for the Environment, Community and Local Government the funding sources which may be available to develop a playground in an area (details supplied); and if he will make a statement on the matter. [40203/11]

Minister for the Environment, Community and Local Government (Deputy Phil Hogan): I propose to take Questions Nos. 168 and 174 together.

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 in rural areas not otherwise available to them. Accordingly, it may be possible to obtain funding for projects of the nature referred to in the questions under the RDP. There are 35 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. The contact details of these groups can be found on my Department's website www.environ.ie.

Funding has also been allocated for the RAPID leverage schemes, under which my Department co-funds with other Departments and agencies a range of small-scale local projects, including playgrounds. My Department is currently paying down outstanding commitments under these schemes and is not in a position to consider new applications at the present time.

Waste Management

169. **Deputy Patrick O'Donovan** asked the Minister for the Environment, Community and Local Government if he has considered proposals to assist in the regulation of the scrap metal industry; and if he will make a statement on the matter. [40107/11]

Minister for the Environment, Community and Local Government (Deputy Phil Hogan): Regulation of the scrap metal industry is not a matter within my Department's remit. The regulation of waste activities is, of course, relevant to the industry. Such activities require authorisation in accordance with the Waste Management Act 1996; the terms of such authorisations are primarily derived from requirements of EU Directives on waste and specific waste streams such as end of life vehicles or electronic waste. Depending on the authorisation required, these activities are controlled either by the Environmental Protection Agency (EPA) or by local authorities as competent authorities nominated by the State to implement such legislation. The purpose of these controls is to regulate the collection, recovery or disposal of waste in order to protect the environment.

Enforcement of waste legislation is a matter either for the EPA's Office of Environmental Enforcement (OEE) in relation to waste licences or for local authorities in relation to waste permits. The OEE operates an Enforcement Network to foster co-operation between the various public service bodies involved in the enforcement of environmental legislation, so that a higher and more consistent standard of enforcement is achieved throughout the country.

My Department is aware of the growing issue of metal theft and is represented at the Stakeholder Forum on Metal Theft that has been set up by An Garda Síochána. Local authority enforcement staff are cooperating with the Gardaí and the enhancement of that cooperation was discussed at the Forum meeting on the 7 December, 2011.

The Gardaí are making good progress in leading the work of the Metal Theft Forum and my Department and local authorities will continue to support the Forum's work. In that regard, I have asked my Department to examine waste licensing and permitting legislation to ensure all necessary provisions, particularly those relating to traceability, are in place to avoid situations that might be exploited by criminal elements — this examination is on-going. However, if the Forum is to achieve its aims in reducing and preventing metal theft, wider support will also be required from other relevant parties in order to ensure that the broader range of issues involved are successfully addressed.

Private Rented Accommodation

170. **Deputy Robert Dowds** asked the Minister for the Environment, Community and Local Government if he will make funding available to the Private Residential Tenancies Board in order that it can follow through on its decision to evict a tenant at an address (details supplied). [40114/11]

Minister for the Environment, Community and Local Government (Deputy Phil Hogan): I have no function in the operational matters of the Private Residential Tenancies Board (PRTB), an independent statutory body established under the Residential Tenancies Act 2004. The body has operated on a self-financing basis since 2010 and I have no plans to restore Exchequer funding to it.

Local Authority Expenditure

171. **Deputy Alan Farrell** asked the Minister for the Environment, Community and Local Government the cost or estimate of the cost of incremental payments to local authority person-

nel; the number of increments due for 2010, 2011 and 2012 in tabular form; and if he will make a statement on the matter. [40165/11]

Minister for the Environment, Community and Local Government (Deputy Phil Hogan): The information requested is not available in my Department as day to day operational matters, including the calculation of the appropriate pay rates payable to individual local authority staff members, across the 34 local authorities, are a matter for each individual local authority.

Departmental Expenditure

172. **Deputy Arthur Spring** asked the Minister for the Environment, Community and Local Government the amount of money spent by him on public relations companies each year since 2006. [40178/11]

173. **Deputy Arthur Spring** asked the Minister for the Environment, Community and Local Government the amount of money spent by him on advertising with international, national and local media for each year since 2006. [40194/11]

Minister for the Environment, Community and Local Government (Deputy Phil Hogan): I propose to take Questions Nos. 172 and 173 together.

The information requested is being compiled and will be forwarded to the Deputy as soon as possible.

Question No. 174 answered with Question No. 168.

Library Projects

175. **Deputy Ciara Conway** asked the Minister for the Environment, Community and Local Government further to an announcement of €240,000 for Waterford as part of the Capital Programme for Libraries in July, the status of funding for Waterford; if this allocation of money has been delayed or stopped; the reasons for same; if the allocation will be re-instated in full; the date on which this will happen; and if he will make a statement on the matter. [40211/11]

Minister for the Environment, Community and Local Government (Deputy Phil Hogan): On the 19 July 2011, I announced a Public Library Capital Programme which included provision for the supply of a mobile library to Co. Waterford. The allocation for the Co. Waterford mobile library was €190,000 with an additional €50,000 for bookstock as this mobile was a new service. The mobile could not be procured on time by the end of 2011.

This project can be reconsidered in 2012.

Animal Welfare

176. **Deputy Brendan Smith** asked the Minister for the Environment, Community and Local Government when the Dog Breeding Establishment Act was passed by the Oireachtas; when was it signed into law by the President; the reasons for the delay in the implementation of same; when it is his intention to implement the sections dealing with puppy farms; if he will provide a definitive date for same; and if he will make a statement on the matter. [40225/11]

Minister for the Environment, Community and Local Government (Deputy Phil Hogan): The Dog Breeding Establishments Act 2010 passed all stages in the Seanad on 14 July 2010 and was signed by the President on 21 July 2010.

Alongside the Dog Breeding Establishments Act 2010, separate legislation on the related issue of greyhound welfare — the Welfare of Greyhounds Act 2011 — which is the responsi-

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bility of the Minister for Agriculture, Food and the Marine, was signed by the President on 16 November, 2011. This legislation will provide for the welfare of greyhounds and the regulation of greyhound breeding establishments.

The provisions of both these pieces of legislation are complementary and accordingly, it is the intention that they be implemented in tandem. This will give wide ranging protection to all dogs in the State by registering and controlling all breeding establishments. I intend to sign the commencement order for the Dog Breeding Establishments Act, 2010 shortly and my Department is in ongoing contact with the Department of Agriculture, Food and the Marine regarding the Welfare of Greyhounds Act 2011 in order to co-ordinate the commencement of both Acts.

Local Government Review Group

177. **Deputy Michael McGrath** asked the Minister for the Environment, Community and Local Government if he is satisfied with progress made on the implementation of the independent local government efficiency review group. [40234/11]

Minister for the Environment, Community and Local Government (Deputy Phil Hogan): The Local Government Efficiency Implementation Group was established in April 2010 and had its first meeting on 10 June 2011. The Group has met on six occasions to date and its overall work programme is progressing.

In this context, the Group has recently completed an interim report, which I have asked the group to develop further. I understand the group is engaging with the County and City Managers' Association in this regard.

Community Development

178. **Deputy Robert Troy** asked the Minister for the Environment, Community and Local Government when he intends to make necessary funding for projects in the new RAPID towns; and if he will make a statement on the matter. [40285/11]

Minister for the Environment, Community and Local Government (Deputy Phil Hogan): The matter of progressing the projects in the new RAPID towns to contract stage will be kept under active review in the light of availability of funding in 2012.

Public Service Staff

179. **Deputy Thomas P. Broughan** asked the Minister for the Environment, Community and Local Government if he is satisfied that frontline services are being prioritised during the ongoing job losses, embargo in the 34 premier local authorities; the way he is achieving the prioritisation of frontline services; and if he will make a statement on the matter. [40340/11]

Minister for the Environment, Community and Local Government (Deputy Phil Hogan): The moratorium on recruitment and promotion in the public service was introduced in March 2009 following a Government decision to implement savings measures across the wider public service, as a response to the financial crisis facing the State.

The terms of the moratorium are explicit and provide that no public service post, however arising, may be filled by recruitment, promotion, or payment of an allowance for the performance of duties at a higher grade. When vacancies arise public bodies must reallocate or reorganise work or staff accordingly. Any exceptions to this principle, which will arise in very limited circumstances only, require prior sanction.

My Department received a delegated sanction from the Department of Finance in August 2009 for implementation of this general moratorium on the filling of public sector posts across all local authorities. This is on condition that the overall staffing levels in the sector are reduced in line with the Employment Control Framework.

Under section 159 of the Local Government Act 2001, each County and City Manager is responsible for staffing and organisational arrangements necessary for carrying out the functions of the local authorities for which he or she is responsible. In this regard, it is a matter for County and City Managers, in the first instance, to ensure that the reduction in staff numbers is managed so that the appropriate service level is maintained.

My Department works very closely with local authorities to ensure that critical posts are filled while overall numbers are reduced. All staffing sanction requests are examined on a case by case basis having due regard to the continued delivery of key services and the need further to reduce overall staffing levels and expenditure in the local authority sector.

Local authorities have been early movers in terms of staff reductions with over 6,900 whole time equivalent staff leaving the sector since June 2008. The reduction of staff in local authorities is a net figure as given the nature of the front line services provided such as fire and emergency services, road and water services, beach supervision in summer months and other temporary seasonal services, some sanctions for exceptions to the moratorium need to be, and are, regularly approved. In this regard my Department has processed some 2,378 such requests since 2009.

In considering sanction requests public safety, maintaining key front line services and economic issues are given precedence as is the requirement to avoid increases in overall staffing levels. Contract posts are favoured as they allow flexibility in this most challenging period for Ireland's economy. In the very exceptional situation that a post is to be filled permanently all redeployment options must be fully exhausted before recruitment can be permitted.

Registration of Title

180. **Deputy Sean Fleming** asked the Minister for Justice and Equality if his attention has been drawn to the many situations arising from the Property Registration Authority which is basing its registry maps on OSI topographic mapping and as a result in several situations where the boundaries under this system do not correspond with the natural boundaries on the ground which have been used by persons throughout the country as their rightful legal boundaries and which have been incorporated in all their previous land registration title deeds and documentation and that there is now enormous costs on large numbers of persons to regularise their boundaries in view of the fact they are now to be based on OSI site topographical mapping; if he will re-examine the situation with a view to coming forward with an approach to resolve these problems that are emerging throughout the country; and if he will make a statement on the matter. [40019/11]

Minister for Justice and Equality (Deputy Alan Shatter): I wish to inform the Deputy that under the Registration of Deeds and Title Act 2006, the Property Registration Authority (PRA) was established as and from 4 November 2006. The PRA replaces the Registrar of Deeds and Titles as the registering authority in relation to property registration in Ireland and, subject to the above Act, is independent in the performance of its functions. I am not therefore responsible to the Dáil for this matter. However, in order to be of assistance to the Deputy, I have had enquiries made with the Authority.

I am informed by the Authority that since its foundation in 1892 the Land Registry map has been based on the national mapping agency, Ordnance Survey Ireland (OSI) topographic maps.

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The Authority is legally obliged under Rules 9 and 174 of the Land Registration Rules 1972 to utilise OSI data revised to date.

The boundary system that operates in Ireland is known as the general or non-conclusive boundary system and the Deputy might wish to refer to section 174(2)(a) Land Registration Rules 1972-2009 accordingly.

The non-conclusive provision dispenses with the need to determine the exact location of title boundaries when defining the extent of registered properties and the ownership of the physical features which mark the limits of a property is left undetermined.

I have been assured by the Authority that the problem referred to by the Deputy, if it exists at all, is not of the order stated. The adoption of revised Ordnance Survey topographic detail is not a new phenomenon. The Land Registry has continually updated its map base to comply with its statutory requirements, has extensive experience in this regard and has developed precise guidelines along the way.

I would also like to refer the Deputy to my response to Question 353 of 2 November 2011 which may help him to understand the background to the issues which he has raised.

Court Accommodation

181. **Deputy Jonathan O'Brien** asked the Minister for Justice and Equality the names and locations of any new courts venues proposed; the details of any contracts he has signed; and the rates of payment for these venues. [40061/11]

Minister for Justice and Equality (Deputy Alan Shatter): Under the provisions of the Courts Service Act 1998, management of the courts is the responsibility of the Courts Service. The Act provides that the Service is independent in the performance of its functions, which includes the provision and management of accommodation.

However, in order to be of assistance to the Deputy, I have had enquiries made and the Courts Service has informed me that they have no plans to provide any new court venues in 2012. I am informed the Courts Service has recently made an arrangement on a three month trial basis to hear court sittings in rented accommodation in Killaloe, Co Clare to replace previous rented accommodation in a hotel which went into receivership

Garda Stations

182. **Deputy Mary Mitchell O'Connor** asked the Minister for Justice and Equality in view of the proposed closure of Dalkey Garda station, Dublin, if he or the Garda Commissioner will give a commitment that the same number of gardaí will be deployed to the sub-district of Dun Laoghaire sub-division thus ensuring there is no net loss of gardaí to the district and that the residents in the district can continue to enjoy the same level of policing; and if he will make a statement on the matter. [40071/11]

Minister for Justice and Equality (Deputy Alan Shatter): In making his recommendations on the closure of the Garda stations, the Garda Commissioner concluded that Garda resources could be better deployed and more effectively used on the frontline if these particular stations no longer had to be staffed and maintained.

The Garda Commissioner has reiterated the commitment of An Garda Síochána to providing a professional and effective service to the community. In the coming months local Garda management, in places where a station is going to close, will consult with local communities to determine how best to continue to deliver a policing service in their area. Specifically in relation

to Dalkey Garda Station, I have been informed by the Commissioner that Garda personnel allocated to Dalkey Garda station will remain within the Dun Laoghaire District.

Crime Prevention

183. **Deputy Patrick O'Donovan** asked the Minister for Justice and Equality if he has considered proposals that would deal with theft of scrap metal to assist the industry; and if he will make a statement on the matter. [40107/11]

Minister for Justice and Equality (Deputy Alan Shatter): Regulation of the scrap metal industry is not a matter within my Department's remit. The regulation of waste activities is, of course, relevant to the industry. Such activities require authorisation in accordance with the Waste Management Act 1996; the terms of such authorisations are primarily derived from requirements of EU Directives on waste and specific waste streams such as end of life vehicles or electronic waste.

Depending on the authorisation required, these activities are controlled either by the Environmental Protection Agency (EPA) or by local authorities as competent authorities nominated by the State to implement such legislation. The purpose of these controls is to regulate the collection, recovery or disposal of waste in order to protect the environment.

Enforcement of waste legislation is a matter either for the EPA's Office of Environmental Enforcement (OEE) in relation to waste licences or for local authorities in relation to waste permits. The OEE operates an Enforcement Network to foster co-operation between the various public service bodies involved in the enforcement of environmental legislation, so that a higher and more consistent standard of enforcement is achieved throughout the country.

My Department is aware of the growing issue of metal theft and is represented at the Stakeholder Forum on Metal Theft that has been set up by An Garda Síochána. Local authority enforcement staff are cooperating with the Gardaí and the enhancement of that cooperation was discussed at the Forum meeting on the 7 December, 2011.

The Gardaí are making good progress in leading the work of the Metal Theft Forum and my Department and local authorities will continue to support the Forum's work. In that regard, I have asked my Department to examine waste licensing and permitting legislation to ensure all necessary provisions, particularly those relating to traceability, are in place to avoid situations that might be exploited by criminal elements — this examination is on-going. However, if the Forum is to achieve its aims in reducing and preventing metal theft, wider support will also be required from other relevant parties in order to ensure that the broader range of issues involved are successfully addressed.

Garda Operations

184. **Deputy Thomas P. Broughan** asked the Minister for Justice and Equality if he will report on Garda operation freewheel; the number of persons arrested and charged to date; the number of successful convictions secured to date; the number of gardaí involved; the cost of this operation to date; if this operation is still ongoing; and if he will make a statement on the matter. [40117/11]

Minister for Justice and Equality (Deputy Alan Shatter): I am informed by the Garda authorities that Operation Freewheel commenced in 2010 and has focused on offences contrary to sections 7, 8, 9, 10 and 11 of the Criminal Law Sexual Offences Act 1993. It is an ongoing, multi-phase investigation, devised in response to both identified crime trends and specific complaints of brothel and street-based prostitution from residents and the business community in

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an area adjacent to Limerick city centre. It focuses on the identification and prosecution of offenders, identifying any possible links to human trafficking and other criminal enterprises, and increasing awareness amongst those involved in prostitution, particularly women, of the availability of services to enable them to exit prostitution.

To date, 31 warrants obtained on foot of section 10 of the Act have been executed, 126 persons have been arrested and 87 charges preferred for offences contrary to sections 2, 8 or 11 of the Act. A total of 42 convictions have been recorded, resulting in fines being imposed in 41 cases (ranging from €100 to €600) and a suspended term of imprisonment imposed in the remaining case. The provisions of the Probation Act were applied in three cases. A total of 27 charges remain before the courts. Investigation files have been submitted to the Law Officers in respect of a number of other persons, with investigation files being prepared in respect of others.

As part of the initiative, two searches were conducted under warrant, during which two minors were found in brothels where they were working as prostitutes. Both were placed in the care of the Health Service Executive.

No specialist unit was established for or specifically tasked with this initiative. Uniform and plain-clothes personnel from Limerick city centre Garda stations were assigned to the initiative from operational tours of duty. Costs associated with the initiative are met from the Limerick Divisional Budget. The costs could not be made available without a disproportionate expenditure of Garda time and resources.

Judicial Appointments

185. **Deputy Thomas P. Broughan** asked the Minister for Justice and Equality the number of vacancies in the District Court, Circuit Court, High Court and Supreme Court; and if he will make a statement on the matter. [40118/11]

Minister for Justice and Equality (Deputy Alan Shatter): There are seven judicial vacancies at present; four in the Circuit Court and three in the District Court. The current procedures are set out in the Courts and Court Officers Act, 1995. In accordance with the provisions of section 16(2) of that Act, I have requested the Judicial Appointments Advisory Board to furnish me with the names of those persons it considers suitable for the current vacancies together with the name of each person who has informed the Board of his/her wish to be considered for appointment.

Following receipt of the Board’s recommendations, the Government will nominate as soon as possible persons for appointment by the President.

Departmental Staff

186. **Deputy Jonathan O’Brien** asked the Minister for Justice and Equality if he will provide the salary details of the persons (details supplied); and the amount of money each has claimed in expenses during each of the past five years. [40125/11]

Minister for Justice and Equality (Deputy Alan Shatter): The information sought by the Deputy is set out in the following table. It should be noted that in some cases there were changes in the post holders over the five year period in question.

