



# DÁIL ÉIREANN

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*Dé Céadaoin, 15 Feabhra 2012.*  
*Wednesday, 15 February 2012.*

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

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*Paidir.*

*Prayer.*

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## Leaders' Questions

**Deputy Micheál Martin:** On 3 November last, the Tánaiste and Minister for Foreign Affairs and Trade announced his decision to close the Irish Embassy in the Vatican to save approximately €450,000. For many reasons, that was a wrong decision. Ireland needs as extensive a diplomatic footprint as it can have across the globe. That has been always my position. When one has difficulties with particular states, a presence on the ground is crucial. For example, having eyes and ears on the ground, in my view, is the best way to ensure the Vatican's policies and position on child abuse and child protection is in line with Government policy.

Diplomacy is about far more than trade and economics, although trade and economics is extremely important in terms of our diplomatic outreach. To paraphrase Mr. Seán Donlon, the retired and respected diplomat, one must be where policy is formulated to have an influence on the formulation of that policy.

The decision to close the embassy has been interpreted in many different ways. It is fair to say that the Irish Embassy in the Vatican was never about economics, trade or money. Not every mission is specifically about trade and economics, as the House will be aware from that in Geneva and the embassy to the UN in New York.

The Taoiseach's party and Deputies in Fine Gael seem to be very much against the proposed closure and media reports state that the party had an extensive discussion at the parliamentary party meeting. The Minister of State, Deputy Creighton, who is in the Department, who must have acquiesced with the decision, now believes the decision should be overturned and has stated it will be reopened in the next two years.

The Holy See has diplomatic relations with 179 states and has 80 resident embassies. Cuba and Russia, for example, have a presence there. I do not think the decision was thought through properly.

This decision was of the Taoiseach's making. Can he bring clarity to where the Government now stands on it and will the decision be reversed?

**The Taoiseach:** I thank Deputy Martin for raising this matter. We have referred to it on a number of occasions in the past.

As part of the process of Government, every Department and Minister came forward with their recommendations for reducing costs in their respective Departments. The Government

[The Taoiseach.]

collectively made a decision in respect of three embassies, East Timor, Tehran and the Vatican. That is a collective Government decision.

I am aware of the very many letters about this that I get from people around the country and of the way this matter has been hyped up in certain quarters.

**Deputy Niall Collins:** By the Taoiseach's own backbenchers.

**The Taoiseach:** The second most senior diplomatic person in the country has been assigned as non-resident ambassador to the Vatican. I have read all the reports from the ambassadors when they were there in respect of meetings and in respect of speeches that were given, either by the Pope or by persons from the Vatican at various meetings. Deputy Martin, as a former Minister for Foreign Affairs, will be aware of this. The position, as outlined by the Tánaiste and Minister for Foreign Affairs and Trade, is clear here.

Government decisions are reviewed on a constant basis, as they should be. The position is that every diplomatic mission, consular mission and embassy is reviewed by the Department of Foreign Affairs and Trade and by the Minister, and the Tánaiste has confirmed that. He has also made known his views about some flexibility that may exist depending on a response from the Vatican.

In respect of what Deputy Martin stated on the protection of children and the protection of children's rights, and that it is necessary to have persons on the ground, we had persons on the ground in the Vatican for very many years and look what happened and what was allowed to happen. Deputy Martin should not come in here and, because he wants to go with the current trend, tell me that simply by putting somebody on the ground would deal with the sensitive and personal issue that was such a scar on our land and on our people. Deputy Martin should not do that.

I will say this to Deputy Martin. This is a Government decision. It is one that will be reviewed as per the Tánaiste's clear comment on it, and that is the position. In so far as those who say this has something to do with religious beliefs are concerned, let me assure Deputy Martin that the relationship between the Government and the Catholic Church is now more real than it has been for many years.

**Deputy Niall Collins:** Does Deputy Quinn agree?

**The Taoiseach:** I have spoken to Archbishop Martin and I have spoken briefly to Cardinal Brady. I have spoken to many of the members, both of the bishops' congregation and of the church. I am glad to note that the church is working diligently and in full co-operation with the Minister for Children, who is preparing legislation in respect of the protection of children and children's rights.

The answer to Deputy Martin's question is that this decision, as is the case with all of the decisions, will be reviewed by the Tánaiste and Minister for Foreign Affairs and Trade and, collectively, by the Government when it is deemed to be appropriate.

**Deputy Micheál Martin:** The Taoiseach's comments on child abuse are unworthy. I was the first Minister to initiate an inquiry into abuse in a diocese in this country; it was the Ferns inquiry. I was the first to open up the position on industrial schools, a matter about which a Government of which the Taoiseach was a member——

**Deputy Alan Shatter:** Look what happened.

**A Deputy:** Deputy Shatter cannot handle the truth.

*(Interruptions).*

**Deputy Alan Shatter:** They would not give co-operation to the Cloyne inquiry when Deputy Martin was a Minister.

**Deputy Barry Cowen:** What moral ground has Deputy Shatter?

**Deputy Micheál Martin:** —refused to do anything.

*(Interruptions).*

**An Ceann Comhairle:** Could I have a supplementary question please?

**Deputy Micheál Martin:** My record on opening up these issues and having independent inquiries is beyond reproach.

*(Interruptions).*

**An Ceann Comhairle:** Can we have order please?

**Deputy Micheál Martin:** It is beyond reproach and I have no issue with the Government's position on that.

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

**Deputy Micheál Martin:** It is not fair to blame former holders of the office of ambassador, if that was the implication, for failing to have necessary influence—

*(Interruptions).*

**Deputy Micheál Martin:** —on the Vatican and its approach to child abuse. That was the clear implication in the Taoiseach's response.

With respect, I have not hyped up anything here or gone with any current trend. I will tell the Taoiseach why. The proposal to close the embassy to the Vatican was brought before me, as Minister for Foreign Affairs, and I rejected it, just as I rejected the decision to close the embassies in Iran and East Timor—

*(Interruptions).*

**An Ceann Comhairle:** Could I have Deputy Martin's question?

**Deputy Micheál Martin:** —because I believe in the idea that Ireland should have as extensive a diplomatic footprint as it can.

**Deputy Brendan Howlin:** Deputy Martin left us bankrupt.

**Deputy Micheál Martin:** What I decided to do, as then Minister for Foreign Affairs, was find an alternative set of savings, reducing in many embassies—

**An Ceann Comhairle:** Could I have Deputy Martin's supplementary question? We are over time.

**Deputy Micheál Martin:** —the numbers of staff but keeping a presence on the ground in many of the smaller eastern European states. There clearly were alternatives.

[Deputy Micheál Martin.]

Those who have hyped up this for political reasons are members of the Taoiseach's political party and the Minister of State at the Department of Foreign Affairs and Trade, Deputy Creighton, who should be supporting the Tánaiste or, at least, acting in unison with him——

**An Ceann Comhairle:** Could I have Deputy Martin's question? He is over time.

**Deputy Micheál Martin:** ——but she has made all the running in the Taoiseach's party on the embassy in the Vatican.

**An Ceann Comhairle:** Deputy Martin is not listening to me. Would he put his question?

**Deputy Micheál Martin:** When the Taoiseach says "review", what does he mean? Since the budget, there are been ten such reviews of various policies and we have got no concrete clarification or specifics around those reviews.

**Deputy Alan Shatter:** One would think Fianna Fáil was never in government. It was in government for 14 years.

**An Ceann Comhairle:** I remind Deputies on both sides of the House that this is Leaders' Questions, which involves the Taoiseach answering questions to the Opposition leaders.

**Deputy Timmy Dooley:** There are a few wannabe leaders over there but it will be a cold day in hell before Deputy Shatter is leader.

**An Ceann Comhairle:** Deputies should remain quiet.

**Deputy Tom Hayes:** We know Deputy Patrick O'Donovan is doing well.

**The Taoiseach:** In accordance with normal Government procedure, what happened in this country for many years is that Governments of the party Deputy Martin now leads made decisions and threw money to the wind without bothering to consider the effects, the effectiveness or the consequences for the economy. That is why this Government is facing up to the challenge of dealing with an unprecedented economic mess that his party left behind. There is clearly a difference between the diplomatic relations conducted between this country and other countries and what happens in the case of the Vatican, which is essentially a listening post. Deputy Martin is aware that Mr. David Cooney, Secretary General of the Department of Foreign Affairs and Trade, is an eminent public servant of this country and beyond reproach. He was appointed as a non-resident ambassador to the Vatican. He has been accepted by the Vatican and will be accredited in due course.

**Deputy Micheál Martin:** It has not happened yet.

**The Taoiseach:** He has travelled twice to the Holy See since his appointment. He will represent the State at the consistory of cardinals next Saturday. He attended the ordination of the incoming nuncio, Archbishop Charles J. Brown, who I will be happy to welcome to Ireland. Mr. Cooney is in contact as needs be with the Vatican authorities. In case Deputy Martin did not hear it, I read his article in the *Evening Echo* saying that the Vatican embassy should be kept open so he did not hype up anything.

**Deputy Jerry Buttimer:** Hear, hear. Well said, Taoiseach.

**Deputy Micheál Martin:** We live in a democracy.

**The Taoiseach:** I have made it perfectly clear——

**Deputy Jerry Buttimer:** Deputy Martin is exposed again. It is Punch and Judy.

**The Taoiseach:** As a practising Catholic, although maybe not to the highest degree, I have made it clear that the Eucharistic Congress this year in Dublin will be very different to the 1932 event.

**Deputy Timmy Dooley:** The Taoiseach has some vision.

**The Taoiseach:** If the Government receives an indication of the intentions of the Pope, who was invited here by the bishops, to travel to Dublin for the congress or any such event, the Government will receive the Pope with the proper decorum in respect of his position and status. In respect of the review to which Deputy Martin refers, the Minister for Foreign Affairs and Trade and the Government periodically review all decisions made by Government to see how the decisions are working. In due course, the Tánaiste pointed out, the decision made collectively by the Government will be reviewed.

**Deputy Dinny McGinley:** They were all excommunicated in 1932. Do they not remember?

**An Ceann Comhairle:** I ask Deputy McGinley to stop shouting. I call Deputy Adams.

**Deputy Jerry Buttimer:** He is right.

**An Ceann Comhairle:** I have called Deputy Adams and I do not need Deputy Buttimer's help.

**Deputy Mattie McGrath:** Punch and Judy.

**Deputy Gerry Adams:** The national service plan for the health service sees €750 million stripped from health services this year. This comes on top of €1.5 billion taken out of the health service by this Government and the previous Government over the previous two years. This morning, I received a copy of the Dublin north-east regional service plan. The HSE has asked that it be kept confidential and no wonder because it makes grim reading. I have a duty to make it public.

**Deputy James Reilly:** It would be made public in the forum tomorrow.

**Deputy Gerry Adams:** For the third year, the budget for this region will be reduced, this time by a further €120 million. Is the Taoiseach aware that the plan expects up to 400 staff to have retired by the end of this month, as well as a cut of up to 561 staff jobs? Is the Taoiseach aware of the plan to cut 205 long-term beds for older people's services? The two nursing homes in the constituency I am honoured to represent, St. Joseph's Hospital in Ardee and the Cottage Hospital in Drogheda, are being considered for closure. Across all services, from mental health to older people and hospital services, one cut will be heaped upon another in the north east region, which has seen the largest increase in population since 2006. This will be replicated across other regions. Does the Taoiseach agree that this depth of cut to the health services is unsustainable? How can the health service deliver safe and effective care with this level of cuts?

**The Taoiseach:** The budget for health this year is €13.5 billion and a further €330 million will be spent on the capital programme, which excludes the development of the National Children's Hospital. This is the one area where the Government has made sure adequate moneys are pumped into the system. What is wrong is the way the expenditure has been spent, the effectiveness with which it is spent and the delivery of services for people who need them. Health is

[The Taoiseach.]

always about patients and patient care. In Northern Ireland, where Deputy Adams's party members are reluctant to put their heads above the parapet, they are laying off 4,000 health care staff, reducing the budget by €4 million, and 26,000 people were on a one-day strike last year. Deputy Adams cannot come across the Border, which he tried to move for 30 years, and say there is a different perspective here. Deputy Adams is the leader of his party and is required to participate in the situation in Northern Ireland yet he feels he can come down here and cast a different reflection. I visited many of the community nursing hospitals around the country.

**Deputy Timmy Dooley:** Did the Taoiseach visit Roscommon?

**The Taoiseach:** Many of these are old buildings.

**Deputy Mattie McGrath:** Does HIQA not close them down?

**The Taoiseach:** St. Joseph's Hospital, for example, is a listed Georgian building over 150 years old and provides accommodation on two floors for 23 people, 19 of whom are in long-term residence, with four respite beds. Older people require an attachment to a locality and a building because it is their home while they are in residence. In 2012, is it right to continue to provide services in a listed building that is 150 years old and beyond the planning conditions for development in many cases? We cannot close any of these without adequate consultation and notice from the HSE. I know Deputy Adams has a copy of a leaked plan and that he was on Louth FM this morning about this issue.

We must face reality. At the Cabinet sub-committee dealing with health, I met regional directors of operations, RDOs, and managers, all of whom have signed off on plans for the continued delivery of the best services despite the fact that significant numbers of people have decided to leave the health service as part of the programme.

**Deputy Gerry Adams:** I face reality and Sinn Féin's position across this island is entirely consistent on all these issues.

**Deputy Robert Dowds:** Partitionist policies.

**Deputy Gerry Adams:** The Taoiseach says he wants to see the continuation of the best services but this plan says that it will not be possible to fully maintain the same level of service in 2012 as in 2011. This is not from me or Sinn Féin propaganda but from the plan. The impact on ordinary citizens and the social consequences of the policy, which the Taoiseach avoids, is that between 500 and 900 public nursing beds will go along with up to 4,000 staff. Ten days ago, I met senior staff in the HSE with Deputy Caoimhghín Ó Caoláin and Tomás Sharkey. There is no contingency plan for dealing with the 4,000 retirements. How can the health service hope to cope with the additional job losses?

**Deputy James Reilly:** That is rubbish. The Deputy is into Sinn Féin propaganda.

**Deputy Gerry Adams:** The Government cannot hope to do this while sticking to the recruitment embargo. It should not tell citizens that we cannot afford a decent health service. Between 2010 and 2013, €2.25 billion has been taken out of the health service by the Government and Fianna Fáil.

**Deputy Finian McGrath:** There have been cuts of 44% to home help services.

**Deputy Gerry Adams:** Finian, give me a break.

*(Interruptions).*

**An Ceann Comhairle:** Deputies, please.

**Deputy Gerry Adams:** In the last three months the Government has handed over €2.5 billion to bondholders. We should compare the two figures. Next month €3.1 billion will be paid to Anglo Irish Bank in a promissory note.

**An Ceann Comhairle:** Deputy, please.

**Deputy Gerry Adams:** This is about choices. The Taoiseach is making the wrong choices and there is no escaping the social and health consequences of the Government strategy, not least in terms of patient safety. I ask the Taoiseach to call a halt to this and announce that the plan will be put where it deserves to go, which is in the bin. The Government should be part of building a proper, decent wraparound health service for all the people of the State.

**The Taoiseach:** Every time the Deputy comes in here, he wants to reverse the engines and deliver us into Cuba.

**Deputy Caoimhghín Ó Caoláin:** It has a wonderful health system.

**The Taoiseach:** Time after time he comes in here and makes no constructive propositions.

**Deputy Caoimhghín Ó Caoláin:** Why does the Taoiseach not answer the question?

**An Ceann Comhairle:** We could do without the chorus.

**The Taoiseach:** If one is going to downsize the public sector — the numbers leaving the health service speak for themselves — it is always difficult to change the structure to continue to provide a quality service. For the first time I detect within clinical teams, trade unions and front line staff evidence of full flexibility and co-operation from medical and nursing staff and people working in communities and hospitals around the country to make the system work in an innovative and more efficient way.

The current model of health in this country forces many people into institutions rather than allowing them to stay in their homes, which is their wish, for as long as possible.

**Deputy Caoimhghín Ó Caoláin:** Home help and carers are being cut.

**Deputy Gerry Adams:** The fair deal is not working.

**The Taoiseach:** Under the fair deal scheme and nursing home programme, 42% of people in long stay institutions point out they were never offered a home care package. Another 40% do not know if they have been offered a home care package. Many people are consigned to long stay institutions when it would be much preferable to have them stay in their homes near their families until a time when that is no longer feasible.

We have to change the way the health service is delivered. I do not know whether Deputy Adams will say that a building that is 150 years old and houses 23 patients over two floors is suitable in 2012 for the kind of health system those patients deserve. Quality care should be delivered by professional staff in modern surroundings.

**Deputy Caoimhghín Ó Caoláin:** They are professional staff.

**Deputy Gerry Adams:** Was the Taoiseach ever in it?

**The Taoiseach:** The Deputy can leave St. Joe's as it is or we can do something better for those people who deserve the best level of care and attention we can give them. That is what the Minister, Deputy Reilly, is about. The health teams, unlike the Deputy, are now focusing on new, innovative and more efficient ways of looking after those who need care and attention. That is what we should be about, rather than the Deputy shouting his populist opinion every time he comes into the House.

**Deputies:** Hear, hear.

**Deputy Caoimhghín Ó Caoláin:** That is a terrible slight on the professional staff.

**Deputy James Reilly:** Sinn Féin propaganda.

**Deputy Alan Shatter:** Sinn Féin is trying to effect efficiencies in Northern Ireland but cannot handle them in the Republic.

**Deputy Caoimhghín Ó Caoláin:** You know about it.

**Deputy Alan Shatter:** It is the most partitionist party in the House.

**An Ceann Comhairle:** Please stop engaging across the floor. I call Deputy Ross.

**Deputy Shane Ross:** I would like to ask the Taoiseach about Greyhound Waste. I refer not to the shambles that has existed in Dublin in recent days but a wider issue. How did Greyhound Waste get the contract? This is the third high profile public service contract it has won in recent years. It won a contract from Dublin City Council which is causing all the current problems. It won a very lucrative one from South Dublin County Council last year. It won those contracts despite the fact it had a blow-up with another State company, CIE. It had to compensate it by more than €1 million for overcharging. It seems very strange that two contracts should be given to the same Isle of Man-based company in a non-competitive tender situation when it was well known that it had to pay in excess of €1 million to another State-owned company for overcharging.

I am not blaming the Taoiseach because this did not happen on his watch.

**An Ceann Comhairle:** You will run out of time by the time you have started.

**Deputy Shane Ross:** I will ask just one question. The chief executive of Iarnród Éireann told a transport committee under the last Government that the money charged by Greyhound did not tally with the work done. In light of that, should the current Government not have taken Greyhound off its favoured list? How can a contract be given to a company which has already compensated a State company?

**The Taoiseach:** This is a matter between the company which won the tender and Dublin City Council. It is not a matter for the Government to award a tender in respect of waste collection. I understand the Minister, Deputy Hogan, will be in the House later today to deal with this matter in a Topical Issue debate and there will be an opportunity for further questions. This matter has arisen from a decision of Dublin City Council to withdraw from the provision of household waste collection services and transfer them to Greyhound. Obviously, the local government audit system has to look at each individual company. Perhaps the Deputy knows something about Greyhound that I do not.

There was an issue for customers, in that they were required to pay €100 in advance to have credit in their accounts before the collection system began. In these times of economic chal-

lenge, there are people who cannot raise €100. I would have expected the company would have been flexible and agreed that if a customer wants to pay his or her way, as the vast majority of people do, he or she should be able to have the flexibility to pay €20 or €50 in order that the system can operate.

It may well be the case that the company has moved from providing a smaller to a much larger scale of service and has run into teething problems. I have heard 18,000 people might not have their household waste collected. This is a case where common sense should apply. The city council and company should sit down and decide how to sort it out.

People want to pay their way and if there is a restriction ways of removing it should be considered in order that refuse can be collected in a proper way. The Minister, Deputy Hogan, has been in contact with Dublin City Council. This is a matter between it and the company.

It is a case where common sense should apply. Those two words are often missing in this country, much to our disadvantage, and I hope we can apply them in this case.

**Deputy Shane Ross:** The Taoiseach did not take my point on board. The tenders were flawed; this was not a competitive tender in either case. In the light of the history of the company, why was that?

**Deputy Brendan Howlin:** It is very dangerous to make those sorts of allegations.

**Deputy Shane Ross:** This is a broad issue and I hope the Taoiseach and I are on the same side on this. How can the same companies, despite their records, win these contracts against very little competition? When it was asked how it had given this contract to Greyhound Waste in view of the problem it had with overcharging Iarnród Éireann, where it had to pay back more than €1 million, a spokesman for South Dublin County Council said that no one from the council who was involved with the sale of the refuse service to Greyhound was aware of any previous difficulties between Iarnród Éireann and Greyhound Waste. The council gave away a lucrative contract without even knowing about this history. Should that not have been the first question it asked?

*11 o'clock*

Why is it necessary for county councils to continually use consultants, specifically Ernst and Young, which has a history the State in inquiring into at present, to select these companies for contracts? The Taoiseach could offer some comfort to the House on this, it was not something that happened on his watch but at least he could tell us that contracts of this sort will be examined more carefully by central Government and that local government has fallen down on its obligations to examine them properly.

**The Taoiseach:** I may have misled the Deputy. It was yesterday that the Minister for the Environment, Community and Local Government replied to the Topical Issue matter.

Senator Ross made two important points. He claims the tender was flawed and that there was wrongdoing, mentioning the company involved. I suggest that if he has information of that nature he should notify the manager of the city council, the Minister for the Environment, Community and Local Government and the local government auditor. That is the Deputy's duty and responsibility. I do not have the information the Deputy has about wrongdoing in this case. I am concerned that consumers who live in the Deputy's constituency and other parts of the city who want to subscribe to services that are worth the money they pay have the flexibility in the scheme to let them do that. That is a matter for the council and the company that won the tender.

If the Deputy has information that no one else has about wrongdoing and that the process was flawed, I advise him when he leaves the Chamber to notify the Minister for the Envir-

[The Taoiseach.]

onment, Community and Local Government, the city manager and the local government auditor.

**Deputy Joe Higgins:** The information is in the public domain. What a cop out.

**The Taoiseach:** The Deputy in the past has had information no one else had; he said Mr. FitzPatrick gave a stellar performance and that the Bank of Ireland never considered him for duty.

### Order of Business

**The Taoiseach:** It is proposed to take No. 5, Finance Bill 2012 — Second Stage (resumed), and Private Members' business shall be No. 39, motion re stroke costs in Ireland (resumed) to conclude after 90 minutes if not previously concluded.

**Deputy Micheál Martin:** The action plan for jobs involves a significant amount of legislation. The Taoiseach was unclear yesterday about the timetable for the credit guarantee scheme given its centrality to the small and medium sized enterprise sector and the creation of jobs in that sector. I would appreciate a more definitive timetable for that legislation, not only for when it is expected to come before the House but when it will be implemented.

I am also asking about the legislation that will be required to abolish the county and city enterprise boards. This issue is causing heated debate across the country about whether it is the wisest move to encourage small enterprise. I would appreciate if the Taoiseach would indicate when he expects the legislation to abolish the enterprise boards to be introduced.

**The Taoiseach:** I expect the partial loan credit guarantee scheme legislation to be introduced during this session. I said yesterday it would take two to two and a half months. A lot of work has been done on it to get the structure right.

In respect of legislation to address county enterprise boards, I have written to the Minister for the Environment, Community and Local Government to get his responses on the timeline for the production of legislation. Clearly there are regulatory issues that must be considered at local level. The Minister will respond directly to Deputy Martin on that.

**Deputy Micheál Martin:** Surely the Taoiseach had all this sorted out when he published the action plan? It is unbelievable he is now writing to a Minister about a central part of the action plan.

**The Taoiseach:** The action plan has 270 proposals.

**Deputy Micheál Martin:** I know that but the Taoiseach is now writing to the Minister. Does he not talk to him?

**The Taoiseach:** The first meeting about that takes place this morning.

**Deputy Timmy Dooley:** There are Cabinet meetings.

**Deputy Micheál Martin:** Does the Taoiseach not have Cabinet meetings?

**The Taoiseach:** The Deputy asked me a day and date for legislation and I will respond formally.

**Deputy Micheál Martin:** That is what I am asking for. There was great fanfare; this was not announced in the Dáil, it was announced outside the Dáil so the Taoiseach cannot come in here and say he has no date for important legislation.

**An Ceann Comhairle:** The Deputy can table a parliamentary question if he is not satisfied with the answer.

**The Taoiseach:** We did not have great fanfare; we did not have the event at the cost of €100,000 in the Royal Hospital, Kilmainham, like Deputy Martin did in government.

**Deputy Micheál Martin:** With the greatest of respect, the Taoiseach should stop all the old blather. I asked a specific question and the Taoiseach comes in here and says he is writing to a Minister.

**The Taoiseach:** This was in a working environment in an Irish company that employs 8,500 people worldwide. The announcement was made with no great hype and it is a really solid action plan.

**Deputy Micheál Martin:** The Taoiseach did not even know yesterday if it needed legislation.

**The Taoiseach:** The Deputy asked about legislation and I will respond to the question through the Minister for the Environment, Community and Local Government.

**Deputy Micheál Martin:** I expect the Taoiseach to know the answer to the question and not to have to write to the Minister.

**Deputy Gerry Adams:** Maidir le reachtaíocht a fógraíodh, does the Government intend to bring forward new legislation to facilitate the sell off of State assets or will he provide time for a debate on the sell off? All the time we hear scéalta through the media. We have a strong view that State control of strategic assets such as ESB or Bord Gáis is central to the future of the economy. Those of us with a different view from the Government must be involved in the debate on the issue so are there any plans for that?

**Deputy Brendan Howlin:** The Deputy was so helpful with State assets for years.

**The Taoiseach:** I am intrigued by the Deputy's newfound interest in State assets; he certainly did a lot to help them over the years.

**Deputy Aengus Ó Snodaigh:** A lot more than Fine Gael ever did.

**Deputy Ruairí Quinn:** How many times did he blow up the railway line?

**Deputy Brendan Howlin:** Iarr ar Iarnród Éireann.

**An Ceann Comhairle:** Could we get back to legislation please?

**Deputy Gerry Adams:** The Taoiseach is in bad form this morning.

**Deputy Micheál Martin:** The Taoiseach is very tetchy this morning.

**Deputy Timmy Dooley:** Did he not get his Valentine's card?

**The Taoiseach:** On how many occasions was business disrupted in this country because there was another call about a bomb on the northern line or whatever? The Deputy had a real interest—

**Deputy Caoimhghín Ó Caoláin:** That had absolutely nothing to do with Sinn Féin.

*(Interruptions).*

**Deputy Caoimhghín Ó Caoláin:** Why does the Taoiseach not answer the question? It is a joke that those who claim to be the descendants of James Connolly and those who are the descendants of the murdering thugs back in the 1920s sit together.

**An Ceann Comhairle:** Deputy Ó Caoláin is the very person who complains when people do not pay attention so I ask him to please be respectful.

**Deputy Peadar Tóibín:** If the Taoiseach would speak about things that happened in this century, it would be easier.

**The Taoiseach:** The Minister for Public Expenditure and Reform will bring a memo to Government in the next few weeks on the disposal of State assets. This is part of the Government programme and there will be no fire sale of State assets. Any asset considered for disposal will be non-strategic and will be sold by the Government at the appropriate time and based on an appropriate remuneration as determined by NewERA. This matter will be debated here. In the context of the receipt of funds from the disposal of non-strategic State assets, Deputy Adams should consider the fact that the enterprise budget is approximately €500 million and he should also consider the impact of the work of the IDA and other job-generating agencies. He should think about what one could do to create jobs with additional resources spent effectively.

**Deputy Aengus Ó Snodaigh:** The Taoiseach should think about the promissory note and the money he has given to the bondholders.

**The Taoiseach:** Deputy Adams should think of the impact of this on national morale. The answer to the question is that the Minister for Public Expenditure and Reform will bring a memorandum to the Cabinet in the coming weeks in regard to the disposal of State assets. When the Government has considered it, we can have a debate here.

**Deputy Gerry Adams:** On a very important issue——

**An Ceann Comhairle:** No. We are not having debates on the Order of Business.

**Deputy Gerry Adams:** I am not seeking a debate; I am seeking guidance.

**An Ceann Comhairle:** On what?

**Deputy Gerry Adams:** The Taoiseach is entitled to raise matters about what he regards as Sinn Féin's record. The difficulty is that he is in government with a party whose leadership was involved with a group that styled itself as the Official IRA, whose fund-raising——

**An Ceann Comhairle:** The Deputy is totally out of order and should please resume his seat.

**Deputy Gerry Adams:** Every time I asked a question here——

**An Ceann Comhairle:** The Deputy should resume his seat.

**Deputy Caoimhghín Ó Caoláin:** What about the Fine Gael record?

**An Ceann Comhairle:** I call Deputy Kitt.

*(Interruptions).*

**Deputy Michael P. Kitt:** Tá ceist amháin agam.

**An Ceann Comhairle:** Please. What did the Deputy have for his breakfast this morning?

**Deputy Gerry Adams:** Nothing.

**An Ceann Comhairle:** Perhaps he should go have it then.

**Deputy Jerry Buttimer:** The porridge is good.

**Deputy Michael P. Kitt:** Níl aon Bhille, nó leasú ar Bhille, mar gheall ar na todhcháin do Údarás na Gaeltachta a chur ar cheal. Without this legislation, I can only assume the elections are still going ahead. What is the position on legislation on this matter?

**The Taoiseach:** Tá a fhios ag an Leas-Cheann Comhairle go raibh díospóireacht ag an Rialtas faoi seo an lá cheana. Tá cead tugtha ag an Rialtas don Aire Stáit an Bille seo a chur os comhair na Dála, agus tá an obair sin ar siúl faoi láthair.

**Deputy Dessie Ellis:** As the Taoiseach is aware, there is a growing list of missing persons. Recently, a young woman from my area was added to it. There was a case in which an Irish person's body——

**An Ceann Comhairle:** Where are we going here?

**Deputy Dessie Ellis:** I am going to tell——

**An Ceann Comhairle:** The Deputy should please tell us quickly because there are other Deputies present.

**Deputy Dessie Ellis:** An Irish person's body was found off the coast of Cumbria.

**An Ceann Comhairle:** This is not Question Time.

**Deputy Dessie Ellis:** I am coming to the point.

**An Ceann Comhairle:** The Deputy should ask a question about promised legislation.

**Deputy Dessie Ellis:** I am going to ask it. A body was found off the coast of Cumbria in England ten years ago which was only recently identified through DNA testing. Legislation was promised under the Criminal Justice Bill with regard to a database on DNA. When will this come into being? Will DNA testing be done on missing persons' families? It is very important.

**The Taoiseach:** I received a calendar from a group of young people indicating the dates when people went missing over the years. It is extensive and is horrendous for the families involved, irrespective of the circumstances in which the people went missing. The DNA Bill is expected by the middle of the year. Considerable work has been done on it already.

**Deputy Mattie McGrath:** With regard to the Finance Bill and the Taoiseach's new jobs programme, which he announced yesterday, with the cuts to community employment——

**An Ceann Comhairle:** The Deputy should hold on for a second.

**Deputy Mattie McGrath:** We are creating jobs on one hand and destroying them on the other.

**An Ceann Comhairle:** The Deputy should resume his seat.

**Deputy Peadar Tóibín:** With regard to the solid jobs plans, in respect of which the Minister of State, Deputy Cannon, stated 300,000 or 400,000 jobs would be created, will the strategic investment fund of €250 million for capital expenditure necessitate legislation? If so, when will it be introduced? Perhaps the Taoiseach will shed light on the number of jobs to be created.

**An Ceann Comhairle:** Is legislation promised?

**The Taoiseach:** The action plan is realistic and ambitious in the sense of creating a net 100,000 new jobs by the end of 2016.

**Deputy Peadar Tóibín:** What is the gross figure?

**The Taoiseach:** The Minister's work in respect of the SOLAS legislation is under way. I cannot give the Deputy an exact date for its introduction but I will give him a more accurate timeline when I consult the Minister. It will be a little while yet.

**Deputy Bernard J. Durkan:** On promised legislation and in view of the ongoing concerns over human trafficking, what discussion has taken place on the production of the heads of the human trafficking Bill, which was promised? To what extent has the legislation been discussed and when will it be possible to bring it before the House?

**The Taoiseach:** The heads of the Bill have not been presented to the Government. The Minister for Justice and Equality has been working on the legislation but it has not yet reached Cabinet stage.

**Deputy Timmy Dooley:** The Taoiseach has prioritised tourism in his approach to the recovery of the economy. At the same time, the Government has asked——

**An Ceann Comhairle:** There are to be no speeches.

**Deputy Timmy Dooley:** ——a private consulting company to examine the reorganisation of State airports. As he knows, Booz and Company has produced a report. I understand it has been given to the Government by the Minister but it seems to be sitting on its hands. When does the Taoiseach intend to amend the State Airports Act 2004 with a view to considering the management and operation of our three national airports, which are such an integral part of our tourism offering?

**The Taoiseach:** The Minister has received the report in respect of Dublin, Cork and Shannon airports. Clearly, there are implications for all the airports in addition to implications arising from the economic circumstances in which they find themselves. The Minister is considering the report and will let the House know about it in due course.

**Deputy Michael Healy-Rae:** When will the promised legislation on the amalgamation of VEC schools nationally come before the House and what role will VECs have in the future of national schools, particularly in light of the proposed cuts?

**The Taoiseach:** Legislation on that is being worked upon by the Minister for Education and Skills and I expect it will be before the House in about ten weeks.

**Deputy Paschal Donohoe:** On promised legislation, can I ask the Taoiseach about the status of the Education and Training Boards Bill? I previously asked the Taoiseach where the legislation stands in regard to changing the role of FÁS and replacing it by SOLAS. This partly

involves an overhaul of the structure of the VEC sector, which requires legislation. It is important that it be dealt with quickly to ensure we provide the right array of services to those currently without a job.

**The Taoiseach:** Two points arise, the first of which is the rationalisation of the VECs and the other of which concerns SOLAS. They will be taken together in eight to ten weeks.

**Deputy Peter Mathews:** In view of the escalating, horrific circumstances in Syria, could I ask the Taoiseach to convey the solemn disapproval and objection of this House to the veto exercised by Russia and China——

**An Ceann Comhairle:** The Deputy may do so by way of a parliamentary question.

**Deputy Peter Mathews:** ——of the recent UN resolution concerning the protection of human rights in Syria?

**An Ceann Comhairle:** That is a matter for a parliamentary question or a motion and it does not arise on the Order of Business.

**Deputy Micheál Martin:** We should have a debate on international issues. We do not seem to have any.

**Deputy Charlie McConalogue:** In light of the very positive announcement yesterday by the Northern Ireland Administration that £330 million will be spent between now and 2016 on completing 37 km of the 88-km A5 project, will the Taoiseach now reconsider his refusal to allow a debate in the House?

**An Ceann Comhairle:** That does not arise on the Order of Business. The Deputy should table a parliamentary question.

**Deputy Charlie McConalogue:** Following on the comments by the North's Minister for Finance, Mr. Wilson, MLA, that less money was allocated to the Northern Administration——

**An Ceann Comhairle:** That is a matter for the Whips.

**Deputy Charlie McConalogue:** I raised this before.

**An Ceann Comhairle:** I know. The Deputy may raise it again but not on the Order of Business.

**Deputy Charlie McConalogue:** The last time I raised it, the Ceann Comhairle allowed it.

**An Ceann Comhairle:** I only apply the rules as they stand.

**Deputy Charlie McConalogue:** It concerns a debate in the House.

**An Ceann Comhairle:** The Deputy should approach his Whip for a debate.

**Deputy Charlie McConalogue:** I understood it was in order to raise it on the Order of Business.

**Deputy Micheál Martin:** Standing Orders——

**An Ceann Comhairle:** I call Deputy Healy. I do not need a lecture.

**Deputy Micheál Martin:** I am not lecturing but we have been doing it since this Dáil——

**An Ceann Comhairle:** I call Deputy Healy.

**Deputy Micheál Martin:** A bit of consistency would not go amiss either.

**An Ceann Comhairle:** The Deputy should do his job and I will do mine.

**Deputy Jerry Buttimer:** Deputy Martin spent 14 years ducking and diving. He was not ducking for nothing.

**Deputy Seamus Healy:** In view of the bizarre circumstances that have developed in Mullingar, Clonmel and Cavan, where the Minister for Defence is closing barracks——

**An Ceann Comhairle:** This is the Order of Business.

**Deputy Seamus Healy:** This is in regard to legislation.

**An Ceann Comhairle:** About what legislation is the Deputy talking?

**Deputy Seamus Healy:** At the same time as the bizarre closure of the barracks, the Department is——

**An Ceann Comhairle:** The Deputy should please resume his seat.

**Deputy Seamus Healy:** ——advertising in regard to the rental and lease of properties for the Defence Forces in the same towns, at a cost of approximately €100,000 per year. Is there any proposed legislation to prevent this waste of public money?

**An Ceann Comhairle:** The Deputy should table a parliamentary question. There is no legislation promised in this area.

**Deputy Paudie Coffey:** When will the sale of alcohol Bill, which was due to be published this year, be before the House? I understand it will deal with the sale and consumption of alcohol, which is a very important issue in modern society.

The housing Bill, which will deal with the rationalisation of housing agencies, is an important measure that we all await with interest. Perhaps the Taoiseach can say when that legislation will come before us.

**The Taoiseach:** As regards Deputy Coffey's first point, the Minister of State, Deputy Shortall, is dealing with this matter. A fine report has been produced, which went through the Cabinet sub-committee and will now go to the Oireachtas committee for a full debate, as well as involving a broader consultation with interest groups. I expect the Minister to bring that legislation to the House by mid-year. It is complex and extensive, so a full discussion is needed on it.

As regards the housing Bill, the heads of that legislation have not yet come to Cabinet. It will be later this year before the Minister can bring it before the House for approval.

### **National Archives (Amendment) Bill 2012: First Stage**

**Deputy Anne Ferris:** I move:

That leave be granted to introduce a Bill entitled an Act to amend the National Archives Act 1986 by providing for the transfer to the National Archives of Departmental records which are more than 15 years old; to make consequential amendments to other statutes; and to provide for related matters.

**An Ceann Comhairle:** Is the Bill opposed?

**Minister of State at the Department of the Taoiseach (Deputy Paul Kehoe):** No.

Question put and agreed to.

**An Ceann Comhairle:** Since this is a Private Members' Bill, Second Stage must, under Standing Orders, be taken in Private Members' time.

**Deputy Anne Ferris:** I move: "That the Bill be taken in Private Members' time."

Question put and agreed to.

**Deputy Emmet Stagg:** It is a bit strange seeing that we do not have any Private Members' time.

### **Finance Bill 2012: Second Stage (Resumed)**

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

**Deputy Paschal Donohoe:** I welcome the Bill and acknowledge its important role in delivering commitments in the programme for Government, as well as tackling many of the pressing challenges that people are facing. In recommending a number of provisions in the Bill, I would ask the Government to do everything possible to pass and implement them for the benefit of home owners, businesses and citizens generally.

The first matter I wish to raise concerns the provision to attract people into the country and in return for them providing employment, a tax plan will be put in place to ensure they establish businesses so that particular skills needs can be met. A current example concerns requirements in the digital and ICT sectors. Many such companies across the world are seeking to invest in businesses, thus creating jobs in those sectors which are capable of employing Irish graduates and others. Having spoken to people involved in these industries, I know they are seeking the kind of measures contained in the Bill. The legislation, when enacted, will mean that Ireland is putting together a competitive offering so that our corporation tax rate and regulatory regime will be strengthened.

I also commend the measure which will strengthen arrangements for mortgage interest relief for those who bought homes over a certain period. Fine Gael made this commitment during the general election last year but prior to the budget there was some doubt as to whether it would be implemented. The fact that it has happened shows how seriously the Government takes the issue of negative equity. The Government also recognises the pressure on people who bought homes at a point in the property cycle when the former Government had abandoned any responsibility of care or any pretence to regulate the economy. The Government intends to do all it can to provide support for such people by implementing these measures.

In addition, income tax rates will not be increased, while tax bands and credits will not be changed either. This is an important decision in the context of the programme for Government and the challenges the public are facing. This is the first budget in recent years that will not result in a direct increase in income tax rates, the universal social charge or other payments. We are trying to do all we can to stimulate the domestic economy, as well as providing more confidence to boost consumer spending, so a measure such as this is of great importance.

One consequence of this decision has been that other additional benefits and supports have been changed. In the coming year, people will examine their available income after tax, and the vast majority will find that there is no change at all in their after-tax income as a result of

[Deputy Paschal Donohoe.]

this Bill being enacted. When the public have greater certainty about their money and more confidence to spend it, the delivery of this commitment in the programme for Government will be seen as hugely important.

The Bill must also be seen in the broader context of what is happening within the European economy and the commentary on what is happening here. In recent months, Opposition Members have quoted the fact that Irish bond yields were going up and were unsustainable. They also said that Ireland would not be able to meet its commitments in the programme for Government and would not be able to return to the financial markets in the near future. Of course, those Members are now silent about the international perception of Ireland and the recognition of what is happening with bond yields and Irish debt.

It was particularly significant yesterday that Wolfgang Munchau, a commentator with the *Financial Times*, published an article on what could happen to countries with external aid programmes, and the grim prospects that await them. Ireland was not mentioned anywhere in the article. That was a clear recognition from a commentator — who had pretty pessimistic views on prospects for the European economy and members of the eurozone — that Ireland is now set on a different course. Mr. Munchau recognised that Ireland is doing all it can to exit the external aid programme and will find itself well placed to return to the financial markets in a graduated manner in 2014 and 2015. All of this is vital for our country.

We can see what happens when these commitments are not met, given the terrible vista unfolding for the Greek people and their economy. It is vital therefore for the Government to do all it can so that Ireland will not face such a prospect and instead puts itself on a path to sustainable economic recovery and job creation, as well as meeting the commitments in the programme for Government. I have no doubt that we will do so and the Finance Bill is an important part in that journey.

I also wish to comment on the commitment in the legislation concerning the universal social charge. For many people, the creation of that charge and the rates of income at which it was to be levied have created a major difficulty. In many cases, the USC's application rates were below income tax rates and also below the average paying wage in many sectors of the economy.

One of the Bill's measures that will have a beneficial effect on particular parts of the economy is the commitment given by the Minister for Finance to ensure those whose total annual income is around €10,000, coming from a succession of part-time roles or temporary working arrangements, are taken out of the brackets of the universal social charge, USC. It is important this is done because it is an issue of equity and fairness. Is it appropriate those at that level of income should be paying over a part of their income to the USC? It is also important because for those earning such a level of income their level of savings would be very low. It is likely, if not certain, that the income they get back from this exemption will not be saved but go directly into spending in the economy, in shops and in the local community.

Another measure in the Bill I commend is the innovative referencing to emerging market economies in which we are looking to grow our exports. Currently, our share of exports to these economies is low. At a time when developed economies across the world are seeing their rates of economic growth begin to go down, it is vital we incentivise and support Irish companies to find markets elsewhere and diversify our export base. The Bill's measure which allows companies, whether big or small, to be incentivised to go to Brazil, Russia, India, China and other markets in search of exports is to be welcomed. I hope organisations with a role in supporting our export performance, such as Enterprise Ireland, will dovetail together to ensure and incentivise Irish companies looking to win contracts or sell their goods abroad in these

emerging markets. A significant challenge we are facing is we are very dependent on the performance of our exports. Last year, we exported over €160 billion worth of goods but as the economic growth rates of the markets to which we currently export slow down, it is vital we find other markets to which we can export and other peoples who will buy our goods and services. While it is a small measure in the Bill, it indicates the Government understands the potential vulnerability of our future export performance. It is incumbent on other State agencies to ensure Irish companies can access this measure and these emerging markets.

I welcome the Finance Bill 2012 which contains several particularly worthy measures. For the first time in several budgets we have not seen income tax rates increase. A vital programme for Government commitment to put in place additional measures to strengthen mortgage interest support for those who bought homes across the peak of the housing boom has been met. Many doubted this would happen but it did. Several other measures will strongly support our companies engaged in export markets by attracting individuals to work in Ireland who will be capable of generating jobs. An additional important measure will support companies selling goods and services to emerging markets. I hope the companies targeted by this measure will be made aware of it and do all they can to take advantage of it.

I welcome the unexpected opportunity to speak on this Bill. I hope to see its passage through the House and the implementation of many of its measures play an important role in ensuring the economy moves towards recovery.

**Minister of State at the Department of Finance (Deputy Brian Hayes):** In welcoming the Finance Bill 2012 introduced yesterday by the Minister for Finance, Deputy Noonan, I want to expand on two measures — the special assignee relief programme and the foreign earnings deduction — it contains to help business and to promote the Government's key objective, the creation of jobs.

The special assignee relief programme, SARP, is intended to reduce the cost to employers of assigning skilled individuals in their companies from abroad to take up positions in the Irish-based operations of the employer. As similar schemes are in operation in some countries with which we compete for foreign direct investment, for example the Netherlands and Sweden, it is important we respond. Such initiatives can be a persuading factor when companies decide where to locate investment projects and we need to compete strongly for foreign direct investment.

SARP will provide an exemption from income tax on 30% of salary between €75,000 and €500,000 for employees who are assigned for a minimum of one year. The exemption will be available for a maximum of five years. The scheme will operate through the PAYE system as a deduction from income tax but USC will continue to be payable on the full income amount. Social insurance will also be payable where the individual is not liable to it in his or her normal state of residence. The assignee must have been employed by the company in a country with which Ireland has a double taxation agreement, DTA, immediately prior to the assignment to Ireland, must be tax resident in Ireland and not tax resident in another state in the relevant tax year to qualify for SARP. One trip home per year will be allowed tax free. No other day-to-day expenses will be permitted free of income tax.

In recognition of differences in curricula taught and languages spoken by assignees and their children being brought to Ireland, vouched school fees of up to €5,000 per annum per child where paid for by the employer on behalf of an employee will be allowed free of benefit-in-kind taxation. Share-based remuneration can also qualify for the exemption and there are no restrictions on where the income can be remitted.

[Deputy Brian Hayes.]

The scheme will be introduced for an initial three-year period ending on 31 December 2014 to allow for review. The scheme will be reviewed in 2014 before any decision is taken to extend it. Employees will have to apply to the Revenue Commissioners for the relevant tax treatment and provide clarification of their assignee status from their employer. In addition, employers will have to complete an annual return setting out the numbers availing of the scheme and the value of the salaries exempted.

It is difficult to forecast the take up of any new scheme and its associated costs. Excluding expenses, the maximum amount of exempt income that an employee could have per annum would be €127,500. This would equate to €52,275 in tax foregone for a taxpayer subject to the higher rate of 41%. Accordingly, for every 100 assignees who avail of the programme up to the maximum level of relief, the tax cost would be just over €5 million.

The exemption will be provided for an introductory period of three years at which point it will be reviewed. At that stage, additional information will be available on the number of individuals availing of the exemption, the sectors of industry that the individuals are employed in and the cost of the programme that can feed into the review. Depending on the outcome of that review, the Minister for Finance can decide whether the relief should be retained. This new programme replaces an existing incentive in the tax code that provided for the repayment of tax where the earnings were not remitted.

The number one priority for the Government is the creation of jobs. The introduction of this tax incentive is aimed at reducing the costs to businesses of locating key personnel in Ireland, thereby increasing the potential for additional job creation in new divisions or for new projects of the relevant business. Where an individual transfers from a jurisdiction with lower effective tax than Ireland, the employer often has to increase the salary payable in order to ensure that the relevant employee did not suffer a loss in net pay as a result of accepting the assignment. The requirement for increased salaries imposes additional costs on employers. Costs may also arise in temporarily moving a family to Ireland. In the absence of the incentive, it could be more cost efficient for a multinational to assign such individuals and any associated jobs to some of our competitor countries.

The Minister also announced the foreign earnings deduction scheme in the context of this Bill. This is a deduction from income for income tax purposes in respect of employees who travel abroad to certain countries as part of the duties of their employment. At his press conference last Wednesday to launch the Finance Bill, the Minister acknowledged the work done by these employees on behalf of this country and indicated that they should be encouraged. The new scheme will grant a deduction from salary of up to a maximum of €35,000 for employees travelling to the so-called BRICS countries, namely, Brazil, Russia, India, China and South Africa. This deduction will, however, remain chargeable to the USC. The individual claiming the deduction must be absent from the State for a minimum of 60 days in a tax year. These days can be accumulated from a number of visits. The individual must be present in the foreign state for a minimum of ten days per trip. This deduction will be proportional. It will be calculated based on the numbers of days spent abroad, the salary of the employee and the length of the employment. The relief will be provided by way of refund at the end of the tax year.

BRICS countries were selected because CSO data suggest that approximately 4% of Irish exports are currently made to them. The Minister believes there is potential for Ireland to increase exports of goods and services to the large populations of these countries. Anecdotal evidence would indicate that certain employers are encountering difficulties in encouraging employees to embark on trade missions to the countries concerned and it is against this back-

ground that the scheme has been proposed. According to CSO data the value of Irish exports in 2010 was €89.4 billion, of which €3.6 billion was exported to BRICS countries, representing approximately 4% of the total amount exported. With a combined total estimated population of 2.8 billion, these countries represent an enormous potential market for Irish businesses.

The deduction will be provided for an introductory period of three years until tax year 2014, at which point it will be reviewed. At that stage we should have additional information from the CSO regarding export levels to the targeted countries to feed into the review. Depending on the outcome of that review, the Minister will decide whether the relief should be retained. It is difficult to forecast the take up of any new scheme and thus the associated costs. The maximum amount of exempt income an employee could enjoy under the scheme will be €35,000 per annum.

These new schemes are aimed at helping Irish companies to export to some of the largest markets, with which Ireland currently does relatively little trade, and to encourage the relocation to Ireland of assignees who can generate further jobs through their work. These are progressive and useful measures which together will help us achieve our principal objective of creating jobs. The schemes are relatively cheap and we will see whether they work. In circumstances where there is very little money, they are worth trying and I hope they succeed.

**Deputy Sean Fleming:** I welcome the opportunity to speak on the Finance Bill 2012. Aspects of the Bill which particularly affect the public are the provisions for VAT increases, excise duty, carbon taxes and mortgage interest relief. The budget also introduced the household charge and changes to capital gains tax and DIRT tax.

Before addressing these issues, however, I wish to speak to the provisions of the Bill on business related matters. I welcome large portions of the Bill, although my party will be tabling amendments in respect of certain provisions. Its impact can be described under four categories. The research and development tax credit amendments mean companies will now have the option of using a portion of their credits to reward key employees involved in this activity. Essentially, they can allow employees to use the company's credit against their own tax bills. The special assignment relief programme is targeted at people who come to work in Ireland after spending at least five years outside the country. Certain returning Irish people will qualify for the programme. The foreign earnings deduction scheme will apply to employees who spend ten consecutive days working in Brazil, Russia, India, China or South Africa, providing they spend at least 60 days in those countries over a 12-month period. The deduction will be paid by way of a rebate towards the end of the year.