Position	Year	Salary applicable to the incumbent as at year end
Secretary General	2007	€241,414

Position	Year	Salary applicable to the incumbent as at year end
	2008	€228,271*
	2009	€228,271*
	2010	€214,187*
	2011	€190,000
		* inclusive of voluntary surrender of salary
Director General Irish Naturalisation and Immigration Service	2007	€168,992
	2008	€177,547
	2009	€177,547
	2010	€127,796 — €146,191 plus €10,000 allowance
	2011	€127,796 — €146,191 plus €10,000 allowance
Assistant Secretary Civil Law Reform, Courts Policy	2007	€118,791 — €136,034
	2008	€131,748 — €150,712
	2009	€131,748 — €150,712
	2010	€127,796 — €146,191
	2011	€127,796 — €146,191
Assistant Secretary Crime, Security & NI, Mutual Assistance and Extradition	2007	€118,791 — €136,034
	2008	€131,748 — €150,712
	2009	€131,748 — €150,712
	2010	€127,796 — €146,191
	2011	€127,796 — €146,191
Assistant Secretary Criminal Law Reform, Prisons & Probation Policy	2007	€118,791 — €136,034
	2008	€131,748 — €150,712
	2009	€131,748 — €150,712
	2010	€127,796 — €146,191
	2011	€127,796 — €146,191
Assistant Secretary EU/International Matters	2007	€118,791 — €136,034
	2008	€131,748 — €150,712
	2009	€131,748 — €150,712
Assistant Secretary An Garda Síochána	2007	€118,791 — €136,034
	2008	€131,748 — €150,712
	2009	€131,748 — €150,712
	2010	€127,796 — €146,191
	2011	€127,796 — €146,191
Assistant Secretary Corporate Affairs (including HR, IT and Internal Audit)	2007	€118,791 — €136,034
	2008	€131,748 — €150,712
	2009	€131,748 — €150,712
	2010	€127,796 — €146,191
	2011	€134,523 — €153,885 (PPC scale)
Director General Irish Prison Service	2007	€171,002
	2008	€179,659
	2009	€179,659
	2010	€169,958
	2011	€166,898

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Position	Year	Salary applicable to the incumbent as at year end
Assistant Secretary Reception & Integration Agency	2007	€118,791 — €136,034
	2008	€131,748 — €150,712
	2009	€131,748 — €150,712
	2010	€127,796 — €146,191
	2011	€127,796 — €146,191
Director Irish Youth Justice Service	2007	€ 88,261 — €108,856 plus €12,000 allowance
	2008	€ 92,730 — €114,366 plus €20,608 allowance
	2009	€ 92,730 — €114,366 plus €20,608 allowance
	2010	€ 85,957- €105,429 plus €19,577.60 allowance
	2011	€ 85,957- €105,429 plus €19,577.60 allowance
Executive Director COSC	2007	€ 88,261 — €108,856 plus €12,000 allowance
	2008	€ 92,730 — €114,366 plus €12,608 allowance
	2009	€ 92,730 — €114,366 plus €12,300 allowance
	2010	€ 85,957- €105,429 plus €11,977.60 allowance
	2011	€ 85,957- €105,429 plus €11,977.60 allowance
Director Anti-Human Trafficking	2007	€ 88,261 — €108,856
	2008	€ 92,730 — €114,366 plus €7,000 allowance
	2009	€ 92,730 — €114,366 plus €7,000 allowance
	2010	€ 85,957- €105,429 plus €6,650 allowance
	2011	€ 85,957- €105,429 plus €6,650 allowance

The information requested by the Deputy in relation to expenses paid to above post-holders is currently being compiled and will be forwarded as soon as it is available.

Visa Applications

187. **Deputy Jonathan O'Brien** asked the Minister for Justice and Equality if the transferring of processing of visa applications for certain states has moved to the Department office in Abu Dhabi; the number of staff employed by this office; the cost of running this office; the locations and running costs of all overseas offices employed by him; and if he will make a statement on the matter. [40126/11]

Minister for Justice and Equality (Deputy Alan Shatter): The Visa Office, Abu Dhabi which is based in the Irish Embassy in Abu Dhabi, is run by staff of my Department on secondment to the Department of Foreign Affairs and Trade. It handles all aspects of visa applications, of all types, for visa required nationals (including appeals) legally resident in the United Arab Emirates. The office also deals with visa applications from the following countries:

- Algeria
- Bahrain
- Jordan
- Kuwait
- Lebanon
- Libya

- Morocco
- Qatar
- Oman
- Sudan (decision to be taken in relation to South Sudan)
- Syria
- Tunisia
- Egypt (except certain types of application handled under delegated sanction by Cairo embassy staff)
- Saudi Arabia (except certain types of application handled under delegated sanction by Riyadh embassy staff)

It is intended that the processing in Abu Dhabi of visa applications from the following countries will come on stream in the future:

- Pakistan
- Iran
- Afghanistan
- Iraq
- Yemen

A decision on the date for the commencement of visa operations in Abu Dhabi in relation to these countries will be made taking into account all relevant factors. The Deputy will be aware that the operating environment in some of the countries concerned in recent times has been challenging.

Visa processing duties, including making decisions on whether or not to grant a visa, are carried out by four Irish civil servants, one at Higher Executive Officer level and three at Executive Officer level. Four locally-recruited staff perform a range of administrative duties and assist with making operational enquiries in support of the visa application process. These locally-recruited staff do not have power of decision in relation to visa applications.

In addition to I.N.I.S. HQ in Dublin, there are currently five overseas Visa Offices in operation run by staff members of my Department on the same basis as that already outlined for the Abu Dhabi office. These are in Abuja, Beijing, London, Moscow and New Delhi. The number of cases processed by these offices is approximately 46,500 per annum. In addition, the staff in all Visa Offices perform important functions of engagement with local businesses and tourist bodies and work closely with Embassy staff in promoting Ireland as a business and tourism destination. This include promotion activities in connection with the Irish Short-Stay Visa Waiver Programme which allows holders of UK visas from sixteen designated countries to visit Ireland without the need for an Irish visa. The operation of Visa Offices overseas allows for both a better, speedier service to applicants and for more effective combatting of fraudulent or dubious applications through the development of local knowledge and use of locally recruited staff.

The costs associated with the running of these offices, together with the fee income generated, is being compiled and will be forwarded to the Deputy as soon as it is available.

Lawful Interception

188. **Deputy Jonathan O'Brien** asked the Minister for Justice and Equality if he will provide details of any briefings he has had from his Department on the issue of lawful interception; and if he will make a statement on the matter. [40127/11]

Minister for Justice and Equality (Deputy Alan Shatter): By way of general information, the lawful interception of telecommunications and postal packets is governed by the Interception of Postal Packets and Telecommunications Messages (Regulation) Act, 1993.

It is not the practice and would be contrary to the effectiveness of lawful interception to comment on matters pertaining to the operation of this legislation.

Garda Vetting of Personnel

189. **Deputy Jonathan O'Brien** asked the Minister for Justice and Equality the average length of time applicants wait for Garda vetting applications to be processed. [40128/11]

190. **Deputy Jonathan O'Brien** asked the Minister for Justice and Equality the number of staff employed by Garda vetting services; and if he will make a statement on the matter. [40129/11]

Minister for Justice and Equality (Deputy Alan Shatter): I propose to take Questions Nos. 189 and 190 together.

I am informed by the Garda authorities that the average processing time for Garda vetting applications at the Garda Central Vetting Unit (GCVU) at present is 5 weeks. This is a significant improvement on the average processing time of 12 weeks at the end of last year. All organisations registered for Garda Vetting are aware of the processing time frames for the receipt of Garda vetting and have been advised to factor this into their recruitment and selection process. This processing time can, nevertheless, be affected by seasonal fluctuations or the necessity to seek further information on particular applications which may result in the processing time exceeding the present average of 5 weeks.

I am further informed by the Garda Authorities that in order to observe equity and fairness in respect of applicants for Garda vetting, the general processing procedures are such that applications are processed in chronological order, from the date of receipt at the Vetting Unit. At present there are a total of 100 personnel assigned to the GCVU. Of this 100, 5 are members of An Garda Síochána and 75 are full-time Garda civilian personnel. In addition, 20 civilian personnel have been employed on a temporary basis to help reduce the backlog and bring down processing times.

Northern Ireland Issues

191. **Deputy Jonathan O'Brien** asked the Minister for Justice and Equality the number of times he has met his Northern counterpart with the Garda Commissioner and the Police Service of Northern Ireland chief constable since being appointed to office; and if he will give details of the matters discussed. [40130/11]

192. **Deputy Jonathan O'Brien** asked the Minister for Justice and Equality if he will provide an update on the work programme of the working group that consists of senior officials of his Department and the Northern Ireland Office, and representatives of various criminal justice agencies North and South; and if he will make a statement on the matter. [40131/11]

193. **Deputy Jonathan O'Brien** asked the Minister for Justice and Equality his views on the cross-Border policing strategy; and if he will make a statement on the matter. [40132/11]

Minister for Justice and Equality (Deputy Alan Shatter): I propose to take Questions Nos. 191 to 193, inclusive, together.

I meet regularly with my Northern Ireland counterpart, Minister of Justice, David Ford, and we have developed a close working relationship. One of my first actions as Minister was to travel to Belfast to meet with Minister Ford. The Garda Commissioner and the Chief Constable of the PSNI accompanied us at that meeting and shared a frank assessment of the threat posed by the small number of criminal terrorists who continue to operate in both jurisdictions. I met again with Minister Ford, the Garda Commissioner and the Chief Constable of the PSNI during the Cross-Border Organised Crime Conference which was held late last month when we focused on common issues of concern and actions being taken to counter the cross-Border activities of organised criminal gangs.

I also meet regularly with Minister Ford under the auspices of the Intergovernmental Agreement on Co-operation on Criminal Justice Matters. This agreement provides for structured co-operation between my Department and the Northern Ireland Department of Justice, and the related criminal justice agencies North and South. There are a number of working groups bringing forward initiatives in this framework which cover a range of criminal justice areas including youth justice, support for victims, forensic science, registered offenders, public protection and criminal justice and social diversity. On 25 November last, I met with Minister Ford in this context and we received an update on the good progress that has been made to date by the various working groups and the ongoing work in building co-operation.

Our meeting took place after we had opened the second annual joint seminar of the probation services of both jurisdictions. The seminar considered a number of shared initiatives aimed at better engagement with offenders and reducing offending, including cross-agency work in managing female offenders and research-sharing with regard to the impact of drugs and alcohol misuse on offending. This seminar is just one practical example of criminal justice organisations coming together to prioritise cross-Border work and share best practices with the aim of enhancing the safety of communities throughout Ireland.

I have stated in this House on previous occasions that co-operation between An Garda Síochána and the PSNI remains at the highest level on all aspects of policing activity. The joint Cross-Border Policing Strategy is an excellent example of the close co-operation between the two police forces. It aims to improve public safety throughout Ireland by disrupting criminal activity in both jurisdictions and enhancing the policing capability of both police services. The Cross-Border Policing Strategy indicates the scope of this co-operation and the determination of both police forces to use the tools available to ensure that those who seek to exploit the Border for criminal ends will not succeed.

The joint strategy covers a range of policing areas, including cross-border investigations and operations; intelligence-sharing and security; communications and information technology; training and emergency planning. The implementation of the Cross-Border Policing Strategy is, of course, the responsibility of the Commissioner and the Chief Constable and their respective forces. The high quality and the closeness of the operational co-operation between the two forces at all levels has been instrumental in preventing attacks by paramilitaries and saving lives, and it continues to make an essential contribution to combating criminality on this island.

Garda Transport

194. **Deputy Jonathan O'Brien** asked the Minister for Justice and Equality if he will provide

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details of the office holder fleet of cars, including the names of holders of these cars, and their costs. [40133/11]

Minister for Justice and Equality (Deputy Alan Shatter): The Office Holder fleet consists of a number of vehicles comprising mainly Audi, BMW, Lexus and Mercedes cars. Office Holder cars are currently placed at the disposal of the President, An Taoiseach, An Tánaiste, the Minister for Justice, Equality and Defence, the Chief Justice and the Director of Public Prosecutions. I am advised by the Garda authorities that the estimated cost of providing the relevant transport in 2011 will be approximately €1.3 million.

Garda Disciplinary Proceedings

195. **Deputy Jonathan O'Brien** asked the Minister for Justice and Equality if he has completed a review of the discipline regulations within An Garda Síochána; the date on which he will introduce new regulations; and if he will make a statement on the matter. [40134/11]

Minister for Justice and Equality (Deputy Alan Shatter): A review of the Garda Síochána (Discipline) Regulations 2007 is underway. It is anticipated that the review will be completed in 2012 and new regulations introduced thereafter.

Garda Recruitment

196. **Deputy Jonathan O'Brien** asked the Minister for Justice and Equality if he has completed a review of the admission and appointment regulations for entry to An Garda Síochána; and if he will make a statement on the matter. [40135/11]

Minister for Justice and Equality (Deputy Alan Shatter): A review of the Garda Síochána (Admission & Appointments) Regulations 1988 — 2005 is underway. It is anticipated that the review will be completed in 2012 and new regulations introduced thereafter.

Garda Deployment

197. **Deputy Jonathan O'Brien** asked the Minister for Justice and Equality if he will provide an update on An Garda Síochána civilianisation; and if he will make a statement on the matter. [40136/11]

Minister for Justice and Equality (Deputy Alan Shatter): There are currently over 2,000 full-time-equivalent civilian support staff in the Garda Síochána. These staff provide vital support services in a wide range of areas, such as human resources, training & development, IT and telecommunications, finance and procurement, internal audit, research and analysis, accommodation and fleet management, scene-of-crime support and medical services. In doing so, they release highly trained Gardaí from administrative tasks to operational policing.

While the current number of civilian support staff is an increase on previous years, the level of civilian support staff in the Garda Síochána is still lower than in comparable police forces. This is reflected in the 2009 Garda Inspectorate report on Resource Allocation, which called for the numbers of Gardaí available for operational duty to be maximised through a structured programme of civilianisation.

We will continue to maximise the number of civilian support staff in An Garda Síochána consistent with overall policy on numbers in the public service and taking into account the scope for the appropriate redeployment of staff from elsewhere in the public service as part of the reform process under the Croke Park Agreement.

Proposed Legislation

198. **Deputy Jonathan O'Brien** asked the Minister for Justice and Equality if he will provide an update on the plans to consolidate legislation on corruption; if he has completed an examination of the different protection and reporting mechanisms under An Garda Síochána; and if he will make a statement on the matter. [40137/11]

Minister for Justice and Equality (Deputy Alan Shatter): The heads of a new Bill to reform and consolidate the Prevention of Corruption Acts 1889 to 2010 are currently being developed with a view to being brought to Government for approval and publication in the first half of 2012. The systems for reporting corruption and protecting those who report corruption are being examined as part of the process of developing the new legislation.

Criminal Prosecutions

199. **Deputy Jonathan O'Brien** asked the Minister for Justice and Equality the number of persons charged with directing the activities of a criminal organisation since the introduction of anti-gangland legislation; the number of persons charged with participation offences; the number of persons convicted of these offences; the number of files currently with the Director of Public Prosecutions; and the number of persons arrested under this legislation. [40138/11]

Minister for Justice and Equality (Deputy Alan Shatter): I am advised by the Garda authorities that in the period since the Criminal Justice (Amendment) Act 2009 was enacted on 23 July 2009 up to 30 November 2011, the legislation has been used on 160 occasions where arrests have been made relating to organised crime activity. To date, eight individuals have been charged under the provisions. Two persons have been charged under Section 71A of the Criminal Justice Act 2006 as inserted by section 5 of the Criminal Justice (Amendment) Act 2009 (directing a criminal organisation). Six persons have been charged under Section 72 of the Criminal Justice Act 2006 as inserted by section 6 of the Criminal Justice (Amendment) Act 2009 (participating etc in organised crime).

I am further informed by the Garda authorities that the arrests referred to earlier have also resulted in other charges being preferred for a range of other offences including firearms offences, offences relating to the sale and supply of drugs and drug trafficking, violent disorder and demanding money with menaces. These charges are pending the submission of comprehensive Investigation Files to the Law Officers. To date, there has been no person convicted before the Courts for the offences provided by way of the Criminal Justice (Amendment) Act 2009 in relation to organised criminal activity.

I have requested the information sought by the Deputy in relation to the number of files currently with the Office of the Director of Public Prosecutions and will revert to the Deputy in due course. The Deputy will be aware that I have indicated my intention to the House to keep under review the question of whether any further improvements could be made to the Criminal Justice (Amendment) Act 2009, along with other pieces of legislation introduced in recent years tackling organised crime, which would render them more effective.

Departmental Reports

200. **Deputy Jonathan O'Brien** asked the Minister for Justice and Equality the date on which he will publish the report, Responding to Child Sexual Abuse, by the Garda Inspectorate. [40139/11]

Minister for Justice and Equality (Deputy Alan Shatter): The Garda Síochána Inspectorate has carried out a review of the Garda arrangements for dealing with allegations of sexual abuse

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of children and has submitted a report with recommendations. Subsequent to the publication of the report into the Diocese of Cloyne, the Inspectorate was requested to review its report in the light of the findings of the Cloyne report. It has completed that review and submitted an addendum to the report.

My Department has sought the views of An Garda Síochána and others on the report and addendum. I intend to bring the report and addendum and a comprehensive response to the report's recommendations to the attention of the Government in January and to lay the report and addendum before the Houses of the Oireachtas, together with a response to the recommendations contained in the report, at as early a date as possible thereafter.

Departmental Contracts

201. **Deputy Jonathan O'Brien** asked the Minister for Justice and Equality the amount of money paid to a company (detail supplied) since the beginning of its contract with his Department. [40140/11]

Minister for Justice and Equality (Deputy Alan Shatter): In November, 2009 a contract was concluded for the provision of an outsourced safety camera network to An Garda Síochána, as excessive or inappropriate speeding is a major factor in road traffic collisions and fatalities. The objective of the safety camera network is to reduce the number of speed related collisions and so save lives and prevent serious injury, not to generate revenue.

I am informed by the Garda authorities that €13.3 million has been paid to the service provider to date. Fixed charges paid by speeding drivers as a result of detections by the cameras contribute to offsetting the operating costs.

Departmental Reviews

202. **Deputy Jonathan O'Brien** asked the Minister for Justice and Equality if he will provide an update on the work of the expert group examining the Criminal Assets Bureau and reviewing the proceeds of crime legislation; and the date on which its paper will be published. [40141/11]

Minister for Justice and Equality (Deputy Alan Shatter): An Expert Group, established under the auspices of my Department, is currently reviewing the Proceeds of Crime legislation with a view to identifying possible improvements which would serve to strengthen the operation of the Criminal Assets Bureau. The Expert Group is engaged in a comprehensive review of the operation of the legislation with particular regard to the experience of the Bureau to date. A number of matters are being reviewed by the Group including decreasing the amount of time which must elapse before criminal assets which have been frozen become the property of the State; increasing the powers of receivers over properties so as to immediately deprive criminals of the use of those properties; short term seizure of assets believed to be the proceeds of crime pending determination by the courts; and further improving measures supporting international cooperation.

I expect the Group to have completed its review early in 2012. When that work concludes it is my intention to make available, in due course, the outcome of that review and to bring forward my proposals in the normal way. It is not possible at this stage to provide the Deputy with a particular date for when the outcome of the Group's work will be made available.

Organised Crime

203. **Deputy Jonathan O'Brien** asked the Minister for Justice and Equality if he will provide an update on his proposals regarding organised crime developments at EU level. [40142/11]

Minister for Justice and Equality (Deputy Alan Shatter): Combating serious and organised crime continues to be a key priority of the European Union in the development of an area of freedom, security and justice. The Stockholm Programme — An Open and Secure Europe Serving and Protecting Citizens, is the key strategic document setting out guidelines for legislative and operational planning within the area of freedom, security and justice for the period 2010-2014. Ireland welcomed the Stockholm Programme at the time of its adoption and continues to support the implementation of this five year work programme for the Justice and Home Affairs area.

I am fully supportive of the strategy that the European Union has adopted in the Stockholm Programme and of the practical measures for international cooperation arising from that Programme which provide real and added value to the Community in tackling international serious and organised crime. For example, at the June Council this year my European colleagues and I adopted Conclusions on setting the European Union's priorities for the fight against organised crime between 2011 and 2013. These Conclusions have facilitated further work on the creation and implementation of the first EU policy cycle for organised and serious international crime for the period 2011 to 2013. The policy cycle will allow the Union to focus on those threats and challenges that need specific attention and to develop an approach to tackle and monitor these threats and challenges.

There is, of course, a larger body of work to be progressed in tackling organised crime at the European Union level and this is reflected in the various work programmes and action plans of the EU institutions which outline initiatives to be developed over the coming years. One such initiative which has been given my particular support, and which I have advanced with my European colleagues, is in the area of targeting the proceeds of crime. I have promoted a European wide regime for the confiscation of proceeds of crime, based on the model currently operated by the Criminal Assets Bureau. I am strongly of the view that such a regime would strengthen cooperation across the Union and provide for a more effective European response to the proceeds of crime.

Arising from the work of the European Commission and discussions that have been ongoing at EU level, I hope to see proposals emerge in the near future which will further facilitate productive discussions on such an initiative.

Drug Trafficking

204. **Deputy Jonathan O'Brien** asked the Minister for Justice and Equality if he will provide an update on Ireland's participation in the Maritime Analysis and Operations Centre — Narcotics; and the amount of funding allocated by the State to this body. [40144/11]

Minister for Justice and Equality (Deputy Alan Shatter): The Maritime Analysis and Operations Centre, Narcotics (MAOC(N)) was established pursuant to an international agreement concluded on 30 September 2007 between Ireland, the Netherlands, Spain, Italy, Portugal, France and the United Kingdom. The purpose of the Centre, which is based in Lisbon, is to facilitate cooperation in the suppression of illicit drug trafficking across the Atlantic towards Europe and the West African seaboard, with the possibility of extending its operations, *inter alia*, into the Western Mediterranean basin.

The Centre's work is primarily focused on intelligence exchange and cooperation between the Parties leading to the interdiction of large maritime and aviation drug shipments. Ireland continues to actively support the work of MAOC(N) through Ireland's representation at the Centre by liaison officers from An Garda Síochána and the Revenue Commissioners (Customs

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Service). In addition, the Executive Board of the Centre, of which Ireland currently holds the chair, is comprised of a representative from each of the Parties.

I am further informed that regular high level meetings of senior management from the enforcement agencies are held at MAOC(N) and that the ongoing close cooperation of all agencies involved has led to a very effective and efficient strategy in combating drug trafficking on a global scale. An Garda Síochána, in collaboration with the Revenue Customs Service, continues to foster a close working relationship with the enforcement agencies involved.

The Centre is co-funded through the European Union ISEC funding Programme 'Prevention of and Fight against Crime'. The Parties provide a financial contribution as partner organisations in the EU funding project and any additional costs are borne equally by the Parties. Since the establishment of MAOC(N), Ireland has made a financial contribution totalling €64,080.64 to the project. This funding includes the projected costs up to September 2012.

Departmental Funding

205. **Deputy Jonathan O'Brien** asked the Minister for Justice and Equality if he will provide an update on the construction of the new forensic science laboratory; and if he will make a statement on the matter. [40145/11]

Minister for Justice and Equality (Deputy Alan Shatter): The construction of a new forensic science laboratory was to be funded from the Vote of the Office of Public Works. As the Deputy is no doubt aware, the appalling financial legacy inherited from the previous Government has placed significant restrictions on available funding. The demands on the capital envelope available to the Office of Public Works have required them to prioritise urgent public projects such as flood defences. Hence, the funding is not available to proceed with the construction of a new forensic science laboratory at this stage.

My Department is now examining what alternative options may be available in this regard and how the needs of the forensic science laboratory might best be met having regard to the obligation of my Department to contribute to the overall reduction in public expenditure that must be achieved in the public interest in order to enable our State to regain its economic sovereignty.

White Paper on Crime

206. **Deputy Jonathan O'Brien** asked the Minister for Justice and Equality the date on which he will publish a White Paper on crime. [40146/11]

Minister for Justice and Equality (Deputy Alan Shatter): I can inform the Deputy that work on the development of a White Paper on Crime is at an advanced stage and is expected to be completed in 2012.

Criminal Law Reform

207. **Deputy Jonathan O'Brien** asked the Minister for Justice and Equality the number of persons employed by the Criminal Law Reform Division; and if he will provide details of their current work programme. [40147/11]

Minister for Justice and Equality (Deputy Alan Shatter): The Criminal Law Reform Division comprises 20 staff consisting of 1 Assistant Secretary General, 6 Principal Officers, 9 Assistant Principal Officers, 1 Administrative Officer, 1 Higher Executive Officer and 2 Clerical Officers.

The primary focus of the Division is the completion to the greatest extent possible of the programme of criminal law reform contained in the Government’s legislative programme. A table detailing the criminal law items in the current legislative work programme is set out below for the Deputy’s information.

In addition to the production of primary legislation and any resulting secondary legislation necessary, the Division contributes to policy development at EU and other international fora. Criminal Law Reform Division has responsibility for a range of EU and international commitments and the work of the Division includes giving effect to legislative requirements arising within that context. The programme of work also provides for the transposition of EU legislative instruments under the Area of Freedom and Security and the conclusion of a range of bilateral/multilateral mutual assistance and extradition agreements.

The Division keeps the criminal law under continuous review as a matter of course, taking into consideration contributions from a range of relevant stakeholders such as the Attorney General’s Office, the Director of Public Prosecutions and in particular, the Consultation Papers and Reports produced by the Law Reform Commission.

Bills on Dáil and Seanad Order Paper

Title	Present Status
Criminal Law (Defence and the Dwelling) Bill 2010	Presented to Dáil on 19 July 2010 and completed all stages in the Seanad on 9 December 2011. Awaiting President’s signature.
European Arrest Warrant (Extension) and Extradition (Amendment) Bill 2011	Presented to Dáil on 10 August 2011. Awaiting Second Stage.

Section A: Bills expected to be published during the Autumn Session

Title	Purpose
Criminal Justice (Withholding Information on Crimes against Children and Vulnerable Adults) Bill	To create a criminal offence of withholding information relating to the commission of a serious offence, including a sexual offence, against a person under 18 years or an intellectually disabled person.
National Vetting Bureau Bill	To establish the National Vetting Bureau and to provide for vetting of applicants for certain employment and to provide for related matters.

Section B: Bills in respect of which Heads have been agreed and texts are being drafted

Title	Purpose
Europol Bill	To give effect to Council Decision 2009/371/JHA establishing Europol and to repeal and replace the Europol Act 1997 and the Europol (Amendment) Act 2006.
Spent Convictions Bill	To provide that in the case of convicted persons whose sentence is below a specific threshold, they may, under certain circumstances, withhold details of the conviction.
Criminal Justice (Mutual Assistance) (Amendment) Bill	To give effect to a number of EU Framework Decisions.
Criminal Justice (Forensic Evidence and DNA Database System) Bill	To provide for the establishment of a DNA database and related matters.

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Title	Purpose
Criminal Justice (Miscellaneous Provisions) Bill	To provide for a range of amendments to earlier legislation.
Criminal Justice (Cybercrime) Bill	To enable ratification of the Council of Europe Convention on Cybercrime and transposition of the EU Framework Decision on attacks against Information Systems.

Section C: Bills in respect of which Heads have yet to be approved by Government.

Title	Purpose
Inspection of Places of Detention Bill	To give legislative effect to the Optional Protocol to the Convention Against Torture, and other Cruel, Inhuman or Degrading Treatment or Punishment, strengthen Prisons Inspectorate, put Council of Europe inspection regime on a statutory footing and address matters relating to Prison Visiting Committees.
Criminal Law (Sexual Offences) Bill	To implement recommendations in the Joint Oireachtas Committee Second Interim Report on the Constitutional Amendment on Children and protect vulnerable persons against sexual exploitation and abuse.
Probation Service Bill	To provide a modern statement of the law governing the role and use of the Probation Services in the Criminal Justice System and to give effect to the EU Framework Decision (2008/947/JHA).
Bail Bill	To consolidate and amend the bail laws.
Criminal Justice (Money Laundering and Terrorist Financing) (Amendment) Bill	To provide for amendments to the Criminal Justice (Money Laundering and Terrorist Financing) Act 2010.
Criminal Records Information System Bill	To provide for the exchange of criminal records information with other EU member states and other designated states.
Criminal Justice Corruption (Consolidation) Bill	To consolidate all of the legislation currently cited as the Prevention of Corruption Acts 1889 — 2010 in a single statute.
Criminal Justice (Fines) (Amendment) Bill	To provide for attachment of earnings and social welfare payments as an alternative to imprisonment for people who refuse to pay fines.
Criminal Justice (Proceeds of Crime) Bill	To strengthen the powers of CAB in relation to forfeiting the proceeds of crime.
Official Secrets Act (Amendment) Bill	To amend the Official Secrets Act to reflect the Programme for Government commitments.
Criminal Justice (Victims Rights) Bill	To strengthen the rights of victims of crime and their families and to give effect to a proposed EU Directive.
Criminal Procedure Bill	To provide for the reform of pre-trial processes.
Criminal Law (Human Trafficking) (Amendment) Bill	To implement EU Trafficking Directive. Transposition deadline is 6 April, 2013.

Victims Charter

208. **Deputy Jonathan O'Brien** asked the Minister for Justice and Equality his plans to ensure the criminal justice agencies are implementing the victims charter. [40148/11]

Minister for Justice and Equality (Deputy Alan Shatter): The present version of the Victims Charter was published in July 2010. I want to see the Victims Charter implemented in full by all bodies covered by the Charter so that the experience of the victim of crime when engaging with the criminal justice system is improved.

A key prerequisite for implementing the Charter is that the public in general and victims in particular are aware of their rights under the Charter. To this end, the Charter has been certified as written in Plain English, and has been translated into Irish and six other languages. These translations as well as an array of booklets produced by the criminal justice agencies and others have been assembled on the website of the Victims of Crime Office. Almost 15,000 hard copies of the Victims Charter in English have been circulated to criminal justice agencies, organisations supporting victims of crime and others.

Monitoring of their own performance by the criminal justice agencies in relation to commitments contained in the Victims Charter is necessary to secure implementation of the Charter. I have instructed my officials to review progress to date in this regard in a series of meetings with the criminal justice agencies early in the new year.

I understand that the Commission for the Support of Victims of Crime, an independent body funded by my Department, convened a day long Victims of Crime Consultative Forum, in September 2010, devoted entirely to the implementation of the Victims Charter. Its title was “Making the new Victims Charter work”. There were robust discussions between organisations representing victims’ interests and the five main criminal justice agencies which made presentations at this Forum.

I am informed that An Garda Síochána has held three National Victims Support Fora at Garda Headquarters at which victims organisations were advised of improvements in Garda services to victims. The Courts Service also holds regional user group meetings, including meetings with victims of crime.

Mental Health Review Board

209. **Deputy Jonathan O’Brien** asked the Minister for Justice and Equality the number of cases that the Mental Health (Criminal Law) Review Board have reviewed in each of the past five years. [40149/11]

Minister for Justice and Equality (Deputy Alan Shatter): I can inform the Deputy that the Mental Health (Criminal Law) Review Board was established on 27th September 2006. The Board held its first review into the detention of a patient in the Central Mental Hospital on 14th December 2006. The Board is required to ensure that the detention of a patient is reviewed at intervals of such length not being more than 6 months as it considers appropriate but some patients may be reviewed at lesser intervals as a review can be triggered not only at the behest of the Board but also at the request of the Minister for Justice and Equality, at the request of the patient or at the request of the Clinical Director of the Central Mental Hospital.

The number of cases reviewed by the Board in each of the past five years is set out in the Table. The Deputy may also wish to note that the Board’s Annual Reports are published each year and are available on my Department’s website at www.justice.ie.

	2006	2007	2008	2009	2010
Number of patients reviewed	1	69	71	82	94
Number of review hearings	1	133	150	167	205

Joint Policing Committees

210. **Deputy Jonathan O'Brien** asked the Minister for Justice and Equality if he will provide an update on the ongoing review of joint policing committee guidelines. [40150/11]

Minister for Justice and Equality (Deputy Alan Shatter): The functions and powers of Joint Policing Committees (JPCs) are set out in the Garda Síochána Act 2005, which provides for a Committee in each local authority area. The Act provides that JPCs operate under guidelines issued by the Minister for Justice and Equality after consultation with the Minister for the Environment, Community and Local Government. The current guidelines were issued in September, 2008.

The Programme for Government makes a commitment to build on existing community policing partnerships and forums to enhance trust between local communities and their Gardaí. I am aware that some JPCs are working better than others, depending on the local authority. Work, involving my Department and the Department of the Environment, Community and Local Government, is well advanced on preparations to contact all JPC members in the coming weeks seeking their views on how the JPCs are operating and the extent to which their activities are constructive and beneficial to the community and the Gardaí. It is intended that a document will then be prepared, taking into account the views expressed, on the basis of which consultations will take place with the local authorities and JPCs on how the operation of the Committees might be improved, with a view to updating the guidelines. It is envisaged that this process will be substantially complete in the early part of next year.

My Department has also been engaged in a major consultative exercise leading to the production of a White Paper on crime. One of the issues addressed in this exercise has been the role of the JPCs. The White Paper will set out a policy framework for future strategies to combat and prevent crime. The intention is that this process will lead ultimately to a national anti-crime strategy, in which the JPCs will have a role to play.

Anti-Social Behaviour

211. **Deputy Jonathan O'Brien** asked the Minister for Justice and Equality his plans to review the operation of the provisions for combating anti-social behaviour in the Criminal Justice Act 2006. [40151/11]

Minister for Justice and Equality (Deputy Alan Shatter): The Criminal Justice Act 2006 sets out an incremental procedure for addressing anti-social behaviour by adults and children. For adults they provide for a behaviour warning and a civil order. For children, they range from a behaviour warning from a member of An Garda Síochána, to a good behaviour contract involving the child and his or her parents or guardian, to referral to the Garda Juvenile Diversion Programme and to the making of a behaviour order by the Children Court. Applications to the courts for civil orders and behaviour orders are considered only as the last stage in a process. If the offending anti-social behaviour has been addressed at an earlier stage in the process, it is not necessary to apply to the courts for an order.

The legislation and its operation are kept under review by my Department, in consultation with the Garda authorities and other relevant Departments.

Control of Firearms

212. **Deputy Jonathan O'Brien** asked the Minister for Justice and Equality the number of firearms certificates held by persons here to hold large calibre handguns; and if he will make a statement on the matter. [40152/11]

Minister for Justice and Equality (Deputy Alan Shatter): Under the Firearms Acts, and associated regulations, handguns are currently classified as either ‘Restricted’ or ‘Non-Restricted’. ‘Restricted’ Handguns are defined as all of those above .22“calibre and also includes those of 0.22” calibre which hold more than five rounds.

I understand that the total number of Restricted Firearm Certificates issued for Restricted Handguns since 1st August 2009 to 12th December, 2011, is 443.

213. **Deputy Jonathan O’Brien** asked the Minister for Justice and Equality his plans to introduce regulations for target shooting ranges. [40153/11]

Minister for Justice and Equality (Deputy Alan Shatter): I can inform the Deputy that I signed the necessary Regulations, the Firearms (Authorisation of Rifle or Pistol Shooting Ranges) Regulations 2011, into law on 30 November, 2011. My Department’s Firearms Ranges Inspector has been working collaboratively with the range owners throughout the country and expects to be in a position to certify some ranges before the end of the year.

214. **Deputy Jonathan O’Brien** asked the Minister for Justice and Equality the number of firearms reported as stolen in each of the past five years. [40154/11]

Minister for Justice and Equality (Deputy Alan Shatter): The following table shows the number of firearms recorded as stolen on PULSE for each year from 2007 — 2011 (valid to 12th December 2011).

Year	Number stolen
2011	205
2010	249
2009	350
2008	298
2007	349

Figures provided are operational and liable to change.

Garda Investigations

215. **Deputy Dara Calleary** asked the Minister for Justice and Equality the position regarding Garda investigations into allegations regarding events at Anglo Irish Bank; when a decision is expected to be made by the Director of Public Prosecutions; and if he will make a statement on the matter. [40157/11]

Minister for Justice and Equality (Deputy Alan Shatter): I attach the highest priority to the full investigation of white collar crime and bringing the perpetrators of such crime to justice. I have already expressed my unhappiness at the protracted nature of the investigations underway. This is not a criticism of the investigators and prosecutors, who face tough challenges as a result of the complexities of the matters being investigated. At the same time, I am anxious to ensure that I do not say anything which might jeopardise any prosecutions.

Within eight weeks of taking up office, I moved urgently to draft, and seek Government approval to the introduction of, additional legislation. This new legislation, the Criminal Justice Act 2011, was enacted on 2 August. The Act is an important step in delivering on the Government’s commitment to tackle white collar crime. Its main purpose is to address delays in the prosecution and investigation of complex white collar crime by improving certain important procedural matters and strengthening Garda investigative powers. The Act’s provisions are

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based on the experiences of those involved in investigations and prosecutions of white collar crime, and in particular on the experiences of those involved in current investigations into bank fraud and financial irregularities. It provides new procedures and powers which will speed up both current and future investigations, including investigations into offences in the areas of banking and finance, company law, money laundering, fraud and corruption.

It provides for offences committed by persons or witnesses who are unwilling or reluctant to assist with an investigation. The provisions of the Act include a new power for the Garda Síochána to apply to court for an order to require any person with relevant information to produce documents, answer questions and provide information for the purposes of the investigation of relevant offences. Failure to comply with such an order will be an offence, punishable by way of a term of imprisonment or a fine or both. This is a central provision of the Act.

It is expected that the Act will provide vital assistance to An Garda Síochána in the completion of current investigations as well as providing assistance to them in investigations undertaken in the future.

The Programme for Government contains a commitment that rogue bankers and all those that misappropriate or embezzle funds are properly pursued for their crimes and that the full rigours of the law will apply to them. I am determined to see this commitment fulfilled.

I am informed by the Garda authorities that the investigations into Anglo Irish Bank by An Garda Síochána and the Office of the Director of Corporate Enforcement (ODCE) are ongoing, with a full investigation team employed at the Garda Bureau of Fraud Investigation. This team continues to conduct necessary follow up enquiries in respect of investigations, as well as investigations into separate complaints received regarding other alleged malpractices.

All members of An Garda Síochána allocated to such investigations have previous experience in the investigation of fraud related offences, and the investigations are augmented by experienced investigators from ODCE. There is close cooperation and ongoing liaison between An Garda Síochána and ODCE, with members of An Garda Síochána seconded to ODCE.

I am informed that three comprehensive investigation files have been submitted by the Garda Bureau of Fraud Investigation to the Law Officers, in December, 2010 and October, 2011. In addition, a supplementary investigation file was submitted in May. The files remain under consideration by the Director of Public Prosecutions, and directions are awaited. Following recent developments it is anticipated that a further investigation file will be submitted to the DPP.

Crime Prevention

216. **Deputy Dara Calleary** asked the Minister for Justice and Equality the number of occasions on which the provisions of the Criminal Justice Bill 2011 have been used by the Garda since its inception. [40158/11]

Minister for Justice and Equality (Deputy Alan Shatter): The Criminal Justice Act 2011 was enacted on 2 August. The Act is an important step in delivering on the Government's commitment to tackle white collar crime. Its main purpose is to address delays in the prosecution and investigation of complex white collar crime by improving certain important procedural matters and strengthening Garda investigative powers. The Act's provisions are based on the experiences of those involved in investigations and prosecutions of white collar crime, and in particular on the experiences of those involved in current investigations into bank fraud and financial irregularities. It provides new procedures and powers which will speed up both current and

future investigations, including investigations into offences in the areas of banking and finance, company law, money laundering, fraud and corruption.