I welcome the research and development tax credit scheme. It will be important for small businesses and start-up companies. I have not studied the entire Bill in detail because, at 279 pages, it is the most voluminous Finance Bill in several years. I am not saying it is the best, however. The credit could ultimately be worth 37.5% if one adds the 25% allowance for research and development over previous years to the 12.5% corporation tax. Much of the research activity in smaller businesses is done by a limited number of key individuals who bring value to companies. As start-up companies in particular may not be in a taxable situation, the research and development tax credit is of no benefit until they become profitable many years later. The new scheme will help businesses with their cashflow in early years by offering the benefit to employees. It would also make it feasible to attract certain key people who might not otherwise move to Ireland. I understand there is increased provision for companies which contract out some of their research work.

The outbound assignee scheme is welcome if it helps exports to the countries concerned. If Fianna Fáil was still in government we would probably introduce it for a limited number of countries to see how it works before rolling it out to other countries with which we have

[Deputy Sean Fleming.]

double taxation agreements. However, the minimum and maximum presence requirements are somewhat bitty and I would like to see a more simplified way of administering the scheme. When I hear about people claiming tax relief based on the number days they live abroad, I am reminded of the Minister for Social Protection, Deputy Burton, who stood up time after time to raise the issue of people who were not paying taxes in Ireland on the basis of non-residency here and were jetting in and out of the country. They were allowed to be here for a certain number of days in a year.

The Deputy wanted to know whether customs officials or gardaí at airports, at private airfields and on the Border were checking them coming in and going out. I could write the script — I heard it 1,000 times. I hope the Minister is not as silent when it comes to this or maybe she will accept there is a more sensible practical middle ground.

The intention is correct but I believe the Bill goes into too much detail. I would simplify it and withdraw some of the nitty-gritty rules. A person could be on a ten-day sight-seeing trip to Brazil and decide to come back a day early in order to avail of more suitable interconnecting flights. I do not know how these days will be counted. I am not saying it will be abused but somebody will say it will be abused. They are generally large companies and will have good operations in place.

Some companies claim some of the mobile technology applications will probably prove where the person is by use of his or her dedicated company mobile telephone. It will show from what country the calls are being made. Nowadays there are ways of almost — I hate to say it — electronically tagging employees when one knows the location of their mobile phones.

**Deputy Brian Hayes:** Like Deputies.

**Deputy Sean Fleming:** We have not gone there yet. However, there are simpler ways of doing it.

Perhaps the Bill is so voluminous at 279 pages because it gets into such small details. There is a point in the level of detail where the law of diminishing returns sets in. I agree with the scheme, which should be made as simple and workable as possible. If a person is out for nine days on one occasion and 11 days the next time, the scheme should not be invalidated for such small details. It should be 60 days in the year without worrying if a person was five days or nine days on a particular trip. I suggest that in the interest of simplicity.

Last July the Government introduced what initially was to be a budget, then a mini-budget and finally it was relegated to the jobs initiative. Essentially it was a €2 billion raid on the private pension funds by taking 0.6% out of the all the private pension funds over a number of years, which was to be used for job creation purposes. We know all the money deducted last year was not used for that purpose — half of it was. There is a €200 million carryover into this year and it is important that it be used on job creation initiatives.

I table a series of amendments to that legislation in order to apply the pension levy to approved retirement funds. I pointed out that people such as Seán FitzPatrick and Michael Fingleton had large pension funds — allegedly more than €10 million although some claim it was closer to €30 million — which were not captured by the pension levy. I asked the Minister, Deputy Noonan, to consider that. I believe the Minister of State, Deputy Brian Hayes, might have been here in the Chamber during the debate. He said he would re-examine the issue and might return to it in the Finance Bill and increase the rate from 5% to 6% on the approved retirement funds, which would be another way of capturing a similar amount. I am pleased that the Government was listening to the very constructive amendments we proposed.

There was unfairness and Deputies were unhappy that when the pension levy was introduced, it excluded the wealthiest people who had the facilities to set up these approved retirement funds. The Minister took it on board and gave a commitment to review it for inclusion in the Bill before us. I understand that the annual imputed distribution from approved retirement funds has been increased from 5% to 6% on multiple ARFs exceeding €2 million on 30 November in the relevant year. The Bill clarifies in such cases that the 6% distribution rate applies to the entire approved retirement fund and not simply the excess above €2 million. The annual imputed distribution is the amount of the approved retirement fund which must be subjected to tax annually. The change has effect from 2012.

These matters can be transferred within families and I understand that where an individual transfers an approved retirement fund on death to a child aged over 21, the assets are to be taxed at 30% — it was formerly at the standard rate of 20%. I welcome this change which is in line with the spirit of the amendment we tabled in July and I support the Government in taking that route. In addition to the financial benefit there must be equity regarding people who have special retirement funds separate from ordinary citizens who have what we call the normal pension funds and who were being hit on that basis.

The increase in the rate of VAT to 23% flies in the face of what was announced six months earlier in the jobs initiative with the reduction in the VAT rate for certain sectors. If it was right to reduce the VAT rate, it is not right to increase the VAT rate. One or other is wrong and I believe the increase as confirmed in the Finance Bill is wrong. We all saw the impact it had on the January sales with the number of businesses and retail outlets closing down because people do not have the cash to spend. When we were doing our best to get inflation down and costs under control, the Government decided to increase the VAT rate on a large variety of items that people purchase on a daily or weekly basis. In a full year it is estimated that this will take in €670 million.

However, the Department has clarified and Minister has confirmed that it is done on the basis that there will be no changes in consumer spending patterns in arriving at this number. It would have been more prudent and honest if the Department had estimated there would be a small reduction in the amount of retail activity because of the increase in VAT and therefore reduce the estimate of the yield from this source in Budget Statement. While I hope it will not happen, I would be afraid there will be a fall-off in the yield from VAT during the course of the year.

The next issue is the 25 cent increase on a packet of cigarettes. While I am not a smoker, I understand the price has increased from approximately €8.65 to €8.90. I would support the Minister if he put a further €1 on top of that and introduced such an amendment on Committee Stage. Everyone knows the health case for doing so and I believe the only reason for not doing it is the amount of smuggling of illegal cigarettes. We all know anecdotally that if a person, who walks into an eastern European-run shop in any of our constituencies, is one of their own he or she will get the smuggled ones that came in the car, but an Irish person will pay the full rate. It is happening on a wide-scale basis and not just in one or two shops.

It is reported that up to 30% of the cigarettes smoked in Ireland are smuggled. I would like to see the emphasis on greater confiscation of the contraband coming into the country because we do not know the materials that make up those cigarettes. At least we have some idea of how harmful the legitimate cigarettes are. The Government should go harder on that. I accept that by increasing the price of cigarettes it increases the incentive for people to smuggle because of the bigger profit margin to be made if they are selling them at €5 a packet instead of €8.90 a packet. The emphasis should be on trying to reduce the illegal trade in that area.

[Deputy Sean Fleming.]

The big issue affecting everybody is the increase in carbon tax. Diesel and petrol have increased to an enormous extent. Petrol is now approximately €1.60 a litre and diesel is €1.55 and it changes regularly. Every week in our constituencies people from the haulage industry talk to us about the cost of keeping a truck on the road, which is getting very expensive. That added to the road tolls means that people in the transport business must cut their costs. Those running lorries or company cars have a business cost which they must reduce. The rest of us who buy fuel at the filling station are paying the extra rate and everybody now knows how much it costs to fill a large car with petrol, which can be up to €100 in some cases. I have seen a pattern develop in the past six months whereby people are now buying €5, €10 or €20 worth of petrol or diesel, whereas previously they got €50 worth on the basis that it will keep them going for a couple of days. Many distributors are now selling home heating oil in 5 gallon drums.

People come in with 5 gallon drums and take home two drums which will do them for one or two weeks. They cannot afford for the lorry to deliver. Years ago, when people needed oil they asked for the tank to be filled up. Now the people at the other end of the telephone ask how many litres are wanted, whether 100, 200 or 300 litres. Some companies have a minimum delivery quantity because it is not economical otherwise. They must keep their trucks on the road. The cost of transport has gone up considerably.

I refer to one anecdotal situation. Deputy Tom Hayes and others who travel to Dublin will be familiar with it. There is a new toll road on the M7 and M8 at Portlaoise. Everyone from Limerick and Cork travels on it. I live on the old N7 road. There used to be a good deal of traffic on the main road in front of my house in Castletown village on the N7  
*12 o'clock* between Mountrath and Roscrea. There was always a difficulty getting out of the village. However, for one year after the toll motorway was opened in Summer 2010 traffic on the road diminished considerably. In recent months I have found when I go out from my house that the traffic is nearly back at its old level on the old road. It is not that there are more lorries, vans or cars on the road but fewer are using the toll roads because they are so expensive, a further example of the costs of motoring and transport. This is pushing up the costs to businesses and making us less competitive. The Government increased motor tax rates in the budget. I realise they had been rather low but the percentage increase at the lowest level was severe and there should have been some way of alleviating the costs borne by individual motorists.

The Budget Statement included a €100 household charge and there are few exemptions. I wish to raise an issue relating to the charge and we have tabled parliamentary questions on the matter. There are many people, especially elderly people, who do not have access to an Internet or payment by credit card while using a computer when sitting at home in their kitchens at night. Many pensioners have come to me asking if they can go to the council to pay. An arrangement is in place whereby if one is sitting at home with a laptop one can pay €25 per quarter. However, if one goes into the local authority office to pay, the local authority will not accept the payment in instalments at the local authority cash desk. One must pay either €100 or nothing. This is a most unfair imposition, especially on elderly people and people who have low incomes and who are not exempt.

A mechanism should be in place to treat all citizens equally when it comes to paying new levies. There should not be one system for those who can operate the new modern high technology systems of payment but another for people who are unable to do so, who have not been trained and who do not have the resources, education or the financial wherewithal to have laptops in their houses. They should not be discriminated against and informed that they must pay €100 upfront. This is unfair and wrong and it is a nasty way of saying to certain people

that they are not in the modern Ireland and they must pay €100 upfront when they go to the cash desk. I call for an amendment on this matter during the passage of the legislation.

For several years I have been unsuccessful with Ministers in calling for the imposition of an extra €1 at a minimum on every can of beer in every off-licence, supermarket and filling station. I support such a measure as do most sensible people. The idea of being able to get a slab of 20 beers, even if they are only 500 ml at 99 c each or 20 for €20 or 24 for €20, is too cheap. Too many young people are binge drinking at 12 and 13 years of age. The Minister of State need not try to tell me that they are too young to buy drink. They get their older brothers and friends to buy drink for them. It is cheaper than water or milk. Alcohol should not be the cheapest item in the supermarket. Even at this late stage I support an amendment whereby no can of standard sized beer could be sold in an off-licence for less than €2. I am unsure what mechanism the Government would have to introduce to do so but it should do so.

The Budget Statement was most unfair and harsh on one-parent families. The amount they can earn while still claiming that payment has been reduced on a weekly basis as has the amount they can earn for home help and community employment schemes. The fuel allowance has been cut by six weeks for everyone. This means the current season will end on Friday, 6 April and the full season for 2012 and 2013 will commence on 8 October 2012. There has been a six week reduction in the rate. The Government maintains it has not cut rates but it cuts the amount of money it gives to people. The Government can claim that is not a rate cut but it is. People know the money they get in their payment each week is less for six weeks of the year. That is a rate cut although the Government may wish to involve itself in semantics and say it is not.

The change to the age limit for one-parent family payments claiming for their children is changing and this will cause hardship as well. We support large aspects of the Bill. It needs significant improvement and we will be tabling amendments during the course of the passage of the Bill through the House.

**Acting Chairman (Deputy Catherine Byrne):** The next speaker is Deputy Kieran O'Donnell. I understand he is sharing time with Deputies Tom Hayes and Simon Harris. Deputy O'Donnell has 7.5 minutes.

**Deputy Kieran O'Donnell:** I am glad we have entered the decimal age. I would have said "seven and a half minutes" because I am something of a traditionalist. I am pleased to be able to contribute to the debate. This is probably the most important debate of the year aside from the budget because it puts flesh on the budget. I do not often agree with the Opposition but I agree with Deputy Fleming's comments on cheap drink. One can buy a bottle of beer cheaper than a bottle of water in a shop. That is crazy and it must be changed. However, my views differ from those of Deputy Fleming on other issues.

Unlike previous Governments, we have an integrated approach to bringing the economy around. The three strands are made up of the banks, which we have stabilised, the fiscal side, which involves balancing the books, and jobs. The budget and the Finance Bill are pro-jobs measures and this is what it is about. The action plan launched two days ago is on the same lines.

Section 2 of the Bill deals with the universal social charge. A further 330,000 workers will be exempt from the charge. This measure is welcome.

The Minister of State, Deputy Hayes, referred to the special assignee relief programme, SARP. People are missing the point of this. What is the opportunity cost for Ireland if we do not introduce it? There is no cost to Ireland otherwise but by bringing in the measure one gets the benefit of creating further jobs. One is bringing in people with skill-sets in research and

[Deputy Kieran O'Donnell.]

development whether from the diaspora or others. The push and cry has always been for the multinational sector to get more into the research and development area. This measure promotes that field as does the fact that we are improving the tax credits on research and development in section 26.

The foreign earnings deduction for the BRIC group of countries is welcome. There is considerable growth in these countries especially in China and Brazil. We need to go to these countries and make the sales. We must think outside the box and that is what we are doing in this case. Before the election we committed to not increasing income tax because we believed that would be anti-jobs. We have honoured that commitment.

There is mortgage interest relief for people who bought houses at grossly inflated prices. I was a councillor for some time before I became a Deputy. Young people were forced to buy houses because they were told that if they did not get on the property ladder they would never be able to do so at a later date. Many bought one- and two-bedroom apartments with the intention of selling on and buying a home. Many of these are now trapped and probably will never be able to sell on. We are giving them 30% mortgage interest relief in cases where they bought a house or started to make first-time buyer mortgage payments between 2004 and 2008. That is a positive measure. We made that commitment and have honoured it.

I wish to refer briefly to the action plan. Legislation is being prepared for the partial loan guarantee scheme. Credit is hugely important for the SME sector and this scheme will be a positive measure. The micro-finance scheme, which will involve loans of under €25,000, is also a positive measure. There have been reports that we are dismantling the county and city enterprise board networks. I have a different perspective on that. One of the weaknesses of the system to date was that if one employed fewer than ten people, one went to the county or city enterprise board and if one employed more than 50 people, one went to Enterprise Ireland, but there was no enterprise board catering for anybody employing between ten and 50 people. The new model is simple. We are restructuring the enterprise boards and they will be a one-stop shop in which Enterprise Ireland will have both a micro and small business division. These one-stop shops will be located in local authority areas. This is important because local authorities are part of the business mix, but until now they often have not been included. They will now have a responsibility in this area. From now, businesses will be looked after from cradle to grave. Many of our companies are small, but we need to grow those companies above ten employees and encourage them to become involved in the export market.

I want to deal now with the banks, specifically the Anglo promissory note. This was an artificially created note with one institution for €30 billion. The practical implication of that note for the people is that in both 2013 and 2014, some €1.8 billion will hit current account expenditure for the State. This will affect people's lives. The Anglo note was put in place to avoid contagion in Europe. We did Europe a major favour with that note and it should now repay the compliment. I was part of a delegation to Berlin recently where I know the politicians understand what we have done. However, our diaspora need to engage more with the public in Germany and elsewhere on this, particularly now that many European countries are in general election mode. Negotiations on the Anglo promissory note are ongoing and I hope they go well. It is critical Europe realises we are in this together and that what is good for Ireland is good for Europe. A restructuring of the promissory note is a key step in that regard.

**Deputy Tom Hayes:** I am pleased to have the opportunity to speak on this Bill, which is one of the most important pieces of legislation issued by the Government. I say "Well done" to the Government on this Bill. We live in extremely tough and difficult economic times and people are under extreme pressure. People who were once well-off, people with businesses, people

rearing families and people across the board are finding times difficult. The country's finances are in turmoil and this Bill was never going to be good news. The challenge for the Government was not to focus solely on what to cut and tax, but to give people hope and help them in their hour of need.

I am aware the Opposition will point out the less palatable decisions made in the Bill and pretend that we could, somehow, regain economic sovereignty without taking the necessary measures. The truth is different, however, and the hard fact is that we must take these measures. Fine Gael was elected to do what is right, not what would make us popular. I believe doing what is right is the cornerstone of what the Government has been doing since it came to power. It is difficult to make these decisions, but whether we are Ministers or backbenchers, we are not afraid to do the right thing.

Changes in taxation and the change to increase from €4,000 to €10,000 the exemption threshold in the universal social charge will help some 330,000 low paid people. This has gone unnoticed and no Member of the Opposition has said this was a good decision, although they know in their hearts and souls it was. I cannot understand how some Members of this House, along with others involved in campaigns outside of the House, can say that people should not pay certain taxes. I see posters all over the country urging people not to pay the household charge or the €5 septic tank registration charge. These are fair charges. No matter how we crib about it, the household charge is a tax levelled on everybody. If there is anything wrong with that charge, it is that it is the same for all households, but the Government will move to adapt it so that people with more expensive houses will pay more, and I welcome that. Property tax is a fact of life in almost every country. It is a fair system of taxation and for that reason it is unfair and wrong for some Members of the Opposition to advise people not to pay it. It is a fair tax and will help the country straighten itself out of the economic mess.

There are young people in the Visitor's Gallery looking down on us here week in and week out. I am more concerned about those people and about the need to straighten out the economy for them. We have come a long way in 12 months. I say to the young people listening in the Visitors' Gallery that in two or three years' time, this will be a better Ireland, provided we stay on the road we are on and do not Mickey Mouse around and advise people not to pay this or that tax. If we all muck in together, we will come out of our difficulties. In any business that was ever in trouble, if the employees and management worked hard and pulled together and if they paid their debts, the business improved. Running a business and running a country is not much different. What we need to do is to get Ireland out of the current mess so that those in business will keep their jobs and there will be jobs for young people throughout the country.

There are huge opportunities in the food or tourism industries and for our educated workforce. There is potential, and this is clear from the announcements made by the Taoiseach some weeks ago. I spoke to the Taoiseach in the Chamber this morning and I could hardly believe him when he told me the number of jobs that will come to this country in the coming months and years because we are a competitive nation. If anything is to come from these difficult economic times, we must work together. The Opposition must stop opposing changes. I spent 12 years in Opposition and know it is the norm to shout at Government telling it that it is wrong. We need a better and more parliamentary approach that will come up with sound suggestions as to how the country can come out of its difficulties. If we do this, I have no doubt we will be in a better place.

I live in the heartland of the food industry. People are waiting in every parish in Ireland to expand their businesses, particularly in the food industry. Tourism is similar and I could talk about it for hours. There is potential in the country and we must believe in that and stick with it. Ireland is the place for me and for those who come after me, children and grandchildren.

[Deputy Tom Hayes.]

This is the place for us and this is the Ireland we want. It is the best place in the world in which to live and to do business.

**Deputy Simon Harris:** I very much welcome the opportunity to contribute some brief thoughts on the Finance Bill. It is important we do not consider this Bill in isolation as to do so would be to miss the point. The Bill before the Dáil is the latest piece in the large jigsaw that must be assembled by this Government, the State and its citizens in order to bring about the economic recovery that Deputy Tom Hayes spoke about so passionately and to restore fiscal autonomy to this country.

As a Government we recognise that job creation will be at the core of any sustainable recovery in this country. Since coming to office we have introduced the jobs initiative, which Deputy Fleming almost sneered at earlier. That was the same jobs initiative which restored the minimum wage that his Government so cruelly cut and which brought in targeted lower VAT measures for a number of our businesses and small firms involved in the tourism area and the provision of services. We recapitalised the banks, as difficult as that was, as every functioning economy needs working banks. We have been involved in intensive ongoing negotiations with our partners in the European Union and the IMF.

This week we launched an action plan for jobs; this is not just rhetoric and lovely glossy document rather 270 specific proposals that will be overseen by the Department of the Taoiseach, the highest Department in the land. There is a timeframe and oversight mechanism and this will give real hope to small businesses, entrepreneurs and employers throughout the land that this Government is committed to working with them.

Specifically, I welcome in the Bill the special assignee relief programme to reduce the cost of employers in bringing in skilled individuals from abroad to take up key positions. The Minister of State, Deputy Brian Hayes, has already debunked a number of the myths surrounding this concept, of which there have been a few in the media. As Deputy Kieran O'Donnell stated, there is no cost to the Irish State in this measure rather a potential gain if we bring in more skilled professionals. The existing employees of companies in this country will be able to develop their own skills and gain further expertise from these highly specialised areas. The initiative will enable the country to compete, and the country must become more competitive. We must be able to stand shoulder to shoulder with other nations across this European Union in trying to bring new business and investment to the country.

The Finance Bill also provides further incentives to small and medium enterprises to engage in research and development, and I welcome that Opposition Deputies have joined with Deputies on this side in welcoming this initiative. We must do everything possible to encourage small and medium enterprises to play their full part in bringing about economic recovery. We must support and encourage them in every possible way and the ability of companies to use this tax credit to reward employees central to research and development will encourage skilled workers to remain in Ireland, which is an important point. We cannot afford a brain drain in the country and we need highly skilled people to stay and play their part in restoring our economic sovereignty.

It is important to note this Bill is not just about business, tax or technicalities. It is also a Bill about people, and it gives a clear intention about where this Government stands when it comes to Irish citizens, fairness and helping struggling homeowners and those on lower income. When we came into office people argued that we would not restore the minimum wage. I sat through Leaders' Questions when Opposition Deputies time after time accused the Taoiseach of renegeing on the promise to restore the minimum wage but it was restored.

Another key commitment in the programme for Government was to review the universal social charge. We cannot abolish it as the State needs the revenue but we wanted to take the lowest earning individuals out of the charge's catchment. We have done so and that should be welcomed by people as it is a key commitment in the programme for Government that has been fulfilled.

I come from the commuter belt county and I know the introduction of the 30% mortgage interest rate relief for first-time buyers who purchased homes between 2004 and 2008 is a particularly welcome development. In my home town of Greystones, in Bray and throughout County Wicklow we saw massive development during the boom years, with many people, including first-time buyers, purchasing apartments and homes at extremely exorbitant prices. They were enticed and seduced by banks convincing them that they could afford these homes but many now face unemployment or live in negative equity. The 30% mortgage interest rate relief is a key commitment and sign that this Government is listening, will help and will acknowledge the problem being experienced. We would all like to see it extended but within the limited available resources, it is a targeted measure and the Government should be commended on it. We must follow up on that initiative with the personal insolvency Bill, which will allow people a way of working out their debts so they do not feel like prisoners in their own home. An implementation plan for the Keane report is also important.

A matter I should raise with the Minister of State is an unintended consequences of the introduction of VAT on admission to stately homes, gardens and tourist destinations. I understand there is an EU directive mandating this change but there is an anomaly in the rate of VAT being levied. In my own constituency there is a well known tourist destination which has seen its VAT rate jump from 0% last year to 23% under the new proposals, which is obviously a severe hit for any business. This Government has put so much attention on the tourism area that this anomaly must be considered. The Finance Bill already acknowledges the need to address the anomaly on page 141, when it refers to open farms, and I have written to the Minister for Finance about the issue. On Committee Stage I ask him to consider rectifying the anomaly beyond open farms to take in tourist destinations, as tourism will play a crucial part in our recovery.

We have all heard in this House and in the media that Ireland is the "good boy" in Europe. We are playing our part and the Finance Bill is the next stage in the State doing everything possible to restore our economic sovereignty, repay our debts and create employment. It is now time to recognise our being the good boy or girl in Europe and I call on the Government do everything it can — as I know it is — to seek concessions in Europe.

**Deputy Brian Hayes:** Hear, hear.

**Deputy Brian Stanley:** I wish to share time with Deputies Colreavy and McLellan. I welcome the opportunity to speak to the Bill. I firmly believe one cannot divorce the social from the economic, as economic decisions directly impact on people's lives. I note the previous speaker on the Government benches stated that people mattered in the Finance Bill but the problem is that they only matter a small bit.

The economics contained in this Finance Bill will have a very negative social impact and already one can see a sorry harvest being reaped in many working class communities. This Bill and the economics in it will further divide communities, fuelling the race to the bottom. With deepening cuts to the public service and growing poverty it will greatly increase the pressure on the community sector, which must now provide more services to greater numbers with fewer resources. This is a direct result of the politics pursued by this Fine Gael-Labour Government and the previous Fianna Fáil Government.

[Deputy Brian Stanley.]

This Bill aims to put into law a regressive budget, which is clearly seen as an extension of the previous Government's policies of austerity and cutbacks. This Government came to power 11 months ago on a ticket of change, openness and hope. Labour promised to take the edge off Fine Gael Tory policies but it is now the helping hand of government; we are still seeing the iron fist of austerity. We have a coalition of forces protecting the wealthy and punishing low and middle income families. Unfortunately, the most vulnerable sections of our community are coming in for some vicious attacks, which are well recorded. They include attacks on lone parents, those on community employment schemes, home help and the fuel allowance. The list goes on.

We can see the expansion and invention of more tax breaks and the Finance Bill legalises further tax evasion. The introduction of the foreign earnings deduction will allow employees based in Brazil, India, China, South Africa or Russia from select companies a tax break of €35,000 per annum. The new special assignee relief programme allows for multinationals to operate tax relief of 30% for select employees coming to work in Ireland. Although this programme has operated previously, no evaluation has been carried out and no research has shown that this brings jobs or talent to Ireland. In reality, the opposite is true, as the contradictions are glaringly obvious. We have graduates filling aeroplane seats heading to Australia, Canada and the US for work but this Government feels it is right to fill the aeroplane on the return journey with those receiving tax breaks on earnings between €75,000 and €500,000 per year.

As if that was not enough, the Government has dreamed up a further tax break, the research and development credit for key employees. Companies can now utilise part of their research and development tax credit to pay key employees on a tax free basis but there is no evidence that this will create jobs or stimulate the economy. In addition to introducing such tax breaks, the Government is bringing people on illness benefit, occupational benefit and a range of other benefits into the tax net. This is no more than a schoolyard bully tactic, as it involves punishing and putting the boot into the weakest.

Like its predecessors, this Government is focused on protecting those who protect it. It makes sure the wealthy get wealthier and the rest of us suffer. To make matters worse, Fine Gael and Labour Party will rub salt into the wound by paying a further €3.1 billion to Anglo Irish Bank next month. There is no obligation to pay this money, but there is an obligation to look after those who are weak and to cherish "all the children of the nation equally". That is not simply a quotation from the Proclamation. It should not be seen as a mere aspiration. We should be trying to make it a living reality across the island.

The Government has choices. This Bill attempts to deal with mortgage relief, but it fails to apply relief where it is most needed. It does not attempt to solve the crisis in local authority loans, four out of ten of which are in serious distress. Many families that have fallen on hard times have been evicted. Many others face legal action and live in daily fear of losing their homes. I raised this issue on a number of occasions last year, but the Government has chosen to sit on its hands. It is time for the Government to introduce solutions, based on workable proposals, to deal with local authority loans in distress.

Fine Gael is pretending to be a job creation party. The Finance Bill 2012 will further depress the economy and impose hardship, unemployment and emigration on citizens. One cannot expect the economy to grow when one is taking money out of people's pockets. Consumer spending has decreased by 15%. Jobs cannot be created in that type of economy. The 23% VAT rate is having a serious impact on jobs. It does not have to be like this. Sinn Féin knows that different decisions can be made. More importantly, Ministers and Government backbenchers know it as well.

When Sinn Féin presented its pre-budget submission, it was serious about its implementation. Our primary focus was on protecting the most vulnerable, investing in jobs and supporting communities. We set out our plan to create jobs by means of a €7 billion stimulus package over a number of years. We outlined how we would put money into people's pockets through a household stimulus package. The budget we would have introduced would not have included increased student fees, water charges, stealth taxes or higher VAT and excise duty. We would have abolished the universal social charge. We would have made the necessary €3.5 billion deficit adjustment by taxing wealth and cutting spending. We would have narrowed the gap in the State deficit. The Anglo Irish Bank promissory notes would not have been paid. Our budget would have been good for families and low income earners.

**Deputy Brian Hayes:** Where would Sinn Féin get the money from?

**Deputy Brian Stanley:** We would not have handed it over to the banks. We would not have paid the Anglo Irish Bank promissory notes.

**Deputy Brian Hayes:** That would not be enough.

**Deputy Brian Stanley:** We would have reduced the burden on low earners by abolishing the universal social charge and taking half a million people out of the tax net. Our plan to introduce refund tax credits would have helped the poorest people in society, particularly those with gross earnings of less than €15,000 per annum. Our budget proposals would have removed the charge on medical card prescriptions.

The Minister, Deputy Quinn, has been attacking the education system. We would not have done that. Our budget proposals would have given a free lunch to every child in the State. We would have reversed the cruel decision to cut the number of special needs assistants by 200. Where we have had an opportunity to make changes, we have done so by using our limited powers in the Northern Assembly. Deputies must remember that Sinn Féin is part of a four-party arrangement in the North. Nonetheless, we have put in place a social investment fund of £96 million, a hardship fund of £28 million to protect people against Tory welfare cuts and a fund of £15 million to deal with rural poverty and isolation.

**Deputy Brian Hayes:** Sinn Féin has cut capital budgets in Northern Ireland.

**Deputy Brian Stanley:** A further £14.5 million has been provided for a child care strategy.

**Deputy Brian Hayes:** It has reduced the number of public servants by 20%

**Deputy Gerald Nash:** They have been sacked.

**Deputy Brian Stanley:** All this has been done even though the block grant from the Tory Government in Westminster has been cut by almost £5 billion.

**Deputy Brian Hayes:** Sinn Féin should hand the grant back if it does not want it.

**Deputy Brian Stanley:** It is a myth and a lie to say we cannot make decisions to protect the most vulnerable, the needy and the poor. We can cherish all the children of the nation equally if we choose to do so.

**Deputy Brian Hayes:** Thanks to British taxpayers.

**Deputy Brian Stanley:** Governments can do so by making the right choices. The social cannot be divorced from the economic — they have to be brought together. The economics of this Government would rest comfortably with the Tories.

**Deputy Gerald Nash:** Sinn Féin is implementing their policies.

**Deputy Brian Hayes:** It would be stuck without them.

**Deputy Brian Stanley:** I advise the Labour Party and Fine Gael not to rest easy on the laurels of office. People are angry. The cuts are having an effect. The Bill before the House will serve to increase that anger.

**Deputy Michael Colreavy:** It is a little unedifying to see a Minister of State behave in such a childish way during a debate. I am glad there are no school children in the Gallery watching what passes for debate in this Chamber.

**Deputy Brian Hayes:** They are all in school.

**Deputy Michael Colreavy:** Frankly, it is embarrassing to listen to the Minister of State. I will confine my remarks to my brief of agriculture, food and fisheries. The Deputies opposite should prepare for a shock because I am willing to acknowledge that welcome improvements to the agricultural sector have been outlined in the Finance Bill 2012. I recognise the attempt that has been made to give attention to agriculture, which is one of Ireland's most valuable resources. For example, the rate of stock relief for farmers operating through a farming partnership is to be enhanced to 50% for all registered partnerships and to 100% for certain young trained farmers forming such partnerships. That is good and progressive. The Government wants to increase the number of jobs in the agriculture, fisheries and food sectors by helping them to diversify. That links in with the action plan for jobs that the Government announced recently. Although such efforts are good, I do not believe they go far enough.

Ireland is sitting on a goldmine of agricultural and marine wealth. These sectors can be the vehicle for achieving national economic recovery. Under Food Harvest 2020, which is a very good project, the Government aims to increase milk production by 50% and add 20% to the value of the beef sector. These aims are admirable, but agriculture is about more than that. Sinn Féin is keen to point out that farms in the BMW region are much less capital intensive than those in the rest of the country. There is a wide variance throughout the State. Although the BMW region contains almost 53% of all farms in the State, those farms only have 36.7% of all farm machinery in the State. There is an imbalance between different areas. More has to be done to bring smaller farms in more disadvantaged areas to maximum production.

Equally, the Government needs to do more to support indigenous tourism businesses in more disadvantaged areas. The agriculture sector goes hand in hand with the natural beauty of the Irish countryside. We should not forget that what the BMW region does not produce in agricultural output, it makes up for in unblemished landscapes. Agriculture is very much linked with tourism. This has to be fostered and developed. The Government needs to do more to aid grassroots tourism. The Bill before the House needs to go further in giving farmers an opportunity to engage in diversification. If the encouragement of tourism activities is to flourish, basic services such as roads and broadband are essential for rural areas. Funding for the conservation and upgrading of rural heritage sites is required. Training for those who are or wish to be involved in tourism has to be provided.

If we are serious about protecting the beauty of our landscape and the future of people in the north west and the rest of the BMW area, we should not permit fracking for the gain of a

few wealthy individuals. It would be unforgivable if the Government were to permit the destruction of a beautiful area of north Leitrim by turning it into an industrial wasteland.

Fracking should be taken off the agenda immediately.

I will stray a little from agriculture to discuss briefly rural development. I attended a briefing this morning provided by the good people of Ireland West Airport Knock who outlined the facts underlying the excellent service the airport provides and its economic and social contribution to the region. Ireland West Airport needs and deserves State support to enable it to continue to expand and improve. It was interesting to note the emphasis the airport places on the need for integrated infrastructural and tourism development throughout the region. Improving infrastructure and tourism is a win-win scenario for everyone concerned. We must invest in local economies if we are to improve the national economy. Achieving the latter objective is not possible in any other way.

**Deputy Sandra McLellan:** I welcome the opportunity to speak on this important Bill, which will affect virtually every home in the State. This legislation will give legal effect to many of the budget 2012 proposals and provides the detail of these and many other proposals. The devil, as always, is in the detail. Many families are only now starting to feel the effects of the first tranche of budget 2012 cutbacks. Letters are starting to arrive in the post and the pain is becoming more apparent. People are devastated and on their knees. Having experienced one cut after another, they do not have any more to give.

We all agree that in the run up to the budget many people were concerned and anxious about what was coming down the tracks. They were nervous about what the budget might hold for them and their families. Newspapers were full of leaks which, according to journalists, emanated from Ministers and their advisers. People were scared for many reasons, with most of them concerned about how they would pay the bills. Many people were also frightened about their jobs, while the few who had something to spare in the bank were concerned that the euro would fail.

Ministers assured anyone who wanted to listen that this would be a reforming budget, with one Minister suggesting it would not be as bad as we thought and we should consider taking a holiday. Words and phrases such as “adjustments”, “austerity”, “painful process”, “fiscal adjustment”, “consolidation”, “sharing the burden” and “heavy lifting” punctuated the rhetoric. When we hear the word “reform” it usually brings to mind efforts to improve or enhance what currently exists or perhaps to abolish a wrong or bring about change. I do not see evidence of any of these scenarios in the budget. To describe the budget or Finance Bill as “reforming” is wrong as they represent more of the same failed politics and policies.

In his television address to the nation the Taoiseach stated the budget, which I presume he had seen, would seek to look after the most vulnerable. Given that the cuts announced in it are being imposed on school children, the elderly, lone parents, young people and those with a disability, I do not know on what his statement was based. If there is any guilt, it is that the Government is guilty of implementing the same ill-thought out, regressive policies as its predecessors. This is not what people voted for when they voted for change in the belief that there would be a difference. People are still scared. They are adding up the figures and wondering what they can cut back in their shopping baskets. They are facing new bills and realising the true effects of the Government’s plan.

The decisions implemented in the Finance Bill will undermine the rights of children and young people to access a fair standard of education. It is a Minister of the Labour Party who will oversee the implementation of these cuts. We have seen a complete U-turn on pre-election promises.

[Deputy Sandra McLellan.]

The most outrageous proposal in the Bill is the special assignee relief programme, which allows companies to bring in highly paid individuals from outside the State and have their tax liability on earnings of between €75,000 and €500,000 written off by 30%. Over the five years of the period the benefit will be allowed, the individuals concerned will earn up to €635,000 tax free. All this has been done without introducing the slightest obligation to create a single job.

Despite its claims on job creation, the Government has sadly settled upon what it believes to be acceptable levels of poverty, unemployment and emigration. The evidence is its statement that 400,000 people will be unemployed in 2015. The Government claims it will be able to create 100,000 jobs in the interim. However, based on the figures it has provided, the net decrease will be brought about by emigration. It is a shocking indictment that any Government would accept this level of unemployment, poverty and emigration. While the figures may be acceptable to well insulated Ministers, they are not acceptable to people, businesses or the economy.

To add insult to injury, the Minister for Finance tells us the market is flexible and 125,000 people have come off the live register. The inconvenient truth is that under this Government the level of long-term unemployment has grown. The implementation of the Finance Bill will undoubtedly deliver a body blow to the 450,000 people who are unemployed and the 76,000 people who will emigrate this year.

**Deputy Gerald Nash:** I will share time with Deputy John Lyons.

I welcome this pro-jobs Bill, which includes a host of smart measures that will make Ireland stand out against its competitors and give us an advantage over those with whom we go head to head in foreign investment terms. If this legislation and the Government's very welcome jobs plan announced earlier in the week are about reorienting the country and refocusing the economy on entrepreneurial activity, the next budget should be about broadening the burden of recovery and growth. It would, however, be wrong and ill-conceived at this sensitive time in our recovery to excessively tax work.

That the Government previously restored the national minimum wage to a decent rate and moved in this Bill to take 330,000 working people out of the clutches of the universal social charge is a fair reflection of the wide view in the Government that we need to ensure we have a floor of decency beneath which no one will be allowed to fall. Work should be rewarded and encouraged rather than disincentivised.

The Bill introduces about €1 billion in new tax measures. All the evidence suggests there is likely to be an increase in the tax take from €36 billion in 2012 to more than €43 billion in 2015. However, based on these figures, it is anticipated that taxation as a percentage of GDP will remain fairly constant, at around 35% of gross domestic product. In any person's language, these figures show that taxation is low by international standards and likely to remain low. However, what the figures also indicate is that there is room to make our taxation system fairer and more progressive. Morally and ethically, those who have the most should make the largest contribution. Key public services, namely, our schools, colleges, hospitals and the Garda Síochána, do not run themselves.

It amuses and confuses me in equal measure when I hear some Deputies, including Government Deputies, challenging Ministers, as has been the case in recent weeks, for example, about adjustments being made to community employment schemes, as if the tough decisions taken across Departments are being made in a politically and fiscally neutral environment. It is trite to decry the types of changes we have had to preside over this year, while simply refusing in some instances to countenance any bold or meaningful changes that could impinge on the

assets or vast taxpayer subsidised reliefs enjoyed by the very well-off who, the last time I looked, were doing a good job fending for themselves. We can and should ask more of those who have most to give more. The Government needs to grapple with this question as part of our fairness and recovery agenda.

I accept that the Minister for Finance decided to leave income tax alone this year. He did so for good reason as there is a strong and compelling case for taking such a decision at this highly sensitive time in our recovery, particularly in respect of those who are on low and middle incomes. The last thing the Irish main street needs is an assault on the modest pay packets of some of our less well-off citizens. However, we are fast approaching the stage at which we will have to devise new ways of raising revenue which require the better-off to play a much greater role in our recovery. For example, further progressive changes to capital taxation rates and exemptions could yield several hundred million euro for the Exchequer. Changes to a standard rating of pension tax breaks could raise more than €400 million, while other reforms of pension tax law which were alluded to by many interest groups in advance of the budget also have the potential to raise several hundred million euro.

In these times, more than ever, boldness and imagination are required to help get the country on the right road. None of us can say on the one hand let us protect the services on which we all depend and on the other refuse to engage in the notion that there is a better and fairer way of raising the money to do the things we all want to see happen. We need to have an honest and reasoned debate on where the heavy lifting should be done and on whose shoulders it is most appropriate to place that responsibility.

We have long since moved past the stage where the budget announcements should be protected like the third secret of Fatima. It is incumbent on us, as an open, transforming and reforming Government, to facilitate a genuine national debate on our economic direction and what sort of society we want to see emerge from the mess we inherited from the previous Government.

Presenting the budget here in this House as a *fait accompli* and all the set pieces from Government and, in some cases, the staged outrage from the Opposition, that goes with the annual budget carnival is an anachronism and belongs in the past.

**Deputy Brian Hayes:** Hear, hear.

**Deputy Gerald Nash:** This form of government has no place in a modern parliamentary democracy and an opening-up of the budgetary system would also allow for genuine engagement with the Opposition, and allow it and backbench Government Deputies to engage constructively at a much earlier stage of the process than has previously been the case. There are supporters of this concept at senior level in government, in both Fine Gael and the Labour Party, and I look forward to developments in that regard shortly.

I listened intently to Deputy Stanley's contribution earlier. As always from his party, all we hear is empty rhetoric but no workable solutions for the crisis in which we find ourselves.

**Deputy Brian Stanley:** We published our own comprehensive budget.

**Deputy Sandra McLellan:** We did——

**Acting Chairman (Deputy Catherine Byrne):** Sorry, Deputies.

**Deputy Gerald Nash:** The contributions from Sinn Féin are always heavy on analysis, I will give Deputy Stanley that, but are deficient in real solutions. A new and open approach to the

[Deputy Gerald Nash.]

budgetary process will expose the fact, whether they accept it or not, that the Sinn Féin emperor has no clothes when it comes to the real budgetary process in this country.

There is, as I stated earlier, much in this Bill of which we and the Government can be proud. The new measures for those who bought their homes between 2004 and the end of 2008 are welcome. The changes to the domicile levy removing the citizenship requirement are also to be welcomed. This is an element of taxation policy that needed reform that has received an amount of reform and it is scandalous that last year only €1.5 million was raised this way. While the new measures contained in the Bill are to be welcomed, in terms of the yield it is probably too early to say what we can anticipate might be generated but it is important that we keep a close eye on it.

In my constituency of Louth, the provisions in the Bill designed to assist the Revenue Commissioners to clamp down on the activities of illegal fuel laundering will be welcomed by legitimate forecourt operators whose business is haemorrhaging as a result of criminally inspired fuel rackets that are particularly pronounced in the Border area. This is costing jobs, costing millions of euro to the hard pressed Exchequer in lost revenue and causing environmental havoc, much to the cost of Louth County Council and other local authorities across the country. I am pleased that the legislation supports the excellent work of Revenue, operating in a hostile environment in many cases, in its work to crack down on the laundering trade.

**Deputy John Lyons:** I thank the Acting Chairman, Deputy Catherine Byrne, for the opportunity to speak on the Finance Bill.

I want to speak today about what I consider to be the positives of the Bill and where we can do better in the future. In any finance Bill and any type of provision, we must look at the decisions we make and at how we can improve the outcome next time around. As Deputy Nash stated, the time for all secrets being kept until the last day must be over and there must be a new process. There are certain aspects which will allow that to happen for future budgets.

First and foremost, the context in which the decisions in this Bill were made is important. The economic collapse that has happened in Ireland since the property bubble burst has cost us our economic independence and impacted greatly on people's lives in many ways, such as through unemployment, falling living standards and negative equity. Every day we all meet people facing these challenges and we use this interaction to inform and direct our work, and to inform Ministers as well.

We all, no matter on what side of the House we sit, want to put right the problems facing our country but we may disagree on how this is to be done. The facts, however, are the same for us all. This year we will spend €16 billion more than we take in and the only willing lenders to us are the EU and the IMF. As the House will be aware, these loans come with conditions and we are required to reduce our borrowing by an agreed amount each year. This year it meant reducing our borrowing by €3.8 billion.

Any budget that takes €3.8 billion out of the economy will impact heavily on families and individuals by asking them to contribute more and make even greater sacrifices, and we have heard Members speak about some of those already. I reiterate what other Members have stated in that these are not decisions we would normally consider, as we know their effects. We have, however, been elected with a mandate to address these challenges. This means making the decisions that will put us back in charge of our own affairs, but it also gives us an opportunity to make improvements where we can and to learn for the future.

A number of elements of the Bill on which I want to focus will make a significant difference in the lives of tens of thousands of people. Some Members, including Deputy Nash, mentioned

some of these already. There have been no changes to income tax bands, rates or exemptions in this budget, as promised in the programme for Government. Also, although it is not included in the Bill, it is worth repeating that we delivered on our commitment not to cut headline social welfare rates.

Changes have been made to the universal social charge where the income exemption level has been raised from €4,004 to €10,036 removing, as Deputy Nash stated, approximately 330,000 low income earners from the USC tax net. This change will mean that these workers, who are mainly seasonal and part-time workers, will no longer have to pay the USC. As well as delivering on a key element in the programme for Government it is also the right thing to do. Restoring the minimum wage in July last, to €8.65 an hour, was also the right thing to do for low income workers.

On mortgage interest relief, another programme for Government promise was to increase mortgage interest relief to 30% for first-time buyers who took out their first mortgage in the period from 2004 to 2008. This increased rate of relief will apply up until the end of 2017 and will benefit approximately 214,000 mortgage holders. This move will help those who bought at the height of the boom, many of whom are experiencing negative equity and difficulties with their mortgages.

On first-time buyers, I also welcome the moves to increase reliefs for those intending to purchase homes this year. First-time buyers will be able to avail of relief at a 25% rate, with a sliding scale to 20% on ceilings of €10,000 for a single person and €20,000 for a married couple. Non first-time buyers will be able to avail of relief at a rate of 15% on ceilings of €3,000 for a single person and €6,000 for a married couple. Looking at the current position in the housing market, and by extension the construction industry, this is a measured approach to encourage activity in the market.

Approximately 170,000 construction workers have lost their jobs since 2007 and construction activity as a percentage of GDP has gone from excessive levels to below what would be considered normal levels, with a disastrous effect on employment. These time-limited measures are reasonable efforts to encourage activity which may lead to increased employment in the sector.

Turning to some business supports as well as measures to help individuals, the Bill also includes new business and enterprise supports that aim to create employment and grow economic activity. The first of these is the foreign income earnings deduction. If we are to continue the growth in exports, in particular exports for indigenous companies, we need to capture market share in emerging economies. Much has been written about the BRIC economies' growing share of global economic activity and the need for business to capture a share of this. The foreign income earnings deduction for employees who develop these markets is a welcome support to Irish businesses to expand into these markets with the potential to create jobs.

This measure ties in with the focus of the Action Plan for Jobs and other innovative ideas like the Bord Bia marketing fellowship, where Irish graduates are paired with exporting businesses to promote agri-food exports in new markets. This is the type of joined-up approach necessary to enable Irish businesses expand and create jobs.

The special assignee relief programme, SARP, is another welcome measure. This programme will provide an incentive to foreign executives to relocate here.

Deputy McLellan feels differently about this. It will act as an incentive for multinationals to stay here and expand. While it is a tax break for a specific category of worker, I welcome it as it is designed to give us a competitive advantage in crucial growth sectors. For example, this week the action plan for jobs focused on the potential for job creation in sectors like digital gaming and ICT. In certain sectors like these, a concentration of expertise is required to grow a development hub. Canada is a good example, having given tax breaks to gaming developers

[Deputy John Lyons.]

for a number of years to kick start its gaming industry. It is now a world leading gaming centre. This incentive is also time limited and has the potential to bring jobs to Ireland as well and keeping existing jobs here.

This Bill also includes changes to the research and development tax credit to spur new business ideas. More flexibility in the allocation of the tax credit has been provided for and this, along with our corporation tax rate, will add to our attraction in the highly competitive sectors we are targeting for job growth.

A range of measures have also been included in this Bill to grow employment in the financial services sector. Despite our recent experience of banking and financial incompetence, financial services are still a huge employer here and an area with high potential for future job growth in areas like the green IFSC.

We must learn from mistakes and solve them in the future. These measures are designed to aid job growth and for that they are welcome. There must be more focus on equality within the budgetary process. Equality means different things to different people. It is very easy to get lost in the figures around our economic situation and this Bill is no different. To the ordinary man and woman, the feeling of fairness is always foremost in their minds and, likewise, it should be in ours. All budgetary decisions should be equality proofed and it is imperative that Departments carry out equality audits on future budgetary process to ensure an even distribution of any pain and future gain.

We have a revised budget cycle timetable with aims for a multi-annual approach that provides increased oversight and aims to allow certainty regarding investment and decision making. I appreciate this new focus but I would like to see greater analysis of how these decisions are made, the concepts underlying the decision making process and, fundamentally, whether equality is at the heart of the decision. This must be the focus of future decision making especially on budgetary matters as equality must be our focus and our goal.

I welcome this Finance Bill in the context of our financial position and the measures to promote job creation. Our priority is to exit the EU-IMF programme and restore our economic independence. The decisions in this Finance Bill are a step in this process and we have sought to share the burden fairly. In a budget that takes €3.8 billion out of the economy, it is almost impossible for it to be seen as completely fair but we must always strive to have equality at the heart of future budgetary processes.

**Deputy Mick Wallace:** I propose to share time with Deputies Luke ‘Ming’ Flanagan and Donnelly. The Government said that this Finance Bill is geared towards creating jobs but I would have liked to see less emphasis on foreign direct investment and more on indigenous industry. Jobs and exports will come from foreign direct investment but, if we are serious about creating jobs, we must look more closely at the domestic economy.

*1 o'clock*  
Introducing tax reliefs for high earners coming from abroad and paying for private schools is not the right way to go. Mortgage interest relief is a good idea for people who bought homes in 2004 and 2008 but it should have been more selective. The crisis has hit the majority of the population but a minority of people paying for properties bought in that period could afford to do without the mortgage interest relief. I thought the Government would have looked at it in that light.

Rates are one of the things killing the domestic economy. A revision of rates has begun in Dublin and will spread around the country. The link between rates, local government and lack of funding at local government level is a major problem. Local government is so dependent on rates that they are impossible to reduce unless it can be done in a different way. Many rents have halved while rates stay the same and it seems there is no connection with the market.

Rates are far too high. The rents that have not changed involve upward-only rent reviews and properties such as restaurants, which commanded rents of €100,000 four or five years ago, now have a market rate of €50,000. However, because of the upward-only reviews rule, they are not allowed to change the rent and it is really killing them. The Government walked away from this matter because there is an issue with contract law. It is difficult to make illegal a law that was legal a couple of years ago. However, there is a way around it if the Government had a mind to do so and it should consider introducing a prohibitive tax where there is a difference between high rents and the market rent. The benefit accruing from the rents should be worked back to the person suffering, the person renting.

The biggest problem is the lack of finance. On five occasions, I asked about the strategic State investment bank that the Government said it would introduce. A year later, there is no word about a date for when it will be established. A proper investment bank would recycle savings within the Irish economy rather than using tax revenue to buy credit at commercial rates, which is what happens with Enterprise Ireland and the IDA. So many small businesses cannot access credit. History shows that banks have never been kind to innovators. Banks like to give money to those who least need it, safe bets. Banks have never been good at giving money to those who really need it, such as innovators who need cash. There is no one better to stimulate this than the Government., which has the financial clout. It says it has no money today but, when the banks ran into trouble, who did they run to? They ran to the Government because that is the one strong force that can deal with all these problems. The domestic market is screaming out for a stimulus from the Government and I do not see a huge improvement in unemployment rates until we tackle the problems in the domestic economy.

We are one of the weakest in Europe in terms of indigenous enterprises and too much of our foreign direct investment results in low employment. The pharmaceuticals industry exports over €60 million yet it employs less than 2% of the workforce. Too much foreign industry is not sourcing goods at local level; it is importing 85% of the produce it uses, which is a huge problem.

**Deputy Luke 'Ming' Flanagan:** I will start with what is positive. I welcome the change to the threshold for the universal social charge. However, no more than knocking on a person's door to sell him or her something at a good price while someone else is kicking in his or her back door and robbing him or her, it is not a lot of good. The Government changed things for people on the low end of the income scale in terms of the universal social charge but unfortunately it increased VAT, which will affect the poorest the most.