It provides for offences committed by persons or witnesses who are unwilling or reluctant to assist with an investigation. The provisions of the Act include a new power for An Garda Síochána to apply to court for an order to require any person with relevant information to produce documents, answer questions and provide information for the purposes of the investigation of relevant offences. Failure to comply with such an order will be an offence, punishable by way of a term of imprisonment or a fine or both. The Act also provides for the suspension of detentions in respect of complex investigations.

I am informed by the Garda authorities that An Garda Síochána continues to develop and implement operations and strategies aimed at targeting, dismantling and disrupting criminal networks, utilising advanced analytical and intelligence methodology. Multiple approaches, including the use of the proceeds of crime legislation, money laundering legislation and the powers of the Criminal Assets Bureau, are utilised to ensure the activities of individuals and groups involved in criminal enterprise are effectively targeted. Members of An Garda Síochána continue to utilise the provisions of all relevant legislation, including the Criminal Justice Act 2011.

The information requested by the Deputy in relation to the precise number of occasions the provisions have been used is not readily available and would necessitate a disproportionate expenditure of Garda time and resources to collate.

Departmental Expenditure

217. **Deputy Arthur Spring** asked the Minister for Justice and Equality the amount of money spent by him on public relations companies each year since 2006. [40183/11]

218. **Deputy Arthur Spring** asked the Minister for Justice and Equality the amount of money spent by him on advertising with international, national and local media for each year since 2006. [40199/11]

Minister for Justice and Equality (Deputy Alan Shatter): I propose to take Questions Nos. 217 and 218 together.

I wish to inform the Deputy that my Department does not, as a matter of policy, incur expenditure of this nature. However, expenditure does arise from time to time on public information notices such as, for example, the dangers of fireworks, illegal drug dealing or the bringing into force of new legislation and other statutory notices.

Private Rented Accommodation

219. **Deputy Patrick O'Donovan** asked the Minister for Justice and Equality, further to Parliamentary Question No. 369 of 29 November 2011 and Parliamentary Question No. 31 of 7 December 2011, if in a situation in which a property management company has gone into liquidation and the housing estate has not been taken in charge by the local authority, he will confirm that the legal responsibility for the ongoing maintenance and carrying out of repairs lies with the liquidator. [40214/11]

Minister for Justice and Equality (Deputy Alan Shatter): The Deputy will appreciate that I am not in a position as Minister for Justice and Equality to give legal advice in relation to the functions and responsibilities of liquidators under the Companies Acts. However, I can indicate the following by way of general information in relation to the functions of owners' management companies.

[Deputy Alan Shatter.]

One of the principal objectives of the Multi-Unit Developments Act 2011 is to ensure the transfer of common areas of multi-unit developments from developers to the owners' management companies concerned. Section 4 of the Act, which deals with partially completed developments, and section 5, which deals with substantially completed developments, provide that transfer of the relevant parts of the common areas must have been completed within 6 months of the coming into operation of the Act, i.e. before 1 October 2011.

Section 24 of the Act establishes a new Circuit Court jurisdiction for the resolution of disputes in relation to multi-unit developments. It means that if such a dispute cannot be resolved by the parties concerned by means of mediation or other dispute resolution mechanism, the Court may, where it is satisfied that a right has been infringed or an obligation has not been discharged, make an order with a view to ensuring effective enforcement of the right or effective discharge of the obligation concerned. Such an order may include an order directing the developer to complete the development or an order transferring control of an owners' management company from a developer to the apartment owners where the Circuit Court is satisfied the developer has unreasonably refused to effect such a transfer.

Garda Investigations

220. **Deputy James Bannon** asked the Minister for Justice and Equality the reason An Garda Síochána is unable to reach a comprehensive assessment of the causes of a fire on the property of a person (details supplied) in County Longford; and if he will make a statement on the matter. [40216/11]

Minister for Justice and Equality (Deputy Alan Shatter): I am informed by the Garda authorities that local Garda management is aware of the incident referred to by the Deputy. The incident was the subject of a Garda investigation which found no evidence to suggest there were any suspicious circumstances. The person referred to was so informed.

Asylum Applications

221. **Deputy Finian McGrath** asked the Minister for Justice and Equality his views on a matter (details supplied) regarding the courts. [40294/11]

Minister for Justice and Equality (Deputy Alan Shatter): The Deputy should be aware that it is not the practice to comment on individual asylum applications where a final decision has not been made. As I understand it, the delay in having the case of the person concerned concluded has arisen from the legal challenges taken, in the High Court and in the Supreme Court, by the person concerned against determinations or decisions taken in her case. However, given that a final decision has not yet been taken in this case, it would not be appropriate for me to comment further on the case at this time.

On a more general level, I am entirely satisfied that the State has very comprehensive mechanisms, both legislative and administrative, in place for the determination of asylum applications. Where an individual asylum applicant is not satisfied with a determination or decision taken in relation to their case, they have recourse to the High Court to challenge such a determination or decision through the medium of judicial review. Equally, where an individual is not satisfied with a decision of the High Court in their case, they have, subject to certain criteria being satisfied, recourse to the Supreme Court. As the Deputy will be aware, under our Constitution the Courts are independent in the exercise of their functions.

Against the above background, I am satisfied that any issue raised by the person concerned has been given an appropriate hearing at both administrative and judicial level.

Public Service Remuneration

222. **Deputy Alan Farrell** asked the Minister for Justice and Equality the monetary value or estimated monetary value of increments for public sector staff in his Department in 2010, 2011 and those due in 2012 in tabular form; and if he will make a statement on the matter. [40338/11]

Minister for Justice and Equality (Deputy Alan Shatter): The monetary value of increments paid to staff in my Department in 2010 and 2011 is in the region of €1,072,000 and €840,000 respectively. The estimated monetary value of increments due in 2012 is in the region of €817,000.

Departmental Expenditure

223. **Deputy Finian McGrath** asked the Minister for Defence in view of budget 2012, if he will confirm the total amount of his grant-in-aid allocation to the Irish Red Cross for 2012; and if he will make a statement on the matter. [40162/11]

Minister for Defence (Deputy Alan Shatter): The total grant from my Department to the Irish Red Cross Society for 2012 will be €869,000. This consists of a grant of €739,000 towards the salary and administration costs of running the headquarters of the Irish Society and the Government's annual contribution of €130,000 to the International Committee of the Red Cross. The decision to reduce the grant from its current level of €951,000 has been taken solely as a consequence of the need to make cuts right across the Defence Vote.

224. **Deputy Arthur Spring** asked the Minister for Defence the amount of money spent by him on public relations companies each year since 2006. [40176/11]

225. **Deputy Arthur Spring** asked the Minister for Defence the amount of money spent by him on advertising with international, national and local media for each year since 2006. [40192/11]

Minister for Defence (Deputy Alan Shatter): I propose to take Questions Nos. 224 and 225 together.

The information requested by the Deputy in relation to the amount spent by my Department on public relations companies and on advertising for each year since 2006 is set out in tabular format.

This information excludes the Defence Forces. The data relating to the Defence Forces is currently being compiled and will be provided to the Deputy as soon as possible.

Year	Expenditure on Public Relations Companies	Expenditure on Advertising
2006	Nil	€180,738
2007	€253,300	€158,711
2008	€1,847,673	€129,511
2009	Nil	€70,362
2010	Nil	€47,585
2011 to date	Nil	€66,880
Total	€2,100,973	€653,787

Defence Forces Reserve

226. **Deputy Robert Troy** asked the Minister for Defence when he intends opening up recruitment to the Defence Forces Reserve; and if he will make a statement on the matter. [40283/11]

Minister for Defence (Deputy Alan Shatter): The number of personnel that can be recruited to the Army Reserve and the Naval Service Reserve depends on the level of funding available for training. The level of resourcing available for Defence has reduced significantly over recent years. The funds available for paid training days for members of the Reserve have been cut from €4.96 million in 2009 to €2.48 million in 2011. This provided for approximately 30,000 paid training man-days in 2011. These paid training days provided targeted development training for existing members of the Reserve including career courses and skills courses. In addition, it was possible to provide for the training of 200 new recruits to the RDF. This level of recruitment was agreed in consultation with the Military Authorities, having regard to the requirement to maintain the existing capabilities of the Reserve to the greatest extent possible. The number of personnel that may be recruited in the coming year or future years has not yet been determined. Officials from my Department are due to meet the Acting Director of Reserve Forces in the coming week to discuss the training priorities within the Reserve over the coming year and to determine the level of recruitment that can be accommodated within the available resource envelope.

Genetically Modified Organisms

227. **Deputy Catherine Murphy** asked the Minister for Agriculture, Food and the Marine if there are any research trials at present being conducted by Teagasc involving the cultivation of genetically modified crops; if so, the details of this research; the details of any such research trials undertaken in the past; and if he will make a statement on the matter. [40291/11]

Minister for Agriculture, Food and the Marine (Deputy Simon Coveney): Research trials are not being conducted by Teagasc involving the conventional cultivation of genetically modified crops. Teagasc is, however, carrying out a contained use (in glasshouse) trial on a GM blight resistant potato as part of its research remit. During the period 1997 to 2000, field trials were carried out at a number of centres around the country to assess crop tolerance following treatment of genetically modified sugar beet with glyphosate.

Horticulture Sector

228. **Deputy Catherine Murphy** asked the Minister for Agriculture, Food and the Marine if he will detail the grants awarded to date under the terms of the fourth round of the scheme of investment aid for the development of the commercial horticulture sector; if this funding will be broken down by successful applicants and amounts awarded; and if he will make a statement on the matter. [40357/11]

Minister for Agriculture, Food and the Marine (Deputy Simon Coveney): Through the Scheme of Investment Aid for the Development of the Commercial Horticulture Sector, my Department assists in the development of the horticulture sector, including beekeeping, by grant aiding capital investments in specialised plant and equipment as well as emerging technologies specific to commercial horticulture production. The main objectives of the scheme are to improve the quality of products, facilitate environmentally friendly practices and promote diversification of on-farm activities in response to market demand. Apart from improving the quality of products, investments under the scheme have also significantly extended the

growing season for Irish produce. Under this scheme, aid at a rate of 40%, or a maximum rate of 50% in the case of young farmers, is payable on the accepted cost, (excluding VAT), of capital investments approved and completed to the satisfaction of the Department.

The Scheme of Investment Aid for the Development of Commercial Horticulture is a competitive grant aid scheme, so funding is only provided for the very best projects which will achieve the scheme objectives. The scheme is primarily aimed at those engaging in commercial horticultural production and/or beekeeping. Non-production investments, which are directly associated with primary production, may also be considered. The closing date for the Fourth Round of the scheme was Friday, 18 February 2011 and 157 projects were approved. The grant aid covers all areas of the horticultural industry and will assist in funding investments of approximately €10.2 million in 2011. Up to last Monday, 12 December 2011, the Department has authorised payment of €1.8million to 87 applicants from the funds available under this round of the scheme. We are continuing to process the remaining claims and further payments will be issued as soon as they have been checked and approved for payment. The Department is precluded from providing details of the specific grants awarded, on an individual basis, as the information is regarded as being commercially sensitive and of a personal nature. I am pleased to note that, in the recent Budget, €3.25 million was allocated to the scheme for 2012 and applications under the Fifth Round of the scheme will be accepted shortly. The grant aid covers all areas of the horticultural industry and will assist in funding investments of approximately €8 million in 2012.

Fishing Industry Development

229. **Deputy Bernard J. Durkan** asked the Minister for Agriculture, Food and the Marine the extent to which fish catches are landed and processed to the highest possible extent and value as a proportion of the total catch in Irish waters; the extent to which Irish trawlers or others are involved; and if he will make a statement on the matter. [40042/11]

230. **Deputy Bernard J. Durkan** asked the Minister for Agriculture, Food and the Marine the total tonnage of fish landed at Irish ports in each of the past five years to date in 2011; the extent to which such landings were processed to higher value or exported otherwise; and if he will make a statement on the matter. [40043/11]

Minister for Agriculture, Food and the Marine (Deputy Simon Coveney): I propose to take Questions Nos. 229 and 230 together.

The seas around Ireland (ICES Sub Areas VII and VI) contain some of the most productive and biologically sensitive areas in EU waters. Most of the fisheries resource within the area comes under the remit of the Common Fisheries Policy (CFP). The 2011 fishing opportunities (Total Allowable Catches, TACs) for the international fleets that operate in the waters around Ireland were 937,924 tonnes of fish, with an estimated landed value of €1.04 billion. This economic value is based on 2009 average prices and represent a conservative estimate. Ireland's share of these fishing opportunities represents 21% by tonnage and 17% by value. These values do not include the valuable inshore fisheries (e.g. lobster, whelk) which are not managed using internationally agreed TACs but do come within the remit of the CFP. The following table sets out details of landings supplied by the Sea Fisheries Protection Authority in Irish ports and the share of landings by Irish vessels:

Year	Total Landings(Tonnes)	Irish Vessel Landings(Tonnes)	% of Landings by Irish Vessels
2010	245,956	164,616	67

[Deputy Simon Coveney.]

Year	Total Landings(Tonnes)	Irish Vessel Landings(Tonnes)	% of Landings by Irish Vessels
2009	222,327	157,791	71
2008	222,678	149,214	67
2007	198,478	155,001	78
2006	271,872	N/A	N/A

Approximately 70% of fish landings into Irish ports are exported and the balance goes to the domestic market. In 2010, value added exports accounted for 42% (€159 million) of the total value of Irish seafood exports and bulk exports were valued at €219 million. The level of value adding varies by product group and market requirements. Food Harvest 2020 recognises the potential of the Irish processing sector to contribute to national income and job creation. It recommends that the share of catch being processed by Irish companies should be progressively increased, adding value in Ireland. I am committed to continuing the path set out in Food Harvest 2020 for the development of the seafood sector in Ireland. Food Harvest 2020 recognised that the processing sector was fragmented, lacking in scale, uncompetitive in terms of production costs, too focused on export of commodity products and constrained by inconsistent supply of raw material. BIM, with Enterprise Ireland and Údarás na Gaeltachta, is working to address each of these issues.

Grant aid support under the Seafood Processing Business Investment Scheme was provided in 2011 to improve competitiveness and help the companies concerned develop export markets for high value added products. Some 18 seafood processing projects with a total investment of €7 million were made through the scheme. These investments are expected to generate new sales of €32 million and 158 jobs in the seafood processing sector by 2014. BIM launched a new Seafood Value Adding Scheme in 2011 to support seafood companies with developing added value products. The scheme assists with concept development, including business planning, product development and packaging. Some 15 projects have been approved, covering testing, developing a range of new products, new packaging formats and development of high value by-products from primary processing. BIM's Seafood Development Centre has been open for two years. In that time, it has brought market-led seafood innovation and new product development to the forefront in the Irish seafood industry. The centre is working with over 330 large, small, and innovative start-up companies to develop Ireland into an international seafood leader. New product sales developed by the centre are estimated at approximately €10 million per annum to date and growing. The centre is also leading graduate placement and sustainable innovation through training programmes.

Fisheries Protection

231. **Deputy Bernard J. Durkan** asked the Minister for Agriculture, Food and the Marine the degree to which fish stocks have recovered arising from catch restrictions or other conservation policies, with particular reference to the most affected species; and if he will make a statement on the matter. [40044/11]

Minister for Agriculture, Food and the Marine (Deputy Simon Coveney): For 2011, the advice from the International Council for the Exploration of the Sea (ICES) and the Scientific, Technical and Economic Committee for Fisheries (STECF) once more underlines the poor state of many fish resources where Irish Fishermen have an interest.

However it is not all bad news, improvements are evident on for some stocks such as, Celtic Sea cod and haddock. Generally, the state of fish stocks in European waters is improving. The

proportion of over fished stocks in the Atlantic and nearby seas fell from 32 out of 34 stocks in 2004 to 22 out of 35 stocks in 2010, i.e. from 94% to 63%. This demonstrates that determined action does make a difference.

The eventual and incremental move to MSY should also bring significant benefits, and will mean a change from fishing intensively on scarce resources to fishing lightly on larger stocks. Phasing out over fishing will undoubtedly improve the state of resources and lower the impact on the environment. It will also improve the economic profitability of the catching sector

That said, many stocks in the west of Scotland, Irish Sea and Celtic Sea are still over fished and stock sizes are small. Eight stocks are so depleted that, according to scientific advice, they should not be caught. Of 14 stocks where MSY assessments could be made, eight stocks were found to be overfished.

The Long term management plan for Cod in existence since February 2009 has not to date had the desired effect with the Commission proposing a zero TAC for Cod in the Irish Sea and in the West of Scotland.

232. **Deputy Bernard J. Durkan** asked the Minister for Agriculture, Food and the Marine the extent to which total fish landings species at Irish ports has fluctuated over the past ten years to date in 2011; and if he will make a statement on the matter. [40045/11]

Minister for Agriculture, Food and the Marine (Deputy Simon Coveney): The Sea Fisheries Protection Authority (SFPA) are responsible for the collation of landing data. Outlined as follows are figures for all landings (Irish, EU and Non-EU vessels) at Irish ports by weight since 2007.

Year	Weight
2010	245,856
2009	222,327
2008	149,214
2007	198,478

The figures shown have been provided by the SFPA and are available on their website at www.sfpa.ie. There are currently no comparable figures prior to 2007, however, I have asked the Authority to revert directly to the Deputy with the complete set of figures in due course.

World Trade Negotiations

233. **Deputy Bernard J. Durkan** asked the Minister for Agriculture, Food and the Marine the degree to which he expects to be in a position to obtain maximum support from his EU colleagues in any World Trade Organisation negotiations thereby ensuring the future maximum employment prospects for the agricultural and fishing sectors; and if he will make a statement on the matter. [40046/11]

Minister for Agriculture, Food and the Marine (Deputy Simon Coveney): The WTO Doha Development Round talks are stalled at present and the prospects for conclusion of an agreement are uncertain at this point in time. Nevertheless, I will continue to maintain pressure to secure an acceptable outcome from these negotiations that does not undermine the development of European and Irish agriculture.

There is good support for this position among my colleagues in other Member States. Over recent years an alliance of some 14 Member States, including Ireland, has pressed on a continu-

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ous basis for a strong CAP and to defend EU agricultural interests in the WTO. Indeed this alliance has been augmented from time to time by support from additional Member States.

As negotiations on the WTO Doha Development Round develop, I intend to maintain and develop the alliances with like-minded Member States to secure the best possible outcome for Ireland from these negotiations.

Food Labelling

234. **Deputy Bernard J. Durkan** asked the Minister for Agriculture, Food and the Marine the extent on-going checks take place to ensure that all food imports are compliant with traceability, husbandry and processing standards applicable here and throughout the EU; and if he will make a statement on the matter. [40047/11]

Minister for Agriculture, Food and the Marine (Deputy Simon Coveney): The work to ensure compliance with the application of health and hygiene regulations within the remit of my Department is carried out by staff from the Veterinary Public Health and Agriculture Inspectorates who specialise in particular sectors of primary food production. They are supported in this work by Department laboratories through sampling and analyses of the products concerned. All compliance work is subject to regular audit by both the FSAI and the Food and Veterinary Office of the EU.

Regarding imported produce, consignments of food products of animal origin directly entering on to the territory of the EU must be the subject of a prior notification of import. My Department, in co-operation with Customs service, monitors and operates animal and public health controls at EU approved Border Inspection Posts (BIP) on all direct imports into Ireland coming from non-EU (or third) countries.

These are required to undergo veterinary examination at the BIP of entry to include documentary checks (100%), identity checks (100%) and physical checks ranging from 20% to 50% of consignments according to whether the consignment consists of meat or meat products. Consignments failing to comply with veterinary control checks may be detained for further examination and where non-compliance is established are returned to the exporting country or destroyed at the importers cost.