According to Social Justice Ireland, the increase of 2% in the top rate of VAT will have a disproportionate effect on the living standards of households with low incomes. The poorest 10% of Ireland's population spend 14.9% of their income on VAT and more than three quarters of that was paid through the 21% VAT rate. In effect, the increase in budget 2012 will reduce their disposable income further. I thank the Government for giving a few quid back but it is taking it from people again.

By contrast, the richest 10% of the population paid less than 7% of their total income on VAT. It is a regressive tax which is bad for the economy. We should forget about the idea that the budget is fair because it is not if it affects the poorest the most. From the point of view of local economies, the budget will take more money out of the pockets of people, on top of the €100 bondholders charge. As a result we are going nowhere with the budget.

The Government has a habit of getting what is in essence a good idea, such as local or carbon taxation, and dirtying it. Local taxation does not end up in local economies and services, rather it goes to bondholders. The money raised through carbon taxes should be ring-fenced to retrofit houses to mitigate against the increased cost of fuel and do something about global warming

[Deputy Luke 'Ming' Flanagan.]

without affecting people's pockets. The Government has used it to raise more money for the bondholders. People no longer believe in carbon or local taxes. How will the Government get over that hump? It will not.

There is one interesting element in the Bill. People are crying out for money and compensation. However, the only people the Government seems to want to listen to are those who do not want it and are not looking for it. I did not think turf cutting would ever be mentioned in a finance Bill but it is. The Government will not charge capital gains tax on turf compensation, which is great. However, we do not want compensation. Some people do, but as the Government will discover in time the vast majority of people who take it do not actually cut turf and are coddling the Government. The money is not going to people to get them to stop cutting turf. No matter what 99% of turf cutters are offered, they will not take the compensation, whatever is done about capital gains tax. It was spun by the Government as a wonderful thing and described as a great deal for turf cutters.

If I went to a mart in Carrigaline or Castlerea in Roscommon and bought a beast next Saturday for €800 I would not go back the next week and offer the seller €900 because I got the deal at €800. However, this brilliant deal, which everyone is taking up, is so good the Government is improving its terms. It will not charge capital gains tax and now the rumour is that it will double the amount of compensation and time involved. We do not want it. The Government should realise money does not solve everything and not everyone can be bought off.

I do not know whether the Government has seen the film "The Field". If it had not charged Bull McCabe capital gains tax would he have sold the field? He would not. We will not get rid of our field. We will not be bullied into anything. The Government could give us €1 million an acre but we would not to take it. Some people are not for selling their heritage.

**Deputy Brian Hayes:** I would not be certain about that.

**Deputy Stephen S. Donnelly:** I would like to address three specific areas in the Bill. First, the approach to Government is taking. Second, the impact it will have. Third, some alternatives which would be better to some of the decisions made.

In terms of the approach, the budget is technically unsound and incompetent. It has had inadequate parliamentary oversight and mangles basic economics in arriving at its conclusions. I will cover two examples of technical incompetence. One is VAT. The projected Government take from the 2% increase in VAT is €670 million. It turns out that does not include the fact that consumption and employment will fall and small and medium enterprises in Wicklow and around the country will go out of business and lay people off. It also does not take account of reduced corporation tax.

Conservatively, if one added in those three factors the €670 million projected take by the Government would be reduced to €300 million to €350 million, which is one third of the entire projected increase in the tax take. A 15 year old studying economics could tell one that should be in the analysis. It is mind-boggling in its incompetence that it is not in the Bill. I discussed the matter directly with the Tánaiste in this House and he confirmed none of it is in the Bill.

The second element is the growth target. There is a budget deficit target of 8.6%. The Taoiseach seems to be standing over the growth forecasts of 1.3% on which this is predicated. He stood over it in the House even when a vast array of organisations downgraded it. Finally, the Central Bank has downgraded it to 0.5%.

I have two examples of inadequate parliamentary oversight. One is the lack of technical appendices. There are no decision criteria, cost benefit analyses or basic analysis that any

parliament in a developed country would expect in order to be able to interrogate the Government proposals. In 2008 a World Bank report looked at budgetary processes and we were ranked second from bottom in the OECD.

There are two interesting metrics. The first is the amount of technical detail supplied to parliaments in order to allow them to interrogate government proposals. Out of ten we scored zero. The second is the amount of time parliament is given to interrogate government proposals on a finance Bill. The minimum recommendation is three months. Out of ten we scored zero. It is another example of the most centralised decision-making process in Europe. It is disgraceful.

The third area in the approach is the extraordinary misunderstanding of economics. It is like someone at the Cabinet table sent someone down to Hodges Figgis to buy an introduction to economics who read the first chapter, which said if one wants to promote employment one should not tax labour, but then the book was lost and a decision was made to do that. There is no elasticity analysis. There is nothing to say were we to increase income taxes this is the number of people who would leave the country or choose to stop working.

I met a senior lawyer recently and put this to him. He said he is already being taxed at a margin of over 60%. He earns an awful lot of money and if the Government increased tax to 70% he would probably stop working for a few weeks of the year. I asked him what the problem was with that. There are a lot of unemployed lawyers who would love to work those hours.

The Government is utterly misusing economics, which it does not seem to understand. It has no analysis to back up the ridiculous, flawed assertions it is making. Even if, at the margin, people at the higher end did 5%, 10% or 20% less work, that is fine. There are a lot of unemployed people who need work.

Let us accept we have a highly progressive tax system. I understand we have the most progressive tax system in Europe. If one compares someone earning €100,000 to someone earning €25,000, the person earning €100,000 pays 20 times more tax than the other person. That is a highly progressive system.

The Government said we could not possibly increase taxes on people earning over €120,000 because they would all move *en masse* to Australia for some reason it did not back up. First, that is nonsense. Second, we are in survival mode. A lot of money has to be found quickly. The principle applied should be to find the money we need that does the least social and economic harm. On those criteria this budget and this Government has failed entirely.

Last week I visited the community centre in Fassaroe in Bray. Fassaroe is one of the most disadvantaged communities in Wicklow and I was shocked by what I saw. The staff told me the Finance Bill and the cuts the Government has made so far are hitting the most vulnerable in that community so much that children are now being sent to the drop-in centre to get food. We are setting up proxy soup kitchens in our most disadvantaged communities in a country of abundance, even though we are insolvent. The staff told me they are now using their tea money to buy school jumpers and shoes for some of the children returning to school because their parents do not have the money.

If the Government Members think I am making this up, I will run through a quick case study of a single mother with four children who lives on the estate. She has a new-born baby, a three year old, an eight year old and a 12 year old. She was on lone parents' and community employment scheme allowances but because of the consolidation she has lost €3,525 per year, because of the cut in the fuel allowance she has lost €120 per year, because of the child benefit cut she has lost €432 per year, because of the cut to the back school allowance, she has lost €305, because of the confirmation and communion grant cut, she has lost a further €180. This is a total of €4,562 in cash that a single mother with four children in my constituency must take.

[Deputy Stephen S. Donnelly.]

We should compare that reduction of €4,562 with someone earning €150,000 who faces a total hit of €100.

It gets worse. The woman works on a community employment scheme that is threatened because of the 66% cuts to material and training and her child care is provided by another community employment scheme that is also under threat. That is a choice this Government has made. It decided to take €4,500 off a single mother trying to raise four children while another person who lives a few miles down the road who earns €150,000 will have €100 taken off him for the household charge. Why? It is because the chapter of the book Ministers read said that under no circumstances should labour be taxed.

I have spoken to and respect many people in Fine Gael but some weird, right wing, incompetent cabal has taken over the party. This is not the action of the party of Garrett FitzGerald. What is the Government doing taking €100 from a high earner while taking €4,562 from a single parent? To the Deputies and the leaders the Labour Party, whom I know personally and admire and respect, I must ask what they are at. They were put in Government to stop Fine Gael from doing this sort of thing to our people. Where are they? They must stand up to these people.

That is what the Finance Bill is doing but there are alternatives. I appreciate that it is easy for me to stand on this side of the House and shout and say what the Government is doing is unfair so I will offer a few ideas. Increments should be frozen; that would save €250 million. The top increment should be reduced by one, saving €350 million. Higher end pay should be further reduced, saving another €200 million. Already we have €800 million. We should introduce a time-bound emergency tax, which would find several hundred million euro and cut waste further.

I cannot understand how the Government can stand over this. It is morally abhorrent and cowardly.

**Deputy Anthony Lawlor:** This is a totally new experience for me. I have spoken on the budget debate in Kildare County Council and taken an active part in the local authority system. It is challenging to do that because here we can debate the issues in the Finance Bill but at local level the budget is presented to us and we have very little input into it.

**Deputy Luke 'Ming' Flanagan:** The Deputy puts up with that.

**Deputy Anthony Lawlor:** I agree with Deputy Nash that the more input there is from back-bench and Opposition Members, the better the Bill will be, particularly if Deputies will be positive in their contributions.

When the Minister for Finance presented his budget, a constituent contacted me about mortgage interest relief. We pursued this matter and I was grateful the Minister took it on board as an amendment to the Finance Bill. It goes to show that when a Deputy has something positive to contribute to the Bill, the Minister is willing to take it on board. The issue related to first-time buyers who purchased a house towards the end of 2008 and got a deferred payment so they did not have to make their first payment until January or February the following year. It was felt those people would not get the benefit of the increase in mortgage interest relief but the thrust of the Minister's speech was about those who purchased their houses between 2004 and 2008 and these people had purchased their houses then. In fairness, the Minister accepted that as an amendment in the Finance Bill. If Members have a positive contribution to make, the Minister will take it on board.

Two of our key natural resources are tourism and agriculture. In our earlier jobs initiative, we introduced a lower rate of VAT and reduced employers' PRSI for new employees. That has had a positive impact on the tourism sector in that we have seen numbers increasing and more competitiveness in the hotel trade. There is much greater domestic interest from those taking short breaks in this country, a positive development.

I also welcome the reduction in the stamp duty rate to 2% for the transfer of farmlands to young farmers. It is vital that agriculture, a dynamic industry, is allowed to drive the economy. I remember in the 1970s live cattle being shipped out with no added value given to the product but now virtually every part of the animal is used, with added value being given to it. That sort of export is vitally important for our economy. I welcome that we now have in place a reduction in stamp duty for young farmers so lands can be transferred to them and it is vitally important to keep that dynamic industry going.

Deputy Wallace was involved in construction and there has been a reduction from 200,000 to around 100,000 people employed in that industry. I welcome the property incentive the Minister has introduced for commercial property. It is good there is a cut-off point in 2013. Section 23 development should have been cut off to prevent the situation that now exists where section 23 properties were built in areas that are rarely used. I welcome the Minister's incentive for commercial properties and the fact there is a cut-off point for the scheme, although he may review it after 2013.

This is the first time I have spoken on the Finance Bill. It has been a long and difficult Bill to read but I have enjoyed participating in the debate and I will make further contributions on Committee Stage and beyond that.

Debate adjourned.

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

## **Ceisteanna — Questions**

### **Priority Questions**

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#### **Health Service Staff**

1. **Deputy Billy Kelleher** asked the Minister for Health if he will publish the contingency plans for dealing with the public sector retirements; the effect the retirements will have on frontline services; and if he will make a statement on the matter. [8730/12]

2. **Deputy Caoimhghín Ó Caoláin** asked the Minister for Health if he will confirm the final number of persons who will have retired from the public health services between September 2011 and the end of February 2012 under the current retirement scheme; if he will outline the dynamic contingency plan to deal with the loss of such large numbers of staff to which he has referred; and if he will make a statement on the matter. [8729/12]

**Minister for Health (Deputy James Reilly):** I propose to take Questions Nos. 1 and 2 together.

The most recent information available to me indicates that approximately 4,200 individuals will have left the health service between September 2011 and the end of this month. The corresponding wholetime equivalent figure is about 3,700. These figures are subject to change for various reasons, one being the time lags involved in collating data at national level.

[Deputy James Reilly.]

However, management at local and regional levels have full details of the staff who have already left or will leave by 29 February. Over 2,000 individuals had already left by the end of January. The figures are subject to further change because those who have indicated their intention to leave can change their minds right up to 29 February. Others may choose to leave who have not indicated this to date.

Planning for the impact of the end of the grace period began last autumn and a formal transition team for the health service, chaired by an assistant secretary from my Department, is in place. It comprises key HSE national and regional directors. Contingency plans have been developed locally for hospital and community services, reflecting risk assessments undertaken by each hospital or community manager. These have been reviewed at regional and national levels to ensure appropriate contingency measures are in place across all services.

I am satisfied that suitable arrangements are in place at national, regional and service-specific levels to manage proactively the impact of staff exits on front line services. The focus is on protecting and maintaining critical front line services such as emergency department, maternity, critical care and neonatal services.

The recently approved HSE National Service Plan 2012 acknowledged that there will be an inevitable and unavoidable reduction in services this year because of the scale of the financial and staffing challenges facing the health service. Obviously, I would prefer to have more funding available for our health services but the reality is that this is not possible right now. There is, therefore, an onus on all of us working in the health services to be as innovative and flexible as possible in order to mitigate against the impact on services of reduced budgets and staffing.

The mitigation measures in place include the backfilling of certain critical posts. However, the main focus is on reform and achieving greater productivity. The national clinical programmes are already delivering improvements in day-of-surgery admission rates, increases in the proportion of care that can be delivered on a day-case basis and other productivity improvements designed to provide a better quality service to patients at less cost. I very much welcome the clinical leadership that is being provided in this regard. I acknowledge and welcome the improvements in productivity that are being delivered by staff at local level through the Croke Park agreement. Examples pertain to staff redeployment, streamlining of management structures, including clinical management roles, changes in skill mix and more cost-effective rosters.

The national service plan has already been published and the regional service plans are in the process of being finalised and published. However, the need for dynamic and proactive management of the impact of reduced budgets and staff will remain and will continue beyond 29 February.

**Deputy Billy Kelleher:** I thank the Minister for his reply. The publication of a contingency plan was raised on numerous occasions on this side of the House. The plan would not only give reassurance to us but also to the public and those involved in health services.

In response to questions from the leader of Fianna Fáil and other Deputies, the Taoiseach was unsure whether there was a plan. He stated at one stage we can take it the HSE has a plan. However, when we asked for further detail and specific information, it became very evident that a plan was only being put in place. The Minister has known since taking office that a large number would be retiring on 29 February 2012, many of whom will be highly skilled specialists in front line services. Merlin Park hospital in Galway should have 21 nurses but it will have only 11 at the end of February. Clearly, there will be considerable difficulties faced by the HSE and hospital services in providing front line services. Does the Minister agree with some eminent professionals at the coalface in maternity services who say people may pay with their lives because of the lack of highly qualified midwives?

Why will the plan not be published? Does the Minister agree that the efforts of the Department and HSE in ensuring adequate front line cover for those retiring are an indication that the plan was not well thought out?

**Deputy James Reilly:** In response to Deputy Kelleher, the Taoiseach is very clear, as am I, about the presence and completeness of the contingency plans in place. As I said, the situation is dynamic. We do not expect significant change between now and the end of the month but there has been much change heretofore. We had a very long meeting last night at which the CEO and four regional directors of the HSE were present, along with members of the clinical programmes. A comprehensive plan is in place.

Let me address specifically the issue raised in regard to the inflammatory and very upsetting remarks made by a leading professional which caused needless upset and anxiety among women looking forward to the birth of their babies. There is a very coherent, stringent, clear plan in place to deal with identified risks, including midwifery. In Limerick, 16.5 wholetime equivalents are to leave and there is provision for 15 to be in place when that happens. The clinical lead there is quite happy about safety.

When going through our contingency plans for different hospitals, as we did last night, we noted that, in some cases, one third or half the staff are being replaced and that, in other cases, perhaps only one fifth, one sixth or one seventh of the staff are being replaced. The service can be delivered with different types of rosters and skill mixes than we have at present. This must be achieved when there is a restricted budget and a moratorium on recruitment and a ceiling on staff levels.

**Deputy Caoimhghín Ó Caoláin:** I have to hand a copy of the Dublin North East Service Plan. I find no more dynamic contingency planning within this than I did within the national service plan, which was introduced a couple of weeks ago. It is important to deal with this because it is the only specific information we have. I expect it will be replicated in the other three regions of the HSE. It actually demonstrates that, by 29 February, we will witness the retirement of a further 400 staff. Worryingly, we also learn, for the first time, that a further 551 staff “will need to leave the service this year”. It is not a case of voluntary retirements but it is stated very definitely that they will need to leave the service. Will the Minister acknowledge that the departure of 961 health service staff within one region will have devastating consequences for service delivery and, make no mistake about it, for patient safety, which is something the Minister is not happy to address?

Will the Minister confirm that what we are looking at in this plan is what presents across Dublin mid-Leinster, the west and south? The plan states there will be no replacement in terms of recruiting priority staff who will have left until such time as the entirety of this exodus is achieved.

**Deputy James Reilly:** I see Deputy Adams is at Deputy Ó Caoláin’s side. I was here this morning when he made his contribution. It seems to me when words such as “there will be a devastating effect” are used, it is almost as if Sinn Féin wished for there to be a disaster.

**Deputy Caoimhghín Ó Caoláin:** Far from it.

**Deputy James Reilly:** It is as if they hope there will be some sort of calamity or catastrophe so they can continue on shroud waving. The reality is that Dublin north-east, Dublin mid-Leinster, west and south have all got their contingency plans. Individual hospital managers have their contingency plans and are fully conversant with the number of staff leaving, as well as what must be done to maintain a safe service. In each case they are acutely aware that not

[Deputy James Reilly.]

alone are they responsible for formulating that plan, but they must also be prepared to go on local radio to explain its effects to the public. I am confident that a comprehensive piece of work has been done. I congratulate all those involved and thank in particular the staff for the flexibility they have shown concerning the required changes, including rostering issues. I am confident we will be able to maintain a safe service, particularly in areas of high risk we have identified, such as emergency departments, maternity services, intensive care and paediatrics.

**Deputy Caoimhghín Ó Caoláin:** The Minister's reply did not address the questions I posed. Government Deputies from the north east will be shocked to learn for the first time that this report has signalled the departure of those taking up the early retirement option by 29 February. In addition, following that, there is a requirement for a further exodus — “need” is the word used — of 561 staff across the health service. Is that also the case in the service plans for the other three areas? If so, I ask the Minister to withdraw these service plans which are a recipe for disaster. We already have a crisis of untold proportions in our health services, so at the very least, the Minister should indicate that he will set a date for lifting the recruitment moratorium. In that way we could replace essential front line staff.

**Deputy Billy Kelleher:** The director of the HSE's obstetrics and gynaecology programme, Professor Michael Turner, said staff reductions could have an impact on Ireland's maternal and infant mortality rates.

**Deputy Róisín Shortall:** Could.

**Deputy James Reilly:** He said “could”, but the Deputy should finish the professor's sentence.

**Deputy Billy Kelleher:** I am just making the point. The Dublin north-east service plan and the projected number of maternity cases presenting this year, indicate that maternity hospitals will be under huge pressure in that region and elsewhere across the country. Will the Minister publish the detailed plan for emergency and maternity services so we can have some idea of where we are going with those services? There is concern among both the public and staff who are working at the coal face and are trying to provide safe services.

**Deputy James Reilly:** As regards Deputy Ó Caoláin's question about the three other service plans, there is not a need for the same number of exits. The lowest number of exits is from Dublin north-east. The contention that this is a recipe for disaster is utterly untrue — in fact, it is a formula to prevent any such disaster and ensure a seamless transition. We have put in place several different contingencies to allow for any problem areas that might arise unexpectedly. A comprehensive study has been undertaken of all people leaving the health service, including their grades and posts, so that replacement staff can be put in place where they are needed. In some places, one may find that where 16 people leave, they will all be replaced. In other places, however, where 35 leave only six have been replaced which is due to the nature of the service and the areas of expertise involved.

We are not lifting the moratorium but I have greater flexibility around it, by agreement at Cabinet, so we can examine specific areas where there is a risk and replace people accordingly. That is exactly what we are doing in this contingency plan.

Deputy Kelleher quoted Professor Michael Turner, but he will note that the word “could” is in there. If the Deputy was prepared to read the remainder of Professor Turner's statement he would find there is a big “if” there also. The statement said it could be a serious problem if proper measures are not put in place. However, the plans are in place and the measures will

be in place also. Maternity is an area we were particularly concerned with, but the Deputy will find that many of the midwives leaving our service will be replaced.

**Deputy Billy Kelleher:** The staff are not saying that.

**Deputy James Reilly:** I have talked to the people in charge who have responsibility, including the national director and regional director of the operation who are in charge of hospital directors and managers. The contingency plans are in place and there is no way we will have an unsafe service. We have had two major meetings on this matter and will have a further one before the end.

### Care of the Elderly

3. **Deputy Thomas Pringle** asked the Minister for Health the level of services he expects in 2012 for elderly patients in our communities with the closure of nursing home beds, reductions in home help hours and without any increase in home support levels across the country but particularly in County Donegal; and if he will make a statement on the matter. [8863/12]

**Minister of State at the Department of Health (Deputy Kathleen Lynch):** Government policy is to support older people to live at home and in their communities for as long as possible. This is achieved through a range of community based services such as mainstream home help, enhanced home care packages, or through various other supports such as meals-on-wheels and respite or day care.

The central challenge facing the health service this year is to use the reduced level of resources available to meet as best it can the increasing needs of older people for health and personal social services. This means we have to prioritise those in greatest need and accelerate reform of our services.

In the case of public nursing homes, the recently approved HSE service plan for 2012 makes it clear that a business as usual approach will result in the closure of a minimum of 555 beds because of reductions in staffing and issues like the age and structure of such units. Accordingly, we need a more proactive approach to the provision of public nursing homes, which seeks to protect the viability of as many units as possible within the funding and staffing resources available.

The HSE is already carrying out a viability review of all its long-stay nursing homes. The review is focusing on a number of areas including the location of units, demographic pressures and the ability to meet HIQA standards on environmental structures and staffing.

In the case of community services, there will be no reduction this year in the level of home care packages being provided. About 10,870 people are expected to receive this important service in 2012, as was the case last year, including about 4,800 new clients.

It is not possible to prioritise every service and there will be a reduction of about 4.5% in the total number of home help hours provided nationally. However, the HSE will still provide about 10.7 million home help hours this year to about 50,000 people. By ensuring the available hours are used to better effect, the number of people benefiting from home help services will fall by approximately 1.2%. We do not have the level of detail requested in the Deputy's specific question. I have asked the Health Service Executive to transfer the information to Deputy Pringle as soon as it collates it.

*Additional information not given on the floor of the House.*

A number of operational improvements are being implemented in order to deliver the most effective and best quality service possible within available resources. These include a new procurement framework for home care packages as well as new national home help guidelines.

[Deputy Kathleen Lynch.]

While the national service plan has been finalised, regional and area plans are still being completed. As a result, I am unable to provide details at this time of planned services in Donegal. However, I have asked the HSE to let the Deputy have this information as soon as it is available.

**Deputy Thomas Pringle:** As we do not have the service plan for HSE west, we do not really know the impact bed closures will have in County Donegal.

**Deputy Billy Kelleher:** There will not be any good news in it anyway when it comes out.

**Deputy Thomas Pringle:** The HSE service plan flies in the face of the Minister's reply and the Government's stated policy. It shows in fact there is no policy in place. According to the 2012 service plan, there will be a reduction of 113,000 home-help hours in HSE west services for the elderly. Maintaining home care packages at the same level as last year will in fact result in a reduction because of the rising aging population. As fewer people will receive home help hours and with a reduction of up to 900 beds in community nursing homes, more pressure will be put on the community nursing system. These, along with cuts of 700 people in receipt of subvention and enhanced subvention, fly in the face of the Minister's reply.

With these serious cuts, how can the Minister expect to support elderly people to stay in their homes which is agreed to be the cheapest and most desirable form of treatment and care? How can such a policy be implemented when the Government has savaged the home help hours, made no increase in home care packages, closed nursing home beds and reduced subventions?

**Deputy Kathleen Lynch:** Opposition does what Opposition does. I understand that perfectly and it is a legitimate position to take. However, if Deputy Pringle read the answer to his question, he would see it stated we will be dealing with an additional 4,800 people requiring home care packages this year.

Those involved in putting together the regional plan for HSE west have a clear focus. For the first time ever, we are beginning to see the coming together of various agencies on how to deal with older people. The notion that the only service available is long-stay care is wrong. There are all sorts of pieces in between on which we need to bring the agencies together, such as the Department of the Environment, Community and Local Government, to address supported and supervised living for older people.

The Deputy is not correct that 900 beds will be taken from the community nursing home system. As a matter of fact, having spoken to the four HSE regional directors of operations, RDOs, I understand the reduction will more than likely be less than 555. We are working to a clear plan on this.

**Deputy Thomas Pringle:** The HSE's 2012 national service plan states between a minimum of 7,089 to a maximum of 7,432 public beds will be closed. In the minimum range, the reduction in community nursing beds will be 900.

Is it acceptable elderly people in County Donegal receive home help of just 15 minutes a day? If we do not support home help or home care packages and community nursing beds are reduced, elderly people will be left on their own which I would contend is a form of elderly abuse.

**Deputy Kathleen Lynch:** As I stated in my formal reply, we are going to have to do more with less. It is difficult to know how to do that with reductions such as these. We are going to

have to seriously examine putting together a plan as to how we deal with our aging and elderly population. Up to this point, we did not have one. However, we are beginning to put it together. I agree with Deputy Pringle we cannot afford to leave a vulnerable group of people isolated and alone.

### Medical Cards

4. **Deputy Billy Kelleher** asked the Minister for Health the additional resources that will be assigned to deal with the backlog of medical card claims; and if he will make a statement on the matter. [8731/12]

**Minister of State at the Department of Health (Deputy Róisín Shortall):** I thank Deputy Kelleher for raising this issue as I know this is a matter of concern to all Members which I very much share.

Last July, the HSE centralised the processing of medical card applications and reviews at the primary care reimbursement service, PCRS, in Finglas, Dublin. The aim is to have a single uniform processing system to replace the different systems previously operated through more than 100 offices across the country. It is expected the new arrangement will ultimately provide for a far more accountable and better managed medical card processing system.

However, I am conscious there have been serious difficulties for many patients resulting from the centralisation process. For its part, the HSE has now accepted it needs to review the overall operation of the central office with a view to ensuring an acceptable level of service for the public is in place. This review is being assisted by a consultancy firm which will review current processes, develop proposals for improvements of the processes and for improvements in customer service.

Notwithstanding this review, I have had extensive discussions with the HSE on this matter. Several changes have been introduced to streamline operations and to make the process for renewing a medical card simpler and easier for the public. The HSE has introduced a self-assessment system for medical cardholders who are 66 years or over. The self-assessment review model has been extended to medical cardholders under 66 who were granted their medical card on the basis of a means assessment. The HSE is standardising eligibility periods from two years to three years for people aged under 66 with a new four-year eligibility period for medical cardholders aged 66 or over. It is providing GPs with a facility to maintain the eligibility of vulnerable patients going through the renewal system. To make the application process easier, the HSE has asked the National Adult Literacy Agency to review the medical card application form.

3 o'clock

*Additional information not given on the floor of the House.*

An additional 20 staff were redeployed to the central office in January to bring its complement up to 150. The most important initiative, however, is that the HSE has decided that any medical cardholder undergoing a review, and who genuinely engages with that review, will not have their entitlement withdrawn before that review is complete, regardless of the expiry date shown on their medical card. In addition, the HSE has examined medical cards that were withdrawn between July and December 2011 to ensure a standardised approach to applications.

I am determined the HSE will comprehensively address all of the difficulties that have arisen as a result of the centralisation of medical processing in the shortest time possible.

**Deputy Billy Kelleher:** I want to put on the record of the House my appreciation of the staff in the Minister's office and the HSE in dealing with individual queries concerning medical card applications. However, the system is in absolute chaos which must be addressed quickly.

[Deputy Billy Kelleher.]

For the life of me I cannot understand why a review of medical card eligibility must be carried out for those with incurable diseases. What circumstances are going to change? I met a woman who was blind but was asked for further information on the renewal of her medical card application. It is beyond belief that a system would have reviews of medical cards that we know will be granted again. I have no difficulty in people going through a due process when applying for a new medical card. However, those renewing a medical card who are suffering from an incurable disease should be exempt from these reviews. That would allow PCRS officials to deal with the existing backlog for new medical cards. I urge everyone involved to get to grips with this problem.

This week, I had a case of a woman who passed away on Monday morning but the PCRS was looking for further medical evidence from her during the week. The office dealt with it sympathetically but the system should not have allowed that to happen in the first place. Will the Minister resolve the backlog of medical card claims quickly?

**Deputy Róisín Shortall:** When the case the Deputy just referred to was first brought to my attention on Monday morning when the parliamentary question came in, I dealt with it promptly. I too was concerned about the manner in which it had been dealt with. The errors made in that unfortunate response from the PCRS were not as a result of any policy change but human error. It should not have happened. I was concerned about it and I have a detailed report for Deputy Kelleher which I just received last night. I am happy to discuss it with him later on today. Applications made on behalf of patients who are terminally ill are supposed to be dealt with as matter of urgency and in a straightforward manner.

**Deputy Billy Kelleher:** I put on the record my appreciation for the manner in which the Minister's office dealt with this matter. However, in general, there are many other issues with the medical card renewal process. The idea a person waiting for a medical card renewal can claim back medical expenses they incurred when it is re-issued is not happening. I have several cases where individuals have had to pay pharmacists for medicines because they were not allowed to backdate the costs incurred when they were in transition between their old medical card and the issuing of a new one.

**Deputy Róisín Shortall:** Apart from the changes I outlined, an additional 20 staff were made available to the PCRS to bring it to its full complement of 150.

Members should be aware of the important provision that if a person engages with the HSE on the renewal process, he or she will not lose eligibility during that period. We are seeking to explain clearly that there will be no question of eligibility being withdrawn during the renewal process until such time as a decision is taken. I am requesting the HSE to produce an information sheet for Members, GPs, pharmacists and citizens information centres to bring people up to date on the current policy. I hope we will start to see improvements in the processing of medical cards as a result of these changes.

### Hospital Staff

5. **Deputy John Halligan** asked the Minister for Health the number of whole time equivalent positions that have been reduced at Waterford Regional Hospital since the recruitment moratorium was introduced in March 2009; the amount that has been spent on agency staff at Waterford Regional Hospital in that same time period; the target of the recruitment moratorium by the end of 2012; if he will consider lifting the moratorium for frontline staff if that whole time equivalent downsize is reached in 2012; and if he will make a statement on the matter. [8864/12]

**Minister for Health (Deputy James Reilly):** I have explained in an earlier reply that reducing public service numbers is an integral part of the Government's drive to reduce public expenditure. Health service employee numbers must be reduced to approximately 102,000 by the end of this year and further reductions will be required over the coming years. The regional service plans are currently being finalised and the exact ceiling for each service has not yet been determined. However, Waterford Regional Hospital is subject to the same restrictions as the rest of the health service.

Expressed as whole time equivalents, there were 1,851 employees in Waterford Regional Hospital in March 2009. By December 2011 this figure had reduced by 131 to 1,720. A significant portion of the reduction is accounted for in the management administration and general support staff grades. The hospital is aware of a further 41 employees, whole time equivalent, who will be leaving during 2012. This equates to 2.43% of current staff and is well within the national target of 3%.

The total amount spent by the hospital on agency staff was €800,000 in 2009, €3.1 million in 2010 and €3.2 million in 2011. Medical agency costs, which accounted for the bulk of agency expenditure, were €300,000 in 2009, €1.9 million in 2010 and €2 million in 2011. However, I am informed that since October 2011 the hospital has eliminated its expenditure on medical agency costs through a combination of cost saving measures and the recruitment of non-consultant hospital doctors. The remaining agency costs are largely for paramedical and support staff. In 2012 the challenge for the hospital is to address its remaining spend on agency costs in the same effective way in which it has tackled the issue with medical cover. The HSE national service plan commits to a reduction of up to 50% in agency costs.

*Additional information not given on the floor of the House.*

The 2012 employment control framework will be finalised shortly. I envisage that the HSE will still have discretion to decide on exceptional appointments to minimise service, quality and safety risks. I am not suggesting there will be wholesale replacement of staff or that there are easy options. Part of the solution must be to implement the national clinical programmes to improve efficiency along with quality, manage performance relentlessly, contain costs and investigate all available options, including redeployment of staff.

**Deputy John Halligan:** I requested the figures in light of the retirement of approximately 60 service workers by the end of February and the rising waiting lists for elective procedures at Waterford Regional Hospital that will inevitably follow the closure of two operating theatres. I have been advised that staff shortages will also lead to the closure of a further 30 beds.

Thousands of health graduates have left Ireland since the introduction of the moratorium yet the HSE has increased the amount of money spent on agency workers by 75% over the past three years. Between March and October 2010 alone it spent €67 million on temporarily filling full-time posts, including 167 non-consultant hospital doctors and 489 agency health care assistants.

May I ask the Minister the following question?

**An Leas-Cheann Comhairle:** Please do.

**Deputy John Halligan:** Under the terms of the temporary agency worker directive the HSE must offer agency staff the same pay and terms as direct employees. The cost does not end there, however, because it must also pay the wage cost commission, which ranges from 5.5% to 11.75%.

**An Leas-Cheann Comhairle:** Thank you.

**Deputy John Halligan:** This is important and I have one supplementary question. It also pays PRSI at a rate of 10.75%, holiday and public pay at 12% and VAT at 21%. It has been estimated that in employing this workforce the HSE must pay a premium of between 30% and 40% on top of wages. These figures point to the fact that the recruitment embargo is failing.

**Deputy James Reilly:** It is not true to say the embargo is failing. The Deputy is right to point out the additional costs that agency staff incur. The agency staff directive, which insists that they be given the same terms and conditions as permanent staff, equally indicates that the base rate for agency staff will have to fall. The reason they were paid more was because they did not have the same rights. They cannot have it both ways.

**Deputy John Halligan:** I have no argument.

**Deputy James Reilly:** The reliance on agency staff has been reduced considerably by the increased use of non-consultant hospital doctors.

Waterford Regional Hospital is working with the National Treatment Purchase Fund and the special delivery unit to focus on the strict chronological management of patients. It successfully reached a 12 month maximum waiting time at the end of 2011 and it is making reasonable progress this year. Like many hospitals, it will need to redouble its efforts between now and the end of March to maintain the 12 month maximum and avoid triggering the penalty mechanism but it is expected to meet its target. It is doing very well in regard to trolleys. The trolley count yesterday morning was six, with no long waits.

Unlike many other hospitals, it does not incur significant expenditure on agency nurses. Between December 2010 and December 2011 medical and dental staffing increased by 15 whole time equivalents. Nursing staff has decreased by 14, or 1.84%, which is below the national average.

I recognise it faces challenges but hospital management are on top of the situation and I expect it to deliver on its targets of ensuring that, by the end of the year, nobody will have waited longer than nine months for inpatient surgery and, from May onwards, anybody who attends its emergency department will not be waiting longer than nine hours before leaving for home or a ward. For 95% of people the figure will be six hours.

**Deputy John Halligan:** May I ask a brief supplementary question?

**An Leas-Cheann Comhairle:** I gave the Deputy a lot of time.

**Deputy John Halligan:** The Leas-Cheann Comhairle did not give me a lot of time.

**An Leas-Cheann Comhairle:** I gave him the same amount as everybody else.

**Deputy John Halligan:** My question concerns what will happen after 60 people leave the service in February. The regional manager has stated the departure of such numbers from the public service at Waterford Regional Hospital will inevitably lead to the closure of beds. I do not think the Minister answered that question.

**Deputy James Reilly:** The note before me does not indicate how many, if any, beds are going to close but the closure of beds will not necessarily result in a reduction in services.

**Deputy John Halligan:** The regional manager has indicated how many beds are going to close.

**Deputy James Reilly:** I am trying to explain to the Deputy that the hospital can make increased use of existing beds, day case surgeries and theatres. The productive theatre initiative

in Cork and elsewhere has resulted in a significant increase in the volume of work that theatres can manage. It saved €2.5 million in one year across five theatres. That is only 2.5% of the total number of theatres.

I have criticised the HSE in the past for its inability to transpose excellence across the system. Initiatives which were successful in one area were not being mirrored elsewhere. The special delivery unit and the clinical programmes are ensuring successful initiatives are implemented across the system. This takes time but we will no longer have islands of excellence, such as the ophthalmology service in Waterford, which are not transposed elsewhere.

We are operating under financial constraints in the context of a considerable budgetary reduction of €750 million. However, I have made sure that we do not have a linear reduction in services alongside budgets. A 7% cut does not lead to a 7% reduction in service. The maximum service cut in any hospital should be 3% and in most cases it will be considerably less than that. I am very confident that with the clinical programmes, the special delivery unit and co-operating with the excellent people on the front line, this will be achievable.

### Other Questions

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#### Patient Redress Scheme

6. **Deputy Gerry Adams** asked the Minister for Health if he has yet to achieve a mechanism, as promised in the Programme for Government, to compensate those women who were excluded, a significant number of these on age grounds alone, from the Lourdes Hospital redress scheme; and if he will make a statement on the matter. [8342/12]

**Deputy James Reilly:** I thank Deputy Ó Caoláin and his party leader, who may have gone up to the Gallery, for raising this matter. While we have our issues of dispute, we also have our areas of agreement and this is one area in which we were both involved prior to last year's general election. I am committed to finding a mechanism to compensate those women who were excluded on age grounds alone from the Our Lady of Lourdes Hospital redress scheme. My proposals for dealing with this sensitive situation are at an advanced stage. My Department is in discussions with the Office of the Attorney General and it is my intention that, barring any significant legal impediments, the proposals will be brought to Government in the near future.

I want to ensure that a robust and accessible mechanism is put in place to fulfil the Government's commitment to the women involved. I am working to bring this about and there will be consultation with Patient Focus on the matter.

**Deputy Caoimhghín Ó Caoláin:** I acknowledge the Minister's reply and I want to stay in a positive vein. I welcome the Minister's reaffirmation of his and the Government's commitment to ensure that the excluded 35 women are to have their cases not only acknowledged, but also properly compensated. I recall that we shared a platform on 25 January 2011 along with the Minister of State, Deputy Jan O'Sullivan, when a commitment was made. That was reiterated in the programme for Government and the Minister has made it again in a meeting with representatives of Patient Focus and some of the women who were subjected to some of the terrible atrocities carried out by Mr. Michael Neary in Our Lady of Lourdes Hospital in Drogheda. I understand that arising from that there was an expectation of an ongoing engagement and a letter was sent to the legal representative for the women on 3 November which stated that proposals had been formulated by the Department. That was a particularly straight statement and the Minister's response indicates his proposals are at an advanced stage. I ask him to clarify the position.

**An Leas-Cheann Comhairle:** I thank the Deputy.

**Deputy Caoimhghín Ó Caoláin:** I ask him to take on board that the Patient Focus representatives and the women themselves have not yet been engaged with by the Minister or his departmental officials on the enactment of the proposals. There is real concern that the commitment in the programme for Government refers to the age grounds alone. Of the 35 women excluded, 29 were excluded on age grounds alone. However, there were six others of the 35, including two who lost children in very distressing circumstances and under the same hand——

**An Leas-Cheann Comhairle:** I thank the Deputy.

**Deputy Caoimhghín Ó Caoláin:** ——for whom the absolutely unnecessary procedure was carried out without consultation with them and-or their husbands.

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

**Deputy Caoimhghín Ó Caoláin:** We seek clarification and certainty that we will not now exclude anybody else from among this number.

**An Leas-Cheann Comhairle:** I thank the Deputy.

**Deputy Caoimhghín Ó Caoláin:** We have always spoken about 35 women.

**Deputy James Reilly:** The commitment in the programme for Government is very clear and it defines the people concerned who were excluded on age grounds alone. In further meetings with Patient Focus I gave an undertaking to review the other cases and that review is ongoing. The Deputy has asked for some certainty and clarity on how much longer this process will take. Having spoken to officials no more than ten minutes before I came in here, my understanding is that it will be in the next few weeks. I would hope there would be engagement with Patient Focus and that the recommendations could be brought to Cabinet. I hope that clarifies matters for the many women who suffered at the hand of an individual who was clearly dysfunctional and did untold damage to many people's lives. As a past member of the medical profession that is something about which we are all deeply ashamed.

**Deputy Caoimhghín Ó Caoláin:** In the words of the Patient Focus spokesperson, Shelia O'Connor, all of these women, without exception, underwent negligent, damaging and unnecessary gynaecological procedures. While I welcome the certainty the Minister is sharing with us today on the 29 women, excluded from the redress scheme as established following Judge Maureen Harding Clark's deliberations as they were over 40 years of age. Regarding the other six cases I appeal to the Minister to leap the final hurdle here. Let us do it in a clean and full way leaving nobody hurt behind. All of these women, without exception, have gone through a dreadful experience that has impacted on their lives every day since and will continue for all their days in the future. My appeal is that the Minister would leave nobody out at this final hurdle.

**Deputy James Reilly:** I believe I have made my position clear and in so far as I can offer certainty, the certainty I have offered is that in the coming weeks we will be engaging with those who were excluded on age grounds and that I will bring proposals to Cabinet to bring a very stressful situation for them to an end as soon as is practicably possible. Regarding the people who are outside that, whom the Deputy is calling for to be treated in the same way, there are legal considerations that the Attorney General is examining at the moment. I am not in a position to give a commitment there other than to say that review is ongoing. I cannot pre-empt what the Attorney General's findings will be. I am very happy to say that the situation of those who were excluded on age grounds alone will be resolved in the very near future.

### Hospital Staff

7. **Deputy Catherine Murphy** asked the Minister for Health if, in view of the potential additional cost to the Health Service Executive because of the European Temporary Agency Directive, the arrangements that have been made to cover front line staffing by other means; his plans to introduce any initiatives whereby minimum numbers of front-line staff are kept constant; and if he will make a statement on the matter. [8292/12]

**Deputy James Reilly:** The HSE's national service plan 2012 commits to significantly reducing the volume of agency staff usage, with a target reduction of up to 50%. The plan also notes that the transposition into Irish law of the temporary agency workers directive will increase the unit cost of agency staffing. The service plan contains a commitment that overtime and agency staffing are not to be used to support service levels beyond those agreed in the plan or to substitute for staff losses.

I have no plans to specify minimum staffing numbers for front-line services. The impact of staff reductions, and particularly those occurring before the end of the present grace period, together with reduced financial resources, represents a significant challenge for the health system. The HSE's national service plan 2012, which I recently approved, sets out the actions to be taken to address this challenge. The executive is seeking to mitigate the impact of the retirements on front line services by: using the provisions of the public service agreement to bring about greater flexibilities in work practices and rosters, redeployment and other changes to achieve more efficient delivery of services; delivering greater productivity through the national clinical programmes to reduce average length of stay, improve day of admission surgery rates and increase the number of patients treated as day cases; and some limited and targeted recruitment in priority areas to help limit the impact of retirements on front line services.

**Deputy Catherine Murphy:** The HSE service plan states that continuing the current number of temporary agency staff would result in an additional cost of €30 million, which is substantial. How will this happen? It is not that we would wish that there would be a level of service in each individual hospital but that we would make it happen. Essentially I do not see how that can be done without setting a floor below which we cannot fall. That is the kind of thing that gives some certainty. Whether in an acute hospital or a general hospital, the ratio of beds to staff is critical. For example, in the case of nurses if it falls below a certain threshold problems arise. I cannot understand why there is no deliberate policy to try to keep it at a basic level. I am not arguing with the Minister about efficiencies or roster changes. They will deliver something. However, there is a level below which the service should not fall because the service cannot be delivered below that. This is the central point that concerns me about how it should happen.

**Deputy James Reilly:** I thank the Deputy opposite for raising this and I accept her concerns. However, different areas require different skill mixes. There is some rather bad mismatching of some of our services at the moment. I was examining our situation *vis-à-vis* nursing ratios to health care assistants in some of our community nursing units. In some cases the ratio is not even 1:1 and there are more nurses than care staff. The Royal College of Nursing in the United Kingdom recommends a nurse to health care assistant ratio of 1:2.5 for long-term nursing care units. Many areas have different staffing ratios and one would need to examine each area individually to set the limit under which one would not be prepared to go. A one-size-fits-all approach throughout the system is not possible. There will be different ratios for emergency departments, cardiology, intensive care, paediatrics, ICU in paediatrics and so on. Different ratios apply in these cases. This is work we could do and it should be done. We will consider it.

There is a significant issue in respect of the skill mix in the country. There are varying ratios of medical and nursing staff in various emergency departments. Often it is suggested that one

[Deputy James Reilly.]

is not comparing like with like and that it is a question of comparing apples and oranges because of the complexity of injuries and disease that some departments deal with *vis-à-vis* others. However, the bottom line is that agency staff are remarkably expensive and, as someone who has worked in hospitals, I am aware that they present a problem in respect of continuity of care. I would far prefer to see and to make it our policy that where we recruit staff for replacement, they will be new, permanent staff. Issues have been raised with me in the past about whether many retirees will be coming back into the system. This is not our intention and it will be very much the exception rather than the rule.

**Deputy Catherine Murphy:** I have listened to many of the Minister's replies recently. He has referred to dealing with this at an individual hospital level. However, the problem must be dealt with across the spectrum. I fully agree with Minister about a mismatch in services. This is obvious not only in front line services in hospitals but in other services such as speech and language therapy and occupational therapy services. There may be long waiting lists in one place and shorter waiting lists in another. One cannot simply move a person from Cork to Donegal if they have no wish to go but what if that is where the mismatch arises? I fully accept that there are different requirements whether for intensive care or accident and emergency departments. I fully accept the point made by the Minister in this regard. However, this is and should be measurable in terms of the historical information about the level of patient care in each department in a given hospital and the number of beds. I do not understand why a more targeted approach was not taken in respect of the redundancy package. It could have delivered a better outcome.

**Deputy James Reilly:** Deputy Murphy has raised an issue about the distribution of services at times. One need not go as far away as Donegal to find the issues. One need only consider the difference in the services for children with autism in Dublin, north and south, and the disparity in place. I have made it clear to those running the services that they must consult with the Minister of State, Deputy Lynch, and then come back with a plan that gives everyone a service rather than a Rolls Royce service for some and no service for others.

Another contention relates to safety. Dr. Philip Crowley is in charge of patient safety in the HSE. He is on the transitional programme as well to ensure any arrangements arrived at are safe. Our primary concern is to have a safe service and inherent in this is the idea that below a certain level is not safe and above it is safe. Any review must examine the case of each individual hospital and this is being done as part of the overall exercise, although not in the formal sense of figures being available for examination. However, I imagine if I seek them, I will get them.

**Deputy Caoimhghín Ó Caoláin:** The HSE has admitted that it has created a reliance on an unaffordable level of agency staff in recent years to maintain service provision. Some €200 million was spent last year on agency workers. The HSE has targeted a 50% reduction in the current year. Earlier this afternoon the Minister stated he would not lift the recruitment embargo, yet he has referred to a greater flexibility. We do not understand how this comes into play. The Minister has never spelt out how this greater flexibility offsets the intended and signalled cuts, the departure of some 4,200 staff from the health services by the end of this month which the Minister has acknowledged. Given a 50% cut in agency staff how will front line service provision be maintained? Will the Minister explain to the House and to the health spokespersons what his greater flexibility means and how it translates?

**Deputy James Reilly:** I will answer the last question first. It is straightforward. There is a moratorium on staff recruitment. Therefore, no new staff can be recruited. However, I have already informed the House that we are recruiting staff and this is where the flexibility lies. It

will arise in areas where it is essential to replace staff to maintain a safe service. For example, Deputy Kelleher raised the issue of staff in Limerick. Some 16.5 whole time equivalent midwives are going but 15 new people are coming in. This is taking place in maternity hospitals because it is an area at risk and we have identified it as such. Emergency departments are another at-risk area. More new consultants are being hired in some areas.

There was a debate last night on stroke care in Ireland and it will continue tonight. Deputy Murphy was one of the sponsors of the motion. Many new staff are being employed in the stroke programmes to bring about a far better stroke service that will save lives and a considerable amount of money as well. The important thing is for us to save lives and reduce morbidity, a negative side effect. The policy of a moratorium has had unintended effects in terms of incentivising expensive operational options such as using agency staff and we will redress this.

### **Eating Disorders**

8. **Deputy Jerry Buttimer** asked the Minister for Health if he will provide and update on the work of the special action group in obesity; the initiatives he plans to implement to tackle the issue of obesity; and if he will make a statement on the matter. [8385/12]

**Deputy James Reilly:** I thank Deputy Buttimer for raising this important and topical issue. The prevalence of overweight and obesity has increased at alarming speed in recent decades, to the extent that the World Health Organisation terms it a “global epidemic”. I saw an alarming slide produced at a talk I attended on the spread of obesity. It traced the spread throughout the USA starting in the 1960s. State after state became coloured in red. The disease has become widespread throughout the USA, Europe and Ireland.

Obesity affects all age groups of the Irish population. Of particular concern is the rising level of obesity among young children. Recent figures from research commissioned by the Department of Children and Youth Affairs found that an alarming figure of one in four children are overweight or obese at 3 years of age. Everyone knows that obese children have a high chance of becoming obese adults.

Last year I established a special action group on obesity chaired by my Department. The group includes representatives from the Department of Children and Youth Affairs, the Department of Education and Skills, the Health Service Executive, the Food Safety Authority of Ireland and SafeFood. Its remit is to examine and progress several measures to address the complex and multi-factorial problem of obesity. Alone no single initiative will reverse the trend, but a combination of measures should make a difference. The special action group is concentrating on a specific range of measures including healthy eating guidelines for the Irish population; restricting the marketing of food and drink high in fat, sugar or salt to children; nutritional labelling; calorie posting on restaurant menus; the promotion of physical activity; and the detection and treatment of obesity. The group will work with other Departments in a cross-sectoral approach to help halt the rise in overweight and obesity. I take this opportunity to welcome the work of Senator Eamonn Coghlan on physical fitness and its value.

As part of the group’s plan, earlier this month I launched a national consultation to seek opinions on the best way of putting calorie information on menus. This is an initiative I announced late last year when I wrote to fast food outlets and cafes requesting that they begin including calorie information on their menus. The consultation being conducted by the Food Safety Authority of Ireland is an opportunity for consumers and the food industry to give their views on how information on calories on menus can be best implemented in Ireland. The consultation will close at the end of February and the results, when analysed, will inform the next steps in the process.

[Deputy James Reilly.]

*Additional information not given on the floor of the House*

All the initiatives being considered by the special action group on obesity will form part of the development of a wide ranging public health policy framework which is being developed by my Department.

The aim of this initiative — Your Health is Your Wealth: A Policy Framework for a Healthier Ireland 2012-2020 — is to develop a high-level policy framework for health and well-being to cover the period 2012-20. It will address the broad determinants of health and health inequalities through our health services, community and education settings. It is anticipated that the review will identify a number of key lifestyle policy issues such as smoking, alcohol and obesity where further action is required. It will identify practical ways to strengthen working between sectors to promote and protect the health and well-being of all sectors in our society. The aim of this process is to engage leaders and policy makers across Government and society to recognise that improving the public's health is the responsibility of all sectors of society and not just the responsibility of the public health workforce.

**Deputy Jerry Buttimer:** I thank the Minister for his response. I agree with him that there is a need for collaboration and a multiagency approach with regard to obesity. The figures he has given are alarming, particularly the figure relating to those under the age of three. The Minister is correct to say that no single measure will address this problem.

With regard to the posting of calorie information on menus, the Minister said the consultation period ends at the end of this month. Will he give us a brief outline of what he hopes to do following the consultation period? The Minister mentioned Senator Coghlan, who has pioneered the issue of obesity in the Seanad. Is it possible the Minister will consider appointing an obesity czar?

**Deputy James Reilly:** Most of the big food chains have responded with regard to posting calorie information. I congratulate those contributing to debate on this issue in a progressive fashion and I look forward to meeting them in the not too distant future. Those who have responded include McDonald's, Kentucky Fried Chicken and others. People are entitled to make informed decisions. If they do not know the calorie content of what they are eating, they are not in the position to make that decision and are only guessing at the calorie content. The information needs to be posted. I commend McDonald's on starting to do that.

The responses of the various food chains will inform the debate and we also intend to bring in a voluntary code. However, if people do not adhere to the code and it does not prove fruitful, we will legislate. We are entitled to protect the well-being of our children and have a duty of care to do so. Equally, citizens are entitled to know what they are eating. The Food Safety Authority of Ireland will help establishments with the work. We do not expect small cafes to have the resources to measure the calorie content of everything they produce and the Food Safety Authority of Ireland will have a major role in doing that. We will be realistic about this. It is tough enough in business without putting additional costs on people. However, posting the calorie content of the food along with the price is not too much to ask.

On the question of an obesity czar, that is something we are considering. An inter-departmental group is working on this and we may look at Deputy Buttimer's suggestion to appoint a well-known person to this role.

**Deputy Jerry Buttimer:** It is important to have cross-party and cross-sector collaboration on this. The Minister is correct to say that no single measure will address the issue of obesity and the Joint Oireachtas Committee on Health and Children, of which Deputies Kelleher, Ó Caoláin and Regina Doherty are members, will prioritise this issue in the next month or so. I

agree that people are entitled to know what they are eating and the calorie content of that food. People must also be responsible for their choices and individual actions.

**Deputy Billy Kelleher:** I had a lot to say on this issue last night in the context of the Private Members' debate on stroke. It is clear an obesity epidemic faces society and that the epidemic in the United States has moved on to Europe and to the United Kingdom in particular. We have a habit of copy-cattng what happens there. Any efforts made to reduce obesity here will get cross-party support and I encourage the Minister, who spoke passionately last night on this issue, in that regard. There is no short term political gain in this, but there is an obligation on everybody to ensure we put this information in place in order to protect the future generation.

**Deputy Caoimhghín Ó Caoláin:** Will the special action group on obesity focus on children in primary and second level schools? The earlier we start to make an intervention, the better. We need to involve the Department of Education and Skills and other agencies because there is always a risk with the presentation of such information that we might stigmatise some people, particularly young people who might be overweight, which could contribute to other health related problems as they grow older. The greatest care must be employed in promoting fitness and good health with a particular focus on obesity.

**Deputy James Reilly:** I acknowledge the great cross-party co-operation there has been on this issue. As we are aware, obesity plays a significant role in stroke, high blood pressure and diabetes. It is worth repeating what I said last night, that if we do not address this issue, we may well be the first generation to bury the generation that follows us. In my earlier career as a GP, I never saw young people with type 2 diabetes, but now it is commonplace. This is frightening.

I agree with Deputy Ó Caoláin that we need early intervention education in primary and secondary schools because eating habits form early in life and are difficult to break. Hence the high incidence of obese adults who were obese as children.

### Hospital Waiting Lists

9. **Deputy Robert Troy** asked the Minister for Health the reason waiting times for adults waiting for elective treatments increased by 55% from 15,728 to 24,394 in the period April to November 2011; the reason waiting times for adults and children waiting for elective treatment increased by 47% from 18,319 to 26,910; and if he will make a statement on the matter. [8376/12]

**Deputy James Reilly:** It is very important to clarify immediately the correct information with regard to numbers waiting for procedures and the average waiting times. Waiting times have certainly not increased by 55%. I think the Deputy may have got confused between the increase in numbers waiting and the length of time patients are waiting. Between the end of December 2010 and 2012 the numbers waiting over 12 months fell by 80% for adults and 98% for children.

The correct figures for adults and children waiting for treatment in April 2011 was 24,179 and in November 2011 the figure was 26,832. This is an increase of 11% not 47%. The number of adults waiting for treatment was 21,851 in April 2011 and 24,403 in November 2011, an increase of 12% not 55%.

I have been absolutely clear that my priority for inpatient treatment is to deliver an equitable service within the resources available. For that reason, other than for cases of clinical urgency and cancer cases, I have introduced a strict policy of chronological management of inpatient waiting lists so those waiting longest are treated first. In July, I announced that no patient would wait longer than 12 months for treatment and that it was the responsibility of individual

[Deputy James Reilly.]

hospitals to meet this target. I am happy to say that all hospitals, bar two in Galway city, achieved this. We will now move to a nine months target by the end of this year.

I have also acknowledged from the outset that targeting those waiting longest would inevitably mean a modest increase in waiting times for some patients. This is inevitable because resources and capacity are limited. The median waiting times for April 2011 was 2.6 months, in November 2011 it was 2.7 months and in December 2011 it was 2.8 months. I would prefer if this could be avoided, but the average increase is a matter of days for many people, as opposed to years for some people.

**Deputy Billy Kelleher:** I welcome the Minister's statement that the figures may be a divergent view of his opinion of the correct figures. This is the kernel of the issue because there seems to be some difference of opinion between the HSE and the Department with regard to the method and calculation process, particularly in the context of the special delivery unit. This question was asked of the special delivery unit and when asked to explain the figure for people waiting 12 months, which seemed inordinately high, the Department said the figure of 14,000 was set by the special delivery unit in July and was based on the number on the list in December 2010 who, if they had remained on the list, would have been waiting for 12 months for care at the end of the year. That is just a mathematical fact. If these people had been on the list for 12 months or longer, they would have been waiting for 12 months or longer. Nobody stated they would definitely be on the list after 12 months and some of them would have been taken off the list if the special delivery unit had never been established. We will give time to the special delivery unit and we welcome any intervention in ensuring that we can drive down waiting lists. May we get absolute clarity on the basis of the figures? There seems to be a difference of opinions, at the very least.

**Deputy James Reilly:** I will be very clear. The special delivery unit was formed in June and became operational in September 2011. At that time the number of patients waiting longer than 12 months if they had not been treated by the end of December 2011 would have been 14,000. I have no doubt that had the special delivery unit not taken the action it had, we would have many thousands of people waiting longer than a year for treatment. That is unacceptable and it is inequitable. It is not nice for anybody to wait but it is far fairer that many people wait a few extra days as opposed to some people having to wait several months or years.

I will relate something I did not have to hand last night. Since the beginning of January this year there have been, on average, 50 fewer people on trolleys every day. That is six weeks of ongoing, consistent and measurable improvement in the number of people on trolleys. There are still far too many people on trolleys but we are making progress despite a reducing budget. I do not believe any other health service in the Western world has improved quality of service — as shown by the stroke units coming on stream and the improvements they have already brought about — against a backdrop of reducing budgets. I congratulate all those involved.

**Deputy Billy Kelleher:** The special delivery unit should not be taking credit for the massive reduction in the waiting lists. Many of those people would have been treated anyway, regardless of whether the special delivery unit was running. The idea that the special delivery unit decreased the number of people waiting from 14,000 to just short of 500 is not right. Many of those people would have received treatment anyway. If we are to have a serious benchmark of productivity in a unit we welcome and hope will succeed, we would want to start on a proper basis rather than trying to massage figures to show productivity is better than it is in reality.

**Deputy James Reilly:** Nobody is attempting to pretend that activity is any better than it is. This is measurable and real. I hope the Deputy is not disputing the Irish Nurses and Midwives Organisation trolley count, which is also very real.

**Deputy Billy Kelleher:** I never mentioned that.

**Deputy James Reilly:** Earlier, with *sotto voce*, the Deputy mentioned the word “could” and left out the word “if” from a gentleman’s statement. I put it to the Deputy that many of the 14,000 patients may have been treated anyway but I am not so certain that would have been the case.

### Hospital Procedures

10. **Deputy Seán Crowe** asked the Minister for Health if he will establish a scheme of redress including health benefits and entitlements, for victims of the practice of symphysiotomy in hospitals here; and if he will make a statement on the matter. [8335/12]

30. **Deputy Gerry Adams** asked the Minister for Health if he will establish an independent commission of inquiry, outside the control of the Institute of Obstetrics and Gynaecologists, and his Department, into the practice of symphysiotomy in hospitals here; and if he will make a statement on the matter. [8334/12]

**Deputy James Reilly:** I propose to take Questions Nos. 10 and 30 together.

My Department has just received a draft report from the independent academic researcher appointed to complete a report into the practice of symphysiotomy in Ireland. I have asked the Attorney General to consider the draft report and subject to her views, I propose to make the draft report available for consultation by interested parties. The draft report will then be finalised by the academic researcher, taking account of the consultative process and any legal considerations. I will consider the full report when it has been finalised, and I will then make decisions regarding the appropriate next steps.

I am very conscious of the distress that this procedure has caused to a number of women in the past and recognise the pain that this issue has caused to those affected by it. The Government is committed to dealing with it sensitively, so that if at all possible, closure can be brought to those affected by it. In the first instance, it is important to make sure that the health needs of those who have had a symphysiotomy are met quickly and effectively. With this in mind I am committed to ensuring that the greatest possible supports and services are made available to women who continue to suffer effects having undergone this procedure. The women concerned continue to receive attention and care through a number of services which have been put in place. These include the provision of medical cards, the availability of independent clinical advice and the organisation of individual pathways of care and the arrangement of appropriate follow-up.

The provision of these necessary support services for women is monitored and overseen by the HSE, which is committed to being proactive in seeking out and offering help to women who underwent a symphysiotomy.

**Deputy Caoimhghín Ó Caoláin:** Will the Minister agree that this barbaric act should never have been carried out in the first place? What we are looking at is a decreasing cohort because of the age profile and there is a need for great urgency in addressing the issue. They have been grievously wronged and the least that can be done for them is for these women to benefit from a redress scheme, including health benefits and entitlements. As noted in his reply, it may be the Minister’s understanding or assumption that all of these people are in receipt of health benefits and entitlements but the contrary is the case, they are not all in receipt of such services and this is a serious matter. I met these people in recent weeks and I can indicate that such services do not apply across the board.

The key question for each of these women is whether the Minister will establish a truly independent inquiry. Will he put a timeframe on the Attorney General’s consideration and

[Deputy Caoimhghín Ó Caoláin.]

when does he expect to be in a position to announce specific details of a redress scheme that will address the needs of these women?

**Deputy James Reilly:** I reject the Deputy's contention that this was a barbaric act, although its use in certain circumstances may well transpire to have been utterly inappropriate. It was a standard procedure at one time and it was reintroduced to certain Irish hospitals in the 1940s as a clinical response to the limitation imposed by specifically Catholic religious and ideological circumstances. The primary reasons were the fact that contraception and sterilisation for the prevention of pregnancy was illegal, and the safety of repeat Caesarean sections in the period was unproven. The method was used in the majority of cases as an emergency response to obstructed labour in women suffering from mild to moderate disproportion, and as such it was an appropriate clinical intervention. It was never proposed as an alternative to Caesarean section, rates of which rose steadily in the 1950s and 1960s. It was a safer intervention in cases of mild to moderate disproportion, with a minimal maternal mortality rate and a lower foetal mortality rate than Caesarean section at the time.

It was an exceptional intervention used, on average, in 0.35% of deliveries in the Coombe and National Maternity hospitals, where the usage was highest. However, the persistence of the procedure at Our Lady of Lourdes Hospital in Drogheda until 1984 runs contrary to its decline elsewhere in the country from the middle 1960s and I have little doubt that it was used very inappropriately in several instances. That is why the report is being currently compiled and why the Attorney General will study it. When it comes back to me I will be in a better position to respond.

**Deputy Caoimhghín Ó Caoláin:** Has the Minister any idea of the timeframe for the Attorney General's consideration? Will he again address the core issues of the needs of these women? Will he recognise the age profile of the greater number of them and that there is a need to be expeditious? We must see redress in place and we must have a full public and truly independent inquiry rather than an exercise carried out by the profession in question.

**Deputy James Reilly:** I have given the Deputy the most comprehensive answer I can. I will add only that where this procedure was used inappropriately — there were instances, apparently, where it was used after a baby's delivery, which is utterly disgraceful — it will be examined by the Attorney General, with action taken to redress the issue for the women who went through unnecessary pain. There were consequent mobility issues, discomfort, upset and difficulty in living their lives thereafter. I know people who had that procedure and have sadly passed on. I am aware of the dysfunctionality it caused them in their daily lives. It impaired their ability to do an ordinary day's work, to look after their children and to have any enjoyment of life. This serious issue has all sorts of legal ramifications. It would be wrong of me to pre-empt the report. It would be wrong and irresponsible of me, on behalf of the State, to pre-empt what the Attorney General will have to say.

*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 each case: (1) Deputy Arthur Spring — proposed cuts to family resource centres; (2) Deputy Kevin Humphreys — the need to address delays in the processing of applications for carer's allowance; (3) Deputy Simon Harris — the ongoing situation in Syria; (4) Deputy Patrick O'Donovan — the need to consider seeking out a well-known personality to head up a campaign to tackle obesity in order to combat diabetes; (5) Deputy Mattie McGrath — the shortage

in the resources provided to the Garda in rural areas to tackle crime; (6) Deputies Aengus Ó Snodaigh and Joan Collins — the need to provide suitable alternative local drug treatment facilities in Ballyfermot, Dublin; (7) Deputy Brian Stanley — the need for the Industrial Development Agency to attract investments and jobs to the midlands; (8) Deputy Michael Healy-Rae — the need to initiate a cull of seals; (9) Deputy Anne Ferris — the need to advertise the fact that people can continue to use their medical cards with GPs and pharmacists while waiting for new cards to be issued; (10) Deputy Michael McNamara — the Limerick northern distributor road; (11) Deputy Derek Keating — the need to maintain funding to drug task force services; (12) Deputy Éamon Ó Cuív — the need to ensure adequate resources are provided to community employment schemes run by the Galway centre for independent living; (13) Deputy Thomas P. Broughan — the need to resolve the problems faced by residents of Priory Hall, Dublin; (14) Deputy Noel Harrington — the status and intended timetable for completion of the Bantry bypass, County Cork; (15) Deputy Martin Ferris — the criteria for awarding contracts by State companies; (16) Deputy Seamus Healy — the reason that advertisements have been placed in local newspapers seeking to lease property in Clonmel, Mullingar and Cavan for use by the Reserve Defence Force; (17) Deputy Aodhán Ó Ríordáin — the process to expunge the criminal records of all persons convicted and detained as minors within residential institutions; (18) Deputy John Lyons — marriage equality in the context of the upcoming constitutional convention; (19) Deputy Clare Daly — the proposed sale of State assets; (20) Deputy Michael Lowry — the funding being provided by the State to Aiséirí treatment centres; (21) Deputy Timmy Dooley — the financial problems being faced by many county councils; (22) Deputy Mick Wallace — the imminent closure of community employment schemes at Ferns, Tagoat and Grantstown, County Wexford; (23) Deputy Richard Boyd Barrett — the application for a foreshore licence in Dublin Bay by Providence Resources; (24) Deputy Robert Troy — issues relating to the closure of Columb Barracks, Mullingar, County Westmeath; and (25) Deputy Dessie Ellis — the abolition of the Dublin fire fighters panel.

The matters raised by Deputies Kevin Humphreys, Aengus Ó Snodaigh and Joan Collins, Patrick O'Donovan and Noel Harrington have been selected for discussion.

### Topical Issue Debate

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### Social Welfare Benefits

**Deputy Kevin Humphreys:** I welcome the Minister, Deputy Burton, to the Chamber. This is an important issue in her constituency. Every Deputy in the House is affected by it. I know the Minister has a difficult job. Her Department has borne the brunt of the need to deal with many of the effects of the recession. There has been a major increase in the number of people applying for assistance. The Minister has to work within the current budgetary constraints. Her Department is having to deal with the integration of community welfare officers and staff from FÁS. The specific issue I am raising is the average time one has to wait for a claim for carer's allowance to be processed. It was 17 weeks, or over four months, in September 2011. One has to wait longer in the event of an appeal. These delays are causing a real difficulty on the ground for the most vulnerable people. Carers deliver an invaluable service to the community. The level of care and assistance they provide would cost the State much more if our hospitals and community services had to step into the breach. Carers provide their services to a range of people, including older people, those with severe disabilities, people who unfortunately have terminal illnesses and children with special needs. In September 2011, almost 10,000 applicants for carer's allowance were waiting for decisions to be made. I can understand that delays are being caused by the volume of applications. I ask the Minister to do everything she

[Deputy Kevin Humphreys.]

can to hasten the process of ensuring those who qualify for carer's allowance receive payments as quickly as possible.

**Deputy Joan Burton:** I thank Deputy Kevin Humphreys for raising this important issue. Approximately 52,000 people are currently in receipt of carer's allowance. Approximately 22,000 of them receive the half-rate carer's allowance in addition to another primary social welfare payment. The rates of payment for carer's allowance were maintained in budget 2012. In addition, no changes were made to the means test for carer's allowance. The current income disregards for eligibility for the allowance — the amounts recipients can earn that are not counted for the means test — are €332 per week for a single person and €655 per week for a couple. The increased payment for those caring for more than one person was also retained. Carers continue to get an annual respite care grant of €1,700 in respect of each person for whom they care. In the third quarter of 2011, the average time taken to award a carer's allowance application was 17 weeks. Figures for the last quarter of 2011 are not yet available as a consequence of the introduction of a new claims processing system in the carer's allowance area. New claims are being processed on the new system but older claims are still being processed on the old system. Figures for processing times in January on the new system will be available shortly.

To meet the challenge of increased volumes of new claims for its schemes, the Department has embarked on a major programme of process redesign and modernisation, including the deployment of new computer systems. This new processing system is being introduced for the carer's allowance scheme. The first tranche of new carer's allowance claims began to be processed under the new system in August 2011. It is anticipated that the new system will introduce significant processing efficiencies and provide a quicker and more responsive service to the customer. Accordingly, the project is being given high priority. As it involves a significant level of time and commitment from the relevant staff in the Department, it has had a short-term negative impact on claim processing times. This is expected to continue until the completion of the modernisation project in June of this year, when all existing carer's allowance claims will be transferred to the new processing system.

Some 7,698 applications are registered as awaiting a decision at present. This marks a reduction from the figure of 8,540 at the beginning of September 2011. I acknowledge that the time taken to process carer's allowance claims at present is not satisfactory. I am satisfied that the Department is taking appropriate steps to resolve the situation. In addition to dealing with the approximately 330 new carer's allowance applications that are received each week, overtime working is being applied to help to reduce the backlogs that have built up. A significant number of months are expected to elapse before the backlog is reduced to an acceptable level. While the new systems and processes will facilitate a significant improvement in overall processing times, it should be noted that individual claims may continue to take some time to process. Delays can also arise if those applying for the allowance are not in a position to supply all the necessary information in support of their claims.

In the meantime, if a person's means are insufficient to meet his or her needs while awaiting a decision on a claim, he or she can apply for a means-tested supplementary welfare allowance payment. As a result of the large increase in the volume of applications, the Department correctly decided to move to a new system that will process claims more efficiently and quickly. This effect will be most noticeable in cases of claims that are completely in order. However, the transition to the new system means it is more complicated. We hope to have this process finished by the end of June.

**Deputy Kevin Humphreys:** I thank the Minister for her response. I am pleased that she will prioritise this matter. Carer's allowance is important to many of the families that make these applications. In December, almost 7,000 people were awaiting decisions on applications for disability allowance. I recognise that the Minister has prioritised this matter, but there is quite a way to go. These delays are having a real impact on families on the ground. I would also like to highlight the delays in processing claims for disability allowance. Some 7,000 people are waiting for decisions to be made. I accept what the Minister has said about prioritising this issue. The backlog needs to be dealt with quickly and efficiently. I am delighted to hear that the required changes and reforms in the process are well under way. I ask the Minister to keep a watchful eye on this and to press forward with the reforms in these areas as quickly and smoothly as possible, for the benefit of applicants.

**Deputy Joan Burton:** I agree with what the Deputy is saying. I hope the final outcome will represent a significant improvement. In many cases, the status and eligibility of the claim, and the way it is presented, mean it is highly likely that carer's allowance will be awarded. If we can move to a system whereby the claim is complete when the application is first made, it will be possible for much clearer and faster decisions to be made. Claims that are complete and therefore highly likely to be awarded, in the particular family or individual circumstances that arise with regard to caring, should be facilitated. As in many areas of social protection, in this area there has been a substantial increase in the volume of applications and in the complexity of some of them. The staff of the Department of Social Protection have a good record of responding to changes in the volume and type of applications. I am confident that by the end of June, when we have completed our transition to the new system, there will be a significant improvement in this regard. I appreciate what the Deputy has said about the importance of the carer's allowance. For that reason, I did my best to maintain carer's allowance payments, along with payments to pensioners, in the recent budget.

### **Drug Treatment Programme**

**Deputy Aengus Ó Snodaigh:** I wish to share two minutes of my time with Deputy Michael Conaghan. I do so because the issue I raise is not party political in nature. All public representatives in the Dublin South-Central constituency, especially those who represent the Ballyfermot area, share the same view on it.

The Aisling Clinic is one of the oldest drug treatment clinics in Dublin and the second largest such clinic in the city. Some 120 people avail of its services daily and 150 people attend on a weekly basis. While the service provided is second to none, it is somewhat chaotic because the building in which it is located has never been fit for purpose. For this reason, no one will demand that the clinic be kept open forever. However, we demand that a service be provided in the catchment area of Ballyfermot, which has one of the largest heroin problems in the country. An alternative site in the area has not been offered.

At a meeting last week, public representatives and some of the service users were informed that two centres in the Cherry Orchard Hospital complex would be more than suitable to be exchanged for the Aisling Clinic. Such an exchange would allow a vital service to be maintained in the community and adjacent to a new mental health centre located on the hospital site. Further, a new primary care health centre is due to be transferred to the site. It would be logical, therefore, to retain all services on one site. We must also ensure those who use the clinic's drug treatment services remain free from harm. Many of them are concerned that trouble may occur if the service is transferred to Clondalkin or the south inner city where some of them have clashed with people using the local services. It is also possible that some users may disengage from drug treatment. I appeal to the Minister of State to review the proposal

[Deputy Aengus Ó Snodaigh.]

to close the Aisling Clinic in March and consider using alternative sites on the Cherry Orchard Hospital complex. I ask that some of my time be given to Deputy Conaghan.

**An Ceann Comhairle:** Unfortunately, that is not possible. I must act strictly in accordance with Standing Orders, under which Deputies must submit a request before 10 a.m. As Deputies Ó Snodaigh and Joan Collins are the only two Deputies who raised this topical issue, I am not in a position to do anything.

**Deputy Michael Conaghan:** May I explain the position? I submitted a matter for discussion yesterday.

**An Ceann Comhairle:** It was not submitted today.

**Deputy Michael Conaghan:** I was not aware that was necessary. I understood one submitted the request and waited until it was reached by the Ceann Comhairle.

**An Ceann Comhairle:** I am sorry but I cannot help the Deputy. To do so would create a precedent.

**Deputy Michael Conaghan:** I was not aware of the rule.

**An Ceann Comhairle:** I understand the Deputy's position.

**Deputy Joan Collins:** Deputies Ó Snodaigh, Conaghan and I attended a meeting in Ballyfermot last Thursday night arranged by service providers and clients of the Aisling Clinic. Those present were confused, angry, concerned, anxious and stressed by the decision to close the centre by the end of March. It appears a follow up plan has not been put in place for after the closure. Some service users will be asked to avail of the services of their general practitioners, while others will be sent to St. Stephen's Hospital, another centre in Clondalkin and a new health clinic which is being built. Many of those present expressed the view that using the new clinic would put client confidentiality at risk. The Aisling Clinic provides counselling for clients and their families and a wounds clinic and mental health services are available on campus. Confidentiality is at the top of the agenda of those who use the centre.

The Aisling Clinic has been in operation for 21 years which means the average age of clients is probably the highest of any such centre in Dublin. Some users started attending the centre when they were 17, 18 or 19 years of age and are now in their late 30s or early 40s. This group is very attached to the centre and reliant on its medication and counselling services. I was shocked to learn of how the clients of the clinic have been treated as a result of the decision to close the centre. The meeting heard that units 4 and 5 of Cherry Orchard Hospital could be used to maintain the service provided by the Aisling Clinic.

On behalf of Deputies Conaghan and Ó Snodaigh, the users of the Aisling Clinic and people of Ballyfermot, I appeal to the Minister of State to have the decision reversed. People are concerned that the closure of the clinic could result in many people in the area becoming highly dysfunctional, especially as 83% of the users of the service live in Ballyfermot. I await the Minister of State's response.

**Minister of State at the Department of Health (Deputy Róisín Shortall):** I thank Deputies Ó Snodaigh and Joan Collins for raising this issue, which is a matter of concern to all local Deputies.

The Aisling Clinic is located in the grounds of the Cherry Orchard Hospital in Ballyfermot. The centre provides a range of integrated addiction services for those affected by substance misuse, in particular, polydrug use. The services available at the clinic include general prac-

titioner, nursing and counselling services; pharmacy; methadone maintenance; needle exchange; and community welfare officer services. The opening hours of the clinic are from 9 a.m. to 7 p.m. between Monday and Friday and from 10 a.m. until 1 p.m. at weekends. At present, 190 people affected by problem drug use attend the Aisling Clinic day programme and 67 attend the evening programme. The services currently operate from a small four bedroom house on the grounds of the hospital. This accommodation is considered inadequate and inappropriate for this number of patients. It is planned to demolish the premises in 2013 to facilitate the construction of premises to accommodate new inpatient child psychiatry services on the site of Cherry Orchard Hospital.

The Ballyfermot primary care centre is nearing completion and the Health Service Executive addiction service has been requested to have a presence on the site by 31 March this year. The area available in the centre is not sufficient for the large number of patients attending the Aisling Clinic. In view of this, a HSE led working group has been established to examine the options available for the delivery of the addiction services elsewhere. The objective of the group is to achieve a seamless transition to the appropriate site. Its membership is comprised of clinic personnel, namely, the pharmacist, nurse, general practitioner, administrator, senior general assistant and rehabilitation worker. The group, which meets twice monthly, is to report back to the area operations manager with recommendations on the available options by the end of April.

I am aware that clients of the Aisling Clinic may be concerned about the implications for their treatment arising from the plans to transfer the service to alternative accommodation. I have been assured by the HSE that the transition to the new arrangements will not result in a disruption of services. The HSE service plan for 2012 envisages that the health of the population will be managed, as far as possible, within a primary care setting. Those with additional or complex needs will have plans of care developed with the local primary care team, which will co-ordinate all care required with specialist services in the community. Notwithstanding developments at the Cherry Orchard Hospital site, we should seek to integrate drug services in primary care. This will be a challenge. However, if a local GP treats a person's ingrowing toenail, there is no reason he or she should not deal with other aspects of a person's care. If a person who requires ongoing care for arthritis also has a problem with addiction, there is no reason he or she should not attend his or her local GP and receive services for both problems, ideally through a primary care team.

The plan contains a specific target on the development of protocols signposting referral pathways between specialist addiction services and primary care services. The location of the addiction service is not the key issue. The central issue is to ensure that clients with alcohol or substance misuse disorders will have access to appropriate interventions and treatment and rehabilitation services. A client centred approach is key to providing a continuum of care to problem drug users to enable them to address their health needs, as well as their general social, housing, educational and employment needs. This integrated approach is also recognised in the report of the national substance misuse strategy steering group which recommends the establishment of a clinical directorate to develop the clinical and organisational governance framework that will underpin treatment and rehabilitation services.

**Deputy Aengus Ó Snodaigh:** The logic of the Minister of State's response is that the services provided by the Aisling Clinic should be retained on-site in the Cherry Orchard Hospital or, at least, in the Ballyfermot area. She noted that services should be linked to a primary care centre and referred to a continuum of care to address general social, housing, educational and employment needs. If one is in Ballyfermot, one is in the Dublin City Council area and there is a council office down the road. The local employment service is in Ballyfermot, not Clondalkin.

[Deputy Aengus Ó Snodaigh.]

There is a logic here, which is why we are appealing to the Minister to intervene and ensure that the Aisling Clinic does not close in March or April, but remains open until such time as a suitable site is found for the cohort of recovering drug addicts and alcoholics who attend this clinic. There is quite a number. There is not sufficient capacity among the local doctors or pharmacies to take on these clients. They have already taken on a quota. There are 120 people from Ballyfermot attending this clinic daily and 150 who attend it weekly. That is the scale of the service offered by the centre and the challenge for the Minister and the HSE is to locate these services in Ballyfermot.

**Deputy Joan Collins:** I have taken on board the points made by the Minister. A group has been set up comprising existing clinic personnel. I note there is no service user in that group to discuss how it impacts on service users or any change in the seamless transition.

I make the same appeal as Deputy Ó Snodaigh. A number of people use the service in Ballyfermot and the local area office is located there. There is a cohesiveness in Ballyfermot in terms of the service it gives in the community. I appeal to the Minister to keep the centre open until everything is addressed, including the concerns of the service users. It was pointed out to me that most general practitioners, GPs, will not see drugs clients after 9 a.m. That is a change from having a service in place to give the person 100% support, with all the facilities on the campus. To be put into a situation under a GP is a retrograde step for the people concerned. I ask the Minister to keep the centre open until another site is found for it. Units 4 and 5 would appear to be ideal.

**Deputy Róisín Shortall:** I accept the points made by the Deputies. This issue just came to my attention this afternoon. I have been in the Chamber since 2.30 p.m. today so I did not have a chance to research the matter. I am told there is no plan to move all of the services to Clondalkin and Dr. Steeven's Hospital, so that is not being proposed. I do not have any information with me regarding the possibility of using Units 4 and 5 in Cherry Orchard Hospital but I will pursue that on behalf of the local Deputies and see if there is any possibility of them being brought into use.

I do not know why 31 March is the deadline. The group that has been set up has until the end of April to report, so there should be no question of services being suspended in the interim. We must ensure services are protected and that the needs of clients are catered for properly. I will examine this matter and revert back to the Deputies concerned.

**An Ceann Comhairle:** I apologise to Deputy Conaghan that I could not allow him to raise his matter, but I am sure he will understand. It was a misunderstanding on his part.

**Deputy Michael Conaghan:** It was my understanding that one could leave the notice in for the week and it would be reached.

**An Ceann Comhairle:** No, it must be submitted each day. Sometimes people are not available the next day so the Member must submit it each day.

**Deputy Michael Conaghan:** Okay.

### Health Promotion

**Deputy Patrick O'Donovan:** I thank the Ceann Comhairle for selecting this issue for the Topical Issues debate. I was listening to questions to the Minister for Health earlier and this issue was raised. It was also raised in the House last night.

My interest springs from my background as a primary teacher. The problem of childhood obesity, which will progress to adult obesity in the future, is for this generation what tuberculosis, TB, was for my grandparents' generation. It is probably the biggest public health issue facing this country in the long term. It is important that we tackle it for a number of reasons. My suggestion to the Minister is to examine the concept of putting a personality in place to lead a campaign on the issue. Consider our experience of putting a personality such as Gay Byrne in the Road Safety Authority and the work he has done in raising public awareness and bringing the public with him, in a non-political and non-confrontational manner. People across the spectrum respect him.

Obesity is an issue of great importance from a public health point of view and given that a quarter of all three year olds at present are either overweight or obese, it is not a matter we can afford to put on the back burner. In 1990, one in ten Irish men was either overweight or obese. The figure is now one in four. This problem is being tracked and it is progressing. Even the OECD has put Ireland centre stage in tracking obesity in a suite of countries. Ireland is on an upward trend while countries such as the United States and New Zealand are on a downward trend. They are making huge strides in their efforts to deal with this. The personality entrusted with much of the work on this by the United States is the First Lady. She has taken the initiative, through her position in the White House, to do something as simple as encouraging people to eat healthily, especially people with the socioeconomic backgrounds that might not necessarily give them the skill base to deal with this issue.

Diabetes is currently costing the State approximately €4 billion per year, and Type 2 diabetes is a killer disease. For this generation, it must be tackled in the same way as smoking was tackled previously. In the case of cancer, we have the National Cancer Registry. I complimented Deputy Maureen O'Sullivan last night on the Private Members' motion she tabled with her colleagues in the Technical Group regarding stroke. The problem of obesity will not go away. While RTE is to be complimented on the topical issue it has brought to the airwaves this month and last month in the programme "Operation Transformation", we need that on a 12 month basis.

We also need a personality who will hold to account the Department of Health, the HSE and the other Government Departments. This is not just a matter for the Department of Health, and responsibility for it does not just rest with the Minister. It is also a matter for the Departments of Education and Skills; Transport, Tourism and Sport; Social Protection; Jobs, Enterprise and Innovation; and Arts, Heritage and the Gaeltacht. All have a role in this in terms of changing the lifestyle in the country.

Earlier, the Minister answered a question on this matter from my colleague, Deputy Buttimer. This is not about levying taxes or imposing a sugar tax, although that might very well be part of it. There is corporate responsibility here as well on the part of the games industry. Children and young adults get a new game for Christmas — I will not mention the names of the games — and spend their time in front of the television. It encourages them to be addictive. They think that by playing a game they will get active in some way. Instead, they are sitting in front of a television morning, noon and night. There has been a cultural shift in this country in terms of activity and what we expect from our young people.

A national advocate or czar would have the moral authority to go to the Department of Education and Skills and demand that it consider giving youngsters the option of taking physical education as an examination subject in the junior certificate. There is also the option of taking it as an examination subject in the leaving certificate and getting points for it. At present, many children are facing huge psychological problems due to their weight. This is a huge problem in social media as well. They do not appear to have an outlet whereby they can focus

[Deputy Patrick O'Donovan.]

their attention on dealing with this in a manner in which it will make a real difference to their lives.

**Deputy Róisín Shortall:** I thank Deputy O'Donovan for raising this issue. The global epidemic of obesity is a major public health problem throughout Europe, and 61% of Irish adults are now overweight or obese. The high levels of obesity in all age groups of the Irish population are increasing. It is not just a problem for adults but we now have the dreadful situation where one in four children is overweight or obese. That will pose huge challenges for the health service in coming years.

During 2011 the Minister for Health established a special action group on obesity, chaired by the Department of Health and comprising representatives of other Government Departments, the HSE, the FSAI and *Safefood*. Its remit is to examine and progress, in a cross-sectoral approach, a number of issues to address the complex and multi-factoral problem of obesity. No single initiative will reverse the trend, but a combination of measures should make a difference.

The special action group is concentrating on a specific range of measures, including healthy eating guidelines for the Irish population; restricting the marketing of food and drink high in fat, sugar or salt to children; nutritional labelling; calorie posting on restaurant menus; the promotion of physical activity and the detection and treatment of obesity. As part of the work plan of this group, earlier this month the Minister launched a national consultation to seek opinions on the best way to put calorie information on menus in Ireland. The consultation will close on 29 February 2012 and the results, when analysed, will inform the next steps in the process. An important initiative under way in the Department is entitled *Your Health is Your Wealth: A Policy Framework for a Healthier Ireland 2012-2020*. It is anticipated that the review will identify a number of key lifestyle policy issues, such as smoking, alcohol and obesity, where further action is required. It is important to build a consensus across sectors and to engage stakeholders such as non-governmental organisations and the sporting bodies. All the initiatives being considered by the special action group on obesity will form part of the development of the public health policy framework, to enhance the health and well-being of all the population. Diabetes is an issue of great concern and is related to the problem of the large number of people who are overweight and obese. The trend of diabetes is set to continue for the foreseeable future. In Ireland the current prevalence of diabetes in adults, Type 1 and Type 2 combined, is estimated at 5% or just over 162,000 people. This is expected to rise to 5.6% or almost 200,000 by 2015. The majority of people with diabetes have Type 2. A significant proportion of the cost of diabetes care is attributable to the management and treatment of complications.

There are proposals to roll out the diabetes chronic disease management programme, which is an important development. To manage that situation, which poses such a threat to people's well-being, health and the health service, it is critical that people take steps to change their lifestyles. Some 80% of chronic disease can be avoided through changes in lifestyle. The Minister and I are engaged in this issue and we intend to harness all the resources available to us to get to the point where it is a matter of course that people play an active part in ensuring they lead balanced, healthy and active lives so that they contribute to maintaining their good health and well-being. I thank Deputy O'Donovan for raising this issue.

**Deputy Patrick O'Donovan:** We want to bring a younger generation with us, who will look up to an individual who they can trust in terms of making lifestyle changes. The Minister of State is correct that this is all about lifestyle, what we are ingesting and how little this nation is moving. In order to make a change, politicians are not necessarily the best placed people to encourage others. We could empower a national czar who could hold the Government to

account and give it a checklist. The Taoiseach and Tánaiste said that, by 2016, they want Ireland to be the best small country in the world in which to do business, to grow old and to raise a family. By 2016, we also should be the best country at tackling these lifestyle diseases because we are storing up a huge problem with the diabetes issue, not to mention asthma, cardiovascular disease and stroke.

Voluntary organisations are inclined to encourage people towards a healthier lifestyle and when they are printing literature or taking our advertisements they should be exempt from VAT. There is no point in someone taking out a half-page advertisement in a national newspaper to encourage people to eat properly when the Government is the recipient of the VAT. The voluntary organisation is doing the State a favour. Someone trusted by the people should have oversight and the political speech should be taken out of it so that everyone is brought under one umbrella to tackle the largest public health issue facing this generation.

**Deputy Róisín Shortall:** The development of the new public health policy, which will be finalised in the middle of this year, will concentrate on the issue of lifestyle and the implications for a person's health and well-being. There will be an emphasis on getting across that message to young people in particular. This is not a matter just for the Department of Health; all other Departments need to play their parts, particularly in respect of education, where we have a captive audience in schools. That is where we must concentrate on getting the message out to young people.

I take the point with regard to having a personality leading this campaign to give the issue a profile although I do not know if there is a possibility of having a czar. The personality idea is a good one and I will take it up with the Minister for Health.

### **Road Network**

**Deputy Noel Harrington:** On my behalf, and on behalf of the people of Bantry, I thank the Ceann Comhairle for allowing this matter to be discussed and I thank the Minister of State for attending to respond. I want to know the status of the plans to build the Bantry bypass and the intended timetable for the project. Bantry overlooks Bantry Bay in the heart of west Cork and is a large market town, acting as a hub in the south west, providing commercial, retail and tourism and leisure facilities for locals and visitors. As one of the larger towns in west Cork, it has a population of 4,000 people and serves a catchment area of 12,000 people. It is a busy community with plenty activity all year round. Bantry is in the heart of the area and serves an area that is as large as some counties. It serves the local community very well and provides the lifeblood for the local population and business. Like any heart, with years of abuse with traffic congestion, it badly needs a bypass. The heart can then rebuild and regenerate.

Tourism is an important part of the Department's brief and Bantry is a key hub for tourists visiting the region. Unfortunately, the commercial, tourism, agriculture and commuting traffic is pitched into a single town where the topography is difficult. The Minister for Transport, Tourism and Sport, Deputy Varadkar, is aware that Bantry will host the West Cork Chamber Music Festival, the Masters of Tradition Irish Music Festival, the West Cork Literary Festival, the Bay Run half marathon with 1,000 participants, the Irish National Windsurfing Championships, the Fastnet Rally and the Bantry show. These are annual events and it lends to difficulties for Bantry in terms of traffic congestion.

The Bantry regional general hospital is on or near the proposed route and I do not have to spell out the difficulties that may occur with emergencies. I referred to the N71 and the nature of the traffic on this single carriageway route from Cork, through the southern part of the constituency to Bantry and on to Kerry. It must deal with agricultural, tourism and commuting traffic, which leads to congestion throughout the route. There are also significant fisheries loads

[Deputy Noel Harrington.]

at peak times of the weekend, which adds to congestion. It is the fourth largest harbour in terms of tonnage and the case always has been made and agreed that there is a requirement for a bypass in Bantry.

To this end, Cork County Council has played a significant role in acquiring land. The process is practically complete and the remainder of the lands needed have been agreed already with the council. The project is shovel ready. The proposal is even more critical because a new secondary school was constructed in Bantry. It is due to open later this year and is an amalgamation of three schools in the region. One can imagine the congestion when the pupils of three schools from separate areas are now focused in one area. This lead to congestion and danger for pedestrians and young teenagers attending school. Unlike the constituency of the Minister of State, Cork South-West does not have a single inch of dual carriageway or motorway. There is a single carriageway throughout the constituency, which leads to a lot of difficulties especially around Bantry.

**Minister of State at the Department of Transport, Tourism and Sport (Deputy Alan Kelly):** My constituency is in the heart of Ireland and to get anywhere one has to go through it, hence the motorway.

I am taking this debate on behalf of my colleague, the Minister for Transport, Deputy Varadkar, and I thank the Deputy for the opportunity to address this issue in the House. The improvement and maintenance of regional and local roads is the statutory responsibility of each local authority, in accordance with the provisions of section 13 of the Roads Act 1993. Work on those roads is funded from local authorities own resources, supplemented by State road grants paid by my Department. The initial selection and prioritisation of works to be funded is also a matter for local authorities.

My colleague, the Minister, Deputy Varadkar, announced the 2012 regional and local road grant allocations on 30 January 2012. This year, a total of €379 million is being provided under the regional and local roads investment programme. From that allocation, Cork County Council has been provided with an allocation of €45.3 million.

The level of grants allocated to individual local authorities is determined having regard to a number of factors. These factors include the total funds available in a particular year, eligibility criteria for the different road grant schemes, road pavement conditions, length of road network, the need to prioritise projects and competing demands from other local authorities. In determining the annual grant allocation, the overall objective remains to supplement the resources provided by each local authority in a fair and appropriate manner.

In November 2011, Cork County Council wrote to my Department seeking funding for the Bantry relief road as a strategic regional and local road scheme. This stream of grants was introduced in 2006 to cater for schemes that make a significant contribution towards the aims of the national spatial strategy. The council informed my Department that this project could be broken into two phases, phase 1 had received Part 8 planning approval and that the compulsory purchase order for this phase had been published and confirmed.

My Department replied to the council on 23 November 2011 requesting it to complete the appropriate application form in order for the project to be given full consideration. To date this application form has not been returned by the council. It should be noted that the funding available for projects under the strategic regional and local roads programme in 2012 is just €20 million, down from €87 million in 2008. This will of necessity restrict the funding for new projects with priority being given to projects already committed to.

As I stated, primary responsibility for the improvement and maintenance of regional and local roads rests with local authorities. State grants are intended to supplement realistic contributions by local authorities from their own resources and it is open to Cork County Council to progress the project through its own resources should it wish to do so. The 2012 regional and local road grants have now been fully allocated and there are no further funds available from which an allocation for this project could be made.

**Deputy Noel Harrington:** I thank the Minister of State for his comprehensive reply. The council received an application form from the Department. It is quite an onerous form, as he may be aware. Part of the application process was the requirement to carry out a significant cost benefit analysis. My information is that Atkins has completed that analysis and that was the reason there was a delay. The application form is almost complete and will be ready to go to the Department for further consideration. I appeal to the Minister of State to consider what I said about the emerging situation in Bantry *vis-à-vis* the new amalgamated school.

I take the point about 2012 allocations and funding. We have made significant progress with regard to the troika and sale of State assets. There is potential to invest in projects that provide a good cost benefit analysis, are beneficial to local economies and are shovel ready. The Bantry relief project ticks all those boxes. If it cannot be done before the sale of State assets or in 2012, I ask when the application is submitted from the county council, which is very proactive in promoting the project, that the Department give it a favourable mention.

It has been going on for as long as I can remember. I have been on the council since 1999 and it was an issue well before then. It is getting worse and needs to be addressed. The total cost is in the region of €15 million, which is not a large amount compared to that spent in counties like Tipperary and elsewhere. We are not trying to be greedy. We just need this project to get off the ground.

**Deputy Alan Kelly:** As I said, if money had not been spent in my constituency people would not be able to travel around the country. As the Deputy knows, Bantry is a town I know exceptionally well. As a former MEP I visited it quite a bit and I accept the comments of the Deputy on the typography. I know the structure of the lands. I had regular knowledge of the mussel festival and many other events take place each year.

I accept the comments of the Deputy on the hospital. I visited it on a number of occasions and I am aware of where it is located. I accept his comments on schools. I visited a number of schools there and know many of the people working there, some of whom have recently retired. I accept what he said about the requirements. Many other competing towns say the same thing.

To be frank, the application will detail a lot and based on it, and the cost benefit analysis, judgments will be made on the status of the project in regard to future projects. From that data we will glean whether the project can be pushed forward. There are many other competing projects. We will have to wait for the application to be submitted. The amount of funding available for new road projects over the coming years is very limited. Having said that, we will analyse the data we receive.

### **Finance Bill 2012: Second Stage (Resumed)**

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

**Deputy Peter Fitzpatrick:** I thank the Ceann Comhairle for the opportunity to speak on this Bill. It is a hugely significant and influential Bill that determines the economic affairs of our nation, not just for the upcoming year but for years to follow. It is this far-sighted and strategic

[Deputy Peter Fitzpatrick.]

approach, in conjunction with other proactive measures introduced by this Government, which will stimulate economic recovery and create sustainable economic growth.

The Bill will not produce returns tomorrow, much to the delight of some recent national commentators. However, it is part of a plan that will help reignite Ireland's entrepreneurial culture. In conjunction with other measures it will give Ireland the best chance in a highly competitive world and foster opportunities to create jobs. In these times of international familiarity the emerging power and economic strength of the BRIC countries is frequently mentioned. These countries, Brazil, Russia, India and China, make up 42% of the world's population and have a combined GDP of \$18.486 trillion.

It is in this light that the innovative tax measures for employees who travel to develop markets for their products and services in these countries should be seen. This is a far reaching initiative brought in to assist Irish business in targeting growing world markets. This epitomises the strategic and shrewd application of economic intelligence by this Government.

International research confirms there are benefits to be gained from identifying and supporting high-performing enterprises. That is what the Minister for Finance, Deputy Noonan, has done by placing a firm focus on Ireland's indigenous sector, with the aim of driving exports, research and innovation.

The Bill has received many column inches over the last few days and it is not for me to itemise and scrutinise each measure in the Bill. Nonetheless there are great boosts for industry sectors such as the health and life sciences, the green economy, agrifoods, digital games, tourism, international financial services, education, construction and the retail sector.

In addition to the incentives brought in, there are also some measures aimed at deterring fraud and strengthening the powers of Revenue. As part of the fight against the illegal trade in marked fuel, the Bill envisages the creation of new licensing requirements for those who trade in marked fuels for such purposes as home heating or agriculture. Authorised Revenue officers are also to be given powers that were given to the Garda by the Criminal Justice Act 2011 whereby the District Court can order the production of certain documents or information which the officer convinces the court could assist the investigation of an offence.

The mixture and balance of measures contained within this Bill will collectively assist Ireland's transition from recession to growth. This Bill is a real effort to put some steel back into Ireland's entrepreneurial ambitions and inject energy and imagination into the way we do business, both at home and globally. As a result I have no hesitation in commending it to the House.

**Deputy Heather Humphreys:** I welcome the opportunity to speak on the Finance Bill and I commend the Minister for introducing it. The Bill will give effect to a number of measures announced in the budget in December. There are welcome measures in the Bill but there are also difficult choices that must be made. However, it is clear the Government has done its utmost to protect the most vulnerable in society and to help those who are most in need.

This is particularly true of the changes made in mortgage interest relief. Mortgage arrears are a serious matter and affect people across the country on a daily basis. Statistics from the Central Bank show more than 62,000 mortgages are now in arrears for more than 90 days, figures that give us an insight into the scale of the crisis we face. The Bill will allow for mortgage interest relief to be increased to 30% for first time buyers who purchased their homes between 1 January 2004 and 31 December 2008. It will be of significant benefit to those who bought their homes at the height of the boom.

Inevitably, there will be those who purchased their home just outside this time frame and they will not be entitled to the special rate of 30%. Unfortunately, a line had to be drawn somewhere. The aim is that the applicable time-frame will cover the period when house prices were at their peak, which is to be welcomed. I further welcome the fact that mortgage interest relief will be available at a 25% rate for first time buyers in 2012 because this should act as an incentive to young people who are looking to get on the property ladder.

The measures outlined will be of significant assistance to many people who are encountering problems with their mortgages. During the debate on the Keane report some months ago, the point was made that the objective of the Government must be to assist those who have genuine difficulties in meeting their mortgage repayments. That goal remains the same. The mortgage crisis in this country is different and must remain at the forefront of the Government's plans. In this regard, the publication of the personal insolvency Bill is a welcome development and should offer further assistance to homeowners who find themselves with an unsustainable mortgage.

Since taking office the Government has consistently sought to reward and incentivise work. One of its first actions was to reverse the cut to the minimum wage, which was introduced by the previous Government. The Minister has been consistent in trying to protect low earners, which was again demonstrated by the increase in the exemption threshold for the universal social charge. This means anyone who earns less than €10,036 will not have to pay the charge, which will have a positive impact on more than 300,000 in low paid jobs, particularly part-time workers and students.

At present the universal social charge hurts the lowest paid. In some circumstances it acts as a deterrent to taking up employment because by the time it is deducted from a person's wages, that person might be as well off on jobseekers' allowance. This situation cannot be allowed to continue as it discourages employment. Ultimately, the State and the taxpayer will pay the price for that.

One of the most welcome aspects of the Bill is what it does not include. There will be no increases in income tax. The Bill will not affect people's take home pay and that is welcome because it incentivises employment and encourages spending. As we are all aware, we live in difficult financial times, which means that tough decisions are unavoidable. As a Deputy from Cavan-Monaghan, in the Border region, the increase in VAT from 21% to 23%, which took effect on 1 January is not particularly welcome but I recognise that we cannot avoid making these decisions. It should be remembered a commitment to increase VAT by 1% in 2013 and a further 1% by in 2014 had been agreed by the last Government, therefore, this move simply brings the increases forward.

As the Minister stated, for the majority of the last 20 years, the VAT differential between the Republic and Northern Ireland has been 3.5%, rising to as much as 6.5% as recently as 2009. After this increase, the differential will be 3%, so there is no major change. It should be remembered the VAT on goods and services in the tourism sector remains at 9%. This measure, that was introduced as part of the jobs initiative last July, applies to hotels, restaurants and leisure facilities and is significantly lower than the VAT rate on similar services in Northern Ireland. We are, therefore, ideally placed to benefit from an increase in visitors from Northern Ireland and, as always, life on the Border has its ups and downs.

A further welcome measure in the Bill is the special assignee relief programme. This measure is a tax incentive aimed to encourage skilled individuals to take up a position in an Irish-based company and is a case of encouraging those with the necessary skill-set to come to work in Irish companies.

[Deputy Heather Humphreys.]

There is provision in the Bill to strengthen Revenue powers to combat the criminal laundering of marked oil, where a marked fuels trader's licence will be required for every trader producing, holding, dealing in or delivering marked gas, oil or kerosine. The issue of diesel and oil laundering is rampant in the Border region, particularly in County Monaghan. It is a situation that must be addressed urgently. I support any measures that will provide the Revenue Commissioners with sharper teeth to police the matter.