Dairy Sector

235. **Deputy Bernard J. Durkan** asked the Minister for Agriculture, Food and the Marine the extent to which he expects prospects and opportunities for the dairy sector here to expand over the next five years; and if he will make a statement on the matter. [40048/11]

Minister for Agriculture, Food and the Marine (Deputy Simon Coveney): I believe that prospects and opportunities for the dairy sector will expand significantly over the next five years and beyond. Dairy markets have recovered fully from the 2009 price collapse, with EU and World Markets performing strongly this year, and the short term outlook remains positive. This market buoyancy is good for Ireland, as we export over 80% of our dairy production. Last year exports of Irish dairy products and ingredients were valued at some €2.3 billion, an increase of 17% from 2009.

The effect of this recovery can be seen in the average milk price paid to Irish producers. In 2010 this was over 30 cent per litre, well above the 2009 average of 24 cent. This year farmers are currently receiving 34 cent per litre for their milk.

In recent years the dairy sector has experienced extreme volatility in product prices, primarily caused by an imbalance of supply and demand in international markets. While there will always be short term fluctuations in dairy prices, it is important to remember that the medium term prospects for global dairy markets are good. Growth in global population and wealth is forecast to stimulate strong levels of demand for dairy products.

These positive medium-term forecasts are what the Food Harvest 2020 report seeks to exploit in setting out the strategic vision for the agri-food and fishing sector. From a dairying perspective, the ending of milk quotas in 2015 represents an exceptional opportunity to increase our milk output, and Food Harvest 2020 has targeted a 50% increase in milk production in the next decade. This target is ambitious but I also believe it is realistic, because the dairy sector has the capability to expand at producer and at processor level. I chair the High Level Implementation Committee, whose function is to direct and take whatever action is needed to successfully implement Food Harvest 2020. The Dairy Expansion Activation Group has got the implementation ball rolling in the dairy sector. It has produced a Road Map setting out 55 actions that are required to achieve the 50% increase in milk production. Dr. Sean Brady, who chaired the Group, is continuing to facilitate the process of implementation and to monitor progress. All of the stakeholders are being encouraged to discharge the responsibilities assigned to them, and the response will be monitored and reported on.

“Milestones for Success”, the first annual progress report on the implementation of Food Harvest 2020, was published in July. More than 90% of the 215 initiatives have been commenced, and I am confident that the momentum generated by that good start will be carried forward.

Sheep Sector

236. **Deputy Bernard J. Durkan** asked the Minister for Agriculture, Food and the Marine the extent to which he expects the prospects for Irish lamb producers to expand over the next five years; the most likely factors to affect the industry; and if he will make a statement on the matter. [40049/11]

Minister for Agriculture, Food and the Marine (Deputy Simon Coveney): I am very pleased to see that the Irish sheep sector continues to show positive signs of renewal. Last year we saw a halt in the decline of sheep numbers. Provisional estimates for June 2011 from the results of the Crops and Livestock Survey confirm that after successive years of decline in our national flock, the trend has been reversed, with our total sheep numbers increasing by 3.5% on those in June 2010 to 4.8 million. Significantly there was a 4% rise in the number of younger ewes being used for breeding, which reflects a sense of confidence amongst farmers in terms of rebuilding breeding stock numbers which will ultimately lead to an increase in through-put. Whilst it is still too early to provide an accurate estimate for the 2012 lamb crop, it is estimated that it will be up in the order of 1-2%.

In addition to the rise in sheep numbers, average prices to date for the sheepmeat sector are also up by 9% on last year and the outlook for the sector in 2012 is both upbeat and positive.

The market performance of the sheep sector, in common with other agricultural sectors, is a function of supply and demand. The long-term future of the sector will depend on its ability to satisfy the market and in order to do this well it must focus on competitiveness, innovation and the demands of the consumer.

The Food Harvest 2020 Strategy includes specific recommendations for the sheep sector. It envisages that over the coming years, demand for sheepmeat on the European market will outstrip production levels, which could provide opportunities for exporting countries such as

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Ireland. This should provide the potential for better returns, provided the industry can continue the market and product diversification which has been evident in recent years. At producer level there is likely to be improved price prospects, provided an increased focus on production, efficiency and product quality is evident. Based on a renewed commercial focus by the sheep sector, building consumption on the domestic market and through the implementation of the recommendations of Food Harvest 2020, the industry has targeted a growth in output value of 20% by 2020.

The recommendations of the report focus on farm competitiveness and the processing sector. On the farm side, they emphasise the importance of the continuance of the application of on-farm labour efficiencies and new technologies, breed improvement and the production of a quality product. On the processing side, the focus is on efficiencies, innovation and improved product range.

In recent years the sector has also received a number of key supports, including €7 million from the 2009 Single Farm Payment National Reserve under the Uplands Sheep Payment Scheme and €54 million for the three year grassland sheep scheme which commenced in 2010. These measures have provided a much-needed boost to sheep farmers' incomes, which should encourage them to stay in the sector. The Grassland Sheep Scheme in particular is proving to be a valuable support mechanism in terms of improving income and confidence in the Sector.

Bord Bia will also spend up to €1m this year on a promotional strategy for the Irish sheep sector which addresses the issue of safeguarding the future of the sector in the following ways:

- By encouraging Irish consumers to buy more Quality Assured lamb.
- By collaborating with its French and English counterparts in a campaign to reverse the decline in consumption of lamb on the French market, which accounts for over 50% of our exports.
- By working with individual exporter to increase the amount of exports to higher value markets such as Germany and Scandinavia and thereby reduce Ireland's dependency on the French market.

Teagasc has also allocated almost €1.5 million for sheep research for 2011.

All of these initiatives and supports have benefitted the sheep industry.

Beef Exports

237. **Deputy Bernard J. Durkan** asked the Minister for Agriculture, Food and the Marine the extent to which he expects the beef export industry to remain competitive in European or world markets in the future with particular reference to the next five years; and if he will make a statement on the matter. [40050/11]

238. **Deputy Bernard J. Durkan** asked the Minister for Agriculture, Food and the Marine the total value and volume of beef imported and exported in each of the past five years to date in 2011; and if he will make a statement on the matter. [40052/11]

Minister for Agriculture, Food and the Marine (Deputy Simon Coveney): I propose to take Questions Nos. 237 and 238 together.

The tables detail the volume and value of beef imports and exports since 2007.

Irish beef imports

Year	Volume (tonnes cwe)	Value €
2007	22,743	72.92m
2008	24,252	84.36m
2009	26,792	88.86m
2010	28,802	106.48m
2011 (to Aug)	20,739	74.63m

Irish beef exports

Year	Volume (tonnes cwe)	Value €
2007	523,000	1.5 bn
2008	483,000	1.5bn
2009	460,000	1.4bn
2010	505,000	1.5bn
2011 (CSO to Aug)	307,000	1.17bn

As is set out in the table for exports beef accounted for around €1.5 billion of approximately €7.9 billion of food exports in 2010, and the live cattle trade, which reached almost 140,000 head for the year, was worth an additional €183m. Beef exports in 2011 are expected to grow by 9% to upwards of €1.7 billion for the year. In the first six months of 2011, exports of fresh and frozen beef from Ireland increased 4% as demand from outside the EU boosted shipments.

The shift in the dynamics of the global beef market has resulted in a substantial convergence between EU and world beef prices and I am satisfied that this will create new and significant opportunities for the Irish beef industry over the next five years.

Dairy Industry

239. **Deputy Bernard J. Durkan** asked the Minister for Agriculture, Food and the Marine the total value and volume of dairy products imported and exported in each of the past five years to date in 2011; and if he will make a statement on the matter. [40053/11]

Minister for Agriculture, Food and the Marine (Deputy Simon Coveney): The Central Statistics Office compiles data on trade in agricultural products. The following tables set out the value and volume of the main dairy commodities imported and exported over the past five years.

Irish Dairy Produce Exports 2006 -2011

	2006	2007	2008	2009	2010	2011*
<i>Butter</i>						
tonnes	141,516	143,272	123,995	120,050	134,413	111,547
€000	346,524	419,618	355,562	278,890	420,691	393,002
<i>Cheese</i>						
tonnes	140,296	146,710	164,712	172,018	178,111	107,181
€000	429,671	486,646	611,978	500,313	560,572	363,052
<i>SMP</i>						
tonnes	49,302	68,956	37,717	35,255	51,489	46,323
€000	102,945	202,417	100,969	64,088	114,718	112,819

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	2006	2007	2008	2009	2010	2011*
<i>WMP</i>						
tonnes	80,367	58,688	56,952	45,958	53,246	47,515
€000	150,421	154,157	163,914	94,515	135,416	136,258
<i>Whey</i>						
tonnes	70,013	64,347	61,264	59,846	50,123	38,134
€000	75,748	91,325	82,963	64,313	67,379	58,393
<i>Casein</i>						
tonnes	41,119	38,823	33,236	31,462	35,162	24,447
€000	215,910	240,794	259,233	160,752	206,582	167,754
<i>Infant Formula</i>						
tonnes	98,809	94,030	106,836	101,524	96,951	64,833
€000	540,220	556,147	622,809	606,862	589,837	408,759
<i>Total</i>						
tonnes	621,422	614,826	584,712	566,113	599,495	439,980
€000	1,861,439	2,151,104	2,197,428	1,769,733	2,095,195	1,640,037

Irish Dairy Produce Imports 2006-2011

	2006	2007	2008	2009	2010	2011*
<i>Butter</i>						
tonnes	7,737	5,840	5,568	7,739	8,145	4,074
€000	21,009	14,267	14,408	16,635	19,916	11,004
<i>Cheese</i>						
tonnes	28,951	41,871	41,963	39,857	48,609	44,581
€000	102,624	148,382	157,399	128,850	151,662	98,091
<i>SMP</i>						
tonnes	5,760	8,955	3,944	2,466	2,673	1,311
€000	11,773	22,709	9,796	5,317	4,964	1,859
<i>WMP</i>						
tonnes	7,253	5,546	6,333	3,521	5,018	2,185
€000	18,076	14,060	16,272	7,582	13,542	6,790
<i>Whey</i>						
tonnes	22,470	17,296	17,696	21,873	19,222	15,139
€000	14,932	16,721	12,577	15,973	12,009	10,658
<i>Casein</i>						
tonnes	649	341	390	756	460	388
€000	3,866	2,914	1,879	3,014	2,930	2,654
<i>Infant Formula</i>						
tonnes	2,152	1,824	5,153	838	1,610	2,683
€000	13,291	10,875	14,055	4,320	7,298	10,894
<i>Total</i>						
tonnes	74,972	81,673	81,047	77,050	85,737	70,361
€000	185,571	229,928	226,386	181,691	212,321	141,950

*Figures for 2011 are to August 2011

Source: CSO

Fishing Industry Development

240. **Deputy John McGuinness** asked the Minister for Agriculture, Food and the Marine if the business plan for the fishery harbour centres published in 2009 is being implemented; the status of this report; his views and intentions relative to its content and recommendations; and if he will make a statement on the matter. [40094/11]

Minister for Agriculture, Food and the Marine (Deputy Simon Coveney): The Business Plans for the Development of the Fishery Harbour Centres which were prepared by Burke and McIver Consulting and published in 2009 provide a blueprint for the future development of the six Fishery Harbour Centres. The Business Plans set out a five year timeframe for implementation of the recommendations.

In the course of their consultations Burke and McIver Consulting visited the six Fishery Harbour Centres and listened to the concerns and suggestions of the various stakeholders and harbour users. The Business Plans set out for each harbour the concerns and issues raised by Stakeholders and draw conclusions as well as making various recommendations.

The publication of the Business Plans coincided with a significant downturn in the economy and the moratorium in relation to the recruitment in the Public Service. Indeed this is acknowledged in the conclusions in Section 12 of the report. Notwithstanding this however, my Department has been cognisant of the value of the plans and the need to implement as appropriate, the recommendations made within the context of the various constraints currently prevailing.

I can confirm that my Department has made significant progress in relation to the key priorities identified in the Business Plans and has for example: —

- Arranged for the appropriate Induction Training for new Harbour management.
- Organised regular meeting with Harbour Masters where a strong emphasis has been placed on the need to ensure the optimum use of the harbour facilities.
- Organised regular Harbour Users Fora at the Fishery Harbour Centres where the views of all stakeholders are sought and discussed. The stakeholders include:—
 - Fishermen
 - Commercial users of the harbour
 - Local representatives
 - Other Government Agencies and Local Authorities
- Co-operated with Bord Iascaigh Mhara in raising the profile of the harbours with a view to expanding and seeking new business.
- Worked to ensure that where it is possible and compatible with the needs of the fishing
- Initiated a review of the existing Rates & Charges Order.
- Put a specific Unit in place to deal with the property portfolio at the Fishery Harbour Centres.
- Continue to oversee and progress Capital Investment in the Fishery Harbour Centres.

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My Department continues to use every opportunity available to implement and progress the recommendations of the business plan. This is being achieved in the context of reduced staffing levels and resources.

Aquaculture Licences

241. **Deputy John McGuinness** asked the Minister for Agriculture, Food and the Marine the number of aquaculture licences issued in the past five years by him; and if he will make a statement on the matter. [40095/11]

Minister for Agriculture, Food and the Marine (Deputy Simon Coveney): The European Court of Justice issued a judgment against Ireland in 2007 and this has largely determined what can be done since that time in relation to aquaculture licensing in most of the Bays around Ireland. In that context, twenty three aquaculture licences were issued in the past five years.

The low number of licences issued largely arises from the need for full compliance with the terms of that judgment with particular reference to the EU Birds and Habitats Directives. The majority of areas for which these licences are sought are designated Special Areas of Conservation under the EU Habitats Directive and/or Special Protection Areas under the EU Birds Directive (Natura 2000 sites).

My Department, in conjunction with the Marine Institute and the National Parks and Wildlife Service of the Department of Arts, Heritage and the Gaeltacht, is engaged in a comprehensive programme to gather the necessary baseline data appropriate to the conservation objectives of aquaculture sites located within Natura 2000 areas. The comprehensive data collection programme together with the setting of appropriate conservation objectives will enable all new and renewal applications to be appropriately assessed for the purpose of ensuring compliance with the EU Birds and Habitats Directives. Once the relevant data has been collected, conservation objectives for the site are set by the National Parks and Wildlife Service (NPWS). The establishment of these conservation objectives by NPWS allows individual licence applications to be assessed against the conservation objectives.

My Department is working very closely with the National Parks and Wildlife Service to complete the overall assessment process and significant progress is being made.

Harbours and Piers

242. **Deputy John McGuinness** asked the Minister for Agriculture, Food and the Marine the overall costs to the State of developing the new facilities at Killybegs, County Donegal; the number of auctions held to date at the auction hall; the other uses being made of the auction hall and the income it is generating; his views that the spend on the project is value for money for the State; his plans for the future of the facility; and if he will make a statement on the matter. [40096/11]

Minister for Agriculture, Food and the Marine (Deputy Simon Coveney): Killybegs Fishery Harbour Centre benefited from an investment of in excess of €50 million between 1999 and 2005. The investment saw the provision of world class facilities at the harbour including 450 metres of new quay, cargo sheds and a boat repair building. The investment at Killybegs Fishery Harbour Centre has had a significant and positive impact on the Killybegs Region and has led to substantial increases in economic activity for the region. The following tables illustrate well the year on year increase in the economic outturn accruing to the region.

Value of Landings at Killybegs Fishery Harbour Centre (€ millions)

Year	2004	2005	2006	2007	2008	2009
Amount	39.94	37.79	47.34	65.48	67.23	71.61

Value of Pelagic Fish Processing at Killybegs Fishery Harbour Centre (€ millions)

Year	2004	2005	2006	2007	2008	2009
Amount	72	65	76	99	95	94

Value of Killybegs Fishery Harbour Centre Ancillary Activities (€ millions)

Year	2004	2005	2006	2007	2008	2009
Amount	34.09	33.11	32.28	35.74	37.41	40.64

I am confident that the investment made at Killybegs Fishery Harbour Centre will continue to accrue significant benefit to the region for the future.

The auction hall facility was not part of the new harbour development project and predated that development. Demand for harbour based fish auction facilities has declined in recent years in line with current market practices and there is currently no demand at all for fish auctions at Killybegs Fishery Harbour Centre. The auction hall has been used to facilitate fishermen in relation to the storage of nets and has also facilitated the hosting of the popular biennial Fish Ireland Exhibitions. In addition and as a goodwill gesture towards the local community my Department has allowed the storage of church furniture in the hall whilst the local Roman Catholic Church is undergoing renovation.

243. **Deputy John McGuinness** asked the Minister for Agriculture, Food and the Marine the number properties managed by him at Killybegs, County Donegal, Howth, County Dublin, Castletownbere, County Cork, Dingle, County Kerry, Dunmore East, County Waterford and Rossaveel, County Galway, are occupied on rent review lease; if he has engaged with each tenant to review downward the rents in view of the economic climate; the outcome of this review if any; the number of properties vacant and the length of time they have been vacant; the way the vacant property is being managed and marketed; the cost of maintenance and security relative to each vacant property; the amount of State funds spent at each location over the past six years or the cost of the original investment; and if he will make a statement on the matter. [40097/11]

Minister for Agriculture, Food and the Marine (Deputy Simon Coveney): My Department owns and operates, under Statute, six Fishery Harbour Centres at Killybegs, Ros an Mhíl, An Daingean (Dingle), Castletownbere, Dunmore East and Howth. Properties located in the Fishery Harbour Centres are, when appropriate, offered for lease. An individual lease agreement, which is a formal legally binding document on both parties, is voluntarily signed at the outset by the tenant and a Departmental official (on behalf of the Minister).

The specific terms and conditions of each lease are unique to each property and my Department is not in a position to comment on the terms of individual leases. All leases issued in the six Fishery Harbour Centres contain provisions for regular rent reviews and those agreed prior

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to the application of Section 132 of the Land and Conveyancing Law Reform Act, 2009, have what are referred to as “upward only rent reviews”.

I am however, cognisant of the prevailing economic climate in which tenants of the Fishery Harbour Centres are operating and whilst my Department is precluded from offering tenants a downward rent review, it has recently offered tenants on whose properties rent reviews have been due since 2008 the opportunity to remain at the rent as set at the time of the most recent review. This move has provided a level of certainty to tenants in relation to the rental charges.

Vacant properties at the six Fishery Harbour Centres are managed in accordance with the requirements of the individual Fishery Harbour Centres and the Department of Finance issued Public Procurement Guidelines and are offered for lease as and when appropriate.

All of the properties are located within the bounds of the Fishery Harbour Centres and any necessary maintenance and security is managed by the individual Harbour Masters and staff.

Capital works at the six Fishery Harbour Centres are funded under the Fishery Harbour & Coastal Infrastructure Development Programme and the expenditure on the Programme since 2006 is set out in the following table.

	2006	2007	2008	2009	2010	2011
	Actual Spend (millions)					Approved (millions)
Castletownbere	€10.9m	€8.1	€7.6	€7.9	€4.5	€2.7
Dingle	€0	€0.3	€1.0	€0.41	€1.1	€0.61
Dunmore East	€0.57	€1.2	€0.58	€0.6	€0.27	€0.94
Howth	€0.29	€0.17	€0.16	€0.18	€0.25	€1.2
Killybegs	€2.4	€0.49	€0.41	€0.43	€0.57	€0.8
Rossaveel	€0.42	€2.1	€3.3	€6.6	€1.5	€1.6
Total	€14.6	€12.4	€13.1	€16.1	€8.2	€7.9

Grant Payments

244. **Deputy Pat Breen** asked the Minister for Agriculture, Food and the Marine further to Parliamentary Question No. 419 of 8 November 2011, when payment will issue to a person (details supplied) in County Clare; and if he will make a statement on the matter. [40105/11]

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 1 September 2010 and full payment has issued in respect of 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, had to be completed before any payment could issue in respect of the 2011 payment. These checks have been successfully completed and 75% payment in respect of 2011 amounting to €2702.69 will issue shortly.

Departmental Negotiations

245. **Deputy Pádraig Mac Lochlainn** asked the Minister for Agriculture, Food and the Marine

the current status of negotiations with the Crown Estate on the question of propriety ownership of Lough Foyle. [40159/11]

Minister for Agriculture, Food and the Marine (Deputy Simon Coveney): My Department is working with the Loughs Agency and other relevant Departments and agencies to address the issues involved which are complex in nature.

Every effort is being made to bring the process to a conclusion as soon as possible.

Departmental Expenditure

246. **Deputy Arthur Spring** asked the Minister for Agriculture, Food and the Marine the amount of money spent by him on public relations companies each year since 2006. [40172/11]

Minister for Agriculture, Food and the Marine (Deputy Simon Coveney): My Department has spent no money on public relations companies since 2006. Public relations advice, where required is provided by my Departments Corporate Affairs Division.

247. **Deputy Arthur Spring** asked the Minister for Agriculture, Food and the Marine the amount of money spent by him on advertising with international, national and local media for each year since 2006. [40188/11]

Minister for Agriculture, Food and the Marine (Deputy Simon Coveney): The vast bulk of the Department's advertising is carried out in the print media. This includes the publication of Statutory Notices that are required to comply with various national and EU legislative requirements. Other media such as television and radio are rarely used. Internet media has not been used to-date.

The amount spent on advertising is set out in the table.

Year	Value
2006	€1,177,252
2007	€1,575,993
2008	€1,218,023
2009	€480,144
2010	€462,768
2011 (Jan-Nov)	€269,451

The figure for 2011 shows a 42% reduction compared to 2010.

Grant Payments

248. **Deputy Tom Fleming** asked the Minister for Agriculture, Food and the Marine when a person (details supplied) in County Kerry will receive their single farm payment and disadvantaged area payment; and if he will make a statement on the matter. [40227/11]

Minister for Agriculture, Food and the Marine (Deputy Simon Coveney): An application under the Single Payment Scheme/Disadvantaged Areas Scheme was received from the person named on 10 May 2011. This application was selected for and was the subject of a Ground Eligibility Inspection. This inspection was completed and the results are now being processed. In the vast majority of inspected cases, including this case, amendments have had to be made to the maps in order that the Land Parcel Identification System that is used for making pay-

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ments to farmers is kept up-to-date. This work is ongoing and every effort is being made to complete the processing of those who were the subject of a Ground Eligibility Inspection.

249. **Deputy Tom Fleming** asked the Minister for Agriculture, Food and the Marine when a REP scheme payment will issue in respect of persons (details supplied) in County Kerry; and if he will make a statement on the matter. [40238/11]

Minister for Agriculture, Food and the Marine (Deputy Simon Coveney): The person named commenced REPS 4 in January 2009 and received payments for the first two years of the contract. REPS 4 is a measure under the current 2007-13 Rural Development Programme and accordingly is subject to EU Regulation which require detailed administrative checks on all applications to be completed before any payments can issue. These checks have now been completed and a cheque for 75% totalling €7901.95 will issue to the person named in the next few days. I also expect that the 25% balancing payment for 2011 applicants will commence shortly.

250. **Deputy John Browne** asked the Minister for Agriculture, Food and the Marine when an application for single farm payment will be issued to a person (details supplied) in County Wexford. [40271/11]

Minister for Agriculture, Food and the Marine (Deputy Simon Coveney): An application under the Single Payment Scheme/Disadvantaged Areas Scheme was received from the person named on 11 May 2011. This application was selected for and was the subject of a Ground Eligibility Inspection. This inspection was completed and the results are now being processed. In the vast majority of inspected cases, including this case, amendments have had to be made to the maps in order that the Land Parcel Identification System that is used for making payments to farmers is kept up-to-date. This work is ongoing and every effort is being made to complete the processing of those who were the subject of a Ground Eligibility Inspection.

251. **Deputy Tom Fleming** asked the Minister for Agriculture, Food and the Marine when a disadvantaged area aid payment will issue in respect of a person (details supplied) in County Kerry; and if he will make a statement on the matter. [40287/11]

Minister for Agriculture, Food and the Marine (Deputy Simon Coveney): An application under the 2011 Disadvantaged Areas Scheme was received from the person named on 22 April 2011. The Terms and Conditions governing the Scheme require, inter alia, that applicants maintain a minimum stocking density on their holding of 0.15 livestock units per forage hectare declared, for at least three consecutive months, during the calendar year of application. However, where the holding of an applicant is identified as not meeting this minimum requirement, the person in question is invited to submit evidence of satisfactory stocking i.e. Flock Register, Horse Passports or details of a REPS or Commonage Framework Plan, which provides for a lower stocking level.

The person named was written to on 1 September and again on 22 November 2011, and invited to submit appropriate evidence of the numbers of livestock maintained on her farm, as Department records currently do not show the person named as having yet achieved the minimum stocking density. On receipt of a satisfactory response from the person named, the application will be further processed with a view to payment at an early date.

Health Service Staff

252. **Deputy Denis Naughten** asked the Minister for Children and Youth Affairs if posts of social workers in child services are filled when staff are on long-term sick leave, maternity leave and so on; in view of the Roscommon child care report if she will outline the procedure employed to hand over this in such cases; and if she will make a statement on the matter. [40099/11]

253. **Deputy Denis Naughten** asked the Minister for Children and Youth Affairs the number of social worker whole time equivalent in family and child services in the years 2008, 2009, 2010 and to date in 2011 in County Roscommon; the number of whole time equivalent retirements and recruitment in each year; the plan for whole time equivalent recruitment by year end and in 2012; and if she will make a statement on the matter. [40102/11]

Minister for Children and Youth Affairs (Deputy Frances Fitzgerald): I propose to take Questions Nos. 252 and 253 together.

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. The first 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.

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 the 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.

Departmental Expenditure

254. **Deputy Arthur Spring** asked the Minister for Children and Youth Affairs the amount of money spent by her on public relations companies each year since 2006. [40174/11]

Minister for Children and Youth Affairs (Deputy Frances Fitzgerald): My Department was formally established on 3 June 2011 and to date there has been no money spent on public relations companies.

255. **Deputy Arthur Spring** asked the Minister for Children and Youth Affairs the amount of money spent by her on advertising with international, national and local media for each year since 2006. [40190/11]

Minister for Children and Youth Affairs (Deputy Frances Fitzgerald): My Department was formally established on 3 June 2011 and to date there has been no money spent on international, national and local media.

Child Abuse

256. **Deputy Anne Ferris** asked the Minister for Children and Youth Affairs if she will consider establishing a statutory inquiry to investigate allegations of abuse by a person (details supplied); and if she will make a statement on the matter. [40342/11]

Minister for Children and Youth Affairs (Deputy Frances Fitzgerald): I have seen the recent media reports in which the individual referred to by the Deputy was named. However, I am not in a position to comment on these reports. The media coverage linked the individual concerned to a supplementary report prepared by the Dublin Archdiocese Commission. Following publication of the Commission's Report the then Minister for Justice, Equality and Law Reform announced that an Assistant Garda Commissioner was being appointed to examine the Commission's report, specifically in relation to how complaints were handled and investigated by the Church and State authorities. Such matters are still under consideration by An Garda Síochána.

I have indicated that I am awaiting receipt of the HSE's national audit report on all Catholic dioceses before responding to calls for the establishment of further statutory or other inquiries. The HSE, which has statutory responsibility for child welfare and protection, has been conducting a national audit of all Catholic dioceses and Religious Orders. It expects to be in a position in the Spring of 2012 to furnish a report to me on the diocesan element of this audit.

Food Labelling

257. **Deputy Bernard J. Durkan** asked the Minister for Health the number of instances in which non-compliance with food labelling has been detected in each of the past five years to date in 2011; and if he will make a statement on the matter. [40051/11]

Minister for Health (Deputy James Reilly): Responsibility for the enforcement of food labelling legislation rests with the Food Safety Authority of Ireland (FSAI) and its official agents, which include the Health Service Executive (HSE), the Department of Agriculture, Food and the Marine (DAFM), Local Authorities (LAs) and the Sea Fisheries Protection Authority (SFPA).

In 2008 the HSE, carried out 18,068 food labelling inspections which identified 2,866 non-compliances. In 2009 54,177 food labelling inspections identified 8,425 non-compliances. In 2010, 52,571 food labelling inspections identified 7,079 non-compliances. No data is available for 2007 and the data for 2011 is not yet available. It should be noted that in the course of an inspection, an inspector may check compliance with one or more labelling regulations. Many of these non-compliances might be for minor food labelling infringements and Environmental Health Officers follow-up on all of these non-compliances with the food business operators to ensure future compliance. In the other official agencies, food labels are checked at production level as part of routine food controls. The number of inspections specifically on food labels is not separately recorded.

DAFM Egg and Poultry Inspectors verify compliance with labelling and the marketing standards for eggs and poultry from primary production through to retail. In 2007, DAFM undertook 1,349 inspections in poultry producer establishments to verify compliance with the Labelling and Marketing Standards for poultry, of which 10 non-compliances were identified. In 2008 DAFM undertook 1,409 inspections in poultry producer establishments to verify compliance with these standards for poultry, of which 28 non-compliances were identified. In 2009 DAFM undertook 1,432 inspections in these establishments and identified 20 non-compliances. In 2010

DAFM undertook 1,359 inspections in these establishments and identified 7 non-compliances. FSAI has also carried out, in co-ordination with the official agencies, labelling surveys on specific aspects of the nutrition and health claims legislation, allergen labelling, fish and fish products and gas-flushed chicken fillets.

Following on from the inspections the official agencies undertake appropriate enforcement action with the food businesses. They also verify that compliance is achieved. As already indicated above in most cases breaches of labelling legislation do not pose a serious risk to public health and compliance with the legislation is done through the provision of advice to the food business and appropriate changes to the food label.

In May 2009 a prosecution was taken by the FSAI against a food business in Galway for breaches including the Labelling of Fishery and Aquaculture Products regulations 2003. One 2009 HSE prosecution cited offences under the 2006 Country of Origin of Beef regulations and a further prosecution cited the Beef Labelling regulations 2000. In 2010 four HSE prosecutions cited offences under labelling legislation including the general labelling, country of origin of beef, fish labelling and beef labelling regulations.

National Drugs Strategy

258. **Deputy Jonathan O'Brien** asked the Minister for Health the dates on which he will publish the results of the two research projects conducted by the National Advisory Committee on Drugs. [40143/11]

Minister of State at the Department of Health (Deputy Róisín Shortall): The National Advisory Committee on Drugs will publish a number of reports over the coming months and, if the Deputy could provide the details of the research projects he has in mind, I will arrange to forward the publication dates.

Medical Cards

259. **Deputy John McGuinness** asked the Minister for Health if a medical card will be issued immediately in respect of a person (details supplied) in County Kilkenny; and if he will expedite the matter. [40264/11]

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.

Health Services

260. **Deputy Dominic Hannigan** asked the Minister for Health if he will ensure that car parking charges at Blanchardstown Hospital, Dublin, are limited in order that patients are not faced with a financial burden when they attend the hospital; and if he will make a statement on the matter. [40057/11]

Minister for Health (Deputy James Reilly): As this is a service matter, it has been referred to the Health Service Executive for direct reply.

261. **Deputy Jack Wall** asked the Minister for Health the reason orthodontic treatment is not covered under their medical card in respect of a person (details supplied) in County Kildare; and if he will make a statement on the matter. [40075/11]

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.

Official Engagements

262. **Deputy Sean Fleming** asked the Minister for Health when he will give a date in relation to his proposed visit to Abbeyleix community nursing unit, County Laois; if he will visit St. Brigid's hospital Shaen, County Laois; and if he will make a statement on the matter. [40080/11]

Minister of State at the Department of Health (Deputy Kathleen Lynch): Requests to meet my colleague Minister Reilly are normally arranged through his Office. I understand that such a request has been received in relation to Abbeyleix Community Nursing Unit and St. Brigid's Nursing Home, County Laois and that Minister Reilly has already indicated he will visit Abbeyleix in the New Year. However, a particular date has yet to be confirmed.

Disabled Drivers

263. **Deputy Jerry Buttimer** asked the Minister for Health in relation to persons who have restricted range of movement in one arm which makes driving severely difficult but who do not meet the criteria for a primary medical certificate, if there is any source of assistance available to facilitate them in acquiring an automatic car or adapting a manual vehicle in order that they can maintain their mobility and independence; and if he will make a statement on the matter. [40082/11]

Minister of State at the Department of Health (Deputy Kathleen Lynch): The Health Service Executive may pay a Motorised Transport Grant towards the purchase of a vehicle and/or adaptations to a vehicle being purchased by a person with a severe disability who is 17 years or older where a vehicle is essential for him/her to retain employment. Self-employed persons who satisfy the criteria of eligibility may also be considered.

Application is made to the local Health Service Executive office. In order to be eligible to receive the grant, a number of conditions must be satisfied. The key eligibility criteria are that the individual applying must

- meet the medical criteria
- require a car in order to retain employment
- be means tested to determine the amount of grant payable.

Eligibility for the Motorised Transport Grant may also be considered in "Exceptional Circumstances" other than for employment retention, for a person with a severe disability who lives in very isolated circumstances and where their disability prevents them from using public transport.

Health Services

264. **Deputy Denis Naughten** asked the Minister for Health the steps he is taking to integrate access to and use of blood results both in primary care and acute hospitals; the estimated saving of such a system; and if he will make a statement on the matter. [40098/11]

Minister for Health (Deputy James Reilly): As this is a service matter, it has been referred to the Health Service Executive for direct reply.

265. **Deputy Denis Naughten** asked the Minister for Health if he has reviewed the report by the Irish College of General Practitioners, *Primary Care Teams — A GP Perspective*; his response to its conclusions and actions to be taken; and if he will make a statement on the matter. [40100/11]

Minister of State at the Department of Health (Deputy Róisín Shortall): I welcome the recent report by the Irish College of General Practitioners (ICGP), *Primary Care Teams — A GP Perspective*. A meeting is being arranged between the HSE and the ICGP to examine the report in detail and to explore how both organisations can collaborate more effectively in the future. I have asked the HSE to keep me informed of progress in this regard. The report recommends investment in ICT, the creation of a Unique Patient Identifier and the provision of secure email for the health services. One of the HSE's objectives is to install ICT infrastructure at all Primary Care Team sites to provide a minimum level of capability that will support a common set of applications and services. I fully support the prioritisation of Primary Care ICT development as the lack of an integrated system is undoubtedly an impediment to the proper management of the service.

A key issue for the health services is the ability to identify patients across different ICT systems such as the GP referrals system, Integrated Patient Management System and the National Integrated Medical Imaging System, as well as many other systems. The Department of Health is examining the issue of unique patient identification in the context of wider public service initiatives in identity management. The core principles of good information governance, including patient privacy, confidentiality and safety, must be at the centre of all deliberations. The work must also have regard to the requirements of the Data Protection Acts and the Health Information and Quality Authority.

Universal Health Insurance, linked to money following the patient, is a central element of the health reform agenda set out in the Programme for Government. A prerequisite for the implementation of such a system of health insurance is patient centric data clearly identifying clients. The Department is currently working on legislation, to be published next year, which will underpin the use of information in the health sector.

The requirement for secure e-mail in the health services and in particular the Primary Care setting is recognised and the HSE is currently developing proposals for a secure mail solution in conjunction with the Department of Public Expenditure and Reform.

The Programme for Government also provides for the introduction of a new GMS contract with GPs with an increased emphasis on the management of chronic conditions, such as diabetes and cardiovascular conditions. It is envisaged that the new contract will also focus on prevention and will include a requirement for GPs to provide care as part of integrated multi-disciplinary Primary Care Teams. The preparation of a revised GMS contract will be advanced during 2012.

Departmental Expenditure

266. **Deputy Denis Naughten** asked the Minister for Health the cost of leased properties in each of the past three years in each primary community continuing care area; the number of properties vacated in each year and the savings accrued; the number of properties with a lease renewal in 2011 or 2012; the number in 2013 and 2014 which are due for renewal; the number

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within five years, ten years, 15 years or in excess of that and the total value of leases in each category; and if he will make a statement on the matter. [40101/11]

Minister for Health (Deputy James Reilly): Management of the Health Service Executive property portfolio is a service matter: therefore, your question has been referred to the Executive for direct reply.

Mental Health Services

267. **Deputy Terence Flanagan** asked the Minister for Health his views on a matter (details supplied) regarding mental health; and if he will make a statement on the matter. [40104/11]

272. **Deputy Thomas P. Broughan** asked the Minister for Health if he is considering establishing a directorate for mental health services; and if he will make a statement on the matter. [40171/11]

Minister of State at the Department of Health (Deputy Kathleen Lynch): I propose to take Questions Nos. 267 and 272 together.

This Government is committed to implementing *A Vision for Change* and reforming our model of health care delivery so that more and better quality care is delivered in the community. In this regard I have asked the HSE to prepare an implementation plan, which will identify specific areas of *A Vision for Change* that can be progressed over the next three years, with time lines, detailed costs, structures and identifiable person(s) responsible for driving the change. The question of a Directorate for mental health and issues related to staffing levels particularly in community mental health teams will be examined in this context. The additional €35 million announced in Budget 2012 for mental health services will enable the HSE to enhance the multi-disciplinary composition of the existing community mental health teams and focus on key priorities in mental health.

Long-Term Illness Scheme

268. **Deputy Richard Boyd Barrett** asked the Minister for Health the reason lupus, Crohn's disease and ulcerative colitis are not medical conditions that qualify under the long-term illness scheme. [40122/11]

Minister of State at the Department of Health (Deputy Róisín Shortall): There are no plans to extend the list of conditions covered by the Long Term Illness Scheme.

Under the Drug Payment Scheme no individual or family pays more than €120 (€132 from 1 January 2012) per calendar month towards the cost of approved prescribed medicines. The scheme significantly reduces the cost burden for families and individuals incurring ongoing expenditure on medicines. In addition, people who cannot, without undue hardship, arrange for the provision of medical services for themselves and their dependants may be entitled to a medical card. In the assessment process, the Health Service Executive can take into account medical costs incurred by an individual or a family. Those who are not eligible for a medical card may still be able to avail of a GP visit card, which covers the cost of general practice consultations.

Medical Cards

269. **Deputy Denis Naughten** asked the Minister for Health when a decision will issue on an

application for a medical card in respect of a person (details supplied) in County Roscommon; the reason for the delay in same; and if he will make a statement on the matter. [40124/11]

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.

270. **Deputy Finian McGrath** asked the Minister for Health the position regarding an application for a medical card in respect of a person (details supplied) in Dublin 5. [40163/11]

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.

Health Services

271. **Deputy Michael Creed** asked the Minister for Health the number of patients referred by the Health Service Executive to a centre (details supplied); the total cost to the HSE for their accommodation and treatment at this centre including the maximum and minimum individual cost per patient; and if he will make a statement on the matter. [40169/11]

Minister of State at the Department of Health (Deputy Kathleen Lynch): As the Deputy's question relates to service matters, I have arranged for this question to be transferred to the Health Service Executive for direct reply.

Question No. 272 answered with Question No. 267.