I support this Bill. It contains a number of measure that will be of significant benefit to people. The Government has adopted a fair approach in that the lowest paid and most vulnerable are protected.

**Deputy Áine Collins:** I welcome the opportunity to speak on this Bill and would like to thank the Minister for bringing it Bill to the House. With 450,000 people unemployed, the main focus of everything the Government does must be concentrated on reducing this figure, not only because of the cost to the State but also because of the physical and psychological effect that unemployment has on people and families. If we are to achieve the much needed growth in our indigenous economy we need new business and 70% of the jobs required will come from the SME sector. We must encourage the entrepreneurial spirit and boost confidence in people. I compliment the Minister for Enterprise, Jobs and Innovation and the Minister of State in the Department on the action plan for jobs which was launched on Monday of this week. The action plan is both exciting and innovative and will have an effect on the ground.

The budget is one of the many ways of influencing the economic environment so that businesses can expand and jobs can be created. Budget 2012 introduced a number of targeted measures designed to support job creation in key sectors of the economy. It also aims to enhance the attractiveness of Ireland as a destination for multinational companies. To that end, I welcome the Government's decision to work with EMC, a large multinational company from my own constituency of Cork North-West. EMC launched a cloud computing initiative earlier this week which will use the Government network as a test bed for cloud technology. Cloud computing will contribute significantly to making it easier and cheaper to conduct business in Ireland. If we are to capitalise on all that Ireland has to offer, we need to encourage start-ups and help the businesses that already exist to expand further. This initiative by EMC, together with the Government's action plan on jobs, will reduce costs and red tape for businesses and help get our people back to work.

The approach adopted in the budget and in this Finance Bill is to use the limited available resources we have through specifically targeted measures. These measures are focused on areas with the best employment potential and return on investment of public money. This is in line with our Taoiseach's vision to make Ireland the best small county in the world in which to do business by 2016. It is a challenge when the amount of money available for stimulus is restricted by our economic circumstances and our agreement with the troika. However we have learnt that throwing money at problems without a strategy does not solve them, it just creates different ones.

The clear measures that are targeted in this Finance Bill are welcome. There are a number of them in particular that stand out that will help job creation. The special assignee relief programme targets the assignment of key foreign-based individuals to the Irish-based operations of their employers. This will enable Irish operations to attract key specialised individuals around whom teams and processes will be built while providing much-needed experience and skills, especially where skills gaps have been identified, such as digital gaming. It is worth noting that when we import people with specialised skills, five new jobs are created in Ireland.

The research and development tax credit will allow companies to reward key research employees by transferring a portion of the tax credit. This is a good measure to help Irish companies in finding new markets for their goods and services. This will help drive our export-led economy and will raise Ireland's profile in the BRIC countries.

Another measure is the extension of the tax relief for corporate investment in renewable energy generation to 2014. We all know the challenges we face in the generation of sustainable energy. Promoting renewable energy generation will have a positive knock-on effect on job creation.

To help the export sector, there is a modification of the tax treatment of foreign-sourced dividends which allows for the extension of the 12.5% tax rate to dividends from non-treaty countries which have signed the OECD convention.

For the software industry, there is an improved relief for excess foreign tax on royalties. While technical, it is another business-friendly measure that is being implemented.

In the SME sector, the amendment and commencement of the employment and investment incentive will help to raise much-needed finance in many new sectors.

For start-ups, the extension of the tax relief and also the broadening of seed capital relief will boost the number of entrepreneurs. Helping these start-ups is crucial.

The changes in stamp duty, capital gains tax relief, stock relief and the double deduction for carbon tax will encourage young farmers back into farming, which was forgotten during the Celtic tiger. We now recognise how valuable this sector is to our economy and how important it will be for our future success.

All of these measures, in addition to many others, are evidence of what has been done by the Minister for Finance, Michael Noonan, at a time when our country is strangled with debt. This has been achieved without increasing income tax and by reducing the universal social charge and increasing mortgage relief, as promised in our programme for Government.

These measures, together with a more positive outlook from the media, would help give confidence to the people, which would in turn boost the domestic economy. I commend this Bill to the House.

**Deputy Timmy Dooley:** I wish to share time with Deputy John Browne.

**An Ceann Comhairle:** Is that agreed? Agreed.

**Deputy Timmy Dooley:** I welcome the opportunity to contribute on the Finance Bill. While it is important that the Parliament deals with it and the budget, it is worth noting that this Bill does not go far enough in addressing the economic crisis.

Yesterday's jobs announcement was a reheated version of a series of other announcements. Between the two documents, there is nothing particularly new. The Government, when it came to office, identified, along with everyone else, the lack of jobs and the level of emigration. Prior to the election the NewERA document was produced and it was to result in 100,000 jobs. Last April a series of measures was announced that would create 100,000 jobs by 2015. Yesterday's announcement again referred to 100,000 jobs. I am not sure whether they are the same 100,000 jobs or whether they are in addition to those referred to in the NewERA document. The deadline for creating the 100,000 jobs has now been extended to 2016. I see no measure in this Finance Bill that would in any way indicate that the framework exists to create the jobs.

I am not being critical of the people opposite, who have a difficult job. The Minister of State, Deputy John Perry, is doing his best for small businesses in a very difficult environment.

**Deputy John Perry:** Deputy Dooley should read the document.

**Deputy Timmy Dooley:** It is a very difficult environment in which to try to support and nurture the small entrepreneur and medium-sized enterprise. The reality is that the pillar banks that have been identified by all sides are, sadly, not providing the cash. They talk about doing so. When we were in office, we put in place a certain rigorous regime that would have required the banks to lend up to €12 billion over a number of years. Sadly, based on the cases I encounter in my constituency office, much of this has been reworked. People's overdrafts were removed and incorporated into loans that were presented as new lending. The banks have played ducks and drakes with the Government and did the same when I was in government. They are continuing to do so. Unless we find a way to increase the credit available for genuine small and medium enterprises, we will be in real trouble. I wish the Minister of State well with that endeavour; it will certainly not be easy. This is the area we need to tackle.

Reference was made to the loan guarantee scheme. It is not as easy to implement as was suggested prior to the election. I take on board the comments made by a number of Government spokespersons in recent days on the difficulty in ensuring it is implemented effectively. Unless we can restore confidence among the small and medium enterprises to allow them to get over the hump, there will not be a return to growth. Without a return to growth, the economic difficulties will, sadly, continue.

A number of speakers spoke about the necessity of having a fuel rebate system. Ireland faces a very significant problem owing to the illegal sale of diesel. Recent figures suggest that between 15% and 20% of diesel sold in the country is illegal. The illegal laundering of diesel is damaging the public finances and is unsafe, and it is certainly damaging the environment. Deputy Heather Humhreys will be well aware of this because the two local authorities in her constituency experienced really difficult environmental problems, the fallout from which imposed a significant cost on the Exchequer.

I welcome the recognition by the Minister of the problem concerning diesel but he has not come to terms with its scale. In this regard, I met a number of interested parties, from representatives of the Irish Road Haulage Association and oil distributors to forecourt owners, and I noted they are at one in believing this is a significant crisis. The estimated loss to the State is between €150 million and €250 million.

The Revenue Commissioners, with the permission of the Minister for Finance, were very prompt in taking action when they discovered a potential loss of revenue to the State in the region of €45 million in respect of pensions. This was identified by the Revenue Commissioners prior to Christmas. In consultation with the Minister, there was a series of letters to pensioners. A problem was rightly identified and the authorities wanted to ensure that, in difficult times, there would not be a loss to the State. However, the potential loss owing to illegal diesel is multiples of €45 million. I am not sure this is being taken seriously.

I am a member of the Oireachtas Committee on the Environment, Transport, Culture and the Gaeltacht, which recently produced a report on illegal diesel. The committee invited before it some of the interested parties, including farmers, agricultural contractors, the Revenue Commissioners, oil distributors and road hauliers. They understand the scale of the problem and the difficulty that arises over competitors operating illegally. Illegal production is hitting the road hauliers in a big way because there are unscrupulous competitors who use the washed diesel, thus making significant savings and gaining a competitive advantage. The hauliers have sought a rebate scheme — I am disappointed this is not in the Bill — because it is cheaper for those who travel internationally to fill up their trucks overseas than it is to do so here. This represents a significant loss to the State because the oil ought to be sold here with the appropriate margin for the State included.

I appeal to the Minister of State to try, in whatever way he can, to beef up the legislative provision on the use of laundered diesel. It is fuelling a criminal fraternity that seems to have made vast sums and which can afford to take a hit regularly. It can afford to have a couple of tankers seized and to have its laundering equipment taken by the State. When it is taken, the launderers are back in business in a neighbouring warehouse or farm within a matter of days. The scale of the problem cannot be overestimated. If the State is losing between €150 million and €250 million annually, it behoves all of us to try to do something. Tackling this would remove some of the burden from the Minister for Social Protection, Deputy Burton, who must cut social welfare, and Ministers making cuts in many other areas. None of us wants these cuts but it is recognised that the Government must balance the books. Its task is not easy. By tackling the use of laundered diesel, significant revenue could be generated. I appeal to the Minister to do so.

I am concerned about the increase in the levy on private health insurance.

An increased levy applies to all health insurance renewals and new contracts entered into since 1 January. The increase is a massive 40%, or about €80 for adults and almost €30 for children. In addition, increased charges for private beds in public hospitals were announced in the budget and will be confirmed by this Bill.

Aviva has already announced an increase of over 14%, Quinn has done the same and others will follow. The difficulty is that every day people are failing to maintain their health insurance, so there will be a knock-on effect to the State. We are witnessing a steady disintegration of the private health insurance system. Between 5,000 and 6,000 people are cancelling their health insurance every month. The VHI lost 130,000 customers in the 12 months to September 2011. The Government parties claim to be progressing towards a system of universal health insurance but that approach is now in tatters. If people are no longer able to afford private health insurance, how can the Minister work towards a universal health insurance system? The Government will have to address that matter because there is a significant cost burden on all concerned.

Along with others, I saw last year's jobs initiative as a significant raid on private pension funds to the tune of €470 million a year. The Minister identified where that money would go and in 2011 some €120 million was earmarked for a VAT reduction, €95 million for PRSI reduction, and €15 million was set aside for the air travel tax. The Minister never got around to dropping the air travel tax despite what had been promised prior to the election. Even though the Minister for Transport had cosied up to the owner of one airline, more than once, the extra flights never materialised and the travel tax was not lifted. In 2012, that was projected to cost the State €90 million so there is quite a bit of money floating around that has not been utilised. Is there any provision to reassign that money or utilise it to help promote tourism here? The Government has spoken about such initiatives but has not made any money available for them. The Minister should reinvest the additional money available since the air travel tax was not abolished to assist the tourism industry.

**Deputy John Browne:** I welcome the opportunity to speak on the Finance Bill. Usually, the Government side of the House compliments the Bill, while we in Opposition criticise it. It has been traditional to do so for many years.

I was listening to the contribution by the Minister for Social Protection, Deputy Joan Burton, before attending the House. She was replying to concerns over delays in the carer's allowance and tried to fob off questions by stating what would be done. We all realise, however, that the delays in providing carer's disability and domiciliary care allowances are appalling. There is a one-year waiting list for approval for such allowances in the south east, which is far too long. In some cases, people have passed on to their eternal reward before the carer's allowance was

[Deputy John Browne.]

approved. This area is affecting less well off people in our communities, so the Minister should take fire brigade action to provide extra staff. In this era of modern technology the system should be run more efficiently, fairly and quickly than it is at present.

Many people are refused the carer's allowance and they then appeal but the process can last so long that it becomes ridiculous. The Minister, Deputy Burton, was not very forthcoming in her reply but Deputies on all sides of the House are finding it difficult to obtain decisions on the provision of carer's, disability and domiciliary care allowances.

The Finance Bill was announced at the same time as the jobs initiative. I welcome any such announcements but this is the fourth or fifth time that a jobs initiative has been unveiled by the coalition Government. I hope there will be meat on the bone this time and that we will see some action being taken. Very few jobs were created on foot of the previous announcements, but hopefully we will see jobs being created this time.

One of the major problems in this country is the lack of job opportunities. The south east region is lacking employment due to the downturn in the building industry where many people previously had jobs. We must examine ways and means of retraining and upskilling, as well as getting young people back to education. We must create such opportunities for young people who may have left school aged 15 or 16 due to the high wages they could get in the building industry at the time. They now find themselves unemployed with little education or skills, so I hope the Minister will encourage as many young people as possible to re-enter the workforce through FÁS and other schemes. The Minister should act as quickly as possible.

I welcomed the national internship scheme when it was introduced but those opting to pursue the JobBridge scheme must fill in a 20-page document. Some people are taking up places on it but I find that many who attend my clinics say the bureaucratic red tape makes it difficult to apply and they lose interest. It is a pity to have such complex documentation because it could be a good scheme. Government Deputies have more influence with the Minister than I do, so they should devise a plan that involves less form filling and more action. A simplified application form is required to encourage more people to apply for the national internship scheme.

Now that county enterprise boards will be based in county councils, there might be a better one-stop-shop system. I do not know who designs the documentation in various Departments but they are clearly hung up about red tape. A person applying for the national internship scheme, however, should not have to deal with such complex bureaucracy as it currently exists. It could be a very good scheme and I complimented the Minister when it was introduced but we should make it easier for people to apply for places on it.

Small businesses are the cornerstone of our economy but the banks are not lending and local authority rates are crippling most small firms. Charges, levies and red tape add to the problem, as do the increased fuel costs in recent months. Rates constitute an issue about which I have serious concerns. Local authorities set rates for businesses, while the Minister does not seem to have any say. Business people are annoyed about the levies and high rates that local authorities have placed on them. Councils say that in the past year they have frozen those rates but that is not worth much to business people at present. They need a reduction in rates. Some time ago, Professor Colm McCarthy's report said there could be savings of up to €500 million in local authorities through more efficiencies. If such savings were achieved, local authorities would be in a position to reduce commercial rates. The Minister should put the boot in to local authorities, pressurising them to reduce rates for business people. In every town in Wexford large numbers of shops and small businesses are closing down, mainly due to high local authority rates and a drop in footfall as people are not spending much. Many of these businesses feel if they got some reduction in rates it would be of help. However, local authorities and

councillors do not see that and would rather the businesses and shops close down rather than reduce their rates. That is not good enough. The Minister for the Environment, Community and Local Government should sit down with local authorities to introduce the efficiencies in the local authority system identified by Colm McCarthy, reduce rates and give businesses in towns and rural areas an opportunity to survive.

While it may be more for the social welfare Bill, I would have thought the Minister for Finance should have addressed the cuts in child benefit, fuel allowance, lone parent allowance, jobseeker's benefit, disability allowances and other benefits introduced in the budget, as well as the increase in VAT. These cuts will affect seriously the less well-off. I was amused earlier to hear Deputies on the other side of the House claim the less well-off will be protected by the budget and the Finance Bill. This is certainly not the case when one takes into account the range of the cuts to which I just referred.

Groups involved with lone parents give the example of how a family with four children will lose €432 in child benefit while paying €400 extra in VAT and €144 for the drugs payment scheme. Such a family will be hit with the household charge, although I believe the Minister should defer the charge until the site value tax is set up by 2013. Along with other increased charges such as motor tax and VHI fees, a typical family with four children will lose up to €2,000 a year, €40 a week. That is a substantial loss of income to the less well-off in our society.

I welcome the changes to the mortgage interest relief system and commend the Minister for Finance's good work in this area. However, the Minister for Social Protection has reduced the mortgage interest supplement along with supplementary welfare allowance, a contradiction to the Minister for Finance's efforts to assist those with large mortgages. I hope the two Ministers will reconcile this as the reductions in the mortgage interest supplement and the supplementary welfare allowance will seriously affect many families.

There are some good measures in the Finance Bill 2012 but there are other areas on which the Minister should reflect between now and its passing.

The Minister for Transport, Tourism and Sport should re-examine the case for proceeding with the Enniscorthy and New Ross bypasses under public private partnership. Many are prepared to invest in infrastructure projects in this country. The Minister should not cut off the option for public private partnerships in such projects. Not alone would these two worthwhile projects solve the traffic problems in both towns, they would create hundreds of construction jobs.

**An Leas-Cheann Comhairle:** I call on Deputy Heydon who is sharing time with Deputies Twomey, O'Reilly and O'Donovan.

**Deputy Martin Heydon:** I am glad to have the opportunity to speak on the Finance Bill 2012 which is the culmination of my first budgetary process, this still being just about my first year in the Dáil. I have enjoyed the process and learned much as we went through it.

We often talk about protecting the most vulnerable in our society and prioritising getting the unemployed back to work. This is right and proper as we all know there is nothing worse to happen to a person or family than to lose employment. However, a country is much more than an economy driven by a workforce which is why we have our social welfare system to protect the most vulnerable and those who fall on hard times. With the recession, our workforce has diminished. The number of people working, which we need to drive this country on out of the recession, has been reduced while the responsibilities and burdens on those in employment have grown.

[Deputy Martin Heydon.]

The budget and the Finance Bill was mindful of those still working who may not be classed as most vulnerable but who still suffer greatly. Even though a person may have a job, his or her wages may have been cut drastically and they may face personal debt with negative equity on their home. They are also not entitled to a medical card for their children or other benefits those on social welfare receive. I deal with a large number of constituents who are struggling in that regard and feel they have been forgotten about with the focus on the unemployed. There were elements in this budget that bore those workers in mind and minimised its impact on them.

Those measures included not bringing in any income tax rises, cutting the lowest paid workers out of the universal social charge, USC, and raising mortgage interest relief to 30% for those first-time buyers between 2004 and 2008, a real and tangible saving which will make a large difference to 214,000 households and families. This relief will run from 2012 to 2017 and will see annual gains from €450 up to €2,000 depending on when the person bought his or her house.

Earlier Deputy Dooley referred to promises that had been made but not kept. The mortgage interest relief support was a promise we made before the election to which we stuck. I commend the Minister for Finance on doing that. When the Keane report came out, it did not overly stress mortgage interest relief. However, in dealing with people before and since the election, I knew changes to mortgage interest relief were real and tangible and could make a difference to their lives. Fine Gael listened to them and delivered on that. The property issue still needs more work but the personal insolvency Bill will assist this.

The Minister for Agriculture, Food and the Marine, Deputy Coveney, had to reduce his departmental spend by €105 million. He managed to do so while in the least way possible affecting productivity as well as introducing several measures which have serious foresight and will increase land mobility. The Minister for Finance and his Department deserve great credit for taking on board these points from the Minister for Agriculture, Food and the Marine.

Before I entered this House, I was a young farmer. In 1998, many of those who attended agricultural college with me went on to learn a trade for four years making good money on building sites as their parents were still active in farming and not ready to sign the farm over to them. Now with building work dried up and their parents ready to hand over their farms, many of my friends are looking at farming not as a derisory but a real potential career. This Bill has introduced several measures to encourage farm consolidation and this crossover such as the reduction in stamp duty from 6% to 2% and 1% for family transfers which is a positive development. Incentivising farm partnerships is the way forward because farmers on the continent do not cling to the idea of land ownership as tightly as we do in Ireland. Restructuring retirement relief will create an incentive to transfer farm assets to the next generation. These measures will offer farming as a career option for young people.

**Deputy Liam Twomey:** The remaining Fianna Fáil Members should not forget what their recklessness has caused. Some 250,000 people have lost their jobs, income has been cut in the public and private sectors and public services for our citizens have been reduced. The people are suffering but the Opposition is stoking their fear and anger rather than supporting them in their time of crisis.

Since this Government entered power we have worked to improve competitiveness, to restore the country's financial stability so that we can regain sovereignty and rebuild confidence in the hearts of the people. People who still have money do not want to spend it because they lack confidence in the future. We have to change that outlook while also giving hope to those who have lost their jobs. We understand their suffering and many of the provisions in the

Finance Bill reflect the Government's thinking. Everybody knows we cannot create jobs without a strong economy. We will have to restore growth and stability before we can see job growth. With the jobs strategy we are trying to make jobs for people by manipulating Government policy to some degree. There is nothing more depressing than to be out of work over the long term. It is bad enough to be out of work for a month but long-term unemployment has a terrible effect on individuals' self-esteem.

I want the Croke Park agreement implemented to protect students, patients and pensioners. That will not prevent me from demanding the best from our Ministers in terms of ensuring the implementation process works. There may be a Croke Park agreement for public sector providers but there is no deal for the patients, students and pensioners who benefit from public services. This is why I will be working from within the Government to make sure the agreement works.

The scale of the problems in the HSE and the need for Oireachtas scrutiny of that organisation do not appear to be recognised by many Opposition Deputies. The administrative and managerial problems, the waste and the failure to deliver services are not reflected in the public comments by Members of the Oireachtas. Instead we have a sort of Taliban force of septic tank fundamentalists who are contributing nothing. The opposition will have to start coming from this side of the House because the scaremongering and misinformation coming from the other side verges on the ridiculous. Fianna Fáil suggested that septic tank inspections would cost €500 but the charge is actually €5.

Nothing solid comes from the Opposition. It never takes on the hard core issues that need to be addressed. Most of the people working for Google and similar enterprises across the country come from other jurisdictions. They are attracted to work in Ireland by higher wages. We have to make changes to our tax system to attract people into this country because we are not able to educate sufficient numbers to fill the vacancies created by the high technology companies that have located here. All our universities have fallen out of the top hundred in university ranking worldwide. That has happened only in the past couple of years but one would never hear a Member opposite proposing radical action to address that problem. Third level fees should be reintroduced for those who can pay them and the money should be ring-fenced and invested in our universities and technology institutions to ensure we produce the skills needed for these jobs.

Similarly, we do not hear sensible proposals from the Opposition on the VHI. I have heard a lot about people who have lost their private health insurance but they are no longer paying for insurance because it is too expensive. Nothing was done to address this issue while Fianna Fáil and the Green Party were in power. VHI bills do not clearly breakdown how the money was spent. Customers know how much they are paying in premiums but nobody is taking on the mammoth task of controlling costs. That is an initiative that should be coming from the Opposition but, unfortunately, it will have to come from the Government backbenches because the Deputies opposite are too busy getting worked up about septic tanks.

**Deputy Joe O'Reilly:** The Finance Bill and the budget are based on three objectives. First, they aim at accelerating job creation to reach the target of 100,000 jobs over five years. Second, they seek to achieve fairness for our people. Third, the property market is to be kick-started.

The budget has managed to reduce our deficit to 8.6% of GDP through adjustments of €3.8 billion, in keeping with the EU-IMF deal. The reason for the figures and the starkness of the task that lies ahead is the legacy this Government inherited from its predecessor. It is fantasy economics to suggest there is an alternative to dealing with the EU-IMF. The ongoing events in Greece bear testimony to that reality.

[Deputy Joe O'Reilly.]

I congratulate the Minister for Finance and his Cabinet colleagues on maintaining headline social welfare rates and avoiding increases to income tax. The Minister of State at the Department of Jobs, Enterprise and Innovation, Deputy Perry, is doing extraordinary work in the area of small business. The agri-food sector, which is the critical vehicle for creating jobs and driving the economy, is being protected through the maintenance of the off-farm income regime. These are enormous achievements.

In the area of job creation, the special assignee relief programme permits 30% of salaries ranging between €75,000 and €500,000 to be excluded from taxation. This will allow us to attract heads of divisions and development personnel from abroad. Similar initiatives have been introduced in a number of countries.

Research and development is central to the growth of our economy. Individual employees can now benefit from tax allowances for research and development activities in which they have a special involvement. The first €100,000 of qualifying research and development expenditure will benefit from a tax credit of 25%. Research and development sub-contracted to other companies will also benefit from tax relief.

The Bill contains 21 measures to assist the financial services industry. That has to come at a premium. In the area of agriculture, food and drink exports increased by 25% in 2011 and the sector employs 135,000. It is important that support is given here. There are stock-relief initiatives to encourage partnerships in agriculture, which will represent a new model for Irish farming and should be encouraged. The reduction in stamp duty for the transfer of non-residential properties to 2% will have a critical effect and will be of great benefit to the farming community. It will also spur on the agricultural sector.

The three-year tax relief for start-up companies has been expanded to cover 2012, 2013 and 2014. Certain measures have been taken to address the issue of diesel laundering and I would encourage further steps. The exemption threshold for the universal social charge has been increased from €4,004 to €10,036 bringing 330,000 people out of the net of the universal social charge. That is progressive and represents fairness. Equally, the legally binding maintenance agreements within civil partnerships will now have the same status for tax purposes as within traditional marriages. Those are important progressive and socially just initiatives.

The expansion of the definition of bread to include other foods and other ethnic foods will allow them to avail of the zero rate of VAT. In the property market, reducing the rate of stamp duty to 2% should have a positive effect on property sales. Mortgage income relief will be available at 25% to people who buy a first home this year and at 15% for non-first homes. This is paralleled by the special increase in the mortgage income relief for people who bought homes since 2004 during the boom.

The budget and Finance Bill set the scene in terms of job creation and achieve a considerable amount in the area of fairness and in attempting to kick-start the property market once more. No other criteria could be used to evaluate it.

**Deputy Patrick O'Donovan:** We appear to have come to a new crossroads in the Dáil with the reference of certain Fianna Fáil Members to bringing out the Pontius Pilate bowl of water and white towel followed by Deputy Twomey's mention of some Opposition Deputies turban-wearing and basket-carrying running through the Dáil in a crusade for the septic tank. I welcome the opportunity to speak.

I take issue with what Deputy Browne said. He said that it has long been the tradition in this House for this side to propose and for the other side to oppose. However, the other side should not oppose this time because the reason this side is bringing in these measures is that

those on the other side caused it. It will be interesting to see what the Fianna Fáil Members do when we vote on the Bill. While the Bill contains many measures that will be very difficult for families, they are necessary because of the 14 years of neglect during which the party of Deputies Browne and Dooley drove the economy into tatters, to use Deputy Dooley's words.

The Bill contains many good provisions and the Fianna Fáil Deputies who have now left the Chamber were very slow to acknowledge that the Government has not increased income tax, that more than 300,000 people have been taken out of the universal social charge net and that for the first time there is a concerted effort, as recently announced by the Taoiseach, Tánaiste and Minister for Jobs, Enterprise and Innovation, to assign responsibilities to Departments to deliver on targets. This is not like the type of document that was launched in the Royal Hospital in Kilmainham by a former Taoiseach with great media fanfare where all the Deputies from a certain party were called in, the trough was opened, all the snouts went in and they had a great party. This is a working, living document with targets to be set and measured. The Government will be rated based on the implementation of the targets. Of course, we are only in this situation because of the neglect of many years.

Deputy Twomey is correct. The change for people, who bought their houses between 2004 and 2008 and found themselves in negative equity, is recognition by the Government that those people were innocent parties. Certain politicians, bankers, auctioneers and unscrupulous landowners inflated the property bubble to the point that it blew up in all our faces. It is very easy to suggest not paying back any bondholders or any bank debt by claiming that it is not our problem. It is our problem and has been since we guaranteed all the past, present and future debts of the banks and since we guaranteed all the past, present and future deposits of the banks. This is our sovereign debt and we need to pay it back.

We also need a realisation that we are in a very difficult situation. We are taking in €30 billion and spending €50 billion. We cannot continue down that road indefinitely. Even if there had never been a banking problem in the country, we could not continue to borrow at the present rate. We are borrowing €76 for every man woman and child per week. While I know people find the €5 septic tank charge and the €100 household charge difficult, how can we continue to borrow €76 per week per individual *ad infinitum*? That is not sustainable and we need to call a halt to it.

While it is difficult and painful, unfortunately the only way to do so is to rein in public expenditure. Every time we take €1 out of public circulation we either affect a service or affect an individual. By taking €4 billion out of circulation we will affect an enormous number of people. We were not elected into Government to flunk these decisions nor were we elected for some sort of popularity contest. When we campaigned during the general election everybody told us to fix the country. It is not possible to fix the country without affecting individuals. While that is very difficult, the Government must continue to be fair. The vulnerable people who are dependent on State services must be prioritised at every turn of the road. I welcome the measures in the budget and the Finance Bill that will implement them. I commend the Bill to the House.

**An Leas-Cheann Comhairle:** I call Deputy McDonald, who, I understand, is sharing with Deputy Nulty.

**Deputy Mary Lou McDonald:** During this debate it has become clear that the Government is completely disconnected from the realities that face low and middle-income families or perhaps it is uninterested. Week after week — we have heard it again this evening — the lament comes from the Government benches. They cry crocodile tears about the lot they inherited when they entered into Government. They ring their hands with continual mention of Fianna

[Deputy Mary Lou McDonald.]

Fáil — and all its wrongdoing — and the troika. However, Ministers on the same Government benches continue to pocket excessive salaries and to award each other additional allowances worth tens of thousands of euro. We are in an economic and social crisis, the scale of which is not lost on anybody on these benches. Based on the CSO quarterly national household survey, more than half of all households have cut back their spending on groceries. One fifth of households have delayed or missed paying their bills in order to meet their outgoings on basic goods and services. One in ten have delayed or missed a loan repayment. Some 45% of households have spent some or all of their savings. For lone-parent families the picture is even bleaker because one third of such households have borrowed money from family or friends, one in four have delayed or missed loan repayments and half have delayed or missed paying bills.

An extensive report funded by the Department of Social Protection published last week concluded comprehensively that low-income families and those who are unemployed do not have enough money to achieve a basic standard of living. I do not simply refer to the struggling people who rely on social welfare payments but also to those who are now referred to the coping classes or even the working poor. The Department of Finance's tax take figures for 2011 show the disproportionate effect its budgetary measures are having on low and middle-income families. Their figures indicate that someone on the minimum wage paid three times more tax in 2011 than in 2010. The Government makes much about those it has taken out of the universal social charge net. What is its view of the 200,000 people who earn just above the weekly threshold of €193 per week and remain subject to the charge? We have heard no word from the Government on that issue.

Those earning between €20,000 and €30,000 per year paid 36% more tax in 2011 than in the previous year. Those with incomes between €40,000 and €50,000 paid 23% more. Can those in the Government begin to imagine the hardship facing these families? They should do so because this is now the record of achievement of the Fine Gael and Labour Party Government. To compound the hardship, the Government has heaped additional taxes on the same low income and middle income families. Carbon tax and motor tax changes will hurt struggling families disproportionately. Taxing a mid-range car will cost drivers an additional €59 per year. Petrol will increase by 1.4 cent per litre and diesel by 1.6 cent per litre at a time when prices are already at an all-time high. These measures are a tax on families and workers. They are especially unfair for rural communities and dwellers who in the absence of public transport are more dependent on their cars than others. Government VAT increases serve only to push up the cost of living for those who can least afford it. Flat taxes such as the household charge are deeply inequitable and unfair. To rub salt into the wounds, the Government has not included an inability-to-pay clause with these charges.

It comes as no surprise to me that Fine Gael leaders and Ministers choose to heap additional taxes from the bottom up rather than the top down. I expect the Minister, Deputy Noonan, and his party cohorts to award bonanza salaries to each other and to lash out cash for their so-called special advisers. However, it is astonishing that the Labour Party Ministers are happy to row in along side their Fine Gael Cabinet colleagues. This morning the Minister, Deputy Pat Rabbitte, painfully, and using all sorts of mental and linguistic gymnastics, tried to justify to the nation why his party colleague, the Minister of State, Deputy Jan O'Sullivan, should get an extra €17,250 per year simply for turning up to work on top of a salary of €130,000. If Ministers were serious about the business of Government and had any sense of connectedness with the hardship of low income and middle income families, they would revoke these ministerial allowances and cap their salaries. How on earth can any Minister reconcile at any level a tax on the low-paid with their whopping great salaries? As I understand it, the Labour Party in particular was founded on the principle that it would protect people from the bottom up. Yet, here we

are. What makes those on the Government side different from those in Fianna Fáil? That is our question.

Sinn Féin's budget 2012 submission suggested the introduction of a third tax band on individual income in excess of €100,000 per year. We called on the Government to introduce a modest wealth tax such as the one implemented successfully in many other jurisdictions. These measures alone would have yielded €1.2 billion but the Government refused to implement them. Instead, it chose regressive taxation measures that hit the unemployed, low income and middle income families and the elderly hardest, all the while vigilantly protecting those at the top, including Government Members.

The Government has cut community employment scheme supports. It has deliberately targeted single parent families. Teaching supports for children with disabilities are becoming a privilege rather than a right. The Government has committed to cutting the State contributory and transition pensions from September this year. It has offered little respite for families struggling with unsustainable mortgage debt. It is reducing public service provision across the board and it is heaping additional taxes from the bottom up rather than from the top down. The Government is about to flog off the last of the State's wealth in the bargain bucket to the lowest bidder. All of this is taking place while Ministers still have the brass neck to tell citizens that they are worth €170,000 per year. I do not think so. The Government strategy is flawed. The Government declares it is about jobs and growth but it persists with cutbacks and austerity. The domestic economy is on the floor because it has been savaged, butchered and deflated by cutback after cutback. This kills off the prospects of growth and keeps people on the unemployment lines.

Let us have fewer of the homilies from Government about its commitment to protecting the vulnerable or to creating jobs. The Government's actions show us clearly that it took the baton and the blueprint from those in Fianna Fáil, whom it laments. Come hell or high water and irrespective of the consequences for ordinary working people, the Government is determined to implement the same policies, make the same mistakes and insist that citizens live with the consequences of all of it.

**Deputy Patrick Nulty:** I thank Deputy McDonald for sharing time and for allowing me to contribute to this important debate. I will oppose the Finance Bill in line with my decision to oppose the budget. One must draw the conclusion when one examines the Bill in its totality that it is not a progressive Finance Bill. It is not legislation that will help us to meet our international obligations in a way that is fair and balanced. While I support individual measures in the Bill, such as the changes to the universal social charge, measures relating to VAT and the household charge will outweigh the small gains achieved.

The introduction of the special assignee relief programme contained in the Bill is a scandal. It is not a new initiative of this Government but that is not the problem. The problem is that it is a development of previous measures started by Fianna Fáil in 2008. Effectively, very wealthy people who come to this country on salaries of €75,000 per year plus will be given a tax break by the State. It is shameful and disgusting to give a tax break to very rich people given that we are cutting community employment schemes and we are unable to fill vacancies in speech and language therapy services. What was going on when this was decided? Initially, this measure was provided as a tax rebate. That is the way Fianna Fáil formulated it. Individuals were to come along at the end of a given year and apply for their money back. Now, it has been changed and turned into a tax credit. We are increasing tax credits for PAYE workers, that is, for ordinary people but reducing tax credits for very wealthy people to come into this country and work. This measure will not create one single job. Where is the evidence? Where are the statistics that support the argument this will create jobs? If there are vacancies in areas

[Deputy Patrick Nulty.]

like IT and financial services and there are two candidates for a vacancy, one a citizen living and working here and the other someone wishing to avail of this tax break, who will the company select? It will go for the person it will bring into the country. Therefore, how will a job be created? I do not see how this initiative will create jobs for our people. There are serious questions to be answered as to the reason this was included in the Bill. Who lobbied for this? Was it organisations like KPMG, the International Financial Services Centre or the Irish Aviation Authority? Was it the American Chamber of Commerce which was able to apply pressure to the Fine Gael Minister for Finance to create this tax break for rich people? I see it as a scandal and do not understand how we can stand over it. The Minister came into the House and said this would help job creation here. It will not help job creation here. What it does is provide a State subsidy for private companies to hire people on high salaries. That is a disastrous policy and one I can never support. Will the Minister provide details on who benefited from the programme in 2008, 2009 and 2010 and on who will benefit from it in the future? Will he provide details on how much it will cost the Exchequer? How many people will apply for it and what is the rationale for it? Can he or someone else explain to me how this measure will create jobs?

In his contribution earlier, Deputy Twomey said the priority for the Government was job creation and that people who were critical of the austerity strategy being imposed on this country by the troika, which was agreed by the Fianna Fáil Government in its memorandum of association, were engaging in fantasy economics. Is Deputy Twomey familiar with the work of Joseph Stiglitz or of Paul Krugman? Is he familiar with basic economic analysis? It is demand that creates jobs. If I run a company, a business or an enterprise, but am unable to produce a sufficient amount of the product I am making or to sell a sufficient amount of the service I am producing to cope with demand, I will then hire additional staff to meet that demand. That is simple economics. Driving down the wages of people on low pay and creating massive tax breaks for people on high salaries will not create jobs.

One way we could create jobs would be to use the €5.2 billion still in the National Pensions Reserve Fund over the next four years to invest in a world class broadband system and to roll out a world class child care system across the country. This would create jobs and the jobs created through the use of that money would have a knock-on effect in the economy and create other jobs, because spending would increase, activity would increase and the economy would grow. Organisations that are well respected by progressive parties, including TASC, have made this proposal. Why is it not being considered? I believe it is not being considered because we have an axis in Government that is dominated by conservative Fine Gael Ministers in the Department of Finance and the Department of Jobs, Enterprise and Innovation who are opposed ideologically to these progressive measures. I urge colleagues to look closely at this relief programme and to seek its removal from the Bill. It is a thoroughly scandalous proposal.

On the question of VAT, the poorest 10% of Ireland's population paid 15%, or one sixth, of their total income last year through VAT. Some three quarters of that was paid at the higher VAT rate of 21%, which has now increased to 23%. In contrast, the richest 10% of our population paid only 7% of their income through VAT. This is an economic fact provided by Social Justice Ireland. Across the water, the British Labour Party, of which I have been critical with regard to many of its initiatives over the past ten to 15 years, is attacking the Tories because of their decision to increase VAT. It is a core tenet of the type of politics I espouse that direct taxes distributed progressively are far better at raising revenue fairly than indirect taxation such as VAT, which by its nature is regressive.

With regard to capital gains tax, I asked the Minister for Finance last week how much would be raised by increasing capital gains and acquisition tax to 40%. The response was that this

would raise €276 million per annum. It was also suggested that such an increase might impact on economic activity in the area of capital gains and acquisitions. That is a nonsense argument and an argument for zero taxation. When the rainbow Government left office in 1977, the rate was 40%, until the Fianna Fáil Minister for Finance, Charlie McCreevy, got his paws on the policy. Why can we not have the capital gains and acquisitions tax rate that was acceptable to the rainbow Government and why do we not use that €276 million to scrap the unfair household charge? Why do we not take €20 million of it, for example, for home improvement. In my local authority area of Fingal, it would cost €20 million to replace single glazed windows with double glazing throughout the entire local authority housing stock in the area. This would be taking a good environmental measure that would help combat fuel poverty. I am just using Fingal as an example.

Why can we not have taxation policies of this nature? Taxing capital, wealth and significant incomes would be an appropriate way to meet our international targets. Like others, I believe we can achieve our international obligations in a way that is fair. I do not believe we can walk away from the EU-IMF deal. I do not believe the country should simply not pay its own way. What I believe is that we have choices to make every day we spend in the House making decisions about our economy. We have choices to make about where the burden falls and about how we can bridge the gap between income and expenditure. In my view, the wrong choices are being made and I do not believe I am alone in that view. Organisations like TASC, ICTU, Social Justice Ireland and others have put forward constructive proposals on how to address the issues. I encourage those who share my values and view to run with these and to join me in lobbying for them in this Finance Bill. I thank the Chair for giving me the opportunity to contribute. I will oppose the Bill.

**An Leas-Cheann Comhairle:** I now call Deputy Phelan, who is sharing time with Deputies Kevin Humphreys, Hannigan and Eoghan Murphy.

**Deputy Ann Phelan:** I would like to remind the Deputies on the far side of the House that Mark Twain, a very wise man, said that there are only two certainties in life, death and taxes.

Great strides have been made in recent years to combat the once rampant black economy in Ireland. Likewise, the Minister for Social Protection, Deputy Joan Burton has made great progress in recent months to combat social welfare fraud. When one studies the established practice of hiding black market cash in foreign bank accounts in the past, one wonders how this small island ever survived. I am pleased that in spite of the huge challenges inherited by the Government, these challenges are being met head-on with fairness. It is interesting that as soon as Revenue closes off one tax avoidance or evasion loophole, some genius comes up with an alternative. Agency locums, phony self-employed status and abuses of company law are replacing expert cash exporters. Under-reporting or non-reporting of income will always be with us.

Tax collection will always be unpopular, but most people accept that if everybody pays fairly and according to their means, their contribution to the common good is worthwhile. Nobody likes paying taxes, but like social protection, taxes are a noble and humane concept of supporting those who, through no fault of their own, must rely on the generosity of their fellow human beings when they fall through the net of hope. For that reason, I agree with ISME that the shadow economy now costs the State €5 billion in lost taxes. Moreover, with tax-compliant firms being undercut by rogue operators, ISME says hundreds of legitimate businesses are under threat.

As one who campaigned in the last general election on the three platforms of jobs, reform and fairness as a priority, it is fitting that I should show my support for this Government's initial effort to put those noble aspirations into practice.

[Deputy Ann Phelan.]

The programme for Government aims, as expressed in the budget of the Minister for Finance, Deputy Noonan, are a commendable first attempt to correct the shameful misuse of governing power over the past decade. In this time of public demands for instant answers, fuelled by simplistic pundit demands in the media and elsewhere, the Irish economic vessel has sometimes resembled a battleship. I agree with the Minister's comments that "this Finance Bill is a further step towards economic recovery and regaining our fiscal autonomy".

The primary purpose of the 2012 budget is to support the creation of jobs in the short, medium and long term while reducing the deficit to support a sustainable economy. The Government has already restored the minimum wage but not increased taxes for working people. It has reduced the VAT rate applied in the tourist sector, ring-fenced €20 million for long-term unemployed initiatives, maintained core social welfare, including pensions and jobseekers' allowances, and kept family income supplement, carers' and disability entitlements. Key decisions were made in the reform area, such as reducing the pay of the Taoiseach and Ministers, changing pay and conditions for senior civil and public servants and tackling the thorny issue of reforming the public service.

With regard to fairness, the recovery burden must be shared equally, which is why I welcome the maintenance of current social welfare payments and having the biggest budget spend on health, education and social protection. I am also glad that 330,000 people have been relieved of paying the universal social charge, which puts social solidarity at the forefront of the budget process.

Personally, I am delighted the Government is to tackle the murky business of fuel laundering. I am delighted that the Revenue Commissioners will be given more robust powers to combat attacks on the livelihoods of those threatened by unfair competition. I note from the list of Finance Bill measures that a comprehensive strategy will now be applied by the Revenue Commissioners to the subversive element who operate illegally here and in Northern Ireland. Their activities have not only ended legitimate family businesses but have also threatened water tables and public health while compromising the environment and endangering the food chain, agriculture and other industries. I strongly commend the Finance Bill 2012 to the House.

**Deputy Kevin Humphreys:** I thank the Minister for bringing forward what is a comprehensive and wide-ranging Bill. The legislation addresses a significant number of issues and at its heart is an effort to make Ireland more competitive and fairer. More could be done and I hope it will be in future budgets. As Senator Phelan noted, some 330,000 have been relieved of paying the universal social charge.

Although it was not announced in the budget, I welcome the increase in wealth, capital gains and capital acquisitions taxes, as well as the cap of €3 million on reliefs for family businesses and farms. These measures will ensure that wealth pays its way, which I welcome. For far too long people have said that people with wealth have not been paying their fair share, and this is an example of the first step in dealing with that issue. I also note the increase in DIRT to 30%. Deputies should be happy with that measure as it is about making everybody pay their fair share.

Further efforts to clamp down on fraud are welcome and people should have confidence in the Revenue Commissioners and know that everybody will pay a fair share. We should not return to what would have happened with tax evasion practices in the 1980s. Measures on fuel laundering are long overdue but are contained in the Finance Bill. I know this issue is deeply felt by Deputy Phelan, who has raised it on several occasions.

There is a series of amendments relating to the licensing process, which is progressive. Nevertheless, certain issues should be addressed. I would like to see the implementation of the recommendation of the Commission on Taxation Report 2009 that there should be an annual tax expenditure report published within several months of a finance Bill outlining the cost, effectiveness and economic impact of various tax reliefs on measures. That would be a progressive and reforming measure that would allow us to see very quickly how a finance Bill would perform.

I have an issue with the increase in mortgage interest relief to 30%, as the measure is not targeted at those who need it most. I ask the Minister to introduce an income threshold on eligibility for the tax relief. I suggest that the cap should be at least €200,000 for a married couple, and there should be a balance across other income levels.

I mentioned the regulation of motor fuel businesses earlier, and I ask the Minister to consider an amendment to the appropriate section to ensure that one of the conditions of a licence to sell fuel oil and diesel is that an applicant should have planning permission for a premises. That would be a very efficient way of closing down or stopping the establishment of illegal fuel laundering businesses. Many people having driven around the country would have seen fuel stations operated from the back of containers, and one must question how, in the first instance, such people got a licence. If we introduced such a stipulation in the Finance Bill, it would be a very efficient way of closing down illegal trade, which operates in competition with companies paying their fair share of tax and giving good employment.

Deputy Nulty criticised the special assignee relief programme earlier. It is very easy for the Deputy to forget the benefits introduced in this Finance Bill. I was elected and will work to the Labour Party manifesto, unlike Deputy Nulty, which was negotiated with Fine Gael and led to the programme for Government. Deputy Nulty ran for election on the programme for Government, which he very quickly rejected. Like Bobby Ewing he stepped out of the shower and forgot why people voted for him. They did so on the basis of the programme for Government and many of my colleagues canvassed for him in that respect. People knew why they were electing Deputy Nulty but he seems to want to walk away very quickly from those responsibilities.

There has been much heat and misinformation about the special assignee relief programme. This provision is tightly worded and ensures that people on high income currently working in Ireland cannot avail of it. It is only available to 2014 and the person in question must have worked for a company for a year and not have paid tax in Ireland for the previous five years. The idea is to attract highly paid jobs to Ireland and my understanding is it will bring about a gain in taxpayers and increase revenue and PRSI to the Exchequer. I welcome it in that respect. There is another element to this which opens another front in the tax war, and we should be careful with it. The initiative must be reviewed in 2014 to ensure it does what it says on the tin.

**Deputy Dominic Hannigan:** I welcome the opportunity to speak on this Finance Bill this evening. I was in Ashbourne last week calling to some houses and I spoke to a man and his son about where we are as a country. He told me he was tired of hearing constant negativity from some quarters of society and that he wanted a positive narrative about the country. I agree with this and believe we can look forward and be optimistic that as a country we are moving in the right direction. There are positive signs.

We are on track to get our deficit below 3% of GDP by 2015 and the GDP increased by 0.7% in 2011 compared to the first three quarters of 2010. Our exports are growing very strongly and our tourism figures are constantly increasing. This week has been very positive for job creation in Ireland, as we have launched our action plan for jobs. That multiannual plan is a firm commitment from the Government to create a renewed environment for enterprise in

[Deputy Dominic Hannigan.]

the country. It is not a typical Government plan and each of the 270 different measures contained in it has an identifiable agency or Department which is responsible for overseeing it within a given timescale. There will be quarterly reviews led by the Taoiseach's Department to ensure these measures are being implemented and working. If a measure is not working, we will be able to review it, work out why it is not working and try to put it right. This morning's announcement that the memorandum of understanding is to be renegotiated is positive news. Since the Government came into office almost a year ago, we have consistently argued with the troika that money from the sale of non-core State assets should be used not just for debt repayment but also for other things, such as investment in job creation. I am glad that argument has been listened to. I understand that in the coming weeks, the Minister, Deputy Howlin, will present proposals to his Cabinet colleagues on how some of this money can be invested to generate jobs.

The Finance Bill 2012 is another example of the Government's focus on job creation. The measures in the Bill are designed to support investment, allow for more research and help to create more jobs. This Bill is part of the wider Government strategy on job creation. I particularly welcome the Minister's focus on Brazil, Russia, India, China and South Africa, which are known as the BRICS countries. I have spoken previously in the House about the potential of the Irish exporters to expand into these countries, which represent 40% of the world's population and 15% of the global economy. The discretionary spending of the growing middle classes in those countries is increasing as their economies develop. China has more than 30 cities with a population of over 1 million. We have very little presence in many huge markets there. I have visited cities like Wuhan and Guangzhou, each of which has a population greater than the whole of Ireland. Very few Irish goods are on sale in those cities, which have seen little penetration by Irish firms.

Millions of citizens, from Moscow to Mumbai and from Sao Paulo to St. Petersburg, have money that could be spent on Irish goods or in Irish towns. We need to get into these markets. The legislation before the House contains measures that will help Irish firms to do so. Employees of Irish companies who spend a minimum of 60 days in any of the BRICS countries will get tax breaks. Irish employees will be able to work with the embassies and consulates in these countries to further their knowledge of local economies and find businesses who are interested in dealing with them. We should not forget that last year, the Tánaiste called all of our ambassadors to a meeting to discuss how they could help to generate investment and trade opportunities for Irish companies. This is another example of the joined-up thinking at the heart of the Government.

We are committed to trying to improve the level of job creation and increase the number of jobs in this country. It is important that we keep an eye on this programme. If what we are doing with regard to employees in the BRICS countries works out, we should think about expanding it to other countries to ensure we can gain as much trade and investment as possible from those countries. This has been a positive week for job creation in Ireland. All Government Deputies and Departments are working together to create jobs and get people back to work. This Bill is another example of that work.

**Deputy Eoghan Murphy:** I welcome the Finance Bill 2012. I am glad to have an opportunity to speak on it. It is important to understand that this legislation is not being debated in isolation, but in the context of other measures that have been introduced by the Government. I refer not only to the announcement of the budget for 2012 but also to the jobs plan for the next four years that was announced by the Government earlier this week. The wider financial and economic situation needs to be considered in the context of some of the Government's activities,

including the measures it has taken with regard to the banking sector, the significant changes in our borrowing agreements with the troika and the improvements in our lending terms abroad, which are notional at the moment. Other measures, such as those to be set out in the proposed personal insolvency legislation and the new enterprise and investment schemes for those coming from abroad, have yet to come. The general reconfiguring of the tax base will also be welcome. We should bear in mind that some positive economic indicators in the wider economy are also envisioned. This Bill is being debated in the context of the wider debate that is taking place internationally. Attempts have been made to place those involved in the debate neatly into one of two camps — the austerity camp or the stimulus camp. People have suggested that a Keynesian approach is working in the United States and starting to bear fruit as the US economy begins to come around. They have argued that the bare branches of austerity in the UK demonstrate that its economy is stagnant. I wonder what they will say tomorrow.

It is important that we remember that economics is a social science. Economists are very good at analysis, but not so great at predictions. Like any other science, economics is continuing to develop. As we do not yet have the perfect formula for managing an economy, all opinions are relevant in the current debate. I wonder whether the terms of the debate have forced us into a false dichotomy. Have we over-simplified the choices we face by saying we can take a Keynesian approach or an austerity approach? Perhaps the assumption that one cannot have stimulus and austerity together is limiting the discussion we can have on measures like those set out in this Bill and others that will come before the House. It has been proposed that we deleverage the State at the same time as deleveraging the banking sector and individual household private debt. If that contraction is considered all at once, there is a risk that it will hamper growth and lock us into a deflationary fiscal spiral. Anyone with a basic understanding of economics and of life will say that if everyone is cutting at the same time, it is not obvious where the growth will come from. At the same time, anyone with a basic understanding of finances will say that the current Government position is unsustainable. We cannot continue to spend more than we earn, particularly at a time when borrowing rates abroad are unacceptable to us.