Departmental Expenditure

273. **Deputy Arthur Spring** asked the Minister for Health the amount of money spent by him on public relations companies each year since 2006. [40181/11]

Minister for Health (Deputy James Reilly): The Press and Communications Office of my Department liaise with the media on behalf of the Department as well as all Ministers and do not use the services of a PR company. However, my Department has availed of these services in areas such as health promotion campaigns including, *inter alia*, smoking cessation, alcohol awareness, men's health, obesity and breast feeding. Work carried out by these companies included public awareness and communications campaigns, as well as advertising and consumer research.

The information requested by the Deputy in relation to my Department to the end of 2010 is set out as follows. Details in respect of 2011 are not available at this time. This information will be compiled and forwarded to the Deputy.

Year	Amount €
2006	40,000
2007	48,400
2008	16,034
2009	0
2010	0

274. **Deputy Arthur Spring** asked the Minister for Health the amount of money spent by him on advertising with international, national and local media for each year since 2006. [40197/11]

Minister for Health (Deputy James Reilly): The information requested by the Deputy in relation to my Department to the end of 2010 is set out as follows. Details in respect of 2011 are not readily available at this time. They will be compiled and forwarded to the Deputy.

Year	Amount €
2006	1,375,000
2007	48,400
2008	62,315
2009	115,003
2010	155,280

Responsibility for many advertising and promotional campaigns transferred to the Health Service Executive in early 2006. This includes media campaigns in relation to alcohol, smoking, illegal drugs, obesity etc. Resulting from this transfer of responsibility, the Department's costs for advertising etc. reduced substantially since 2006. The expenditure in 2007 relates exclusively to a public information campaign on the Nursing Homes Support Scheme — “A Fair Deal”. Expenditure in 2008, 2009 and 2010 relates to a number of public consultation and information campaigns.

Hospital Services

275. **Deputy Arthur Spring** asked the Minister for Health the expected opening date of Tralee community hospital, Kerry; if he will outline the long-term facilities to be placed in the hospital; and if he will make a statement on the matter. [40207/11]

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.

Mental Health Services

276. **Deputy Patrick Nulty** asked the Minister for Health if the €50 million efficiency savings for mental health services, disability services and child care as per the comprehensive expenditure review 2012-2014 are intended to be used to fund the €50 million additional funding for mental health services and primary care; and if he will make a statement on the matter. [40209/11]

Minister for Health (Deputy James Reilly): There is no doubt that there are challenges facing the mental health, disability and childcare services as a result of reduced resources by way of an additional efficiency target of €50m in 2012. This target is in addition to savings in employment and procurement costs which are required of the health services as a whole next year. The precise levels of savings required will vary depending on the profile of individual service providers and will be determined within the context of the HSE's service planning process. It is clear that the acceleration of the health reform programme and reducing our dependency on costly staff-intensive models of service, will be central to ensuring that these efficiency targets are met.

I am, however, pleased to be in a position to provide additional ring-fenced funding of €35m for mental health services in line with the commitment in the Programme for Government. This funding will further advance the implementation of ‘A Vision for Change’ — the Report of the Expert Group on Mental Health Policy. It will

- (i) enable the HSE to enhance the multi-disciplinary composition of the existing adult and child & adolescent community mental health teams;
- (ii) focus on key priorities in mental health; and
- (iii) increase the availability of psychological and counselling services at primary care level.

As 90% of mental health needs are dealt with in primary care settings, this funding will assist in developing closer links between mental health services and primary care.

The balancing €15m which was provided under the Programme for Government commitments will provide for free GP access to holders of a Long Term Illness Card.

Health Services

277. **Deputy Patrick Nulty** asked the Minister for Health the proportion, if any, of the €145 million savings from the employment control framework-pay cost containment as per the comprehensive expenditure review 2012-2014 that will come from the mental health services; and if he will make a statement on the matter. [40210/11]

Minister for Health (Deputy James Reilly): The gross current budget for the Health Sector for 2012 is €13,644m. An additional €79m is to be raised through a number of measures to increase the level of income from private patients treated in public hospitals and also to improve the collection rate of these charges. When account is taken of the Government's target savings, the need to meet unavoidable cost pressures and priority Programme for Government commitments, the savings target in 2012 is €543 million.

There are a range of measures identified to meet these savings targets including those arising from the implementation of the Employment Control Framework and other pay cost containment measures. The reduction in health service numbers under the ECF recently approved by Government, when taken with the other factors above, will result in reductions in services in 2012 and beyond. All programmes will come under scrutiny as a result of the reduction in expenditure, and the extent and nature of the impact on services will fall to be addressed in preparing the HSE's National Service Plan for 2012. The nature and range of the savings measures taken in recent years means it has become increasingly necessary to focus on improving the way services are organised and delivered. This is entirely appropriate and in keeping with the focus in the Programme for Government on reforming the way health services are funded and delivered to achieve greater productivity and more cost-effective services.

The National Service Plan will be submitted to me before Christmas, after which I have 21 days within which to approve the Plan or direct that it be amended. It is my intention, however, that this process will be concluded by the end of the year. My Department and the HSE are working collaboratively to develop the Plan in the context of the Comprehensive Review of Expenditure, the Programme for Government reform agenda and commitments for Mental Health and Primary Care. It will also take account of unavoidable cost increases and the savings measures agreed by Government, and will indicate at a high level how these will impact on the various service/care areas.

Care of the Elderly

278. **Deputy James Bannon** asked the Minister for Health if he will increase the home-help hours for a person of 83 years of age (details supplied) in County Longford who is living alone

[Deputy James Bannon.]

and currently has only a half hour per morning, which is not sufficient for her needs; and if he will make a statement on the matter. [40219/11]

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.

Medicinal Products

279. **Deputy Caoimhghín Ó Caoláin** asked the Minister for Health the position regarding the drug pradaxa and its prescription for medical card patients presenting with atrial fibrillation; if his attention has been drawn to the fact that the Health Service Executive has informed patients that they must pay for this drug; if his further attention has been drawn to the fact that pradaxa is clinically safer for many patients than warfarin; if he will ensure full and equal access to pradaxa for medical card patients; and if he will make a statement on the matter. [40226/11]

Minister of State at the Department of Health (Deputy Róisín Shortall): Pradaxa is available on prescription to patients availing of the GMS and the Drug Payment Schemes for the prevention of blood clots in adult patients who have undergone elective hip replacement surgery or elective knee replacement surgery.

The HSE is assessing the availability of resources in 2012 to consider long term treatment with Pradaxa for the prevention of stroke in patients with atrial fibrillation. This is a complicated process with long term implications. The HSE will also take into account any clinical differences between Pradaxa and alternative anticoagulants. The HSE has written to all GMS doctors and community pharmacy contractors to clarify the position in relation to Pradaxa. The HSE will continue to update healthcare professionals in relation to the matter.

The HSE does not intend to disturb established therapeutic regimens for patients whose treatment with Pradaxa for the prevention of stroke was initiated prior to the recent clarification.

Health Insurance

280. **Deputy Michael McGrath** asked the Minister for Health the timeline for the injection of funds into the VHI and the potential impact on this arising from the proposed changes to the charging for public beds used by private patients in public hospitals. [40235/11]

Minister for Health (Deputy James Reilly): The amount of capital reserves required by the VHI would fall to be determined by the Central Bank of Ireland (CBI) in the context of its role under the European Communities (Non-Life Insurance) Framework Regulations, 1994. In assessing an application for authorisation by an insurer, the CBI takes account of the three year business plan submitted, using optimistic, realistic and pessimistic scenarios. It is not possible at this point to give a figure or timeline for addressing VHI's capital shortfall. However, any increase in claims costs will have an impact on the company's business plan and will be taken into consideration by the CBI in arriving at a capital figure. It is important to note that given the current structure of the market, this will be mitigated by the level of transfers which will arise under the scheme of risk equalisation to be put in place from 2013 onwards.

I have made it clear that I expect the VHI to now take further steps to address claims costs and a process of examining those costs in detail is about to begin.

Hospital Services

281. **Deputy Tom Fleming** asked the Minister for Health when a person (details supplied) in County Kerry will receive an appointment for a MRI scan; and if he will make a statement on the matter. [40241/11]

Minister for Health (Deputy James Reilly): I am determined to address the issues which cause unacceptable delays in patients receiving treatment in our hospitals. In this regard I have established the Special Delivery Unit (SDU), which will work to unblock access to acute services by dramatically improving the flow of patients through the system, and by streamlining waiting lists, including referrals from GPs. The SDU is working closely with its partner agencies — mainly the HSE and the NTPF.

As a priority, public hospitals have been instructed to ensure that, by the end of 2011, they have no patients waiting more than 12 months for treatment. Where they fail to do so, the NTPF will source the necessary treatments elsewhere and an appropriate budgetary adjustment will be made.

As this is a service matter, it has been referred to the HSE for direct reply. Should the patient's general practitioner consider that the patient's condition warrants an earlier appointment, he/she would be in the best position to take the matter up with the consultant and facility involved.

Hospital Staff

282. **Deputy Billy Kelleher** asked the Minister for Health if reductions in fees paid to hospital consultants have been accounted for in his budget 2012 Estimates; the level by which they will be reduced; and if he will make a statement on the matter. [40243/11]

Minister for Health (Deputy James Reilly): There are no proposals at present to reduce the remuneration of hospital consultants. My immediate priority is to achieve more effective implementation of the existing contract so that patients get faster access to services and achieve better outcomes within the budgets available to hospitals. I believe there is plenty of scope under the existing contract and the Croke Park agreement to achieve greater productivity from consultants. For example, increased consultant participation in patient discharges at weekends could more quickly free up beds for emergency admissions. I am satisfied that considerable efficiencies can be achieved under the terms of the 2008 contract, if consultants embrace this reform agenda.

The 2008 Consultant contract provides for an extended working day, an increase in the length of the working week and structured weekend work, with consultants working as part of a team delivering the Clinical Directorate Service Plan and focusing on greater equity in the provision of care. I believe that the efficiencies, productivity increases and reform, that can be achieved, will be worth more to the health system than simply reducing the pay of consultants.

Hospital Charges

283. **Deputy Billy Kelleher** asked the Minister for Health the charges set by him in respect of inpatient and outpatient hospital care and for visiting an accident and emergency department; if these charges have changed during the course of 2011; if these charges will change in 2012; the revenue accruing from such charges in 2011; the anticipated income in 2012; and if he will make a statement on the matter. [40244/11]

Minister for Health (Deputy James Reilly): The current statutory public in-patient charge is €75 per day subject to a maximum of €750 in any period of 12 consecutive months. This charge is payable by all public patients subject to exemptions specified in regulation, which include medical card holders, amongst others. There was no increase in the public in-patient charges in 2011 and there are no plans to increase these charges for 2012.

The private/semi-private accommodation charges for private in-patients in public hospitals for 2011 are set out as follows. I will shortly announce increases for 2012.

	Hospital Category	Private Accommodation	Semi-Private Accommodation	Day-care
1	HSE Regional Hospitals, Voluntary & Joint Board Teaching Hospitals	€1,017	€889	€732
2	HSE County Hospitals Voluntary Non-Teaching Hospitals	€789	€693	€564
3	HSE District Hospitals	€260	€222	€193

These charges are in addition to a statutory in-patient charge for private patients in public hospitals of €75 in respect of each day during which a person is maintained, subject to the maximum payment in any 12 consecutive months of €750.

The current statutory out-patient charge (i.e. the A&E charge) is €100 per visit. Again this charge is payable by all patients subject to specified exemptions which include medical card holders, those presenting with a letter of referral from a G.P. and those admitted directly through A&E, amongst others. Private patients are also liable to a charge for the use of MRI in public hospitals, currently set at a maximum of €400. There are no plans to change these charges in 2012.

The expected income from in-patient, outpatient and accident and emergency charges in 2011 is estimated at €522 million. It is expected that 2012 income will be broadly in line with that of 2011.

Prescription Charges

284. **Deputy Billy Kelleher** asked the Minister for Health the annual savings to be achieved from the prescription charge; and if he will make a statement on the matter. [40245/11]

Minister of State at the Department of Health (Deputy Róisín Shortall): Prescription charges result in savings to the Health Service Executive of approximately €27 million annually. Despite the very difficult budgetary situation, the Government has ruled out an increase in prescription charges.

Hospital Waiting Lists

285. **Deputy Billy Kelleher** asked the Minister for Health the number of inpatients to each accident and emergency department in November 2010; the average wait in each accident and emergency in November 2010; the number of inpatients to each accident and emergency department in November 2011; the average wait in each accident and emergency in November 2011 in tabular form; and if he will make a statement on the matter. [40246/11]

Minister for Health (Deputy James Reilly): Immediately following my appointment as Minister for Health, I set about establishing the Special Delivery Unit, the purpose of which is to

unblock access to acute services by improving the flow of patients through the system. As a priority the SDU is addressing the issue of unacceptably long trolley waits.

The SDU is putting in place an infrastructure based on information collection and analysis, hospital by hospital, so that we will know what is actually happening in real time. This will allow for performance management to be embedded in the system to sustain shorter waiting times.

The problems in our emergency departments are complex and they did not arise overnight and they will take time to resolve but they are being tackled in a systematic and relentless fashion through the SDU. I do not minimise the scale of the task before us but I am very confident that the SDU will facilitate real performance improvement in the Irish hospital system.

The particular issues vary from hospital to hospital and some of the solutions will depend on local factors. As part of the process of forming the overall picture of the emergency department situation nationally, the SDU has identified fifteen hospitals which between them account for 80% of the trolley wait problem in the hospital system and Liaison Officers from the SDU are working pro-actively to support these sites. As part of this process some once off funding to the end of the year is being made available to hospitals based on specific proposals to reduce waiting times and to help address issues such as delayed discharges. Adherence to the agreed criteria will be closely monitored by the SDU.

The conditions and performance measures which hospitals will have to meet are as follows; for the remainder of the year and throughout January 2012 no patient will wait more than 23 hours in the hospital's Emergency Department. In addition the trolley wait target must be maintained at least 70% below the maximum daily trolley count since January 2010. Other conditions/performance measures include: seven day ward/discharge rounds; achievement of all Acute Medicine Programme milestones; and implementation of approved measures to effectively stream elderly patients.

My Department has asked the HSE for the detailed information sought by the Deputy and I will be in further communication with him in relation to it as soon as possible.

Health Service Staff

286. **Deputy Billy Kelleher** asked the Minister for Health the total number of persons who have applied for the Health Service Executive voluntary redundancy scheme; if he will provide a breakdown of applicants between management and administration and support staff; if he will provide a breakdown of applicants on a HSE area basis; and if he will make a statement on the matter. [40247/11]

287. **Deputy Billy Kelleher** asked the Minister for Health the total amount of funding made available to the voluntary redundancy scheme in 2012; the estimated cost of the scheme in 2012; and if he will make a statement on the matter. [40248/11]

Minister for Health (Deputy James Reilly): I propose to take Questions Nos. 286 and 287 together.

Firstly I would like to clarify that there is currently no voluntary redundancy or voluntary early retirement scheme available in the public health sector.

The 'grace period' during which the calculation of public service pensions is unaffected by the pay reductions applied under the Financial Emergency Measures in the Public Interest (FEMPI) (No. 2) Act 2009 expires on 29 February 2012.

[Deputy James Reilly.]

The HSE estimate that approximately 4,000 retirement estimate requests have been received in recent months. It is not possible to say how many of those who requested estimates will actually retire by the end of February 2012. Previous experience with voluntary exit schemes in 2010 has shown that many estimate requests do not translate into actual departures and therefore it would not be safe to draw any conclusions based on these figures.

However current data from the HSE indicates that approximately 1,500 individuals have applied to retire on or before 29 February 2012. This number is likely to increase over the next two months as additional employees give notice of their intention to retire in advance of the end of the 'grace period'.

In the 2012 Estimates, funding of €97m has been provided to fund additional lump sum payments in the health sector in 2012. Additional pension costs in 2012 will also be funded from within the HSE Vote.

It is likely to be February 2012 before an accurate profile of intended retirements is available.

Hospital Charges

288. **Deputy Billy Kelleher** asked the Minister for Health the rate of hospital charges inpatient, outpatient and accident and emergency in 2011; the categories of patient required to pay hospital charges; the changes in charges that will take place in 2012; and if he will make a statement on the matter. [40249/11]

Minister for Health (Deputy James Reilly): The current statutory public in-patient charge is €75 per day subject to a maximum of €750 in any period of 12 consecutive months. This charge is payable by all public patients subject to exemptions specified in regulation, which include medical card holders, amongst others. There are no plans to increase these charges for 2012.

The private/semi private accommodation charges for private in-patients in public hospitals for 2011 are set out below. I will shortly announce increases for 2012.

	Hospital Category	Private Accommodation	Semi-Private Accommodation	Day-care
1	HSE Regional Hospitals, Voluntary & Joint Board Teaching Hospitals	€1,017	€889	€732
2	HSE County Hospitals Voluntary Non-Teaching Hospitals	€789	€693	€564
3	HSE District Hospitals	€260	€222	€193

These charges are in addition to a statutory in-patient charge for private patients in public hospitals of €75 in respect of each day during which a person is maintained, subject to the maximum payment in any 12 consecutive months of €750.

The current statutory out-patient charge (i.e. the A&E charge) is €100 per visit. Again this charge is payable by all patients subject to specified exemptions which include medical card holders, those presenting with a letter of referral from a G.P. and those admitted directly through A&E, amongst others. Private patients are also liable to a charge for the use of MRI in public hospitals, currently set at a maximum of €400. There are no plans to change these charges in 2012.

289. **Deputy Billy Kelleher** asked the Minister for Health the anticipated income from statutory inpatient, outpatient and accident and emergency charges in 2011 in tabular form; and if he will make a statement on the matter. [40250/11]

Minister for Health (Deputy James Reilly): I am advised by the Health Service Executive that the total anticipated income from statutory and voluntary hospitals in respect of inpatient and accident and emergency charges in 2011 is estimated at €37,147,270. The public hospital statutory in-patient charge is currently €75 per day up to a maximum of €750 in any twelve consecutive months during which an individual is maintained as an in-patient in a public hospital or is admitted as a day-case. This charge is subject to a number of exemptions, in particular, it does not apply to persons with full eligibility (medical cards). The current charge for attendance at Emergency Departments (A&E) is €100 per visit subject to certain exemptions, in particular, persons with full eligibility (medical cards) and persons with a letter of referral from a registered medical practitioner. No other charges are applicable in relation to public outpatient services.

The anticipated income in 2011 is set out in the table below.

	Amount €
Public Charges	€28,616,419
Emergency Dept	€8,530,851
Total	€37,147,270

290. **Deputy Billy Kelleher** asked the Minister for Health the meetings he has held with members of the health insurance industry in relation to changes in charges announced in budget 2012; and if he will make a statement on the matter. [40251/11]

Minister for Health (Deputy James Reilly): The Secretary General of my Department met with representatives of the three insurers on the day of the Government announcement relating to changes to bed charges for public hospitals. Following on from this I met yesterday with the three commercial insurers, Aviva Health, Quinn Healthcare and VHI Healthcare. They have agreed to set up a Health Insurance Consultative Forum to tackle issues of mutual concern.

The meeting resulted in clear agreement that all would work cooperatively in driving down costs related to health insurance. There was agreement too that savings could be achieved in terms of services provided by both public and private hospitals.

I indicated that I was happy to hear any proposals from the insurance companies which would result in lower costs for the health insurance sector.

In recent days the issue of a possible rise in costs of health insurance premiums has been widely reported. I made clear to the health insurers that I believe significant savings can still be made, the effect of which can be to minimise the need for such increases.

The Health Insurance Consultative Forum will also provide the participating parties with an opportunity to consider issues related to Government moves to implement its policy of Universal Health Insurance. The Government has made clear that the future delivery of health services under UHI will require competing insurance companies driving efficient, cost effective delivery of high quality health care. The forum will allow the insurance companies consult with the Department of Health on many significant changes on the road to the full implementation of Universal Health Insurance.

Departmental Expenditure

291. **Deputy Billy Kelleher** asked the Minister for Health the level funding allocated to each sub-heading in his Department which remains unspent; and if he will make a statement on the matter. [40252/11]

Minister for Health (Deputy James Reilly): The Gross Current Vote for my Department in 2011 is €331.610m, of which €241.552m was spent to the end of November, leaving €90m unspent at that date. The current projection is that there will be a surplus of at least €40m on the Vote in the current year which will be surrendered to the Exchequer. This surplus can be attributed to a number of factors:

Hepatitis C Compensation Subheads

Subhead D, Inquiries and Miscellaneous Legal Fees and Settlements

There is a projected surplus of some €4-5m on this subhead this year. Subhead D provides for statutory and non-statutory enquiries and miscellaneous legal fees and settlements. Given the fluctuating nature of legal cases and settlements, the Department cannot be certain when a case may settle, and any unspent funds at the end of the year are surrendered to the Exchequer. To date in 2011, there have been a number of large payments made (€2.6m and €3.7m), with a total of €14m spent from the subhead to date, almost all of which relate to clinical negligence claims. Legal cases can run for some years, and acceptance of a settlement can be required at short notice. Demands on the subhead are determined by the number of legal cases in process at any given time, but given the uncertain nature of legal cases there is a need for some flexibility with this subhead.

Administrative Budget

The Administrative Budget is projected to be €4m in surplus in 2011. €1m of this relates to a provision made in Subhead A.7 in relation to a proposed consultancy in relation to VHI. A further €1.5m approximately is on other non-pay subheads, such as training, cleaning, office machinery and supplies etc. The remainder of the surplus is attributable to the non filling of vacancies as a result of the moratorium on recruitment, and reduced levels of overtime.

Grants to Health Agencies

It is anticipated that there will be savings of approximately some €11m in relation to Grants to Health Agencies. The main agencies showing surpluses are the Health Research Board and the Health Information and Quality Authority, with small surpluses on some of the other directly funded agencies.

There is also a projected underspend of €6.2m on the Gross Capital Vote of €16.091m, €1.5m of which was approved for a Capital carryover into 2012.

Hospital Charges

292. **Deputy Billy Kelleher** asked the Minister for Health the basis on which the figure of €143 million was arrived at savings to be achieved on the generation and collection of private income in budget 2012; the contacts he has had with insurance companies before arriving at this figure; and if he will make a statement on the matter. [40253/11]

Minister for Health (Deputy James Reilly): The €143m comprises €18m being the full year effect of the increase provided for in 2011 following the Value for Money review on private accommodation in public hospitals, €50m for the accelerated income collection from private

health insurers; and €75m being the part year effect of the proposal to introduce legislation allowing public hospitals to raise charges in respect of all private patients, irrespective of whether they occupy a designated private bed.

Private patient charges contribute the greatest proportion of income receipts. However, there are difficulties in relation to private patient fees, namely

(i) the full cost of services provided is not covered by the charges;

(ii) a significant proportion of private patients are not currently chargeable due to the current rules in relation to bed designation; and

(iii) there are major delays in recouping the fees from the private health insurance companies

These issues were examined in the Value for Money and Policy Review of the Economic Cost and Charges Associated with Private and Semi-Private Treatment Services in Public Hospitals which was published by the Department in December 2010. Under the average per diem costing methodology currently used by the public hospital system, the full cost of treating private patients is not charged. While the gap between the cost and the charge has narrowed significantly in recent years due to increases in the level of charges that apply, a shortfall still arises. The Value for Money Review recommended that increases in the charges should be implemented to bring the charge to the level of average cost. This approach was targeted to yield an additional €75m for the Exchequer in 2011 with a further €18m in 2012.

I have also announced a major change in the charging regime for private patients in public hospitals. Under existing legislation, public hospitals cannot charge private patients who occupy public beds. This represents a loss of income to the public hospital system and provides a significant subsidy to private insurance companies. It is intended to introduce new legislation next year to allow public hospitals to raise charges in respect of all private patients in public hospitals. This new system is fairer and entirely in keeping with the changes required along the road to universal health insurance. Removing this subsidy to private patients will help to protect services for public patients. It is estimated that an additional €200m per annum would arise, for which €75m has been anticipated next year as given the need for legislation, a full year effect will not apply until 2013.

While the HSE and voluntary hospitals recoup a considerable amount from private health insurance companies in return for private and semi-private treatment services provided to patients with private health insurance cover, lengthy delays often occur between the discharge of patients and the receipt of payment from the health insurance companies. This has led to an unacceptably high level of debtor days/months with a significant amount in fees outstanding. Some hospitals are much more efficient at collecting income than others, and for this reason, a target of €50m accelerated income has been set for 2012 which would aim to bring more hospitals to the standard of the better performing hospitals.

The Secretary General of my Department met with representatives of the three insurers on the day of the Government announcement relating to changes to private charges for public hospitals. I intend to meet with the insurers myself shortly. It is my intention to outline to the insurers my firm belief that the level of claim costs and the underlying base cost of those claims must be examined in detail and must be addressed urgently, in order to protect the sustainability of the private health insurance market.

Nursing Homes Support Scheme

293. **Deputy Billy Kelleher** asked the Minister for Health the level of new funding available for the fair deal scheme; the number of patients waiting to be accepted onto the scheme; the average length of time patients are waiting to be accepted onto the scheme; the level of funding in 2011; the level of funding in 2012; and if he will make a statement on the matter. [40254/11]

Minister of State at the Department of Health (Deputy Kathleen Lynch): The total budget for long-term residential care in 2011 is approximately €963m. This is, in reality, the budget for the Nursing Homes Support Scheme albeit that transitional arrangements must also be facilitated from within the subhead, i.e. people in contract beds, people who choose to remain on subvention and people paying in-patient charges in public nursing homes.

Additional funding of €55m has been provided for the Nursing Homes Support Scheme in 2012. This brings the total funding available for long-term residential care in 2012 to over €1 billion. Subhead B12 in the recently published Estimates for Public Services 2012 contains a total provision of €1,049,710 for long-term residential care. However, this figure includes an amount for ancillary costs associated with long-term residential care for older people.

Services for Persons with Disabilities

294. **Deputy Billy Kelleher** asked the Minister for Health the total cuts to the budget of service providers to persons with disabilities in 2012; and if he will make a statement on the matter. [40255/11]

Minister of State at the Department of Health (Deputy Kathleen Lynch): I am acutely aware of the challenges facing the disability services as a result of reduced resources in 2012. The Minister for Public Expenditure and Reform announced that an efficiency saving of 2% is being applied to the budget for disability services in 2012. Services will also have to make provision for savings in employment and procurement costs which are required of the health services as a whole next year. The precise levels of savings required will vary depending on the profile of individual service providers and will be determined within the context of the HSE's service planning process. Services will also have to meet anticipated extra demand from within their budgets in 2012.

A major priority for the Government in the coming months will be to finalise the current Value for Money and Policy Review of Disability Services to ensure that existing funding for people with disabilities is spent to best effect. It is now more important than ever that large scale spending programmes of this nature are subject to detailed periodic review. The VFM Efficiency and Effectiveness Review will make recommendations that will ensure that the very substantial funding of €1.5 billion provided to the specialist disability health sector is used to maximum benefit for persons with disability, having regard to overall resource constraints which affect all sectors at this time.

Comprehensive Expenditure Review

295. **Deputy Billy Kelleher** asked the Minister for Health if he will publish his comprehensive spending review. [40256/11]

Minister for Health (Deputy James Reilly): The Comprehensive Expenditure Review prepared by my Department, and submitted to the Department of Public Expenditure and Reform

in September, was published on both Departments' websites on 7 December subject to the appropriate redactions.

296. **Deputy Billy Kelleher** asked the Minister for Health if he will publish all correspondence between him and the Department of Finance and the Department of Public Expenditure and Reform with regard to preparations for budget 2012. [40258/11]

Minister for Health (Deputy James Reilly): As the Deputy will be aware, a comprehensive review of expenditure was undertaken within each Department which has formed the basis for the 2012 Estimates. The Department of Health draft Comprehensive Expenditure Review was approved by the Minister and submitted to the Department of Public Expenditure and Reform on 22 July 2011. The Report analysed the 11 HSE care programme areas in terms of rationale, objective and continuing relevance; programme effectiveness; programme efficiency; and additional demands. It also analysed the Department, directly funded health sector agencies, the HSE Corporate and health sector employment. This process facilitated the identification of potential savings and reform measures across the programme areas.

This in-depth review formed the basis for all discussions in relation the 2012 Estimates, the determination of the level of funding available for the health budget and the extent of the savings required. This review as redacted was published on my Department's website and can be downloaded from <http://www.dohc.ie/publications/doh—review—expenditure.html>. It would not be usual practice to publish ancillary correspondence between my Department and the Departments of Finance and Public Expenditure and Reform.

Hospital Waiting Lists

297. **Deputy John McGuinness** asked the Minister for Health if a bed will be provided in respect of a person (details supplied) in County Kilkenny; and if he will expedite the matter. [40262/11]

Minister for Health (Deputy James Reilly): I am determined to address the issues which cause unacceptable delays in patients receiving treatment in our hospitals. In this regard I have established the Special Delivery Unit (SDU), which will work to unblock access to acute services by dramatically improving the flow of patients through the system, and by streamlining waiting lists, including referrals from GPs. The SDU is working closely with its partner agencies — mainly the HSE and the NTPF.

As a priority, public hospitals have been instructed to ensure that, by the end of 2011, they have no patients waiting more than 12 months for treatment. Where they fail to do so, the NTPF will source the necessary treatments elsewhere and an appropriate budgetary adjustment will be made.

As this is a service matter, it has been referred to the HSE for direct reply. Should the patient's general practitioner consider that the patient's condition warrants an earlier appointment, he/she would be in the best position to take the matter up with the consultant and facility involved.

Nursing Homes Support Scheme

298. **Deputy John McGuinness** asked the Minister for Health if an application for the fair deal scheme will be approved as a matter of urgency in respect of a person (details supplied) in County Carlow; and if he will make a statement on the matter. [40266/11]

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.

299. **Deputy John Browne** asked the Minister for Health when an application for the fair deal scheme will be approved in respect of a person (details supplied) in County Wexford. [40269/11]

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 Service Staff

300. **Deputy Simon Harris** asked the Minister for Health the actions he will take to retain older, more experienced front-line workers in the Health Service Executive to ensure that front-line services retain mixed-ability staff cohorts; and if he will make a statement on the matter. [40275/11]

Minister for Health (Deputy James Reilly): The HSE must ensure that the health sector is staffed with personnel with the appropriate mix of skills and experience. This is part of the human resource planning function of any organisation.

While it is not possible to say how many staff will actually retire in any given year, it will be affected by a number of factors. In particular, the grace period during which the calculation of public service pensions is unaffected by the pay reductions applied under the Financial Emergency Measures in the Public Interest (FEMPI) (No. 2) Act 2009 expires on 29 February 2012. Separately, staff may apply to retire under the Cost Neutral Early Retirement Scheme.

The current Employment Control Framework provides some flexibility to the HSE and other service providers to manage staffing resources so as to protect front line services as far as possible. In addition, the Public Service Agreement allows for the redeployment of staff based on service need.

Health Services

301. **Deputy Simon Harris** asked the Minister for Health his plans to introduce independent evaluations of the services offered by the Health Service Executive in specific geographical regions to ensure better co-ordination of services offered to the public in these areas; and if he will make a statement on the matter. [40276/11]

Minister of State at the Department of Health (Deputy Róisín Shortall): I understand that the Deputy is referring to primary care services offered by the Health Service Executive in County Wicklow and the coordination of those services with the local acute hospitals.

As this is a service matter it has been referred to the HSE for direct reply to the Deputy.

Services for People with Disabilities

302. **Deputy Denis Naughten** asked the Minister for Health the current criteria for eligibility for the motorised transport grant in respect of a person with a severe disability who is not in employment; his plans to review these criteria; and if he will make a statement on the matter. [40280/11]

Minister of State at the Department of Health (Deputy Kathleen Lynch): The Motorised Transport Grant supports people with a severe disability to purchase/adapt a car where it is

essential for him or her to retain employment. The eligibility criteria are governed by a circular issued by my Department. In order to be eligible to receive the grant, a number of conditions must be satisfied. The key eligibility criteria are that the individual applying must

- meet the medical criteria
- require a car in order to retain employment
- be means tested to determine the amount of grant payable.

Self-employed persons who satisfy the criteria of eligibility may also be considered.

Eligibility for the Motorised Transport Grant may also be considered in “Exceptional Circumstances” other than for employment retention, for a person with a severe disability who lives in very isolated circumstances and where their disability prevents them from using public transport. It is not proposed to change the current circular.

Medical Cards

303. **Deputy Finian McGrath** asked the Minister for Health the position regarding a medical card in respect of a person (details supplied) in Dublin 5. [40296/11]

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.

Health Services

304. **Deputy Seán Ó Fearghaíl** asked the Minister for Health if he will consider correspondence (details supplied); and if he will make a statement on the matter. [40344/11]

Minister for Health (Deputy James Reilly): Ireland does not have a public cord blood bank and collection of cord blood for private use in low risk families is not provided publicly in Ireland. However, when clinically indicated by a consultant overseeing care, collection of cord blood for donation to an identified family member in high risk families is facilitated by HSE hospitals in collaboration with the Irish Blood Transfusion Service. In addition, where an identified clinical need arises, Ireland has access to cord blood stem cells through international stem cell banks and registries and this is also arranged by the Irish Blood Transfusion Service.

While recognising that science in this area is evolving, the HSE sought and considered expert professional clinical opinion as well as legal advice in relation to this matter. The HSE must ensure that evidence-based, safe, effective and high quality care is provided to patients and their families. In addition, the contracting, by a commercial company, of staff employed at hospitals operated or funded by the HSE, to undertake the collection of cord blood on behalf of that company, was outside the cover provided under the Clinical Indemnity Scheme.

Any hospital wishing to accommodate staff directly employed by third party commercial companies to undertake the procurement of cord blood at hospitals operated or funded by the HSE must therefore ensure that all appropriate arrangements are in place within the context of a robust clinical governance framework to control risks associated with the service. A contract, or service level agreement, should be in place between the third party commercial entity and the hospital concerned. Policies, procedures and guidelines are required to govern how the service is provided. Hospitals and their maternity service teams face significant challenges in

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ensuring a robust clinical governance framework to support a safe and high quality maternity care system.

I am satisfied that the HSE's primary objective is to ensure that there is a safe and high quality maternity service and that it is correct in requiring that appropriate governance arrangements are in place where an individual wishes to collect cord blood in cases where there is no identified clinical need. My Department will keep the emergence of clinical benefits of cord blood banking under review.

Departmental Expenditure

305. **Deputy Arthur Spring** asked the Minister for Transport, Tourism and Sport the amount of money spent by him on public relations companies each year since 2006. [40186/11]

Minister for Transport, Tourism and Sport (Deputy Leo Varadkar): The amount my Department spent on public relations companies each year since 2006 is as follows:

Year	Amount Spent
2006	€145,127
2007	€355,837
2008	€230,966
2009	€13,669
2010	0
2011	€4,828

306. **Deputy Arthur Spring** asked the Minister for Transport, Tourism and Sport the amount of money spent by him on advertising with international, national and local media for each year since 2006. [40202/11]

Minister for Transport, Tourism and Sport (Deputy Leo Varadkar): Since 2006 my Department has spent €18,654 on advertising with international media, €1,463,496 on national media and €187,535 on local media. Included in the national expenditure is a figure of some €29,000 incurred in 2008. A portion of this expenditure was incurred in local media but the breakdown is not immediately available to the Department.

Sports Funding

307. **Deputy John O'Mahony** asked the Minister for Transport, Tourism and Sport the status of grants for inter-county GAA players for 2011 and 2012 as part of the Irish Sports Council funding; and if he will make a statement on the matter. [40297/11]

Minister of State at the Department of Transport, Tourism and Sport (Deputy Michael Ring): The grants for Gaelic Players are to be paid for 2011 subject to the conditions of the schemes but the payment will be reduced in line with the overall reduction in the 2011 annual budget of the Irish Sports Council. The matter of funding the schemes in 2012 is under consideration.

Rail Services

308. **Deputy Thomas P. Broughan** asked the Minister for Transport, Tourism and Sport the amount that has been allocated to Irish Rail for its 2012 public service obligation provision; if

he will also outline the PSO provision for Irish Rail in 2008, 2009, 2010 and 2011; and if he will make a statement on the matter. [40339/11]

Minister for Transport, Tourism and Sport (Deputy Leo Varadkar): The provision of public service obligation services by the CIÉ companies is subject to contract between the companies and the National Transport Authority (NTA). In 2012 the total Exchequer funding to be allocated to the NTA in respect of these services is €242.32m. The amount to be allocated to Irish Rail will be determined by the NTA in line with their contract. The amounts paid to Irish Rail in respect of PSO services since 2008 are as follows:—

Year	€
2008	€181.152m
2009	€170.624m
2010	€155.135m
2011	€147.427m

Harbour Authorities

309. **Deputy Richard Boyd Barrett** asked the Minister for Transport, Tourism and Sport in addition to the €230,000 spent on consultants in 2010 by Dún Laoghaire Harbour Company, the amount spent on the following consultants working on the master plan, consultants-outside management managing office block No. 2 which is owned by Dún Laoghaire Harbour Company and consultants engaged by Dún Laoghaire Harbour Company in relation to the restructuring costs; and if he will make a statement on the matter. [40346/11]

Minister for Transport, Tourism and Sport (Deputy Leo Varadkar): Dun Laoghaire Harbour Company is a commercial State company and prepares its accounts in accordance with the relevant accountancy rules. The publicly available annual audited accounts for 2010 provide a detailed breakdown of operating costs, including figures for consultancy fees, advertising and promotion, new revenue development fund, corporate governance etc. My Department does not have a more detailed breakdown of the company's costs. Therefore, I have forwarded the Deputy's questions to the Harbour Company for further response. If the Deputy does not receive a reply within ten working days, please contact my private office.

310. **Deputy Richard Boyd Barrett** asked the Minister for Transport, Tourism and Sport if a person (details supplied) of Dún Laoghaire Harbour Company will be repaying the over-payments that they received on their expenses that they claimed from 2007 to 2010; the person in Dún Laoghaire Harbour Company that authorised these payments; in view of the situation with these expenses, his views whether this person should resign their position as a director of Dún Laoghaire Harbour Company; the way the company's accountant and secretary did not pick up on this abuse of expenses; if he will consider sending in his own independent auditors to examine the company's books; and if he will make a statement on the matter. [40347/11]

Minister for Transport, Tourism and Sport (Deputy Leo Varadkar): Dun Laoghaire Harbour Company's publicly available annual audited accounts disclose the fees and expenses paid to each individual director. The Company confirms each year that it complies with the relevant travel and subsistence regulations. As indicated in my response to the Deputy's question of 29 September last, I understand that the matter of repayment of flight expenses has been resolved.

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The company have recently submitted to me an external auditors' report which examined all the concerns that the Deputy raised previously in relation to the company's finances. This has been forwarded to the Deputy and is in the process of being laid before the Dáil. With regard to these further matters raised by the Deputy, I have forwarded the Deputy's concerns to the Chairperson of the Company and asked that he report back on the matter.