The challenge this Government faces, as it concludes its first year in office, is to reduce the deficit responsibly without damaging our prospects for growth, or at least while allowing growth to happen. If the necessary reduction in the deficit is not made, we will be too greatly exposed to activities and events that are external to this country and its economy. Some of my colleagues have described this as a national security issue. I am sympathetic to that description. The difficulty is that we are not seeking to change how we spend our money in the overall context. We are not seeking merely to move money from column A to column B across the Government's expenditure in the economy — we are trying to reduce spending in every single column, across all lines of expenditure. That is a much greater challenge. We are not simply talking about how we spend our money — we are talking about what we spend and where we spend it. That is the great political question we face. It is important that we face it in a responsible manner. It is unfortunate and regrettable that as this debate has evolved, we have not been hearing responsible proposals from other sides of the House. The current climate demands that we examine how we can address the exact situation and commit to the challenge of reducing our deficit and our exposure to outside economic factors as best we can, while making sure we do not hamper our growth possibilities.

The Finance Bill strikes an appropriate balance between correcting the national financial situation and attempting to influence the economic position in a positive direction. When we examine the various sections of this legislation, it is clear that the Minister has tried to target spending, tax reliefs and policies in a way that creates the right environment for the economy to grow. I refer, for example, to the aspects of the Bill that relate to small and medium sized

[Deputy Eoghan Murphy.]

businesses, the financial services sector, the agrifood sector, the high-tech sector and new markets in other countries. These initiatives are very welcome and will prove incredibly fertile. They will not provide the answer in and of themselves, however. There is a wider context to what the Government is doing. The wider international situation is also relevant. Ultimately, employment will be the answer. It is the only way of sustainably improving our economic position and putting us on a sound footing once again. Recovery will take time. The only way for it to happen properly will be for it to come from the domestic indigenous economy. While it is right to champion exports, foreign direct investment and other measures in this Finance Bill, we must start to focus our resources on small and medium sized businesses that trade in the domestic economy. It is ultimately a question of balance. Although I would have preferred if we could have been more ambitious in the adjustment we made in the 2012 budget, I believe this Bill strikes the right balance between our current financial position and the wider economic environment, which we are hoping to grow.

**Deputy Robert Troy:** I would like to share time with Deputy McConalogue.

**Acting Chairman (Deputy Paudie Coffey):** Is that agreed? Agreed

**Deputy Robert Troy:** I welcome the opportunity to speak on the Finance Bill 2012. To be fair, last December's budget was never going to be easy. The target that had to be achieved involved reducing the deficit to 8.6% of GDP and taking €3.6 billion out of circulation. It was always going to be a difficult task. Fianna Fáil supported those targets. In our budget proposals, we submitted how we would achieve them. Ultimately, the target was reached on foot of a collective decision by members of Fine Gael and the Labour Party. We welcome some aspects of the approach that is being pursued, such as the increase to €10,000 in the universal social charge exemption. However, many elements of the budget and this Finance Bill are regressive. One after the other, Government backbench Deputies have praised the Government for its fairness and for protecting the weakest and most vulnerable. If only this were the truth. The ESRI assessment of the budget states:

Looking at the impact of the 2012 budget, it is clear that the greatest reduction in income is for those on the lowest incomes — a fall of between 2% and 2.5% for the poorest 40% of households. This compares with a fall of close to 1% for the next 40% of households, and of 0.8% for the top 20%.

This is a dreadful assessment of an extremely regressive budget. Prior to the general election, the Labour Party made clear that top earners must make an appropriate contribution to addressing the deficit. We do not see any sign of such measures. Prior to the budget, the Fianna Fáil Party proposed increasing the universal social charge for those earning more than €115,000 per annum but no action was taken and those at the higher end of the income scale got off scot free.

Given the limited time available to me, I will concentrate on a small number of issues. Only today, Chambers Ireland noted that the seasonally adjusted 9% decrease in the value of exports to €7.5 billion in December from a high of €8.5 billion in November signals a need for a greater focus on the domestic economy. At a time when we should be rebuilding the domestic economy, the Government has decided to increase VAT to 23%, the fifth highest rate in the European Union. This measure will have a devastating effect on local economies and small businesses and will cost jobs. The distributional effects of the VAT increase were examined by the ESRI in a paper published in July. It found that those hardest hit by the VAT increase are households

in the lowest 10% income bracket, households in rural areas and one parent families. Once again, we have had an attack on the most vulnerable.

How can the Government, which only a few short months ago heralded a reduction in the lower rate of VAT as a mechanism for creating jobs, subsequently argue that an increase in the higher VAT rate will not have any effect on jobs? Its argument does not add up. Many retailers in my home town of Mullingar argue that the increase in VAT will dampen demand and cost jobs. While we will have to wait on the figures for the first quarter to find out who is right and who is wrong, I predict the VAT increase will cost jobs.

Referring to the Government's proposal on mortgage interest relief, the Keane report stated:

The Group examined the proposal to increase mortgage interest relief to 30% for First Time Buyers in 2004-08 but it was considered that this change should not be recommended. The proposal would give increased relief in an indiscriminate manner as it would give benefits to all who took out mortgages in the relevant years, regardless of their economic circumstances.

This is as an untargeted proposal that would not benefit many people who are in financial distress, including those who bought homes in 2003 or earlier, those who have bought homes since 2008 and some families who traded up during the qualifying period in order that they would have more space. The mortgage problem needs urgent attention. Many people, through no fault of their own, are at their wits' end. They live in fear of losing their home, are struggling to meet day to day expenses and do not have any quality of life. This is not only an economic problem but a moral issue and it is incumbent on all of us in Parliament to address it.

Recently, a person visited my clinic who is working full-time and is at his wits' end because he had run out of petrol while driving on three occasions. He cannot afford to fill his car to get him to and from work because he is crippled by his mortgage repayments. The budget did not offer him any support.

Of the 800,000 mortgage accounts, more than 8% have been in arrears for more than 90 days and approximately 70,000 have been restructured. At the global Irish network on 8 October 2011, former US President, Bill Clinton, identified the mortgage crisis as the principal issue holding back the Irish economy. At the same event, the Taoiseach stated the Government would "make decisions in the next couple of weeks [and] there will be additional facilities for people who have distressed mortgage situations to help ease that problem". The only positive development since the Taoiseach spoke on the issue has been the increase in mortgage interest relief for a specific group of home buyers.

**Deputy Jerry Buttimer:** What about the personal insolvency legislation?

**Deputy Robert Troy:** Mortgage interest supplement is a targeted, means tested measure which helps those who are most in difficulty. The Government is reducing the budget for mortgage interest supplement by approximately one third and increasing the minimum contribution from €24 per week to €35 per week. Fianna Fáil has been proactive in this regard by seeking to bring about a solution to the problem. During Private Members' business we introduced legislation that would help people who find themselves in this position.

**Deputy Jerry Buttimer:** Was the Fianna Fáil Party in government during the past ten years?

**Deputy Robert Troy:** While the Government did not vote against our Bill, it has been slow to act on proposals on this urgent matter.

**Deputy Sean Sherlock:** Who gave the Deputy his speech?

**Deputy Jerry Buttimer:** Donie Cassidy wrote it for him.

**Acting Chairman (Deputy Paudie Coffey):** Please allow the Deputy to continue without interruption.

**Deputy Robert Troy:** I remind Deputy Buttimer that I was elected on my own merits and did not enter the House on the crest of a wave. I have a mandate to be here and will address the House. I ask the Acting Chairman to request that Deputy Buttimer give me appropriate consideration.

**Acting Chairman (Deputy Paudie Coffey):** I have asked him to do so.

**Deputy Robert Troy:** What has the Government done to address the variable rate charged by Permanent TSB which is approximately 2% higher than the rates charged by Allied Irish Banks and Bank of Ireland. Permanent TSB is an almost 100% State-owned financial institution.

**Acting Chairman (Deputy Paudie Coffey):** The Deputy has one minute remaining.

**Deputy Robert Troy:** I agree with Deputy Eoghan Murphy that job creation and supporting small and medium sized enterprises in the domestic economy are the only solutions to the economic crisis. The Minister failed in the Bill to take action in two areas. Since my election to the House, I have continually highlighted the issue of commercial rates. Small family businesses and retailers, which the Government promised to support by amending commercial rates, are on their knees. Nothing has been done and the opportunity has been wasted.

Similarly, no action has been taken on upward only rent reviews which the parties opposite promised to abolish during the general election campaign. Do the Deputies opposite remember making such promises? I remind the Government that its failure to act in this regard is also forcing small family retailers to close their doors.

The Government promised a review of community employment schemes. When will the outcome of the review be announced? When will the review of DEIS and small schools take place? How many reviews will the Government announce?

**Acting Chairman (Deputy Paudie Coffey):** The Deputy is eating into his colleagues' time.

**Deputy Robert Troy:** I will conclude. What is most worrying is that the Government has confirmed to the troika that it may take additional measures during the year if it does not meet its targets. It stated: "While we do not envisage that revisions will be needed, we kept stand ready to take any corrective action that may become necessary to meet changing circumstances." Given that the Government's growth projections have been reduced on numerous occasions in the budget speech, I wonder whether we will see a mini-budget and a new finance Bill before the end of the year.

**Deputy Charlie McConalogue:** We are now one year on from the last election and one year into the Government's term of office. In that period of time, the Finance Bill we are discussing, following the measures introduced in the budget in December, is the first big test and real set of initiatives the Government has undertaken. For most of the first year, it was implementing the budget of the previous year. It is disappointing for the public to see what has come to pass in the first major initiative of the Government and the measures they are introducing. It bears little relation to what was promised this time last year when Labour and Fine Gael Deputies were knocking on doors in the same way as me and Deputy Troy. The public was told that the two parties would create 100,000 jobs, which was promised again yesterday, one year later.

**Deputy Nicky McFadden:** And we are.

**Deputy Charlie McConalogue:** It is a renewal of the promise, a little like taking vows once more. Is Deputy McFadden planning on making this an annual event? The parties promised they would burn the bondholders but we have not seen that. In fact the opposite is the case.

**Deputy Mary Mitchell O'Connor:** Deputy McConalogue's party took out 400,000 people.

**Deputy James Bannon:** Deputy McConalogue's party is responsible for the mess we are in.

**Deputy Robert Troy:** Will Deputy James Bannon vote in favour of this Bill?

**Deputy Charlie McConalogue:** Like many of his colleagues, I am sure Deputy James Bannon promised that not one red cent would be paid to the banks. He was not long going back on that.

**Deputy James Bannon:** We are conducting the business of government from this Chamber, not from the Galway tent.

**Deputy Charlie McConalogue:** Most of the work undertaken in the first year in government was rowing back and undoing some of the promises made during the election campaign. It is welcome that they are now getting down to business and we are seeing the colour of their money. They promised to protect social welfare, small schools and health services. When it comes to the first budget and the Finance Bill, which is implementing those measures, that is not the case. Some 441,000 people are on the live register and 100,000 families are in difficulties with mortgages, with 46,000 residential mortgage accounts in arrears of more than 180 days or more. It is of concern that the Finance Bill and the budget were based on a projection of 1.3% growth, when most forecasts are of 0.5% growth. Unemployment has not been addressed and the trend is worrying. Some 42% of claimants are long-term unemployed, an increase from 36% at the end of 2010. The number of people under 25 on the live register has fallen, mostly because they are heading out of the country, while the number of those over 25 with roots in the country is increasing. I sincerely hope the promise in the jobs initiative and the plan announced last week, to reach 100,000 jobs, will be met because this economy needs it. The economic and fiscal outlook published with the budget projected employment would grow by 62,000 between 2011 and 2015. Now, in the week of the Finance Bill, we go back to the famous figure of 100,000, which the Minister for Finance admitted at the time was a nice round figure pulled out of thin air to make the policy document look good. I hope that is not what we are seeing now because it is not what we need.

The budget is predicated on economic growth of 1.3% whereas many people now project growth of 0.5%. The Taoiseach has not justified the basis for this. When most of the economic think tanks and advisers say it will be different, the Taoiseach is resolutely sticking to his figure. I hope this figure is the case but he seems to be on thin ice. The budget and the Finance Bill, which is implementing it, represents a regressive budget from a Government made up of two parties that promised the most vulnerable would be protected and promised that the budget would be fair because adjustments would be targeted at those who could most afford it. Some of the case studies take into account what the Finance Bill means, in conjunction with the Social Welfare Act, and show the opposite to be the case. I remember a television interview after the budget was introduced and the Minister of State, Deputy Brian Hayes, was wounded by a question on how he, with the wage of a Minister of State, was affected more than those on social welfare. He could not indicate anything but the VAT increase and that is what the figures show.

[Deputy Charlie McConalogue.]

A family on social welfare, with two parents and three kids, have had the fuel allowance reduced by €190, rent costs €570 more, the back-to-school allowance was reduced by €160 and child benefit was reduced by €228. This amounts to a loss of €1,078 for the family. A similar family but with double incomes on €150,000 lost €30 less, taking into account the household charge, VAT, carbon taxes, motor taxes and college fees. That is what the Government backbenches are standing over.

In many communities, we see cuts to DEIS schools and community employment schemes, where the materials grant is being cut. This makes it difficult for the schemes, which do work in local communities and provide an outlet for many people with valuable skills to work every day. The labour market activation fund was presented as a major initiative in the budget to address unemployment. Some €20 million was allocated to it in the Finance Bill for an unemployment register of 440,000 people, amounting to €50 per unemployed person. Before the jobs initiative was announced, Government Deputies were saying the additional €50 for every unemployed person was the key measure for the unemployed. I cannot recommend this Finance Bill to the House because of what is contained in it. It does not match what the Deputies opposite went to the country with one year ago.

**Deputy Jerry Buttimer:** I wish to share time with Deputies Bannon, Mitchell O'Connor and McFadden.

**Acting Chairman (Deputy Paudie Coffey):** Is that agreed? Agreed.

**Deputy Jerry Buttimer:** In less than a week the Government, if I can annoy the Members opposite, has reaffirmed its position in its two announcements which have prioritised jobs and encouraged business. The programme for Government is committed to support the production and creation of jobs and it is also recognised that the big challenge for Ireland is to develop a strategy that will allow job growth and sustainable enterprise and that job creation is central to any recovery strategy. That is important.

The Finance Bill before us and the action plan for jobs announced on Monday are focused on delivering on these firm commitments, namely encouraging entrepreneurs, supporting business and facilitating job creation. It is a plan that the Members opposite did not have for 14 years. They ignored responsibility and the people. That is the reality.

The Finance Bill before us is correctly targeting small and medium enterprises and foreign direct investment. Growing the small and medium enterprise sector will be essential in growing our economy, restoring jobs and creating employment. Deputy Troy referred to small enterprises. He knows full well they are labour intensive. We must put in place measures to help such businesses maximise job creation.

The expansion of the employment and investment scheme incentive will ensure it is more widely available. It will help small and medium enterprises to raise investment over and above the limits that apply under the business expansion scheme. The number of investments in the old business employment scheme fell by approximately 50% from 3,200 in 2008 to approximately 1,470 in 2010. It is important that the expansion of the employment and investment incentive reverses that trend and encourages investment in progressive businesses which are creating employment.

The Minister for Finance has also reformed the research and development credit scheme available to small and medium enterprises. The research and development tax credit can be used to reward and incentivise employees. Small and medium enterprises can also contract out some research and development work and retain the full benefit of the available tax credits.

This Government is encouraging Irish companies to expand into emerging international markets. The measures are targeted to encourage business in markets which have significant growth potential, to which Deputy Hannigan referred, in particular the BRIC countries. The foreign earnings deduction will act as a reward for those companies who take on the risk of exploring the opportunities for growth in new markets.

To help expanding small and medium enterprises develop their businesses into BRIC countries there is a new special assignee relief programme. It will allow them to assign employees to new markets for between one and five years to establish vital trade links. As well as encouraging Irish business to expand internationally, the Minister is encouraging skilled executives who can create jobs to relocate to Ireland, which is important. The Finance Bill provides for tax relief on income for skilled executives working in research. These people create employment and are central to driving our economy. It is estimated that between 80 and 100 people might avail of this incentive, each creating jobs which will benefit the indigenous economy.

These initiatives are just part of the measures being introduced by the Minister and Government to encourage business and job creation. Despite what some across the floor said, these initiatives show creative thinking and an ambitious plan aimed at getting our country back to work. The Finance Bill, the action plan for jobs and the other job creation initiatives being implemented by Ministers show the Government is prioritising and delivering on its key commitment of creating jobs.

It recognises the difficulties being faced by families and many of our citizens and is working to provide an environment where we can grow our way to recovery. We live in the real world on this side of the House and understand the importance of a job. That is why the Finance Bill is the platform on which we can rebuild and relaunch Ireland. I commend it to the House.

**Deputy James Bannon:** While we go through the motions and debate the Finance Bill, there is a sense that we are standing here with our hands tied behind our backs, bowing towards Europe or rather the troika. Despite this, the Bill is a positive step towards managing our limited resources in a manner calculated to build on, and improve, the chink of light showing through the financial gloom. It will contribute in a positive way to releasing these ties and bring us back to a level of autonomy.

The Minister has made us aware of a new stability in public finances and the decline in the budget deficit. Budget 2012 and the copper-fastening of its provisions through this Bill will be the driving mechanism to achieve a further reduction in the deficit to a projected 8.6% of GDP. The latest troika concessions, which will see some of the proceeds of the sale of State assets being reinvested in our economy, particularly relating to competitiveness and not just into the black hole of our debt payments, is very welcome. While the actual sale of such assets is necessary, it is a shameful indictment of the previous Administration, presided over by Deputy Troy's party, and an out of control banking sector; but any leeway on the moneys realised is beneficial.

While the macro situation in terms of the global, European and even the national is to a great extent outside our control, there is an urgent need to focus on the regional, within the limited resources available. Our local counties, towns and rural areas must be prioritised, with the emphasis on recovery and growth, through job creation.

I have always said that marketing activities must begin at home in each county. However, while the know-how is local, the funding and investment opportunities must be equally shared from central resources, on a region by region basis. Support for local enterprise leads to a positive impact on local economies, which in turn increases employment.

[Deputy James Bannon.]

I very much welcome the Government's action plan for jobs and congratulate all those involved in its formation. Combined with the measures in this Bill to encourage investment and stimulate research, this plan will support the drive toward job creation, with a projected 100,000 jobs coming online by 2016. I very much welcome the focus of the action plan which will change the way the Government interacts with business by cutting costs and red tape. It contains 15 key actions to make it easier to do business and grow jobs. County enterprise boards will be replaced by a new one stop shop micro enterprise support structure. I am encouraged by the initiative that will see Enterprise Ireland, through offices in local authorities, provide expert help to start-up businesses at a local level and bring a new fairness to the allocation of resources and opportunities.

My priority is getting Longford and Westmeath back on the fast-track of economic recovery and development. I said a number of years ago that I am extremely proud to be part of the modern, vibrant economy that is developing in the midlands. In tandem with the rest of the country that economic upswing has been sharply curtailed. I am determined that every opportunity will be offered and taken to reverse that setback.

I am extremely pleased to welcome the action plan which will encourage firms in Longford and Westmeath to sell their products abroad in lucrative export markets. Enterprise Ireland is committed to identifying a wider group of potential exporting companies under a new potential exporters division. The corporation tax exemption for start-ups will be extended to 2014, and a new development capital scheme will help fund medium size indigenous companies with major growth potential.

Accessing credit remains a major challenge for many firms in Longford-Westmeath. I am confident this problem will be directly addressed by the partial credit guarantee scheme and the micro-finance fund, which will help businesses struggling to get loans.

The hardest thing to accept in the current economic climate is the enforced curtailment of locally driven economic and commercial expansion, which I saw taking place in Longford-Westmeath. However, the arrival of Abbott, one of the world's top pharmaceutical companies, has had and continues to have a hugely positive impact on our economic development.

Inward investment such as this is essential and more than ever is the lifeblood of rural areas such as Longford-Westmeath. Infrastructural provision, however, is an essential part of any development. The unfortunate curtailment of road projects such as the N4 and N55 adversely impacts on economic recovery. If foreign investors do not find the basics here they will go elsewhere. We cannot congratulate ourselves on being to the forefront of cloud technology if businesses and households cannot get basic broadband, as is the case in Longford-Westmeath.

**Deputy Mary Mitchell O'Connor:** This evening I wish to be constructive and put forward an argument for the need to allow a certain cohort of people to unlock part of their pension funds. This will allow a flexible system for many people under financial duress. I have consulted with the Irish Brokers Association and IBEC on this matter.

Widespread early draw-down of defined benefit and defined contribution schemes must be avoided. There are, however, significant funds in additional voluntary contributions and other personal pension schemes that are suitable for early draw-down. IBEC estimates there is currently €4 billion in AVC schemes, in addition to the standard pension contributions already made by employees in defined benefit and defined contribution schemes. There is also approximately €15 billion in personal pension schemes that are widely used by the self-employed and small business owners.

The benefits to the Irish economy have been researched by IBEC, which argued that if one in four people with AVCs and personal pension schemes were to draw down a quarter of their funds, the stimulus would amount to €1.3 billion. If the draw-down was taxed at 20%, there would be an immediate and direct injection to the Exchequer of €260 million because of the liquidity in the market and people spending. IBEC further estimates the additional activity in the economy would create and sustain more than 3,100 jobs in a three year period.

Government policy allowing temporary or early access to private pension savings has been introduced in a number of countries, including Australia, Iceland, Spain and Denmark. With the assistance of statistics from the Irish Brokers Association, I will refute the five main concerns proffered against my proposal. The first is that the banks would see this as a reason to pressurise people to cash in their pension funds. Banks are already doing this and I propose that early access to pension draw-down should only be permitted after sign-off by an appropriate agency such as MABS, a personal insolvency trustee or an independent financial adviser. The second argument is that it will cost the State money. By limiting it to funded pensions schemes and to amounts members are already permitted to take tax free, there is no extra cost to the State. The pension levy can be deducted prior to release. The third argument is that early access will decipitate existing savings. The maximum amount available tax free is 25% of the fund and, by definition, the earlier this is accessed, the smaller the amount. International figures suggest take-up would be less than 20%. The fear of decipitation of funds was also an initial concern for ARF draw-downs and proved groundless. The fourth argument is that the British Government looked at early draw-down of certain pensions and decided not to go ahead due to minimal support, principally from the pensions industry. In Ireland this proposal has the backing of the Irish Brokers Association, which represents 70% of all pension contributions in Ireland, and the Irish Association of Pension Funds and IBEC also support this measure. The final argument is that it will lead to a reduction of individual pension funds in the long term. This reduction is already allowed by the State at retirement, so earlier access has no further negative impact on the fund.

I ask the Minister for Finance and Social Protection to look at this proposal in the Finance Bill or the upcoming social welfare Bill.

**Deputy Nicky McFadden:** I welcome the opportunity to speak on the Finance Bill this evening. The publication of this Bill signals a positive outlook for the future. The Bill gives effect to the targeted measures announced in this year's budget. These measures are focused on improving Ireland's economy, creating a strong environment for jobs and ensuring fairness while at the same raising revenue for the State.

There are indicators that the economic outlook is improving. GDP has increased by 0.7% in the first three quarters of last year; the IDA reported a record number of new investments won last year, with exports increasing by almost 4.5% in the first nine months of 2011; and food and drink exports increased by 25% in 2011.

The budget introduced more than €1 billion in new tax measures. These tax measures will reduce the deficit to under 8.6%, in line with the programme commitments. There are no changes to income tax credits, rates and bands; take home pay will not be affected.

Maintaining a functioning property market is hugely important, not only in terms of the overall economy, but also for the well-being and stability of homeowners. One particular measure I greatly welcome, and which I am sure will also be welcomed by many young families in my constituency of Longford-Westmeath, is the increase in mortgage interest relief to 30% for first-time buyers who purchased their homes between 2004 and 2008. Negative equity has been a cause of serious worry and financial difficulty to households across the country and this Bill delivers on the Government's commitment to assist those in negative equity. First-time

[Deputy Nicky McFadden.]

buyers who bought in 2008 will also be entitled to mortgage interest relief, even if they did not start paying interest on their loan until 2009.

Another positive action in this Bill is the increase in the universal social charge exemption threshold from €4,004 to €10,036. This change will benefit 330,000 workers across the country. A universal social charge property relief surcharge of 5% will apply to property investors where their income is over €100,000. These changes to the universal social charge and mortgage interest relief will help reduce the financial burden felt by many people and assist in creating a more comfortable future for homeowners and lower paid workers.

The Government's biggest challenge is creating jobs and improving the economy.

This Bill includes supports for small businesses, which are the backbone of the economy. The export sector is an integral part of the recovery process.

I have heard many stories from constituents who have applied for business loans but who were continually unsuccessful. The major problem is that banks are not providing credit, even to legitimate business.

**Deputy John Halligan:** I am sharing time with Deputies Mattie McGrath, Joan Collins and Clare Daly.

This legislation is designed to have a long-term impact and it will take some time for it to have an effect. I welcome one of its provisions, the change regarding the research and development fund for companies and individuals. The first €100,000 in qualifying expenditure will be allowable on a volume basis. The measure could have a significant effect on SMEs. The measures to help struggling mortgage holders are timely.

Let me concentrate on the special assignee relief programme, SARP. I have listened very carefully to the Minister over recent days and to his reasoning for the programme. I accept that his giving tax breaks to foreign executives in the hope of stimulating the Irish economy is well intentioned. However, many of my constituents feel we are continuing to export trained, qualified young people at a rate of 100 per day while we are incentivising foreign executives to oversee us. The latter earn more pay and pay less tax.

I have grave misgivings about supporting a scheme that provides benefits to a sector that is more affluent than others. Figures released by the Department in recent days have shown the crippling effect of the austerity drive on low-income and middle-income earners, the so-called coping classes or working classes. The latter are shouldering a huge tax burden.

*7 o'clock* Incredibly, people earning €1 million or €2 million paid 0.3% less tax last year. Those earning between €400,000 and €450,000 paid just 1.1% more tax, which is outrageous. As I understand it, SARP is an extension of a programme that already exists. If I am correct, the programme was introduced in 2008 and was extended in 2010. Before launching the current scheme, did the Department evaluate the results of the programmes from 2008 and 2010? If so, did they have any tangible or concrete effect on job creation?

The programme is an insult to low-income earners and does not guarantee the creation of a single job. In debates on various programmes during the week, the Minister was not able to say the scheme will guarantee jobs. We need evidence of how many jobs the scheme created in 2008 and 2010. I do not know why the Minister is not telling us; perhaps he will tell us tomorrow.

Notwithstanding its 279 pages, the Bill fails to get to the heart of the problem. There is little in it to encourage ordinary people to spend. While the crisis continues, the economy is going downstream interminably.

Recent figures from the ESRI savings index show that 48% of people are now saving money regularly, up 8% on the figure released in December. The reason people are saving is they are terrified of spending money. The ESRI figures show that 31% of people are not saving at all because, by the time their diminishing salaries have covered their mortgages, home heating, food, fuel, the universal social charge, the household charge, the VAT increase, the university registration fee and septic tank charge, they do not have any disposable income left. There was a decrease in grocery sales of 56% among low and middle-income families last year and a decrease of 64% in regard to clothing. How will this promote spending in an economy and make it grow? It is not possible.

The Bill makes provision to allow for the increases in the costs of petrol and diesel. If the increases are maintained, the average motorist will stand to be worse off by €1,000 per year. Since the emergency budget in late 2008, there have been five separate tax increases, including the increase in VAT, the introduction of the carbon tax and excise duty hikes. The result is a cumulative tax of 21%. This is hardly an incentive to go on a spending spree.

A reference was made to there being too much negativity. None of us wants to be negative but perhaps the Deputy should address his remarks to the 440,000 who are unemployed, the 260,000 children who are living in abject poverty and the 600,000 adults living in poverty. Does the Government want these people, totalling nearly 1 million, to jump up and down and say it is doing well? It is completely out of touch and that is the problem.

The Finance Bill's effects over the next few years will be disastrous for middle and low-income groups. The Bill will be particularly disastrous for the economy in that certain of its provisions will not encourage growth.

**Deputy Mattie McGrath:** I do not want to be too negative or pessimistic either and I acknowledge the Government has a very difficult job. It had many choices in the budget and this Finance Bill. I am worried because successive Governments — I was part of the last two — have failed to recognise the simple mathematical fact that we cannot pay back the huge loan from the troika. I was glad to have met representatives of the troika some weeks ago to inform them it is just not possible. Any small businessman will know that. There can be no stimulus for small businesses if we are taking so much out of the economy every year. The Finance Bill gives a legal framework to the savage cuts introduced in the budget. We just cannot keep cutting.

Deputy Halligan referred to ESRI reports on people's savings. There was a report this week on people being unable to pay their credit card bills, standing charges, car loans and mortgages because they need the money for everyday living. This has a knock-on effect on shops and businesses.

We heard from Cavan chamber of commerce today. A massive Tesco building located on the outskirts of Cavan town is killing the town. This has happened in so many other towns. My town, Clonmel in Tipperary, is another example. We fail to see that the whole system has let us down. I refer to the Executive and bureaucracy. There is tunnel vision and the authorities cannot see where they are going and that the politics are negative.

Consider the issue of rates, for example. A small self-employed mechanic was in touch with me just before I entered the Chamber. His rates were increased by €1,000 and I could not believe it. Since he put down a new yard and enhanced his property as a result of the good times, his rates have been increased. He had to sell off property and machines to pay his debts last year. I know of several businesses that have cashed in their pension funds to try to stay afloat over recent years, yet they could not do so.

[Deputy Mattie McGrath.]

A business in Clonmel operating since 1958 is closing this week. Over the past three years, those concerned invested €100,000 of their savings to keep it afloat but cannot do so anymore. The system is not viable and we are going in but one direction. Unless the Valuation Office which reviews rates gets real and there is an independent assessor, this will continue to be the case. At present, one appeals to the same body that sets the rates. How one can increase a business's rates in this climate, I do not know.

In addition, we have had increases in VAT, diesel fuel and other items so people have less to spend. It is a negative aspect which means there is less turnover for businesses. I am not an expert in economics but I can tell that if there is not a mini-budget by mid-summer this year there will be some hole in the country's finances because business people will not be able to pay their taxes. That is already happening, but one cannot get blood from a stone.

The legislation governing the operation of sheriffs is outdated and should be re-examined and revised. Sheriffs are menacing people and, worse, they are charging exorbitant rates to take what people have not got. I know of a man who has been unsuccessful in business and the sheriff now wants to take his car away. However, because he did not give them the car, two individuals want €690 for that day's visit. They also wanted €690 for a visit the following week. They did not call but the man was sitting anxiously waiting for them.

That negative system is scandalous, outrageous and intimidatory. It is driving the goodwill, honesty, initiative and vitality from the self-employed sector. These rich, fat-cat sheriffs are propagating that system. It is worse than the penal days. In my area they cover Tipperary and Offaly and get exorbitant fees. It is disgraceful. While one can negotiate with the Revenue Commissioners — I have done so on behalf of others — the sheriff is non-negotiable and will not even speak to a person. He will charge his fees no matter what, adding them on. We should take those blood-thirsty hounds off the road and instead help business people who are hanging on by their fingernails. We are going nowhere, however, because we are tearing the lifeblood out of ordinary people in rural Ireland. We will not get out of this mess until we change direction.

I wish the Government well but I am disappointed that it has fallen into the system of having advisers who give the same advice as before. The Government should get rid of the advisers and get business people in to provide meaningful advice which can be acted upon. We would all support that to get our country back on track. The current system has been a total flop and a disastrous failure, which is mainly due to inertia in the public service. Public servants never worked in the private sector in their lives; they do not understand it, care less and think they are untouchable.

**Deputy Joan Collins:** It is no surprise that I cannot support this Bill. If proof were needed that the cost of paying for the banking system's economic collapse has been unfairly loaded onto the backs of those who can least afford it, it is to be found in the income tax Estimates for 2011 compared to 2010, which were released by the Revenue Commissioners last week. The figures are incredible. Those earning €17,500 to €20,000 a year — which is less than €400 a week — have seen their tax bill treble in 12 months. It was argued that such people were earning too little to be taxed, but nonetheless their tax bill has trebled.

People earning €20,000 to €30,000 a year, which is €400 to €600 a week, faced a 50% tax increase last year compared to 2010. At the same time, those earning per week what the poorest earn in a year, are unaffected by reductions in tax credits and rate bands. As a group, those earning over €2 million a year will pay less this year than last. It is outrageous. We have repeatedly pointed out that wealth should be taxed. The top 5% whose wealth increased by €45 billion last year on the back of austerity, and whose overall wealth amounts to over €200

billion, should be taxed at 5% which would yield €10 billion. A tax of 10% would yield €20 billion. Why are such measures not being examined? Why has the Government targeted the most vulnerable? The scale and immorality of this injustice is beyond belief.

Having piled austerity measures on working people, the unemployed, those on welfare and children in DEIS schools, the Government has a neck to propose even more tax reliefs for those on high salaries. Under the special assignment relief, it is proposed to make 30% of the salaries of those covered tax free. The Government should hang its head in shame.

The Minister of State with responsibility for disability, Deputy Kathleen Lynch, has said that funding to maintain supports for disabled children moving from school to adult services — which even Fianna Fáil ring-fenced — will be cut. Yet people coming in for tax-free credits will also receive €5,000 in tax credits per year for their children to attend school, which is outrageous. There is no evidence that this measure will create employment beyond the 60 or 70 people who are expected to avail of the scheme.

The Minister is also proposing to allow companies claiming tax relief for spending on research and development to transfer that relief to key employees. These R&D tax exemptions amounted to €215 million in 2009. The definition of “key employee” is subjective, to say the least. The scope for cutting certain employees’ tax bills is considerable. I have no doubt that there are hundreds of accountants, tax consultants and lawyers poring over these measures to assess their suitability as yet another tax loophole for the very well-heeled.

I wish to refer to the residential property reliefs on capital allowances. These reliefs cover section 23 properties which played a key role in inflating the property bubble with disastrous consequences. They also cover investments in hotels, crèches, nursing homes and private hospitals. The Minister has completely rowed back on the plan to phase out these property tax breaks proposed in the December 2010 budget. The 2011 Finance Act measures which sought to ring-fence income that could be sheltered by these allowances have been abolished by this Bill.

People are bitter and are becoming more so by the day. I meet people in the streets who say that this Government should watch its back. I attended a meeting with lone parents who are facing accumulated cuts in their income. They are angry as a result. Day after day, we see Deputies appearing in this Chamber with new dresses and other new clothes, yet there are women who cannot put food on the table. It is outrageous. They are totally out of touch with what is going on in society. It is business as usual, putting the boot into the most vulnerable and those on modest incomes, while licking the backsides of the rich. That is what is happening here.

**Deputy Clare Daly:** The statement that the Finance Bill has, at its heart, the primary objective of job creation, is an insult to the half a million people on the dole. Their talents are wasted at a time when such necessary work remains to be done. Nothing in the Bill will change that situation and we can say that categorically because the legislation is more of the same. Even by the Government’s own standards it is letting people down. It talks about supporting small and medium enterprises at the core, but the Government has even backtracked on that by not allowing SMEs access to promised bank loans. Some €6 billion in funds was supposed to be accessed but less than one third of those moneys will be available. Even the innovators, which the Government says it is propping up, find it difficult to access funds in the present climate.

We have a continuation of Robin Hood in reverse — taking money from the poorest in society while those at the top line their pockets. The measure to entice the so-called super rich from abroad with nice little tax-relief carrots, has exposed this con in the minds of many people. In essence, the Government is saying that a category of super high earners will have a lower effective tax rate than many people earning far less. This is somehow put out as a job creation

[Deputy Clare Daly.]

measure, without any statistical analysis to support it, even though the scheme has already been in existence. This is a ludicrous assertion.

Two of the biggest contributors to the destruction of jobs are the disastrous austerity plans which the Government is continuing to promote and the collapse in private sector investment. How will giving foreign investors money to come in here and tax breaks mitigate against that? Nothing has been put forward to support that argument. There is no measure to say the Exchequer will be reimbursed should that strategy fail as it undoubtedly will. These tax breaks must be seen in the context of the cuts that are being foisted on the shoulders of single parents and other less well off people in society. Money is being taken out of people's pockets through VAT, the household tax and other charges, so they cannot spend it in their local shops. This is about choices.

While we expect Fine Gael to promote and back up the rich — there is nothing new in that — it is shameful for the Labour Party. A surprising fact that has emerged is the sharp increase in the number of people declaring high incomes during the worst years of the economic crisis. What is the Government's response to this? Does it take more off them? No, it lets them off for even less. The number of those earning €275,000 has increased by almost a third but they pay an effective rate of tax of 32%. If an extra 3% income tax were imposed on these high earners, up to €150 million a year could be raised. Imposing a similar rate on all those earning over €100,000 would raise an extra €540 million, which is not far short of the amount the Government expects to collect through the VAT increase.

Instead of imposing such rates, the Government has reverted to more of the same of not supporting indigenous industry but prostituting this country at the feet of multinational corporations which have not delivered any serious jobs, which funnel their profits through our books to distort export figures and which make no meaningful contributions to the economy. This policy will fail because it is more of the same.

**Deputy John O'Mahony:** I wish share time with Deputies Harrington, Breen and John Paul Phelan.

**Acting Chairman (Deputy Paudie Coffey):** Is that agreed? Agreed.

**Deputy John O'Mahony:** Despite what we heard from earlier speakers, I support and welcome the constant efforts of the Minister for Finance, the Taoiseach and all Ministers to protect the most vulnerable and to support those industries such as tourism and agriculture which have the possibility of taking this country out of the economic straitjacket in which it finds itself. There is also an onus on the Government to be fair, which has been difficult with the choices that have to be made to sort out the economic mess it was left.

I welcome the change to the universal social charge, USC, which has taken 330,000 low-income workers out if it. Last night Fianna Fáil Members said this would make a saving of only €4 or €5 a week for these workers. That is €4 or €5 the previous Fianna Fáil Government took out of their pockets last year.

Farming is one of the good news stories in the economy. I welcome the initiatives by the Minister for Finance to remove some of the obstacles to young farmers taking over family farms. These will line up seamlessly with some of the key proposals in the reform of the Common Agricultural Policy to increase supports for small farmers. It is also falls in line with giving a hope of a future in farming to those attending agricultural colleges, many of which are bursting at the seams with students.

I also welcome all jobs created in recent weeks by multinational companies, small businesses and from other efforts such as the 6,000 new jobs created in tourism by the lowering of VAT and the introduction of other tourism promotion measures last June. Today at a briefing by Ireland West Airport Knock chief executive, Joe Gilmore, and chairman, Liam Scollan, I was uplifted to hear the airport had its busiest year yet in 2011, with 715,000 passengers passing through it in contrast to many other airports which are suffering contraction. Ireland West Airport Knock provides 171 direct jobs while supporting another 1,000 jobs. The airport has the dream, as well as the potential, to get passenger figures over the million mark. It is looking for support from the Government to have a transport plan that will look ten years ahead so it can plan in a structured way to deliver on that and provide more jobs, not just in Mayo but in the north west.

All Members are aware of the focus this budget has brought on difficult decisions concerning rural schools, community employment schemes and other areas which are affecting front line services. I thank Ministers who have engaged with us to minimise these effects. I am sorry to see no Sinn Féin Members are present in the Chamber. I agree with many of the points they have made recently with regard to the difficulties and changes facing small schools in these difficult times.

However, I cannot square that with the actions of the Sinn Féin Education Minister in Northern Ireland who last Monday closed 28 post-primary schools there. The only Catholic post-primary school in Portadown, Drumcree College, will be one of those closed. A family member involved in the school informed me serious efforts were made by school representatives to meet the Education Minister but he refused to meet them. I find it difficult that Sinn Féin preaches to us down here but practices something else when in power. Of course, it will probably whip it up that the British Government decides on the moneys available for schools in the North. However, as was said earlier, Sinn Féin has choices within its education budget to limit these closures. Those schools closed down last Monday would welcome some of our Government's measures for rural schools which Sinn Féin Members are decrying.

Let no one doubt that I will continue to fight for rural schools all the way to minimise the budgetary effects on them. I was educated in a one-teacher rural school and it started me off well in life. I do not like, however, the hypocrisy I see from some on the benches opposite in this regard.

**Deputy Dinny McGinley:** Well said. It is very true.

**Deputy Noel Harrington:** I welcome the opportunity to speak on the Finance Bill 2012. The country's economic problems arose because of the reckless behaviour of the previous three Governments. From 1997, Fianna Fáil and its different partners tried to go in opposite directions, which was disastrous for the country. The tax base was lowered to an unsustainable level while rising expenditure reached an equally unsustainable level. It became like two different pressures on an elastic band which eventually had to snap in the middle. The State was bankrupted and its people are now mortgaged for decades to come. Fianna Fáil has nothing else to offer except political horse-trading. There has not even been an apology or an excuse from Fianna Fáil Members except their mantra that everyone else is to blame bar them.

Previous Fianna Fáil Governments built Tower of Babel like monuments in the property sector. When the sector needed to cool its jets, the Fianna Fáil Governments put on the burners. A fundamental principle in economics is when the economy is going well, one cools it down and when it is going poorly, it needs a stimulus. Ireland is now caught in between where it can do neither.

[Deputy Noel Harrington.]

Be that as it may, we have to face some of the most critical decisions in our nation's history of which this budget is part. These are difficult times for all of us and we have to make many hard decisions if we are to rebuild our country and again make it the place it deserves to be in which to live and work.

I have listened to some of the contributions from the Opposition benches, particularly from the left-wing Deputies who will condemn and oppose every measure.

**Deputy Joan Collins:** It is reality.

**Deputy Noel Harrington:** I understand the political games that go on but the baby is often thrown out with the bathwater. The constant and incessant opposition to every proposal might be fine but the lack of a coherent, concrete alternative proposal that would introduce some initiative, enterprise and hope is sadly lacking.

**Deputy Joan Collins:** How about taxing the wealthy?

**Deputy Noel Harrington:** What would Deputy Joan Collins do if she discovered she was spending 30% more than she was taking into her bank account? I doubt if she would set a fire in front of her bank, credit union or post office. Instead, she would talk to her credit providers and find a sustainable way to get out of the problem. That is what the Government is doing with this Finance Bill. We need a dose of reality because if we continue on in this way, the public will find out. Deputy Collins and her colleagues should not insult the public's intelligence or try to be populist.

**Deputy Joan Collins:** I always listen to the public.

**Deputy Noel Harrington:** I am pleased this Finance Bill, which will implement the Government's first budget, has job creation as its main priority. Before coming to the Chamber I made use of an Internet service called EireJobs which sends messages offering jobs. In the last 12 hours 200 jobs were offered on that service, from highly paid skilled positions to operative jobs that needed very little skill. There is no mention of that. We need to work with these people.

Debate adjourned.

### **Private Members' Business**

#### **Stroke Services: Statements (Resumed)**

The following motion was moved by Deputy Catherine Murphy on Tuesday, 14 February 2012:

That Dáil Éireann, in recognising the findings of the Irish Heart Foundation's report entitled 'Cost of Stroke in Ireland: Estimating the annual economic cost of stroke and transient ischaemic attack (TIA) in Ireland':

- acknowledges that in Ireland approximately 10,000 people per year will suffer a stroke which, at a cost of over 2,000 lives annually, makes stroke Ireland's third largest killer;
- accepts that in the region of 50,000 people throughout Ireland are living with a disability attained through stroke and that stroke is the biggest cause of acquired disability in Ireland;

- finds it to be of grave concern that the lack of prioritisation of rehabilitation services for stroke survivors to date has created, and continues to create, an unnecessary barrier to the achievement of better outcomes for as many of those affected by stroke as possible, thereby limiting the life opportunities of many of those affected; and
- is strongly committed to front-loading investment in stroke prevention and rehabilitation services to improve the quality of life of those affected by stroke and, as a significant by-product, address a situation whereby €414 million of the total €557 million in annual Exchequer spending on stroke goes towards nursing home care for the 1 in 6 nursing home patients who are survivors of stroke; and

calls on the Government to:

- develop forthwith an implementation plan based on the recommendations of the National Policy and Strategy for the Provision of Neuro-Rehabilitation Services;
- actively develop a multidisciplinary rehabilitation network to include teams throughout the country who would provide specialist supports to stroke survivors and persons with neurological conditions;
- place community rehabilitation and an aspiration towards independent living at the very heart of its stroke-related policies to ensure connectedness and quality of life for stroke survivors and their families; and
- proactively, creatively and realistically address the causes and implications of this silent killer.

**Deputy Sandra McLellan:** I welcome the opportunity to speak on this important motion and I commend Deputy O’Sullivan and her colleagues in the Technical Group for putting it before the House.

High levels of avoidable death and dependency from stroke in Ireland provide a compelling case for major improvements to acute rehabilitation and support services. The word “avoidable” is key to this discussion. It is generally accepted that the mortality rate from stroke would be cut by a massive 25% if stroke unit care was available to everyone struck by the disease here. Education and awareness raising are vital in stroke prevention and coping with strokes when they occur. Equally, services need to be in place for survivors of stroke and those who require rehabilitation.

The economic realities make it more important than ever that health policy makers are fully informed about the cost of existing services and the cost implications of service improvements when making decisions on resource allocation. Recent research has provided the most comprehensive data ever assembled on the baseline economic burden of stroke in Ireland, as well as assessing the potential costs and potential economic benefits of key interventions such as stroke unit care and the clot-busting treatment, thrombolysis. There is potential for improvements in acute stroke services that could save hundreds of people each year from death and institutionalisation at an actual cost saving to the State. The research illustrates the dire future consequences of failing to overhaul these services in terms of a significant increase in stroke incidence in the years ahead driven by factors such as our aging population. It is clear that by providing 95% access to stroke unit care, 650 stroke victims could be saved each year from

[Deputy Sandra McLellan.]

death or dependency at a potential annual saving of up to €10 million. Achieving a 20% rate of thrombolysis could also save up to 100 people from death or dependency annually at a saving of up to €3 million per year. Better acute stroke services would lead to almost instant savings because increased access to stroke units and thrombolysis would result in immediate improvements in outcome. This would, for example, mean that fewer patients would require nursing home care, which is the single biggest factor in stroke service provision. The motion points out that €414 million out of a total of €557 million spent annually on stroke goes towards nursing home care for the one in six patients who are survivors of stroke.

However, the objective of improving Irish stroke services to acceptable international standards at the very least is not to save money for the Exchequer but to eliminate the catastrophic human cost of avoidable death and disability from stroke in Ireland. The vast majority of people who have a stroke today will face bleak prospects, including limited access to specialised stroke care, problems getting lifesaving thrombolysis at weekends and at night, a chronic shortage of therapists and long waiting lists for the rehabilitation which should be provided from the first day in hospital. Many people will face months, years or even the rest of their lives in a nursing home because their potential for independence diminished while waiting for proper care. These prospects would be transformed by the removal of the constraints on service improvements created by concerns over the cost implications.

This State has the lowest number of physical and rehabilitation specialists in Europe. While the European average is approximately 3.3 consultants per 100,000 of population, we have 0.17 consultants per 100,000 citizens. These serious shortfalls must be addressed.

The national cardiovascular health policy recommended that the Department of Health should prioritise actions to promote the behaviour and profiles underpinning cardiovascular health, with specific targets to pursue actively and achieve within ten years. It suggested that prioritised areas could include maintaining a healthy body weight, healthy eating and physical activity, reducing salt intake, refraining from or quitting smoking and consuming alcohol responsibly. Actions would include fostering intersectoral support for activities promoting health and prohibiting activities that maintain or foster unhealthy behaviours.

Details on how to achieve the targets are contained in a range of Government policies and reducing inequalities in cardiovascular health across society must be an underlying principle in achieving improvements in health behaviour. The lead organisation in developing this policy is the Department of Health. It is critical that the Department encourages other Departments in their efforts. Since the recommendations were made the then Department of Health and Children has been divided into two separate Departments with responsibility for health and for children and youth affairs, respectively. It is important that cross-departmental support and activity underpins awareness of the need to build a healthy nation by dealing with the underlying problems of obesity and the so-called metabolic syndrome. This issue is growing continuously and if we do not take it seriously there will be problems down the road.

When the Minister for Health, Deputy Reilly, was asked last year what action he proposed to take to improve the provision of neurological care he stated the office of clinical strategy and programmes in the Health Service Executive had established three key national programmes in neurological care. This, he added, showed the HSE's commitment to improving access to neurological services and gave these services a major focus in the HSE. He also noted that the third national programme deals with stroke services and aims to establish robust clinical governance systems for stroke care, including local stroke teams and regional stroke networks. This policy needs to be enhanced, improved and implemented.

I commend the Irish Heart Foundation on its efforts to inform the public on this subject. It reported last year that stroke-related hospital admissions had increased by 87% following the launch of its Act FAST, face, arms, speech, time, campaign. A considerable number of people have been educated by the foundation's effective television advertisements. According to research carried out by the college of surgeons, some 59% more stroke victims reached hospital in time to receive potentially life-saving thrombolysis treatment during the first phase of the advertising campaign in 2010. This increased level of awareness needs to be sustained and enhanced further because it is certainly saving lives.

It goes without saying that the role of emergency and pre-emergency care will be vital in the management and treatment of victims of stroke. Communities are rightly horrified when ambulance and emergency services are cut. I have ample experience of this issue in my constituency of Cork East and my hometown of Youghal. The reconfigurations proposed by the HSE will leave many isolated areas without ambulance services and even further away from the nearest emergency department. Where life saving alternatives exist we must do all we can to ensure they are delivered. Unfortunately, however, the HSE's regional service plans, which are currently being launched across the State, offer little ground for hope.

The Government needs to re-evaluate its priorities. Politics is about choices and this Fine Gael-Labour Party Government is favouring Europe and market confidence over the quality of life of its citizens. This policy approach must be reversed. I commend the motion and urge all Deputies to support it.

**An Leas-Cheann Comhairle:** I understand the Minister of State at the Department of the Taoiseach, Deputy Kehoe, is sharing time with Deputies Harrington, Griffin, Ann Phelan, McNamara and Hannigan.

**Minister of State at the Department of the Taoiseach (Deputy Paul Kehoe):** I thank Deputy O'Sullivan and the Technical Group for using Private Members' business to give us the opportunity to discuss the report on stroke and stroke victims, which is the most important health issue facing Ireland both now and in the years to come. I especially thank Deputy Maureen O'Sullivan for the way she introduced the motion agreed on both sides of the House in order to allow the debate to focus on the issue. All too often in this Chamber it becomes a case of the Government versus the Opposition rather than debating a real issue. I have no doubt that contributors tonight will continue in the same vein as the speakers last night and talk about what can be done to bring stroke victims back to full health. I am delighted the motion is being discussed in the format we see tonight.

I congratulate the Irish Heart Foundation on its work on prevention and public awareness, as well as its report on the cost of stroke in Ireland. The report estimated that the economic burden of a stroke in Ireland in 2007 was between €472 million and more than €1 billion. It is estimated that up to 10,000 people a year will suffer from strokes, 2,000 of which will be fatal. I have personal experience from my family and I have no doubt that Members on all sides will understand the effect of stroke suffered by a grandparent, aunt, uncle or parent. The number of young victims of stroke is of concern. I recently heard of a man in his early 30s who had suffered a stroke with all the associated consequences he must endure for the rest of his life.

Much can be done from having this debate in a very amicable and parliamentary way. While I know it is the Opposition's job to criticise the Government, the Government can only use the resources available to it. All aspects of the health service cost money. The previous Deputy spoke about reconfiguration. I have no doubt that whenever reconfiguration is happening in any county the primary responsibility is the care of the patient. I understand how difficult it is for Deputies when hospital services are being relocated away from their constituencies. Angry

[Deputy Paul Kehoe.]

constituents approach Deputies who need to bring their anger to the Chamber and to the attention of the Minister. My county is very lucky to have a facility such as St. John's Hospital in Enniscorthy. I would love to see it double its bed capacity and have a multidisciplinary approach with more staff — occupational therapists, physiotherapists and speech and language therapists — to be able to help stroke victims. However, we need to stick within the resources available to the Minister, Deputy Reilly, for the health service.

We all have a role to play in looking after our own health. Deputies will have seen the television programme “Operation Transformation”. The Minister, Deputy Reilly, spoke about calories in food etc., all of which have a very important part to play in people's healthy living. People engaged in healthy living and taking exercise in their 20s and 30s will not fall victim to stroke later in life.

Family members giving care to stroke victims are the unsung heroes. While there are care assistants who receive remuneration, many people receive no monetary benefit from looking after a patient in the family home. It could be the wife, son or daughter. It would cost the State considerably more money without the care they give in their own homes.

I thank Deputy Maureen O'Sullivan for bringing this important motion to the House.

**Deputy Noel Harrington:** I welcome the opportunity to speak on this debate and I thank Deputy Maureen O'Sullivan and the Technical Group for introducing the motion. The incidence of stroke is likely to increase as the years go on if lifestyle and diet issues leading to obesity continue. Unfortunately stroke is one of the most debilitating and crippling conditions to affect the population with an immense cost to the State.

Perhaps I might be allowed to get somewhat parochial and reflect on the timely nature of the debate with respect to Bantry General Hospital where the Minister for Health officially opened the acute stroke unit last week. As an example of how progress can be made, the unit, which is the first of its kind in Cork and Kerry, admits more than 100 patients with acute stroke annually. It is a key part of the clinical programme in stroke for west Cork and south Kerry. It is a modest four-bed unit set up at the end of 2009 without any extra staff by reorganising existing resources.

Dr. Brian Carey, consultant geriatrician at Bantry General Hospital, has said that the unit has led to substantially improved patient outcomes and enhanced patient access to multi-disciplinary team members and CT scanning. The acute stroke unit is located beside the rehabilitation unit to allow for a seamless transition between acute care and rehabilitation. In addition, there has been a significant impact on patient length of stay. Despite a 13% increase in acute stroke admissions since the unit was set up, the total number of bed days used by patients with acute stroke has declined by 35%. Approximately 1,400 bed days have been saved annually in one small county general hospital. Of an annual budget of €15.5 million, the hospital has managed to save €1.2 million, a not insignificant amount relative to the overall budget.

Staff working in the unit use the most up-to-date evidence-based protocols to deliver a high quality service to a rural, isolated population. Since its inception, the unit has facilitated the safe and efficient provision of thrombolysis, the potentially life saving clot-busting treatment. This treatment is so time-sensitive that if patients from the region where I live had to travel to Cork, they would arrive too late to receive it. Some 10% of patients received this clot-busting treatment at Bantry General Hospital in 2011, an outstanding achievement in one of the most peripheral hospitals in the country. That 10% treatment rate is twice the average seen in the UK.

The acute stroke unit provides high quality specialist care for people who have had a stroke. Nursing staff are experienced in the assessment, treatment, monitoring and management of patients. More patients will survive their stroke and more will return home rather than transferring to institutional care as a result of being admitted to the unit. In addition, patients will have less disability when they return home and spend less time in hospital. The care of patients in the stroke unit involves a multidisciplinary team of health professionals including nursing, speech and language therapy, medical, physiotherapy, occupational therapy and counselling. The success of the acute stroke unit at Bantry General Hospital has already been recognised by the award of a special commendation at the Astellas Changing Tomorrow Awards this time last year.

On behalf of all the patients I thank all the staff in the dedicated unit for their contribution to creating a better society in serving west Cork and south Kerry. Small hospitals such as Bantry General Hospital can contribute in a significant way to this treatment, possibly proportionately more significantly than bigger hospitals can. Paramedics and advance paramedics should be trained and tasked with administering thrombolysis to patients in areas where they may not be able to get it in clinical care. That is very important. It is not long ago since people did not know what cholesterol was. Now, it is a part of casual conversation and people can stand in the shop or at the water unit and say they have a level of 7.2, 3.4 or 6.5 and people know exactly what they are talking about. People know exactly what Lipitor is and what statins are and all about the care for stroke prevention. Unfortunately, despite all the care, dedication and advice about diet, exercise and lifestyle we will continue to see increasing numbers of stroke victims in the country. This is regrettable and this why we need dedicated units. I commend the work of this unit at this time of increasing pressure on budgets. They have sought no extra resources, money or finance. There have been no great protests or rallies. The care clinicians on this team went ahead and got together. They put together the protocols and achieved something that could be achieved in every hospital in the country if those involved were minded to consider it.

**Deputy Brendan Griffin:** I welcome the motion from Deputy Maureen O'Sullivan and the Technical Group. It is important that we are in the national Parliament discussing this matter. As previous speakers have remarked, stroke affects 10,000 people nationally on an annual basis. It also affects their families and the health care professionals who care for them. A vast number of people are affected by stroke every year in Ireland.

It is fitting that we are discussing this important health issue in a constructive and collective manner. I hope we will see more of this in the House in future. It is important to have a positive, collective attitude on this issue. Since 10,000 people suffer from stroke annually many people in our community, including myself, have had personal experience of the issue. Some years ago at the age of 61 my father, who was fit and active, suffered a near-fatal stroke. The effects are devastating on the individuals and on the associated family and friends. It is a terrible thing to happen to anyone.

What takes place in the immediate aftermath of the onset of stroke is crucial. This is why I agree entirely with what my colleague, Deputy Harrington, said in respect of the importance of access to emergency care. Thrombolysis and clot-busting medicine are important and prevent damage from becoming permanent. We must ensure that everyone in the State who suffers from a stroke has the opportunity to avail of thrombolysis where it is deemed to be suitable for a patient within the window in which it would be effective.

I refer to the work of Dr. Richard Liston and his colleagues at Kerry General Hospital in my constituency. They have worked to develop a dedicated stroke unit at the facility. I understand work is well under way and I hope significant progress will be made in 2012. Deputy

[Deputy Brendan Griffin.]

Tom Fleming in the benches opposite has raised this matter over the years at council level and in the Dáil. Many other public representatives have raised this matter and that should be acknowledged. This is an important issue. I wish Dr. Liston and his staff and Michael Fitzgerald of the HSE in Kerry the best in bringing the facility to the fore and ensuring the facility is available for all stroke victims.

We must do what we can to focus on prevention. Other speakers have referred to preventative methods as well. There would be a considerable financial saving to the State if we reduced the levels of stroke. The savings in human terms would be considerable as well. We need to promote healthier lifestyle and living. We need better public information about the risks associated with stroke. We must try to develop a method of identifying high-risk patients in the primary care area and dealing with them before they suffer a stroke. This should be done in every general practitioner's office throughout the country. This would have many positive benefits.

I welcome the public awareness campaigns aimed at helping people to identify the signs of stroke. Once a stroke is coming on a person it is important that the people around that person know what is happening and know what to do. Education is important.

We must be mindful of victims of stroke who may have difficulties with mobility or speech and other difficulties. There should be education and an understanding among the public. One person who suffered a stroke some years ago spoke to me about his speech difficulties. He finds making telephone calls a nightmare. Once, he was accused of being drunk on the telephone when he was making an everyday telephone call, the type we all take for granted. There should be public information efforts on this front to inform people that stroke is a part of everyday life for thousands of people throughout Ireland and we must remain conscious of that.

**Deputy Ann Phelan:** I complement the Independent Technical Group on bringing this topical issue to the House. It is too important a subject with which to play party politics. I fully endorse their concern about this life and death issue which calls at the doorstep of almost 10,000 people each year in our small country. This is a frightening statistic because as a result of its day-to-day extension to family members it impacts directly on multiples of 10,000 souls. As the motion indicates, when added to those sufferers at various stages of recovery in the community or in care facilities, the number affected possibly amounts to 50,000. Perhaps the greatest concern for those in this position is how they can access support to restore their lives to independent living.

I can talk about stroke with qualified experience. On a mild Friday evening in 2007 I knew someone very well who had such an experience. The CAT scan equipment and other diagnostic services were closed for the weekend in Waterford Regional Hospital. It was a time of abundance in the country. At the time, a five day week service was available from 9 a.m. to 5 p.m. Therefore, the diagnostic process to determine whether it was a stroke had to be deferred until after that weekend. Thankfully, despite these circumstances, that person, who happens to be myself, recovered. I am grateful to the many dedicated people in care and medicine who made it possible for me to be here tonight. I take this opportunity to say that in my ignorance and before I had this episode, I thought that medicine was only about nurses and doctors but now I realise it extends to occupational therapists, speech therapy and all the rehabilitation people who look after a person when something like this occurs.

This experience has had a lasting imprint on my mind and I am more interested in gaining as much information as possible to pass on to others. It is a source of comfort to me that there is now a genuine national attempt being made to front-load investment in stroke prevention.

We must give hope to people in distress. I am often depressed by the scale of negativity I hear sometimes in our national Parliament. People, including the thousands of stroke sufferers,

are keen to be assured that the vast amount of resources we put into health services will address their disability.

Stroke units are a key element in the provision of acute care and early rehabilitation. I am also delighted to learn that by the end of June 2012, almost 94% of stroke patients will have access to stroke unit care. In addition, we now have the comfort of knowing that ambulances are now operated by fully trained staff in the safe provision of thrombolysis.

As with many aspects of health generally, prevention is the key to reducing the incidence of stroke. Although getting the prevention message is often criticised as a waste of money that should be spent on curing, I firmly believe that promoting awareness is money well spent. Like the proposers of the motion, I too would encourage the Department of Health's policy framework for a healthier Ireland as a commendable vehicle to inform the public on stroke prevention. The framework policy aims to address the broad determinants of health and health inequalities through our health services, community and education settings. The review will address a number of key lifestyle issues, including smoking, alcohol and obesity and suggest whether further action is required.

Despite significant tobacco control measures and the widespread knowledge of the harm caused by tobacco, smoking prevalence remains high. There is scope for further progress if we are to achieve modest reductions in smoking initiation. I am aware that one of the reasons for drawing up this motion was also to focus attention on the economic cost of stroke. The proposers are rightly concerned that resources saved sensibly in one part of the health services can be used elsewhere in the care system. I thank the Independent group for taking the trouble to place this motion before us and offer it my full support.

**Deputy Michael McNamara:** I commend the Independent group on proposing this motion. As a Government backbencher, I also commend the Chief Whip for not opposing it. This may be a small sign of the much needed reform of this Parliament. We have for too long seen a Punch and Judy show here and have not seen the extensive reform we would have liked. Nevertheless, there has been some reform and we should welcome any positive developments in these hard times.

I do not wish to repeat what my colleague, Deputy Phelan has said, but everybody in the House is agreed on the increasing threat posed by stroke in Ireland, because of our increasing older population in particular. We are also agreed on the importance of speedy treatment for stroke. As the House is aware, the chances of surviving stroke are increased by 25% if treated in a multidisciplinary stroke unit. For that reason, last year I asked the Minister for Health whether nursing and therapist posts funded under the national stroke programme, which are essential to the development of an acute stroke unit in the Mid-Western Regional Hospital in Limerick that will save lives and reduce cases of permanent severe disability, would be filled by the end of 2011. I was disappointed to learn from the Minister that he wished to advise that the 45 nursing and therapist posts identified under the national stroke programme were at various stages of the recruitment process but that it was unlikely they would be filled by the end of the year. However, in preparing to debate the motion I researched the matter further with the Department and was gratified to learn that people have now been hired for all of those posts, although they have not all taken up their positions yet. This marks progress.

I would like to draw the attention of Members to the fact that in the early days of this Government, in March 2011, a major tender was launched by the HSE for the construction of a multi-million euro extension at the Mid-Western Regional Hospital. In a summary tender advertised in one of the first weeks of the Government, the HSE said the proposed seven-storey extension and alterations would include a neurological centre, an acute stroke inpatient

[Deputy Michael McNamara.]

unit and a cystic fibrosis inpatient and outpatient unit. I am pleased to say that when I visited the hospital recently on a sad occasion unrelated to my public duties, I noticed the extension is proceeding as planned.

I do not pretend there was a miraculous turnabout on the part of the Government and that this extension had not been already planned. Of course, the previous Government had plans in place for it. However, I believe that its progress illustrates that in these times when people are growing increasingly fatalistic and despairing of Government, times are changing and things are improving. Perhaps they are not improving as quickly as we would like, but they are improving. It takes time to turn the ship about but there have been improvements in our health service and I welcome them. I also commend the Technical group on this motion.

**Deputy Dominic Hannigan:** I welcome the opportunity to speak on this motion and congratulate Deputy O'Sullivan, her staff and the Members of the Technical group for proposing this motion. Like Deputy McNamara, I was pleased to discover no amendment was tabled by the Government. It is good that we have left behind the back and forth politics this evening that can sometimes dominate Private Members' time and that we can instead focus on the issue being discussed.

As mentioned by previous speakers, strokes affect thousands of people in Ireland every year. Strokes can vary from a mild attack from which people can make a full recovery to debilitating attacks which leave them with a much reduced standard of life. While 10,000 people a year will suffer a stroke and face the consequences, family members and close friends will also have to provide care and support for those who have been affected. In Meath alone, there are three different supports groups, including one in Dunboyne, where people can come together over tea and a biscuit to talk to one another about how they are doing and their recuperation. These types of groups are incredibly important to the well-being of those who attend them.

I congratulate the Irish Heart Foundation for supporting these groups. I also congratulate the foundation for its great work on the Act FAST campaign. As the Minister noted in his speech last night, studies have shown that for every €1 we spend on prevention we can save up to €20 on treatment. The Act FAST campaign has been proven to increase the number of preventative procedures that reduce the more serious effects of a stroke. A study carried out in Sligo General Hospital showed that in the first nine months of the campaign, the percentage of stroke patients who received a potentially life-saving clot-busting treatment almost quadrupled, from 3% to 11%. This is an excellent result for the campaign and for preventative medicine in Ireland.

The Minister made it clear in his speech that the continued roll-out of the national stroke programme is a priority for him and the Department. The purpose of the national stroke programme is to reduce the mortality rate and level of disability after a person suffers a stroke. Towards the middle of this year, 94% of stroke patients will have access to stroke care when the two remaining national acute stroke units open. These stroke units are associated with a reduction in the numbers who die due to stroke and a reduction of approximately 20% in the number of those who need institutional care post stroke. This translates into one additional patient returned to community living for every 20 patients treated. These are positive statistics for people who suffered a stroke.

I note from the HSE Dublin north east service plan for 2012, which I received today, that its plans for stroke care for all patients in its catchment area include many measures, including a register of 80% of stroke victims, and acute stroke units established in five sites across the north east operating to standard. Dedicated stroke units are incredibly important to the recov-

ery of stroke victims, as has been seen across the country by patients and their families. I will press the HSE to ensure that these units operate up to standard for the people of the north east.

**Deputy John Halligan:** I do not need to remind the Minister of the potential role primary programmes for chronic diseases can play and I welcome this opportunity to highlight some of the significant gains and savings on expensive hospital treatments that have been made by addressing some of the deficiencies in stroke services. The inadequate acute services meant the time and place where a person had a stroke largely determined their chance of survival. The HSE and the Minister's Department are to be commended for delivering improvements in acute stroke services across the country.

I will focus on the quality of life of stroke patients once the hospital stay has come to an end. Research carried out for the Irish Heart Foundation by the ESRI shows that the direct costs of stroke in Ireland are up to €557 million per year, with as much as €414 million spent on institutional care and less than €7 million spent on community rehabilitation services that could, in the long term, keep a large number of people out of nursing homes. As has been noted by previous speakers, stroke is the single biggest cause of severe disability, and approximately 50,000 people in communities are now living with disabilities resulting from a stroke.

Gross deficiencies in community rehabilitation face stroke survivors after the completion of hospital treatment. Increased availability of services in the community, especially physiotherapy, speech and language therapy, occupational therapy, nutrition advice and emotional support and psychology, would go a long way in assisting the recovery of somebody who suffers a stroke. As it stands, an average of less than €140 is spent on the rehabilitation of a stroke survivor, which will not go far in assisting a person with a weakness down one side of their body, who is unable to walk, who suffers depression or who needs daily assistance with basic activities such as tying shoe laces. These people may have cognitive impairment and their quality of life could be severely eroded.

In effect, the system waits until after the time in which the stroke survivors can be helped most before any real money is spent. I urge the Minister to put in place supports to allow a more rounded and holistic approach to stroke patients in community settings. It has been proven in many countries around Europe that this increases the chances of people having a better quality of life. For example, patients affected by stroke should have straightforward and immediate access to information and help with entitlements and available services. This could happen immediately upon discharge from hospital.

The lack of follow-up when a stroke patient goes home is of serious concern to many of us. Ideally, patients and carers should have a central person in an area to contact. That is the process in France but in Ireland a person would contact the HSE, if possible. In various areas and cities central contact people could be used to increase the chances of people coming through a stroke without being too psychologically damaged. This would also help carers, who are invariably members of a family.

On a related note, more must be done to support carers for stroke patients. An estimated one in ten carers is at risk of health problems, and the majority of carers are women. My sister is one. The latest statistics show that many carers are over 65 and a failure to support them can often result in the persons being cared for needing long-term residential care, which is at odds with the stated Government policy of supporting elderly people to live independently in their homes. The Government has cut home support hours, which puts in place considerable difficulties for people trying to access carer's allowance, another significant issue.

[Deputy John Halligan.]

In the 2012 service plan the HSE has missed an opportunity to put in place long-held plans for the management of such chronic diseases as stroke in primary care. Instead of an uncosted pledge — as it is in the plan — to develop an overall chronic disease watch model of care, with initial focus in 2012 on the diabetes programme, the HSE should move to a new model of primary care. In this respect I draw the attention of the House to the Heartwatch initiative, the first such programme in general practice, which saw 475 GPs involved and 11,000 patients treated. It is reckoned that approximately 81 deaths were prevented or postponed due to treatment in the first two years of the programme.

The Minister should consider the initiative as it was only ever brought to 20% of the population and was never rolled out nationally. It could be an approach that is GP-supervised but delivered by practice nurses, which would be highly effective. A more comprehensive chronic disease management system in primary care may not necessarily bring about decreased demand on hospital services in 2012 but it is important for the overall health of the population, and it could bring about long-term benefits. That has been proved in major cities in other countries around the world.

There is a clear, logical, cost-effective and, more importantly, a humane case for the provision of rehabilitation services for stroke survivors and others with neurological conditions. With the right care and support, thousands of people could be living independently instead of requiring long-term care. I urge the Minister to publish the neuro-rehabilitation policy and include in it clear details of the funding to be provided for its implementation. I ask the Minister to consider the Heartwatch initiative, which proved to be very successful. Many GPs have asked for the programme to be taken up again. It has a low cost and would save money within a year if it could be rolled out nationally.

**Deputy Tom Fleming:** We need a fully equipped and staffed stroke unit in every county. There is a significant disparity, unfortunately, in the services and facilities between the west and east coast. I compliment the Minister as the new stroke unit for Tralee is imminent; it will be a valuable facility for the future health services in County Kerry. As we are a peripheral county at a significant disadvantage, with many remote communities and far distances to specialised services, many stroke victims are placed at high risk. There is a disadvantage in this respect in accessing appropriate, quick responses and treatment.

Prompt action and immediate intervention is of paramount importance. The “golden hour” factor is crucial in minimising health damage. There is a big variation in response and treatment due to geographical location. In the eastern half of the country the public has an enormous advantage with respect to survival and minimising the effects felt by stroke victims. People are entitled to the highest standards of quality and service, and they should be dealt with in a timely fashion, so we must strive to achieve that throughout this country.

In the remote area of the Ring of Kerry, at the western end of the Dingle Peninsula, the topography is mountainous and access is not easy to many of the valleys and districts. There is now an immediate need for a dedicated air ambulance service to meet demands of fast response not alone for stroke victims but for all types of emergencies, accidents and incidents where people are traumatised and in urgent need of quick transport for specialised service. I am glad the Minister is here and perhaps he might be able to address the following matter. A proposal that has been made by a charitable organisation, Air Ambulance Ireland, which is based in Kerry, is currently on the Minister’s desk. The dedicated people who are involved in this worthy group have done a great deal of planning, thought, organisation and fund-raising. The facility they provide has never been more needed across the countryside and along the coastal terrain

in Kerry and elsewhere in the south west. I ask the Minister to proceed with haste in approving the vital service that is provided by this charitable organisation, which has funding in place. We should not forget that as a tourism destination, Kerry receives a huge influx of visitors each year. That is all the more reason the proposed air ambulance service should be provided at an early date.

We need to give people an equal chance to access a quality health service. We have to correct the imbalance that exists in this country at the moment. There are statistics to prove that people on the east coast live longer, enjoy better and more immediate services and are closer to centres of specialisation. I ask the Minister, Deputy Reilly, to address this as a matter of urgency.

There is a need to develop proper post-stroke services and to provide for proper rehabilitation in the community. When patients recover, they want to live independent lives. The system makes many people depend on support services. We need to provide those services to people from the outset and thereby relieve the financial burden they often face. That would enable the victims of stroke to enjoy a good quality of life in their own homes.

Deputy Halligan mentioned that the direct annual cost of stroke in this country is €557 million. Of that figure, some €414 million is spent on nursing home care but just €7 million is spent on rehabilitation services in the community, including various essential therapies and the services provided by public health nurses. The €557 million fund should be loaded differently. We should not wait until people go to nursing homes before we spend this money. It should be used in a more meaningful and better fashion to keep the victims of stroke with their own families and communities, where they are happiest.

Reference has been made to clot-busting thrombolytic drugs, which are most effective when administered promptly. A significant statistic is that lives are 25% less likely to be lost, and patients are more likely to make more rapid recoveries, when that happens. Proper staffing levels are needed in the hospital units where this treatment is provided. There is a requirement for one-to-one nursing to be provided throughout the first 24 hours. This treatment should be rolled out in all our acute hospitals and available in strategic locations throughout the country. Now that these drugs are available, it is estimated that 750 patients' lives will be saved every year and €230 million will be saved over the next decade.

The Irish Heart Foundation, which is a small charity, has drawn my attention to the stroke awareness campaign it has been running in recent times. To date, it has spent €500,000 on the campaign, which has saved approximately 100 lives. Unfortunately, a VAT payment of €115,000 is included in the €500,000 figure. I believe that this money should be reimbursed to the charity in question, which is doing valuable work in the health sector. It should be waived as a VAT measure so that it can be reinvested in services that help these people.

I would like to inform the Minister and the Minister of State that, as I understand it, the same problem is being encountered by the cystic fibrosis unit in Cork University Hospital. VAT is being taken from an organisation that has collected a great deal of money through voluntary fund-raising. Perhaps the Minister and the Minister of State can address this matter in the context of the Finance Bill, with the co-operation of the Minister for Finance.

**Deputy Mattie McGrath:** I am delighted to speak on this motion. I compliment and commend Deputy Catherine Murphy and other Deputies from the Technical Group who have proposed it. Ba mhaith liom comhghairdeas a ghabháil leis an Aire agus an Aire Stáit freisin. I thank the Minister, Deputy Reilly, and the Minister of State, Deputy Kathleen Lynch, for selflessly agreeing to this motion. During my five years as a Member of this House, it has been unusual for a

[Deputy Mattie McGrath.]

motion of this nature to go unchallenged on the floor of the House. I commend the Minister and the Minister of State on that.

I would like to commend Deputy Ann Phelan, who spoke from her heart about her experiences. From the bottom of my heart, I thank her for telling her story in such a humane manner and expressing it so well. No words of mine could follow what she said. One needs to have lived through something like that to understand it.

My attitude to these matters is that prevention of any chronic disease is better than cure. We are talking specifically about stroke in the context of a document that has been produced by the Irish Heart Foundation. Prevention is vital. Our economic disaster should have been prevented because the Financial Regulator and the Central Bank were supposed to be overseeing the financial sector. We are now in this crisis because they failed to do so. That is having a detrimental impact on our health services. I will not make light of this serious issue by speaking further about our economic woes.

The point I am making is that prevention is always 1,000 times easier, safer and healthier than cure. It is better for patients and for the system. When I listened to “The John Murray Show” on RTE radio recently, I heard Professor Niall Moyna speaking about something he is trying to get implemented in schools. I knew Professor Moyna, who is a very experienced intellectual, many years ago. Huge problems like obesity are being caused by a lack of exercise and lifestyle changes. Less than 100 years ago — in some areas, less than 40 years ago — people used to walk or cycle to school. That is no longer possible in many country areas because it is not safe any more.

Lack of exercise is also a problem. Many people spend a great deal of time sitting in front of personal computers and televisions. As times change, dietary problems are becoming more prevalent. I understand the Joint Committee on Communications, Natural Resources and Agriculture is grappling with the question of controlling the sheer amount of advertising, which is another aspect of this problem. We have to deal with this in our schools. The Departments of Education and Skills and Health need to engage in joined-up thinking with families and those of us who are parents.

I would like to compliment South Tipperary General Hospital, which is the only unit in the south east that has the new system, as far as I am aware. It is provided in a four-bed unit that has been in place for the past four years. It has the technology that is needed to provide treatment using the new clot-busting drugs. Deputies will be familiar with the excellent work that is carried out there. I have been impressed by the ability of the hospital authorities to engage with the new treatment, as part of the normal daily running of the hospital, and offer it to serious stroke victims.

I am glad the Minister and the Minister of State are here. I want to remind them that South Tipperary General Hospital is under huge pressure. I am sure they are aware of the state-of-the-art assessment unit in St. Patrick’s Hospital in Cashel, which would be nothing without its staff, including the excellent matron. I want to mention everyone from the cleaners to the therapists. The same is true of South Tipperary General Hospital. We get a lot of knocks and hear a lot of bad things. I am keen to mention some of the good things that happen. We have to thank and praise those who are responsible for them.

We are aware that stroke therapy in the community is a dismal failure. The previous speaker said that €557 million has been invested, but just a small percentage of that — €7 million — has been used to provide these services in the community.

I am glad the Minister of State, Deputy Kathleen Lynch, is here. We are having a huge battle with her at the moment about the loss of psychiatric services in Clonmel. The Minister of State and her officials are adamant that it is better to move towards a community-based system. The mental health system receives a minor fraction of the HSE's overall funding. It is given the crumbs. The Minister of State and the Minister, Deputy Reilly, could transfer funds into community services and provide for easier access to those services to ensure that when the unfortunate victims of stroke are released from hospital, they receive after-care, are able to access services and are not frustrated. This should be done hand in hand with the psychiatric services.

**Deputy Kathleen Lynch:** One is released from prison and discharged from hospital.

**Deputy Mattie McGrath:** If the Minister wants to be smart, that is fine. However, rather than being smart, I am trying to be humane about this issue. We have accepted the amendment. Just because the Minister of State had to withdraw horrible terminology she used when speaking to people in south Tipperary, she should not try to denigrate me for something I said.

**An Leas-Cheann Comhairle:** I ask the Deputy to return to the discussion of the motion.

**Deputy Mattie McGrath:** I would like to do so. The Minister of State has shown what interest she has in people.

**Deputy Dominic Hannigan:** All she did was ask the Deputy to be careful in the language he uses. This is a serious issue.

**Deputy Mattie McGrath:** Of course it is a serious issue. I did not interrupt the Minister of State. While I may have used the wrong terminology——

**Deputy Dominic Hannigan:** The Deputy should be careful in the language he uses.

**Deputy Mattie McGrath:** I do not need a lecture from Deputy Hannigan or anyone else across the floor. If they want to get into the issue of terminology, we can do so. I am trying to speak to the motion. I admitted I do not have anything like the experience of one of Deputy Hannigan's colleagues who has suffered a stroke and spoke eloquently in the debate. I offered three minutes of my time, as the Leas-Cheann Comhairle will confirm, to allow her to continue her contribution because she knows much more about the issue than I do. I am not being high and mighty; I can make mistakes as well as anyone.

Money is not being invested where it should be invested. Every day, I encounter families who cannot get access to speech therapists and people who turn up for an appointment to find it has been cancelled without warning. This problem with the administration of the system causes serious frustration.

To return to ambulance services and the importance of the golden hour, this issue is relevant in the case of my local hospital. The Minister brought a group of us to see services at Wexford General Hospital. I am informed that ambulances at the hospital are so busy transferring psychotic patients to Waterford Regional Hospital that they are not always available to ferry to hospital people who have had a stroke or have been involved in road traffic accidents and so forth. We cannot put the cart before the horse. While we need careful scrutiny and a shift of emphasis, an appropriate level of services must first be in place.

I commend the Irish Heart Foundation and similar organisations working in the health service from the bottom of my heart. As other speakers noted, it is a disgrace — this applies also to previous Governments — that VAT is charged on vital, life-saving equipment for which

[Deputy Mattie McGrath.]

many organisations raise funds while working for the good of the community. Imposing VAT on such aids and appliances is anathema and an insult to volunteers.

**Deputy Clare Daly:** It needs to be registered that we are discussing thousands of unavoidable deaths and thousands of people who could escape lives of unnecessary disability and dependency if we invested adequately in suitable stroke services. This, of itself, is of major significance. As previous speakers noted, 10,000 people will suffer a stroke this year and the condition is the third biggest killer in society.

While the fact that the House is discussing stroke is significant, I do not agree with Deputies who consider this to be some new departure and believe we are all on the same side. The Government tabled an amendment to water down the motion and secure agreement. We cannot separate health and well-being from overall economic policies and the poverty many people are experiencing and hollow slogans from Government Deputies will not change that fact.

We must not consider this issue in isolation. There is no point having best practice in stroke care if the rest of the health service is falling apart. A stroke victim who recovers and feels great may be subsequently admitted to hospital to have a baby or have a broken leg treated only to find the health service is in bits and underfunded and proper treatment is not available. This discussion is taking place in the context of cuts in the health service budget amounting to €2.5 billion over three years, most of which will be directed at primary and community care.

A policy for dealing with strokes is in place, medical knowledge of strokes is available and we know what needs to be done. While I welcome the increase in the number of stroke units and efforts to promote healthy lifestyles, the question arises as to what happens to stroke victims when they leave hospital or a dedicated stroke unit. We want them either to go home or to move to a nursing home for care. The Government is butchering care provided in both these settings. We cannot ignore the fact that it has slashed home help services and the assistance provided to people in their homes. This year, Government cutbacks will result in the number of people who access home help services falling to 5,000 below the 2008 figure and underfunding will lead to a reduction of 2 million home help hours. How will this help stroke victims recover in their homes? Other Deputies highlighted cuts in the carer's allowance. This issue must be also addressed if we want people to live independently in their own homes. The Government cannot square this circle.

People are enabled to return home by the services provided by a range of health professionals such as physiotherapists, speech therapists, occupational therapists and dieticians. Many stroke victims require modifications to their homes to accommodate and support new needs they may have acquired as a result of a stroke. As Deputies are aware, occupational therapy services are in crisis. In many areas, they are not available meaning the modifications stroke victims and others need in their homes are not carried out and they are unable to return home. If a person who has had a stroke manages to have an occupational therapist write a report, the local authority will inform him or her it has run out of money and cannot grant aid improvements in the house to enable him or her to return home. The Minister will be aware of such cases in his constituency and county. This failure causes people to stay in hospital, with all the effects this has on their quality of life, and creates a major drain on hospital resources.

The other option is to provide nursing home care to allow stroke victims to recuperate before returning home. As the motion points out, one in six nursing home residents is a stroke victim. Against that backdrop, how can the Minister argue that he wants to assist stroke victims while at the same time pursuing a policy of closing community nursing homes? This afternoon, I

attended an excellent presentation by residents of St. Joseph's community nursing home in Ardee and their family members. As with residents of Crooksling nursing home in Brittas and other nursing homes, the residents provided graphic examples to demonstrate that supporting community based nursing homes is the most economical and efficient option from the Government's point of view. This type of care enables people to obtain good quality care.

As I have noted previously, one cannot compare the private sector with the public sector because private nursing homes do not have standards and public nursing homes have higher quality health care workers.

**Deputy James Reilly:** That is a scurrilous statement. The Deputy should not insult workers.

**Deputy Clare Daly:** There are no standards in place in private nursing homes in respect of minimum staffing levels. Private nursing homes also engage in cherry-picking, as all Deputies are aware. The reality is that Government resources are transferred from the public sector into funding private nursing homes that will not accept high dependence patients. It is a fact that hospitals such as Tallaght Hospital have patients blocking beds at a cost of thousands. These beds could be released if the patients in question were allowed to move to Crooksling nursing home. The Minister has taken a contradictory approach by stating he wants to support stroke victims and enable them to live independently and secure care while standing over cutbacks and waste arising from other policies being pursued by his Department.

It is good that we are discussing this issue and I compliment my colleagues in the Technical Group on having this issue, above all others, highlighted in Private Members' time. This will not be enough unless the Department delivers by stopping the butchery of community services and primary care in which it is engaged. The Government must pursue policies that allow people to return home healthy.

**Minister of State at the Department of Health (Deputy Kathleen Lynch):** I compliment the Technical Group on the debates it has initiated in recent months. It has used Private Members' time to great effect.

Language is very important. As someone who spent a good deal of my life promoting women, I know how effective, damaging or undermining language can be. That anyone believes there are no standards in private nursing homes is quite astonishing. Private nursing homes are inspected in the same way as public nursing homes so they meet particular standards and the quality of care is the same, despite what the Deputy believes. In some areas, people have higher needs but the standard of care is the same and we should be careful how we say things because people listening will be worried about their loved ones.

I am pleased to have the opportunity to make a concluding statement on the subject of stroke rehabilitation services for stroke survivors and persons with neurological conditions. The debate has centred on what can be done to prevent stroke, rightly so. I thank Members for their helpful contributions on the burden of stroke and the measures to prevent disability from stroke and other neurological conditions. The 2010 cardiovascular health policy established for the first time a framework for the prevention, protection and treatment of cardiovascular diseases, including stroke. The work has been taken forward by the national stroke programme to help lead and co-ordinate the development of stroke services in Ireland. This arose from the Irish Heart Foundation, which should be complimented. I was astonished when a neighbour of mine, a young man, had a stroke a few months ago. The symptoms were recognised very early by his 12 year old son. We asked the son how he knew and he replied that he had seen the Act FAST advertisements on television. Subconsciously, it is sinking in. An early priority was

[Deputy Kathleen Lynch.]

the development of acute stroke services, illustrated by the increase in stroke units from one in 2006 to 26 in 2011. An additional two will open in early 2012. This means that over nine in ten stroke patients will have access to stroke unit care. The HSE has also provided additional therapy and nursing posts with specific responsibility for strokes. This will enhance rehabilitation services and help to reduce the burden of the condition.

A number of specific issues were raised in the debate, which I would like to address. Several Deputies referred to the work of the Irish Heart Foundation. A revenue stream is provided by the HSE to the Irish Heart Foundation and the current provision of services in the National Rehabilitation Hospital will be reviewed with the hospital to identify ways of managing the needs presenting to the hospital in the most efficient way. Recruitment to fill posts for the stroke unit at Cavan hospital is ongoing and the unit is open. Neurological services in Beaumont Hospital are being further developed by the HSE, with the recruitment of a neurologist later this year and additional staff and beds to support the epilepsy service for the region.

Regarding alcohol, last week the report of the national substance misuse strategy steering group was launched. The report contains a range of measures relating to availability, prevention, treatment, rehabilitation and research. The recommendations of the steering group on alcohol will encourage public debate and I envisage an action plan being developed in advance of proposals being drafted for the Government.

I am pleased that smoking has been raised in this debate, as it is a major risk factor for stroke. Ireland has a good reputation on tobacco control legislation. However, we must continue to build on the work done in order to tackle the problem, which results in approximately 5,200 deaths every year. A tobacco policy review is currently under way and will cover areas such as smoking in cars in the presence of children and improving the quality and effectiveness of our smoking cessation services. It is essential that we de-normalise smoking and I anticipate that the report of the tobacco review group will go some way to assisting us in this regard.

During 2012, the Minister for Health established a special action group on obesity. The group is broadly representative and is concentrating on a range of measures, including healthy eating guidelines for the Irish population, calorie posting in restaurants, nutritional labelling, the promotion of physical activity and the detection and treatment of obesity. The group will work with other Departments on a cross-sectoral basis to help halt the rise in overweight people and obesity.

I had the pleasure to publish the national policy and strategy for the provision of neurological rehabilitation services in December. I welcome the publication and I realise the actions recommended will provide real challenges, especially in our current financial landscape of resource constraints. I note the commitment of the HSE and service providers to the implementation process. We can achieve improved rehabilitation services for those with a neurological injury or illness or a significant physical disability. The strategy is focused on the specific needs of those with neurological illness or injury, outside of stroke. Five of the more common neurological conditions were selected for detailed review and analysis. The five conditions were acquired brain injury, cerebral palsy, multiple sclerosis, idiopathic Parkinson's disease and spinal cord injury. The challenge is to ensure provision is appropriate to each individual and the structure supports this provision and an appropriate governance framework is in place. We have the policy strategy, now we need an implementation plan and I look forward to receiving it from the HSE. There is cross-sectoral commitment to continue to improve services for stroke survivors and those with neurological conditions. Such commitments can only help to ensure the burden of stroke and other conditions is minimised for patients and their families. As men-

tioned by Deputy Halligan, having primary care teams fully fleshed out in the community can only help this area.

**Deputy Finian McGrath:** I thank the Leas-Cheann Comhairle for this opportunity to speak to this important motion on health and, in particular, the report of the Irish Heart Foundation entitled Cost of Stroke in Ireland. This is an important health issue and I commend my Independent colleagues and Members of the Technical Group for tabling this motion.

*9 o'clock* As well as dealing with the issue in a comprehensive way, it offers solutions and I urge the Government to be brave and responsible and act on this matter. It is in the interests of the Irish people and, if implemented, would lead to a better and healthier Ireland in 2012. In Ireland, approximately 10,000 people per year will suffer a stroke at a cost of over 2,000 lives annually, making stroke Ireland's third largest killer. Some 50,000 people in Ireland are living with a disability acquired through stroke and stroke is the biggest cause of acquired disability in Ireland. The statistics are a wake-up call to us all. The human cost and the financial cost is mind-boggling and reinforces the urgent need for this debate and for action. Action, not talk, is the important factor in this debate. Cutting health services should never be an option.

I commend our health professionals, doctors, nurses, physiotherapists and carers who do an excellent job in the service throughout the State. They are doing a great job with difficult problems and the last thing they want to do is look over their shoulders about the funding issue. I urge the Government to consider this issue. I also commend the work of the National Rehabilitation Hospital. For many years, we have had constituents asking us to make representations to get them a place in it and many of us have had to kick, shout and scream to get people in there. That is unacceptable for families. Some 50,000 people acquire a disability because of stroke and this is an important aspect of the debate.

As I am speaking about disabilities, I condemn, criticise and disagree with the recent remarks of Dr. Tony Humphreys about autism. It was an outrageous attack on families of children and adults with autism and on the disability community. I speak as the parent of a daughter with a disability, although it is Down's syndrome rather than autism. Many other families feel for the parents of autistic kids and I strongly agree with the Minister's remarks in the national media during the week. It is unacceptable for somebody like Dr. Tony Humphreys to call himself a doctor and make outrageous statements. It is unacceptable to us as parents of children and adults with disabilities to insult families in such a way.

On a positive note, I urge the Minister to develop services for motor neurone disease. A lot of good work is going on in Beaumont Hospital but we need to support it in terms of funding. A recent programme on RTE featured the great Colm Murray from Clontarf. He did an excellent job in highlighting the issue and his plight. I had the honour and privilege of meeting him recently. I commend RTE for broadcasting the film. It was an excellent example of public broadcasting which showed the reality of the disease and the people who are brave and dignified in how they deal with it.

Another issue in terms of strokes is linked to mental health. A lot of depression is associated with people who have strokes. This is an issue which is linked to other long-term illnesses. We have to face up to the reality that a lot of people in our society have personal problems. I accept there has been a significant increase in the number of stroke units over the past two years and the Government has committed to ensure over 90% of all admitting hospitals will have effective stroke units in the first half of this year.

I am also aware of the ongoing development of the Department of Health well-being policy to tackle the risk factors for cardiovascular and chronic conditions. I hope the Government is strongly committed to front-loading investment in stroke prevention and rehabilitation services

[Deputy Finian McGrath.]

to improve the quality of life of those affected by stroke. A significant by-product would be to address the situation whereby €414 million of the €557 million in annual Exchequer spending on strokes goes toward nursing home care for one in six nursing home patients who are survivors of strokes.

I call on the Government to develop the implementation plan, based on the recommendations of the national policy and strategy for the provision of neuro rehabilitation services in spite of the difficult financial position in which we find ourselves. That is the way forward and Independent Members of the Dáil will strongly support the efforts to support patients and citizens. We have to change the mindset, policy and vision in order to act to deliver a quality health service.

The Taoiseach mentioned Cuba in a derogatory way and I strongly disagree with him. It has an excellent health service and if one goes to hospital in Havana, where I have been, one will not see people on trolleys. There is a lesson to be learned. I urge the Minister to develop the recommendations of the national policy and continue to develop a multidisciplinary rehabilitation network to include teams throughout the country which would provide special support to stroke survivors and persons with neurological conditions.

**Deputy Catherine Murphy:** While this motion considers the health care issues associated with stroke, there are of course wider issues, some of which have been addressed during the debate. Some of these relate to lifestyle choices which generally lead to better health outcomes. Many of these need to be considered in the context of health promotion initiatives. More exercise, a better diet and reduced alcohol consumption will play a part, but the really big change would be a reduction in the number of people who smoke.

In their joint pre-budget submission in 2010, the Irish Cancer Society and the Irish Heart Foundation stated that there are 1 million smokers in Ireland and half of all smokers will die prematurely, which is shocking. In addition to cancer, people who smoke have a threefold risk of heart attack compared to non-smokers and smokers are twice as likely as non-smokers to have a stroke. Tobacco kills more people in Ireland than road accidents, suicides, drugs, farm accidents and AIDS put together.

We have seen the results from the investment in the Road Safety Authority. We need an ongoing and consistent approach to assist smokers to give up. It is in their and all our interests. We cannot wait for better times. That health promotional message needs to go out all the time. My father died of lung cancer. It is a horrible death where patients can be left gasping for even a tiny breath for months on end. It is distressing and one would be convinced never to take up smoking if one saw one person die like that.

In its stroke manifesto the Irish Heart Foundation found up to 50% of strokes are preventable. That means 5,000 strokes and 1,000 deaths could be avoided if people took simple steps to cut down the risk. If we are to get more from less in our health service, the focus on prevention is essential when funds are so limited. Strategic investment in dedicated services such as stroke units makes good medical, economic and social sense.

Limiting the number of deaths and reducing long-term dependence makes sense for more than economic reasons. According to the Irish Heart Foundation, fewer than 3% of stroke patients received the life-saving clot buster treatment, thrombolysis, in the 12 months to April 2010. There has been an improvement since then. In its 2010 document the foundation told us almost half of our acute hospitals cannot provide the treatment and many that do can only provide the drug during office hours or on an intermittent basis. Unfortunately strokes do not confine themselves to office hours. We need to have a comprehensive response.

Is it any wonder that we spend €441 million of the total €557 million spent on nursing home care dealing with strokes? The full cost is much higher, including the loss of independence for so many and a lowering of the quality of life. Changes in family and personal economic circumstances are all components of the true cost. It is scary to read in the stroke manifesto that most people do not know immediate medical treatment after a stroke can make a difference in terms of recovery, death or permanent dependency. It is clear this serious information deficit is dangerous and expensive. We cannot wait for the good times to come back to deal with it. Investment in health promotion has to happen.

One point which jumped out at me was the lopsided and patchy nature of our acute rehabilitation service. It does not surprise me and it is not exclusive to rehabilitation. A good outcome cannot depend on one's address. For many the sense of loss that follows a stroke leads not only to a loss of independence but also spells of depression. That is very understandable.

The Irish Heart Foundation said the average stroke destroys 2 million brain cells every minute. Trained ambulance staff, telemedicine support and properly equipped ambulances and emergency departments are crucial for the prompt treatment of stroke patients. The term "plan" has been absent from how we do things in this country and that needs to change.

We also need to better understand the process of how people become disabled. One of the many excellent reports that have been compiled on behalf of the Joseph Rowntree Foundation deals with this. It is based in the UK but it does some work in Ireland. It found the majority of disabled people who experience the onset of health problems or impairment do so during adulthood.

It should come as no real surprise that income inequality also contributes towards the level of ill health, including stroke. People in the poorest fifth of the income distribution are 2.5 times more likely to become disabled than those in the top fifth. We have to examine the issue not just from a medical point of view but in terms of the totality of policy responses and initiatives taken.

A person becoming disabled also affects other members of the household. In single earner couples, even when the earner does not become disabled one in five leaves employment, in some cases to take up new caring responsibilities. While the focus of this motion is on the health aspects of stroke and the kind of rehabilitation services that should be available we need to think beyond that.

The effect on employment, particularly those of working age, is an issue.

Employment status varies widely depending on the severity of the impairment, according to studies by the Joseph Rowntree Foundation. Of those with the least complex impairments, 84% retained their employment. I do not know how that compares to this country; I feel they may be doing better than us because of better distribution.

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

**Deputy Catherine Murphy:** I will wrap up, although I have a lot of material that I will have to keep for another debate. We must, however, seek to retain people with disabilities at work.

There is good news about the medicines that are now available but that applies only if people turn up at hospital so they can be properly administered, if the rehabilitation services are available and if we have a good distribution service so the patient can receive what he needs when he needs it.

This agreed motion did not see us competing with each other and will not make the six o'clock news but we in the Technical Group think it was worthwhile that we debated the issue. It is a matter of concern to us both now and in the future.

Motion agreed to.

The Dáil adjourned at 9.05 p.m. until 10.30 a.m. on Thursday, 16 February 2012.

## Written Answers.

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**The following are questions tabled by Members for written response and the ministerial replies as received on the day from the Departments [unrevised].**

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*Questions Nos. 1 to 10, inclusive, answered orally.*

### **Hospital Waiting Lists**

11. **Deputy John McGuinness** asked the Minister for Health the reason the Health Service Executive no longer collects data on waiting times for outpatient waiting lists; his plans to change the criteria; the way the new criteria will work and to differentiate between the previous and new criteria being used; and if he will make a statement on the matter. [8380/12]

**Minister for Health (Deputy James Reilly):** The Special Delivery Unit was established in my Department last July to tackle patient wait times for hospital services. Unacceptably high wait times have been tolerated for too long and have become systemic for both unscheduled and scheduled care. The problems have to be tackled step by step so that improvements can be sustained.

The SDU immediately began work with the HSE and the NTPF on the problem of trolley waits and long waits for inpatient care. Last July I introduced a 12 month limit beyond which no hospital could keep a patient waiting for inpatient or day case treatment.

There is no room for complacency but progress is being made. Since December the number of patients waiting on trolleys has been consistently lower than the same period last year and 94% of hospitals met the 12 month target for scheduled care. As a result some patients have had a better quality of service than would otherwise have been the case.

I believe I have also demonstrated through this initiative that, even in the challenging times we face, it is possible to exert control over the system and deliver improvements. This has been achieved by the SDU, the NTPF and the HSE working together to rigorously manage performance.

Up to now the number of patients waiting for OPD appointment has not been consistently and reliably quantified by all hospitals. The data have simply not been sufficiently accurate to be meaningful at a national level. The SDU has now begun to work with the HSE building a new approach to compiling and validating outpatient lists

[Deputy James Reilly.]

The priority for the first quarter of 2012 is for hospitals to support an SDU/NTPF project to establish weekly monitoring of outpatient waiting list numbers. The first task is to collate, analyse and validate the number of outpatient referrals in the system. This work has been well advanced by the HSE during 2011. Once it has been finalised and considered it will enable the SDU to make recommendations to me in respect of an outpatient wait time target in 2012. In principle I will be adopting the same criteria of strict chronological management of the waiting list which is now in place for in-patient treatment.

### **Hospital Staff**

12. **Deputy Billy Kelleher** asked the Minister for Health if he will outline the number of consultants who are not complying with the 80:20 public-private mix as outlined in their contracts; the actions that have been taken to reprimand such actions [8384/12]

**Minister for Health (Deputy James Reilly):** A core policy objective of the Government's health reform programme is to ensure equal access to health care based on need, not income, through a single-tier health service supported by universal health insurance. Ensuring compliance with the contractual limits on private practice will increase the availability of consultants to treat public patients and help ensure that access to services in each hospital is determined solely by clinical priority.

Consultant Contract 2008 limits private practice for newly-appointed consultants on a Type B or C contract to 20% of activity. The upper limit for consultants who held a contract prior to 2008 is 30%. The HSE has put in place arrangements to measure consultants' private practice and to pursue issues of compliance where necessary. The Contract provides for a series of steps to be taken where a consultant exceeds the level of private practice permitted in his or her contract.

In the light of the information emerging from the measurement of public/private practice activity, the HSE has engaged with the medical unions and individual consultants to pursue the issue of compliance, with a particular focus on consultants who are significantly in breach of their permitted ratio. There has been a significant improvement in the level of compliance with the private practice rules.

In 2011 employers undertook a detailed engagement with 32 consultants whose private practice accounted for 50% or more of their activity. In these cases the matters were resolved. In addition, the HSE suspended the private practice rights of two consultants who did not reduce their private ratio to an acceptable level. In line with the terms of the contract, one of these consultants has remitted the excess private fee income into a research and study fund in the hospital concerned. The HSE is now moving to address a further group of consultants, those identified as engaging in excess of 40% private practice.

I have asked the HSE to furnish the information sought by the Deputy in relation to the number of consultants whose level of private practice exceeds that permitted by their contract and I will provide this to the Deputy as soon as possible.

### **Health Service Plan**

13. **Deputy Pearse Doherty** asked the Minister for Health in view of the fact that the Health Service Executive National Service Plan 2012 stated that the plan will have to be reviewed once the full impact of staff leaving is known, if he will give details of the format and timeframe for the review and if health service users have an opportunity to participate in the review; and if he will make a statement on the matter. [8324/12]

**Minister for Health (Deputy James Reilly):** The most recent information available to me indicates that about 4,200 individuals will have left the health service between September 2011 and the end of this month. The corresponding wholetime equivalent figure is about 3,700. These figures are subject to change because, for example, of the time lags involved in collating data at national level. However, management at local and regional level have full details of the staff who have already left or will leave by 29 February. I should point out that over 2,000 individuals had already left by the end of January.

Planning for the impact of the end of the “grace period” began last autumn and a formal transition team for the health service is in place, chaired by an Assistant Secretary from my Department, comprising key HSE national and regional directors. Contingency plans have been developed locally for hospital and community services, reflecting risk assessments undertaken by each hospital/community manager. These have been reviewed at regional and national levels to ensure appropriate contingency measures are in place across all services.

I am satisfied that suitable arrangements are in place at national, regional and service specific levels to proactively manage the impact of staff exits on front line services. The focus is on protecting and maintaining critical front line services such as Emergency Department, maternity, critical care and neonatal services.

The recently approved HSE National Service Plan 2012 acknowledged that there will be an inevitable and unavoidable reduction in services this year because of the scale of the financial and staffing challenge facing the health service. Obviously, I would prefer to have more funding available for our health services but the reality is that this is not possible right now. I believe there is, therefore, a particular onus on all of us working in the health services to be as innovative and flexible as possible in order to mitigate the impact on services of reduced budgets and staffing.

The mitigation measures which are in place include the backfilling of certain critical posts. However, the main focus is on reform and achieving greater productivity. The National Clinical Programmes are already delivering improvements in day of surgery admission rates, increases in the proportion of care that can be delivered on a day case basis and other productivity improvements designed to provide a better quality service to patients at less cost. I very much welcome the clinical leadership that is being provided in this regard. I also want to acknowledge and welcome the improvements in productivity that are being delivered by staff at local level through the Croke Park agreement in relation, for example, to staff redeployment, streamlining of management structures including clinical management roles, changes in skill mix and more cost effective rosters.

The National Service Plan has already been published and the regional service plans are in the process of being finalised and published. However, the need for dynamic and proactive management of the impact of reduced budgets and staff and continuous review of the service plan targets will remain and will continue beyond 29 February.

### **Services for People with Disabilities**

14. **Deputy Dessie Ellis** asked the Minister for Health if he has quantified the level of reduction in day services, residential and respite services as a result of cuts to the budget for disability; and if he will make a statement on the matter. [8333/12]

48. **Deputy Dessie Ellis** asked the Minister for Health if he and the Health Service Executive have carried out an assessment of the likely impact on disabled persons of the cuts to spending on disability services in the HSE national service plan 2012; and if he will make a statement on the matter. [8332/12]

**Minister of State at the Department of Health (Deputy Kathleen Lynch):** I propose to take Questions Nos. 14 and 48 together.

The recently approved HSE National Service Plan 2012 outlines, as required in legislation, the type and volume of services to be provided this year in return for the resources made available by the Oireachtas. The Plan acknowledges that there will be an inevitable and unavoidable reduction in services this year because of the scale of the financial and staffing challenge facing the health service. However, it also outlines the various actions that will be taken to mitigate as far as possible the impact which the budget and staff cuts would otherwise have on services. In particular, the Plan avoids crude across the board cuts in budgets and makes it clear that reductions in budgets should not lead to a corresponding reduction in services. Instead, we need to accelerate the Government's health reform programme and prioritise our services in a way that supports those in greatest need.

In the case of disability services, the Plan provides for a 3.7% reduction in budgets but makes it clear that there is scope for achieving efficiencies of 2% or more through measures such as consolidation and rationalisation of back office costs. All providers will be expected to achieve some efficiency savings but the level of savings required will vary depending on the profile of the service provider, efficiency savings achieved to date and the scope for further savings. The HSE will work closely with the Department in finalising the allocations. Some reductions in day services, residential and respite services will be unavoidable even with such efficiencies. The aim will be to tailor such reductions to minimise the impact on service users and families as much as possible.

### **Hospital Accommodation**

15. **Deputy Aengus Ó Snodaigh** asked the Minister for Health the number of acute public inpatient hospital beds closed; the number of wards closed; and if he will make a statement on the matter. [8337/12]

**Minister for Health (Deputy James Reilly):** The Business Intelligence Unit (BIU) of the HSE produces a weekly report on bed closures. I am circulating the most recent bed closure report published on 5 February 2012.

I believe we must concentrate on getting the best possible services for patients from the budgets available to us. This means we need to focus on how beds are used, on the throughput of patients, on reducing length of stay to international norms and on having as many procedures as possible carried out as day cases rather than inpatient work.

The work of the Special Delivery Unit, together with implementation of the Clinical Care Programmes in the HSE, will help to improve the efficiency of our hospitals, allowing us to treat as many patients as possible within budget. I believe that pursuing efficiencies through these means will be a far more productive approach than debating the number of beds open or closed at any one time.

In the current economic climate the acute sector must reduce its costs in order to deliver the agreed level of activity within the resources available to it. The emphasis in 2012 will continue to be to make the most effective use of acute bed capacity through shorter lengths of stay, increased rates of day-of-surgery admission and more day surgery. In this way the acute hospital system can ensure that, within the level of resources available, it provides safe, effective and efficient care to the maximum number of patients with .

Throughout 2012 hospitals will open and close beds on various wards in order to deliver the planned level of activity. These beds may be closed for a number of reasons, including cost containment, infection control and refurbishment. It is not possible at this time to determine

what beds in which wards will be closed and what length of time they will be closed for. The decision to open and close beds is made at hospital management level and approved by the Regional Director of Operations.

The Deputy can contact the BIU at pmu@hse.ie and request a copy at any time.

### **Ministerial Responsibilities**

16. **Deputy Catherine Murphy** asked the Minister for Health if the new institutional arrangements planned for the Health Service Executive will return direct responsibility to him and his Department; if so, the changes that have to be made; the legislation that will be required; the timeframe in which this will happen; and if he will make a statement on the matter. [8294/12]

281. **Deputy Bernard J. Durkan** asked the Minister for Health when he expects the policy making structure in the health services to reside in his Department; and if he will make a statement on the matter. [8719/12]

**Minister for Health (Deputy James Reilly):** I propose to take Questions Nos. 16 and 281 together.

I secured Government approval last December for the preparation of legislation which would abolish the Board of the HSE and replace it with a new governance structure. The proposed legislation will strengthen the accountability of the HSE to me as Minister. It will also ensure that the governance structure has a clear service focus, with other corporate functions supporting the service delivery functions. Work on preparing the draft Heads of a Bill is well advanced and I hope to bring a further Memorandum to Government in the next few weeks.

I have previously made it clear that responsibility for health service policy development and review rests with me as Minister for Health. The primary responsibility of the HSE is to deliver health and personal social services in accordance with Ministerial policies.

I also announced last December that in tandem with the proposed new legal structures, new administrative structures will be put in place within the HSE which will reflect the need for a greater operational management focus on the delivery of key services, and greater transparency about funding, service delivery and accountability. This will involve appointing a number of directors at national level in charge of public health, primary care, hospital care, social care, mental health, and children and family services. My Department is working with the HSE to give effect to the new structures, including the selection and appointment of the new directors.

More recently, I announced the relocation of the National Clinical Care Programmes to my Department and the establishment of a Programme Management Office in the Department to drive implementation of the health reform agenda.

These and other arrangements represent important steps in the process of delivering the reform agenda contained in the Programme for Government which, in turn, is designed to improve the health system's ability to achieve its core purpose of improving the health and well-being of people in Ireland.

### **Hospital Waiting Lists**

17. **Deputy Thomas P. Broughan** asked the Minister for Health if he will report on all current initiatives to address waiting times and overcrowding in Beaumont Hospital accident and emergency unit, Dublin; and if he will make a statement on the matter. [8293/12]

**Minister for Health (Deputy James Reilly):** In July of last year I announced the establishment of the Special Delivery Unit. The development of the Unit is a key part of my plans to radically

[Deputy James Reilly.]

reform the health system in Ireland. Last year I identified two key priorities for the SDU, namely addressing trolley waiting times and reducing the maximum waiting time for elective surgery. I am happy to say that the SDU has delivered notable improvements on both objectives.

The next area of work in the area of Unscheduled Care will include a new focus on monitoring the *total* patient journey time, including any time spent on trolleys, as part of the new national score card for measuring performance. New target times to be introduced this year will ensure that 95% of all attendees at Emergency Departments are discharged or admitted within 6 hours of registration, and that those who need to be admitted through ED wait no more than 9 hours from registration. Beaumont Hospital will be expected to comply with these targets.

Scheduled Care Targets to be introduced in 2012 will reduce the maximum waiting time for elective surgery to 9 months or less. The target will be 20 weeks or less for elective paediatric procedures and 13 weeks for Endoscopy procedures.

A specific SDU liaison process has also been put in place for all hospitals with varying degrees of intensity commensurate with the issues on the ground in each location.

The organisation of hospital services nationally, regionally and locally will be informed by the Clinical Programmes, which have been developed and implemented by the HSE, and by the work on the Framework for the Development of Smaller Hospitals which I will be publishing. These inter-related programmes aim to improve service quality, effectiveness and patient access and to ensure that patient care is provided in the service setting most appropriate to individuals' needs.

The difficult budgetary position facing the health services this year means that maintaining and building on will be a significant challenge particularly in the initial few months of 2012, typically the busiest time for acute hospitals. However, I am encouraged by the recent successes of the SDU and those involved in the delivery of acute hospital services..

### **Hospital Staff**

18. **Deputy Mary Lou McDonald** asked the Minister for Health if he will make a statement on the survey carried out by the Irish Association of Emergency Medicine, which suggests that more than half of registrar posts remain unfilled in eight of the country's emergency departments. [8340/12]

**Minister for Health (Deputy James Reilly):** The shortage of Registrars in Emergency Medicine is an issue not just in Ireland, but internationally. Approximately 36 Registrar posts in Emergency Medicine are currently filled by locum/agency staff. This means that a doctor is in post to provide the service.

However, the HSE is pursuing a number of measures to address the dependence on agency staff and ensure appropriate availability of senior medical personnel in Emergency Departments. These include:

- making maximum use of the work practice flexibilities embedded in Consultant Contract 2008 and the Public Service Agreement 2010-2014 to ensure that Consultants in Emergency Medicine are rostered to provide clinical services in the Emergency Department in line with service demands;
- changes in General Medical and General Surgical rostering arrangements to provide a greater level of support to Emergency Departments;

- a review of current staffing levels of all disciplines in Emergency Medicine, to ensure a sustainable staffing model into the future that is less reliant on junior doctors; and
- evaluating the scope for the recruitment of Emergency Medicine Registrars from abroad.

I have previously expressed my concerns about the large numbers of qualified Irish doctors travelling abroad, the career structure for doctors and the recent difficulties in filling non-consultant hospital doctor posts. Last November, I appointed a project leader and an advisory group to progress the development of a proposal for the creation of a new Specialist grade of doctor for those who have completed their higher specialist training. The advisory group comprises representatives of my Department, the Health Service Executive, Medical Council, Post Graduate Forum and student doctors in specialist training. A draft interim report was provided to me in recent weeks and I am currently considering it.

### Health Service Staff

19. **Deputy Dan Neville** asked the Minister for Health when the promised appointment will be made to the position of director of mental health services in view of the fact that a comprehensive and detailed plan must be formulated to allocate the committed €35 million for the implementation of the recommendations contained in A Vision for Change [8498/12]

**Minister of State at the Department of Health (Deputy Kathleen Lynch):** The Minister for Health announced last December that he had secured Government approval for the preparation of legislation which would abolish the Board of the HSE and replace it with a new transitional governance structure. The Minister also announced that, in tandem with the proposed new legal structures, new administrative structures would be put in place within the HSE which would reflect the need for greater operational management focus on the delivery of key services, and greater transparency about funding, service delivery and accountability. This will involve appointing a number of directors at national level in charge of public health, primary care, hospital care, social care, mental health, and children and family services. The main function of the mental health director will be to develop clearer funding and commissioning systems governing the delivery of mental health services as appropriate in the primary, acute and social care settings. Arrangements for the structures, including the selection and appointment of the new directors, are being developed by the Department and the HSE.

### Care of the Elderly

20. **Deputy Mick Wallace** asked the Minister for Health if he plans to implement the recommendations made by the Law Reform Commission in relation to the regulation of professional home care, in view of his stated commitment to move towards a model of health care whereby more older persons, when appropriate, will be cared for in their homes rather than going into long-term residential care; and if he will make a statement on the matter. [8490/12]

**Minister of State at the Department of Health (Deputy Kathleen Lynch):** Government policy is to support older people to live in dignity and independence in their own homes and communities for as long as possible. To this end, about 10,870 people are expected to receive home care packages and about 50,000 people will receive home help services this year.

*Government for National Recovery 2011-2016* commits the Government to developing and implementing national standards for home support services, which will be subject to inspection by the Health and Information Quality Authority (HIQA).

[Deputy Kathleen Lynch.]

The Department is considering possible changes in legislation, including the regulation and inspection of home care services for older people, as part of its examination of the overall issue of the licensing of health care providers. This examination will take account of the recent Law Reform Commission report — *Legal Aspects of Professional Home Care* — as well as recommendations of the Commission on Patient Safety and a range of other considerations.

However, it is important to emphasise that statutory regulation or licensing is only one way of improving the safety and quality of services and that other measures are already being taken to improve the standards of community service for older people. These include a new public procurement framework for home care services (with quality and screening requirements built in); new *National Quality Guidelines for Home Care Support Services* which introduce national standards for HSE provided services and also new *National Home Help Guidelines* which will standardise the distribution and allocation of home help across the country.

These various measures, taken together, have been designed to improve service provision overall, including quality and safety, for HSE home care recipients.

### Health Services

21. **Deputy Peadar Tóibín** asked the Minister for Health the manner in which the bulk of the reductions in staff, pay costs and efficiencies that the Health Service Executive is required to deliver in 2012 will increasingly impact directly on front line services in 2012, as stated in the HSE national service plan 2012; and if he will make a statement on the matter. [8323/12]

**Minister for Health (Deputy James Reilly):** The HSE National Service Plan 2012 sets out the health and personal social services that will be delivered by the HSE within its current budget of €13.317bn and identifies a cost reduction target in 2012 of €750m. The Service Plan reflects the Programme for Government commitments for health and the savings targets set out in the Comprehensive Expenditure Report 2012-2014.

The scale of the financial challenge facing the HSE means that there will be an inevitable and unavoidable reduction in services but it will not be a “straight line reduction”. In developing the Plan, my Department and the HSE undertook a rigorous examination of budget allocations across the care programme areas, with the explicit aim of reducing the impact on frontline services and identifying where efficiencies will be driven. This process involved re-prioritising funding to protect areas of greatest need and meet Programme for Government commitments.

Planning for the impact of the end of the “grace period” began last autumn and a formal transition team for the health service is in place, chaired by an Assistant Secretary from my Department, comprising key HSE national and regional directors. Contingency plans have been developed locally for hospital and community services, reflecting risk assessments undertaken by each hospital/community manager. These have been reviewed at regional and national levels to ensure appropriate contingency measures are in place across all services.

I am satisfied that suitable arrangements are in place at national, regional and service specific levels to proactively manage the impact of staff exits on front line services. The focus is on protecting and maintaining critical front line services such as Emergency Department, maternity, critical care and neonatal services.

The mitigation measures which are in place include the backfilling of certain critical posts. However, the main focus is on reform and achieving greater productivity. The National Clinical Programmes are already delivering improvements in day of surgery admission rates, increases in the proportion of care that can be delivered on a day case basis and other productivity improvements designed to provide a better quality service to patients at less cost. I very much

welcome the clinical leadership that is being provided in this regard. I also want to acknowledge and welcome the improvements in productivity that are being delivered by staff at local level through the Croke Park agreement in relation, for example, to staff redeployment, streamlining of management structures including clinical management roles, changes in skill mix and more cost effective rosters.

It is clear that 2012 will be a very challenging year for the health services. The Service Plan commits the HSE to minimising the impact on services by fast tracking new, innovative and more efficient ways of using reduced resources. It reflects the need to move to new models of care across all service areas which will treat patients at the lowest level of complexity and provide quality services at the least possible cost. The Plan will be implemented in the context of the significant new governance structures for the health services which I recently announced.

### **Hospital Services**

22. **Deputy Richard Boyd Barrett** asked the Minister for Health the position regarding the review of medical services at St. Vincent's University Hospital, St. Columcille's Hospital and St. Michael's Hospital, Dublin; his plans, if any, to curtail the services at St. Columcille's Hospital, Loughlinstown; and if he will make a statement on the matter. [8496/12]

**Minister for Health (Deputy James Reilly):** Acute hospital services in the Dublin South-Wicklow Area, are provided through a collaborative arrangement across three sites, St. Vincent's University Hospital, St. Michael's Hospital and St. Columcille's Hospital.

The configuration of services in the area has been under continued review and reorganisation for some time in the interest of improving access and quality of service to the local population.

The HSE is currently carrying out a collaborative study and consultation process across the three sites.

The work of this study will feed into the implementation of a Framework for Smaller Hospitals, which I expect to publish shortly and which encompasses St. Colmcille's Hospital. This framework will demonstrate clearly that the future of smaller hospitals is secure. It will set out what services can and should be delivered safely by these hospitals in the interest of better outcomes for patients.

### **Mental Health Services**

23. **Deputy Brian Stanley** asked the Minister for Health the contingency plan in place to address the staffing crisis in the mental health services as a result of the 400 front line nurses retiring, on top of the estimated 1,200 staff who have left posts in the mental health services in the past two years; and if he will make a statement on the matter. [8328/12]

**Minister of State at the Department of Health (Deputy Kathleen Lynch):** The cumulative impact of staff reductions from this year and previous years presents a significant challenge for the health system generally in delivering services. The priority is to reform how health services are delivered in order to ensure a more productive and cost effective health system. Like other care areas, efficiency and other savings will be required from the mental health service and it will have to deal with its share of staff reductions. *A Vision for Change* recommended the closure of the old psychiatric hospitals and a move from the traditional institutional based model of care to a patient-centred, flexible and community based mental health service, where the need for hospital admission is greatly reduced, while still providing in-patient care when appropriate. 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. This commitment was clearly shown in Budget 2012 with a special allocation

[Deputy Kathleen Lynch.]

of €35m for mental health in line with the Programme for Government. Funding from this special allocation will be used primarily to strengthen Community Mental Health Teams in both Adult and Children's mental health services, improve access to psychological therapies in primary care and implement suicide prevention strategies in line with *Reach Out* — the National Strategy for Action on Suicide Prevention. The HSE Service Plan for 2012 provides for the recruitment of over 400 staff to the mental health service to deliver on these objectives.

Although final figures are not yet available, 467 mental health staff have indicated their intention to leave our mental health services by the end of February 2012. The figure includes all staff in mental health services including nurses and may vary as staff can re-consider up to the end of the month. The HSE's Service Plan includes a commitment to reduce acute in-patient capacity by a minimum of 153 beds nationally in 2012, in line with the recommendations of *A Vision for Change*. A key priority for the HSE is the reconfiguration of acute in-patient services and the redeployment of staff resources away from old institutional settings or over-provision of acute in-patient beds towards community based services. Regional service plans are currently being finalised and will be published shortly. RDOs are continuing to manage the transition in their own areas. Briefings with staff, unions, public representatives and other stakeholders have already commenced and will continue as the situation unfolds over the coming weeks.

### Hospital Staff

24. **Deputy Brendan Smith** asked the Minister for Health the number, if any, of maternity staff in Holles Street hospital, the Mid-Western Regional Hospital and elsewhere who will be re-employed following the conclusion of the early retirement scheme at the end of February; and if he will make a statement on the matter. [8350/12]

33. **Deputy Dara Calleary** asked the Minister for Health if maternity services will be affected following the departure of midwives due to the early retirement scheme; and if he will make a statement on the matter. [8353/12]

59. **Deputy Sandra McLellan** asked the Minister for Health if he has yet to receive an assessment of the way staff requirements and Health Service Executive national service plan cuts will impact on the southern hospitals group; and if he will make a statement on the matter. [8348/12]

62. **Deputy Michael Colreavy** asked the Minister for Health if he has yet received an assessment of the way staff retirements and Health Service Executive national service plan cuts will impact on the western hospitals group; and if he will make a statement on the matter. [8349/12]

**Minister for Health (Deputy James Reilly):** I propose to take Questions Nos. 24, 33, 59 and 62 together.

I am aware of the impact the early retirement package will have on the provision of maternity services and indeed all services nationally and together with the HSE, we are committed to minimizing the impact through a range of strategies to be achieved through fast tracking new innovative and more efficient ways of using a reducing resource. I have requested the HSE to prioritise the ongoing delivery of safe services for patients and to ensure that all necessary steps are taken to ensure the avoidance of risk in the delivery of services for patients. The impact of the upcoming retirements requires a range of strategic national responses, together with specific local responses.

The most recent information available to me indicates that about 4,200 individuals will have left the health service between September 2011 and the end of this month. The corresponding whole-time equivalent figure is about 3,700. These figures are subject to change because, for example, of the time lags involved in collating data at national level. However, management at local and regional level have full details of the staff who have already left or will leave by 29 February. I should point out that over 2,000 individuals had already left by the end of January.

Planning for the impact of the end of the “grace period” began last autumn and a formal transition team for the health service is in place, chaired by an Assistant Secretary from my Department, comprising key HSE national and regional directors. Contingency plans have been developed locally for hospital and community services, reflecting risk assessments undertaken by each hospital/community manager. These have been reviewed at regional and national levels to ensure appropriate contingency measures are in place across all services.

I am satisfied that suitable arrangements are in place at national, regional and service specific levels to proactively manage the impact of staff exits on front line services. The focus is on protecting and maintaining critical front line services such as Emergency Department, maternity, critical care and neonatal services.

The recently approved HSE National Service Plan 2012 acknowledged that there will be an inevitable and unavoidable reduction in services this year because of the scale of the financial and staffing challenge facing the health service. Obviously, I would prefer to have more funding available for our health services but the reality is that this is not possible right now. I believe there is, therefore, a particular onus on all of us working in the health services to be as innovative and flexible as possible in order to mitigate the impact on services of reduced budgets and staffing.

The mitigation measures which are in place include the backfilling of certain critical posts. However, the main focus is on reform and achieving greater productivity. The National Clinical Programmes are already delivering improvements in day of surgery admission rates, increases in the proportion of care that can be delivered on a day case basis and other productivity improvements designed to provide a better quality service to patients at less cost. I very much welcome the clinical leadership that is being provided in this regard. I also want to acknowledge and welcome the improvements in productivity that are being delivered by staff at local level through the Croke Park agreement in relation, for example, to staff redeployment, streamlining of management structures including clinical management roles, changes in skill mix and more cost effective rosters.

The National Service Plan has already been published and the regional service plans are in the process of being finalised and published. However, the need for dynamic and proactive management of the impact of reduced budgets and staff will remain and will continue beyond 29 February.

### **Hospital Services**

25. **Deputy Derek Keating** asked the Minister for Health the position regarding the cystic fibrosis unit in St. Vincent’s Hospital, Dublin; his plans to extend the cystic fibrosis services; if he will take into consideration that Peamount Hospital, Dublin, is suitably situated to provide such a service; if he will consider it becoming a satellite clinic of St. Vincent’s Hospital to cover the west Dublin area; his further plans to develop cystic fibrosis services throughout 2012 and beyond; and if he will make a statement on the matter. [8287/12]

**Minister for Health (Deputy James Reilly):** St. Vincent’s University Hospital is the designated National Adult Referral Centre for patients with Cystic Fibrosis. Phase 2 of the develop-

[Deputy James Reilly.]

ment at St. Vincent's Hospital is designed to provide a state of the art clinical building which will include up to date isolation facilities with accommodation for people with cystic fibrosis and others requiring such facilities. The new unit is due to open in June 2012. The unit will also provide a dedicated CF Day Unit, containing offices, treatment rooms, together with 10 single day treatment rooms, each with en-suite sanitary facilities for treating patients with cystic fibrosis. The hospital management in conjunction with relevant stakeholders is currently preparing plans for the transfer of patients to the new accommodation to take place as soon as possible.

It is important to avoid the exposure of CF patients to possible sources of infection. With this in mind, the HSE and hospitals aim to minimise the need to admit such patients to hospital. The long-term objective is to provide treatment for CF patients on an ambulatory day-care basis, as close as possible to their home.

I recently approved a lotto grant of €150,000 to Build Life Cystic Fibrosis group in Cork/Kerry towards the cost of a plan for a dedicated 10 bed unit for Cystic Fibrosis in Cork University Hospital. I will be reviewing this project positively this year. I also intend to examine some other projects to provide extra services for CF patients.

Peamount Hospital is currently in discussion with the HSE regarding future service delivery. The primary focus of discussion is around the implementation of national policy on congregated settings for persons with a disability and on how the hospital can support Tallaght Hospital by enhancing transitional care and step down facilities.

### Health Services

26. **Deputy Patrick Nulty** asked the Minister for Health if an exception will be given to the early intervention team in the Health Service Executive north west to hire speech and language therapists in view of the fact that there is now none operating in this region due to the recruitment embargo; and if he will make a statement on the matter. [8290/12]

**Minister of State at the Department of Health (Deputy Kathleen Lynch):** As the Deputy's question relates to service matters I have arranged for the question to be referred to the Health Service Executive for direct reply to the Deputy

### Hospital Waiting Lists

27. **Deputy Michael McGrath** asked the Minister for Health the role of the special delivery unit; the way that it plans to spend the €85 million in its 2012 allocation; and if he will make a statement on the matter. [8378/12]

**Minister for Health (Deputy James Reilly):** Building on the achievements of 2011 the SDU will work with the NTPF, the HSE Clinical Programmes and hospitals to minimise patient waiting times in emergency departments and reduce waiting periods for in patient and day case elective surgical care. The improvements already won have to be secured and continually improved upon. There is a specific SDU liaison process in place for all of these hospitals with varying degrees of intensity commensurate with the issues on the ground in each location. Some of the key developments planned by the SDU for 2012 are as follows:

- February 2012 will begin to see the focus in ED turn to patient journey time monitoring (along with trolley waits) as part of the new national score card for measuring performance.

- **Unscheduled Care Target** to be introduced in 2012. The target stipulates that 95% of all attendees at EDs are discharged or admitted within 6 hours of registration, and that those who need to be admitted through ED wait no more than 9 hours from registration.
- **Scheduled Care Targets** to be introduced in 2012. These include the reduction of maximum waiting time for elective surgery to 9 months or less, a waiting time of 20 weeks or less for elective paediatric procedures and a waiting time of 13 weeks maximum for endoscopy procedures.

In addition, targets are to be set for improved access to outpatient (OPD) services in the first quarter of 2012. Finally the introduction of hospital groups will provide further opportunities for inter site cooperation. Although achieving these targets will be challenging given the difficult budgetary position the health services are facing, I am encouraged by the response of the system to the SDU initiative and the successes to date.

In relation to the 2012 allocation to the NTPF, the funds will continue to be used to treat patients. Prior to the issuing of the letter of determination by my Department I will be carefully considering how funds are best targeted in light of the next phase of work for the SDU.

### **Care of the Elderly**

28. **Deputy Willie O’Dea** asked the Minister for Health the number of persons who could be affected by the loss of 192 home help workers following the conclusion of the early retirement scheme; and if he will make a statement on the matter. [8370/12]

**Minister of State at the Department of Health (Deputy Kathleen Lynch):** The home help service is a core community service supporting older people to remain in their own homes and communities for as long as possible, with the aim of best meeting their preferred wishes, and reducing pressures elsewhere on the wider care system. The demand for the home help service, and for additional supports such as Home Care Packages continues to grow as the population, and the complex needs, of older people increases.

The capacity of the Health Service Executive to provide approved levels of home help services is reviewed in the context of overall resources available. The latest estimated number of home helps that may potentially retire under the current initiative is in the region of 210 nationally, but the actual number that will retire cannot be confirmed at this time as some applicants may yet withdraw their applications.

It should be noted, however, that the majority of HSE employed home helps are part-time workers and that the impact on service delivery of retirements will be managed carefully by the Executive, within the remaining staff resource. In addition, should a situation arise that HSE employed home help staff are not available for whatever reason, it is possible for individual areas to make alternative arrangements as appropriate. This could include, for example, the use of indirect service providers, with whom areas already have partnership arrangements to provide services. In this way, it is planned that any impact on individual home help clients can be kept to a minimum.

The target for people expected to avail of home help services nationally at any time in 2012 is around 50,000. This represents a reduction of 1.2%, when compared with the projected out-turn for 2011. It is anticipated, therefore, that while overall service levels are being reduced due to resource constraints, the service reduction on home help client numbers will be minimised.

This approach will obviously require a stringent on-going review of resources and evolving service pressures. Local Health Offices will therefore regularly review the home help service to ensure that existing applicants receive supports aligned to their assessed needs, and that new

[Deputy Kathleen Lynch.]

applicants can, insofar as possible, continue to be processed and allocated appropriate supports in line with resources available.

29. **Deputy Martin Ferris** asked the Minister for Health if he and or the Health Service Executive have measured the reduction of home help hours by 4.5% in the Health Service Executive national service plan 2012 against the projected additional need for home help in 2012; and if he will make a statement on the matter. [8326/12]

**Minister of State at the Department of Health (Deputy Kathleen Lynch):** Government policy is support older people to live at home and in their communities for as long as possible. This is realised through a range of community based services such as Home Help, Home Care Packages, Meals-on-Wheels, and Day or Respite Care.

While the recently agreed HSE Service Plan for 2012 involves a reduction of 4.5% in Home Help hours nationally, from around 11.2m hours in 2011 to 10.7m hours this year, the corresponding reduction proposed in the actual number of people receiving this service drops by only 1.2%. Therefore, the projected number of people receiving the Home Help service this year is 50,000, compared to some 50,600 in 2011. This approach is possible due to the increased focus by the HSE on more personalised care for the most vulnerable older people.

In addition, the HSE has committed in its Service Plan to maintaining Home Care Packages for this year at 2011 levels. These enhanced packages of care often contain a strong Home Help element, as well as a multidisciplinary care component, to assist vulnerable older people. The Executive is increasingly placing greater emphasis on other improvements in Home Care. These include developing new operational guidelines, increased linkages between Services for Older People and Primary Care Teams, and advancing the potential of Telecare, and Aids and Appliances, for older people. The central challenge facing the health service this year is to use the reduced level of resources available to meet as best it can the increasing needs of older people for health and personal social services. This means we have to prioritise those in greatest need and accelerate reform of our services.

*Question No. 30 answered with Question No. 10.*

### **Health Services**

31. **Deputy Michael McNamara** asked the Minister for Health the way in which any change in the non-acute budget for the mid-west in 2012 compares proportionally to other areas in Health Service Executive west and nationally; the further way in which the pre-2012 funding for the mid-west compared to other areas in HSE west and nationally; the basis for the 2012 allocations; and if he will make a statement on the matter. [8489/12]

**Minister for Health (Deputy James Reilly):** I have been advised by the Health Service Executive that the information is not readily available as the January Performance Reports are at present being submitted and consolidated.

I have requested the HSE to collect this information and I will forward it to the Deputy as soon as it is available.

### **National Substance Misuse Strategy**

32. **Deputy Timmy Dooley** asked the Minister for Health the recommendations of the national misuse strategy steering group that he is willing to accept; and if he will make a statement on the matter. [8363/12]

**Minister for Health (Deputy James Reilly):** As the report concerned was only recently launched on 7 February last, I intend to allow a period of public debate on the issues raised by and recommendations made by the National Substance Misuse Strategy Steering Group; and I then envisage that an Action Plan will be developed in advance of proposals being drafted for the Government.

*Question No. 33 answered with Question No. 24.*

### **Tax Code**

34. **Deputy Sean Fleming** asked the Minister for Health if he has liaised with the Department of Finance regarding the introduction of taxes on high fructose corn syrup, sugar, trans fats or any other type of food taxes as part of a broader strategy on tackling obesity; and if he will make a statement on the matter. [8366/12]

**Minister for Health (Deputy James Reilly):** I established a Special Action Group on Obesity comprising representatives from the Department of Health, the Department of Children and Youth Affairs, the Health Service Executive, the Food Safety Authority of Ireland and Safer Food to identify a number of specific issues which could be progressed to help make an impact on our obesity levels. While it was acknowledged that alone no single initiative will halt or reverse the trend, it was felt that a combination of measures should make a difference. For this reason the Group is concentrating on a range of measures. The introduction of a sugar tax on sugar-sweetened drinks was identified as a strategy for consideration and the feasibility of introducing such a measure is being examined. Other issues being examined include nutritional labelling, calorie posting on restaurant menus, restrictions on the advertising of high salt, fat and sugar products to children and the treatment of obesity. The Group will liaise with other Departments and organisations as required.

Following consultation with other Government Departments, I am in the process of initiating a Health Impact Assessment (HIA) on the potential effects of a tax on Sugar Sweetened Drinks which will provide a strong evidence base for such a tax. The Institute of Public Health has agreed to lead the HIA Project Group and the WHO Europe has indicated that their nutrition team would be available to my Department to offer guidance, given that this will be the first HIA in this area.

### **Health Amendment Act**

35. **Deputy Mary Lou McDonald** asked the Minister for Health the action he will take to provide Health Amendment Act cards to the small group of women who, having received contaminated anti-D on the birth of their children, have developed health issues consistent with those testing positive for hepatitis C, but who are themselves testing negative; and if he will make a statement on the matter. [8343/12]

**Minister for Health (Deputy James Reilly):** Under the Health Amendment Act (No. 15 of 1996) the Health Amendment Act (HAA) Card is given to men, women and children who contracted Hepatitis C from the administration within the State of blood or blood products. The HAA Card gives entitlements to additional health and social services, on more flexible terms and conditions than the medical card. The HAA Card and the entitlements under it are for the lifetime of the cardholder.

The entitlement of an individual to a HAA Card and services under the Health (Amendment) Act 1996 rests with the Chief Executive Officer of the Health Service Executive. The Chief Executive Officer is bound by the definition of eligibility in the Hepatitis C Compensation Tribunal (Amendment) Act 2006, which requires a positive diagnostic test for applications received by the Tribunal after the specified date of 20 June, 2006.

[Deputy James Reilly.]

In respect of persons who made an application before that date, the Chief Executive Officer is still obliged to satisfy himself that the applicant was infected with Hepatitis C. In that regard, the Chief Executive also takes account of any relevant decision of the Hepatitis C and HIV Compensation Tribunal, on the basis that the Tribunal arrives at its decisions after careful consideration of available evidence and expert testimony.

A great deal of consideration has been given to the issue of women who have neither tested positive for Hepatitis C, nor had a positive Tribunal decision in their favour. While a number of these women who have tested negative for Hepatitis C have had, and may continue to have, a variety of symptoms, there is no scientific proof that the symptoms are specific evidence of Hepatitis C infection. Some symptoms of Hepatitis C, such as fatigue, fibromyalgia and depression, are common conditions that occur in the general population. It is estimated that up to 16,000 women were exposed to potentially infectious batches of Anti-D and approximately 1,000 of these women were infected with Hepatitis C.

Taking account of international practice and the rationale which led to the clarification of the Hepatitis C Compensation Tribunal eligibility requirements in 2006, while I am sympathetic to the women in question, I am satisfied that the present arrangements are fair and reasonable.

### **Health Service Staff**

36. **Deputy Clare Daly** asked the Minister for Health if he will reconsider the cuts in pay and hours that have been applied to personal assistants who provide support to persons with severe disabilities; and if he will respond to the demands of the newly formed leaders' alliance, which is advocating on the full restoration of this service by the Health Service Executive [8494/12]

**Minister of State at the Department of Health (Deputy Kathleen Lynch):** The Health Service Executive (HSE) provides a range of assisted living services including Personal Assistant services to support individuals to maximise their capacity to live full and independent lives.

In 2011, a total of 1.68 million personal assistant/home support hours were provided to 11,571 persons with physical and/or sensory disability. Although the funding allocated to disability services has been cut by 3.7%, the HSE aims to maintain this level of service in 2012. Service efficiencies will be achieved through a process of negotiation with service providers around the unit cost of providing the service rather than reducing the number of hours or the pay of personal assistants.

At this point in time, the HSE is not aware of any service provider that has applied reductions in pay or hours to personal assistants who provide support to persons with disabilities.

### **Health Insurance**

37. **Deputy Barry Cowen** asked the Minister for Health the action he will take to tackle the increase in VHI premiums; and if he will make a statement on the matter. [8360/12]

61. **Deputy Liam Twomey** asked the Minister for Health the steps he will take or consider to control the cost of private health insurance here; the discussions he is having with the VHI to control the cost of VHI premiums to customers; and if he will make a statement on the matter. [8295/12]

**Minister for Health (Deputy James Reilly):** I propose to take Questions Nos. 37 and 61 together.

I am concerned that private health insurance is becoming harder to afford, especially for older people, as insurers increasingly tailor their insurance plans towards younger, healthier

customers. I am strongly committed to protecting community rating, whereby older and less healthy customers should pay the same amount for the same cover as younger and healthier people.

In order to keep down the cost of health insurance for older people, I was pleased recently to increase significantly the age-related income tax credit, under the Interim Scheme of Risk Equalisation, for insured persons aged 60 years and over, from 1 January 2012. Without this support, health insurers would have had a strong financial incentive to ‘segment’ the market by offering policies targeted at young people, to the disadvantage of older customers.

I must stress that the measures I took are designed to result in no overall increase of premiums in the market and to spread the risk more evenly between the healthy and the less healthy, the old and the young. The increased tax credits for older people are balanced by a corresponding increase in the levy on each insurer in respect of all of its insured customers, so that the system is Exchequer neutral.

In this regard, it is important to note that the levy on policies is not a revenue collecting mechanism for the Exchequer. The Community Rating Levy, under the Interim Scheme, is placed on private health insurance providers for each insured individual, and not on the individuals themselves. It is a matter for the insurance providers as to the extent, if any, they pass the levy on to their clients.

In December 2011 I agreed with the three commercial health insurers to establish a Consultative Forum on Health Insurance, to tackle issues of mutual concern. We agreed to work cooperatively in driving down costs related to health insurance and to identify savings that could be achieved by both public and private hospitals. I indicated to the insurers that I would be happy to hear proposals from them which would result in lower costs for the health insurance sector. The first meeting of the Forum will be Chaired by the Secretary General of my Department and is due to take place next week.

In addition, a new review of the VHI’s claims costs will be carried out to establish what further savings can be made. The review is to be completed early this year and will contribute significantly to more effective cost control within the private health insurance market. In the meantime, VHI has been finalising contract negotiations with the private hospitals treating its customers. In addition, VHI’s contracts with consultants will be reviewed in mid-2012 and the VHI has informed me that it will be seeking further savings from consultants at that point. I am determined that these and other measures will have a significant impact in containing the level of any future increases in health insurance premiums.

The Government’s clear objective is for the health insurance market to remain competitive and strong as we move towards a new system of Universal Health Insurance. It is my intention to ensure that the private health insurance market is reformed to ensure that costs are reduced and that there is a more even balance in the market.

### **Health Service Plan**

38. **Deputy Caoimhghín Ó Caoláin** asked the Minister for Health in view of his repeated commitment to enhance the role of smaller hospitals, and in view of the Health Service Executive National Service Plan 2012, the services that will be provided at Monaghan General Hospital; and if he will make a statement on the matter. [8344/12]

**Minister for Health (Deputy James Reilly):** The Government intends to publish a framework for the development of smaller hospitals, which will set out the way these hospitals provide services to patients and how they work within their regional hospital networks. The framework and its implementation is a priority of the Government.

[Deputy James Reilly.]

In developing the framework, the Government is clear that: there is an important future role for smaller hospitals, in which they will provide services for more patients, not fewer; no acute hospital will close; and safety issues in all acute hospitals, large or small, must be fully addressed, by providing the right type of services in the right settings.

This framework will demonstrate clearly that the future of smaller hospitals is secure. It will set out what services can and should be delivered safely by these hospitals in the interest of better outcomes for patients. I expect to be in a position to publish the framework shortly. Monaghan Hospital is an integral part of the Cavan and Monaghan Hospital Group and continues to play an important role in the delivery of clinical services in the Cavan Monaghan area and to other parts of the North East Region. The current level of activity will be maintained at Monaghan Hospital as part of the 2012 Service Plan. In addition, an increase in day services activity is also planned for 2012.

### **Hospital Services**

39. **Deputy Sandra McLellan** asked the Minister for Health if he will make a statement on the recent major cuts to services at Waterford Regional Hospital. [8347/12]

**Minister for Health (Deputy James Reilly):** Yesterday I explained to the House in a previous question that reducing public service numbers is an integral part of the Government's drive to reduce public expenditure. Health service employment numbers must be reduced to approximately 102,000 by the end of this year. Further reductions will be required over the coming years.

The Regional Service Plans are currently being finalised and the exact ceiling for each service has not yet been determined. However Waterford Regional Hospital is subject to the same restrictions as the rest of the health service.

There were 1,851 employees in Waterford Regional Hospital, expressed as whole time equivalents (wte), in March 2009. Up to December 2011 this figure had reduced by 131 to 1,720. A significant portion of the reduction is accounted for in the Management Administration and General Support staff grades. The Hospital is aware of a further 41 employees (wtcs) who will be leaving during 2012. This equates to 2.43% of current staff and is well within the national target of 3%.

The total amount spent by the hospital on agency staff in 2009 was €0.8m. The figures for 2010 and 2011 were €3.1m and €3.2m respectively.

Medical agency costs have accounted for the bulk of agency spend. They were €0.3m in 2009, €1.9m. in 2010 and €2m in 2011. However I am informed that since October 2011 the hospital has eliminated its spend on medical agency costs through a combination of cost saving measure and the recruitment of NCHDs..

The remaining agency costs are largely for para medical and support staff. In 2012 the challenge for the hospital is to address its remaining spend on agency costs in the same effective way in which it has tackled the issue with medical cover. The HSE National Service Plan commits to a reduction of up to 50% in agency costs.

The 2012, Employment Control Framework will be finalised shortly. I envisage that, the HSE will still have discretion to decide on exceptional appointments to minimise service, quality and safety risks. I am not suggesting that there will be wholesale replacement of staff or that there are easy options here. Part of the solution must be to implement the National Clinical Programmes to improve efficiency along with quality, to manage performance relentlessly, contain costs and to look at all available options including redeployment and re assignment of staff.

### Health Services

40. **Deputy Mick Wallace** asked the Minister for Health his views on a recent report by the Law Reform Commission which recommends that the Health Information and Quality Authority be empowered to regulate and monitor undertakings that provide professional home care; if he plans to implement any of the recommendations made in this report; and if he will make a statement on the matter. [8491/12]

**Minister of State at the Department of Health (Deputy Kathleen Lynch):** The Law Reform Commission's recent report, entitled *Legal Aspects of Professional Home Care*, is a follow up to its 2009 consultation paper entitled, *Legal Aspects of Carers*.

Primary legislation and resources will be required for the introduction of a statutory regulation system for home care services. The question of possible changes to legislation, including regulation and inspection, for Home Care services for older people is under consideration. The Department is, at present, examining this matter in the overall context of the licensing of Health Care providers. Legislation is currently being prepared in this regard, taking into account the recommendations of the Commission on Patient Safety, and the Law Reform Commission. Various options are being considered at present, including the complex legal issues involved.

### Health Service Staff

41. **Deputy Bernard J. Durkan** asked the Minister for Health the total number of health personnel excluding administration and management staff currently working in the private health sector; the numbers engaged in the public sector by discipline; the extent to which staff numbers have been reduced or increased in each sector over the past five years to date; if he will further indicate the total number of administrative and management personnel at all levels employed in both sectors; the extent to which these numbers have fluctuated over the same period; and if he will make a statement on the matter. [8387/12]

**Minister for Health (Deputy James Reilly):** My Department does not collate information in relation to the numbers employed in the private health sector.

The following table sets out (i) the numbers employed in the public health service at December 2007 and December 2011 (latest data) by grade category; and (ii) the changes in the numbers employed during that period:

Numbers (WTE excld. career break) employed in the public health service

Grade category	31/12/2007	31/12/2011	Change between Dec 2007 and Dec 2011
Medical/Dental	8,005.00	8,331.14	326.14
Nursing	39,005.99	35,902.20	-3,103.79
Health and Social Care Professionals	15,704.67	16,217.42	512.75
Management/Admin	18,043.36	15,983.48	-2,059.88
General Support Staff	12,899.83	10,449.85	-2,449.98
Other Patient and Client Care	17,846.03	17,508.30	-337.73
Total	111,504.88	104,392.39	-7,112.49

Notes:

(1) Excludes home helps;

(2) student nurses are included in the 2007 employment ceiling on the basis of 3.5 students equating to 1 wholetime equivalent — the Dec 2007 employment level adjusted for student nurses on the above basis is 110,664 WTEs; and

(3) the data for Other Patient and Client Care and General Support Staff may have been affected by reclassification between grade categories.

[Deputy James Reilly.]

The table below sets out (i) the numbers of staff employed in the Management/Administrative grade category, by grade group; and (ii) the changes in the numbers employed during that period:

Numbers (WTE exclud. career break) employed in the Management/Administrative grade category

Grade group	31/12/2007	31/12/2011	Change between Dec 2007 and Dec 2011
General Administrative [III to VII]	16,011.20	14,231.01	-1,780.19
Management [VIII+]	1,237.43	1,087.07	-150.36
Other Administrative	794.73	665.4	-129.33
Total	18,043.36	15,983.48	-2,059.88

The current Employment Control Framework for the health sector gives the HSE some flexibility in relation to filling posts in order to protect frontline services in so far as possible while still achieving the required staff reduction targets. In addition, the Public Service Agreement allows the HSE to redeploy staff based on service need. Nevertheless, the overall target reduction in numbers must be met, which will undoubtedly pose a significant challenge.

42. **Deputy Michael Colreavy** asked the Minister for Health his views on the work to rule by psychiatric nurses at the children and adolescent mental health services inpatient unit at Merlin Park Hospital, Galway, which commenced on 6 February 2012 and which arises from frequent assaults on staff, a situation brought about by staff shortages and poor management [8329/12]

**Minister for Health (Deputy James Reilly):** The Health Service Executive (HSE) has been engaged for some time in discussions with the Psychiatric Nurses Association (PNA) regarding the Children and Adolescent Mental Health Services In-patient Unit in Merlin Park. The parties have participated in a conciliation process under the auspices of the Labour Relations Commission, without resolution. Subsequent to this there has been further engagement between management and local representatives of the PNA in an effort to achieve resolution on a number of issues.

In the meantime the HSE is seeking to minimise the impact of any industrial action on the children and their parents. I would hope that the parties, either through direct engagement or with the assistance of the State's industrial relations machinery, will resolve the outstanding issues.

### Health Services

43. **Deputy Robert Troy** asked the Minister for Health if patient groups and local representatives will be involved in advance of any decision by him to close community nursing units; and if he will make a statement on the matter. [8373/12]

**Minister of State at the Department of Health (Deputy Kathleen Lynch):** In accordance with the Health Act, 2004, the arrangement for providing responses on detailed operational issues is a matter for the Health Service Executive. Section 7(4) of the Act specifies that "The Executive shall manage and shall deliver, or arrange to be delivered on its behalf, health and personal social services in accordance with the Act. Therefore as this is a service matter it has been referred to the Health Service Executive for direct reply.

### Health Service Staff

44. **Deputy Peadar Tóibín** asked the Minister for Health if there are contingency plans to address the staffing arising from mass retirements in each of the Health Service Executive regions and hospital groups; if he will outline these plans by region and hospital group; and if he will make a statement on the matter. [8322/12]

**Minister for Health (Deputy James Reilly):** The cumulative impact of staff reductions, and particularly those occurring before the end of the present “Grace Period”, together with reduced financial resources, represents a significant challenge for the health system in delivering services in 2012. The HSE’s National Service Plan, which I approved on 16 January, sets out the actions to be taken to address these challenges. The priority is to reform how health services are delivered in order to ensure a more productive and cost-effective health system.

The most recent information available from the HSE indicates that some 2,000 staff will retire from the health service during the month of February 2012. It should be noted that this figure is liable to change as data is refined, as additional applications are processed and if existing applications are withdrawn. However management at local and regional level have a clear picture of which staff are leaving or have already retired and are fully focused on addressing all critical service issues.

The HSE is currently finalising detailed regional contingency plans, whose focus is on maintaining essential frontline services such as emergency departments, intensive care and maternity services as well as addressing the service areas identified for priority development under the National Service Plan. The plans reflect the fact that the number of staff leaving varies from region to region and from service to service. These have been the subject of a series of discussions with my Department in recent weeks. Briefings with staff, unions, public representatives and other stakeholders have already commenced and will continue over the coming weeks.

The contingency plans make use of measures under the Public Service Agreement to achieve increased flexibility in relation to work practices and rosters, redeployment and other changes to achieve more efficient delivery of services. Some management structures and services will be amalgamated and streamlined. Cross-cover arrangements will be put in place wherever possible and where clinical management numbers have been reduced. Other measures will involve the filling of some key vacancies as part of a targeted investment and recruitment response. The HSE will also work to mitigate the impact of the staffing reductions through the accelerated implementation of the National Clinical Programmes as part of the Government’s reform agenda. This will involve measures such as reductions in average length of stay, improving day-of-surgery admission rates and increasing the proportion of hospital care provided on a day case basis.

In addition to these measures, the Government recently announced the establishment of transition teams in key sectors to oversee the response to the specific short-term impact of Grace Period retirements. In this context I have established a formal Transition Team for the health sector, chaired by an Assistant Secretary in my Department and including key HSE Directors at national and regional level.

The national, regional and site-specific contingency planning process will continue up to and beyond 29 February. This is a dynamic process and the objective is to ensure that there are measures in place to address all critical issues. The Executive will be arranging, in the normal way, to publish regional service plans as these are finalised.

### Health Services

45. **Deputy Pádraig Mac Lochlainn** asked the Minister for Health the extra staff and services,

[Deputy Pádraig Mac Lochlainn.]

over and above those available in 2011, that will be provided by the alleged additional €35 million ring fenced for mental health in the health budget; and if he will make a statement on the matter. [8330/12]

**Minister of State at the Department of Health (Deputy Kathleen Lynch):** A special allocation of €35m for mental health was announced in Budget 2012 in line with the Programme for Government commitments. Funding from this special allocation will be used primarily to strengthen Community Mental Health Teams in both Adult and Children's mental health services. It is intended that the additional resources will be rolled out in conjunction with a scheme of appropriate clinical care programmes based on an early intervention and a recovery approach. Some of the funding will also be used to advance activities in the area of suicide prevention and response to self-harm presentations and to initiate the provision of psychological and counselling services in primary care specifically for people with mental health problems. Some provision will also be made to facilitate the re-location of mental health service users from institutional care to more independent living arrangements in their communities, in line with *A Vision for Change*. Approximately 400 additional staff will be recruited to support these initiatives. Details of how the additional funding will be apportioned are set out in the HSE National Service Plan for 2012 which was approved by the Minister in accordance with the Mental Health Act 2004.

#### Medicinal Products

46. **Deputy Luke 'Ming' Flanagan** asked the Minister for Health if he will consider making Sativex available on prescription through chemists here [8285/12]

**Minister of State at the Department of Health (Deputy Róisín Shortall):** Cannabis is designated as a Schedule 1 controlled drug under the Misuse of Drugs Act 1977. As the law currently stands, it is not possible for cannabis-based medicinal products such as Sativex to be prescribed by a medical practitioner in Ireland. I am aware that claims have been made in respect of the possible health benefits of cannabis-based medicinal products for patients suffering from certain conditions such as Multiple Sclerosis. I am also aware that Sativex is authorised in the UK for the relief of spasm in patients with Multiple Sclerosis. Accordingly, my Department is examining the issues associated with applying controls, similar to those that apply to other controlled drugs that can be misused, such as morphine and methadone, to cannabis-based medicinal products to permit them to be prescribed and dispensed in Ireland.

#### Primary Care Strategy

47. **Deputy Derek Keating** asked the Minister for Health if the new primary care headquarters under construction in area 5 covering Lucan, Clondalkin, Rathcoole, Saggart, Palmerstown and Newcastle, Dublin, is on target to be opened; if there is adequate staff to meet the primary care programme such as public health nurses, occupational therapists, physiotherapists, community based social workers, care of the elderly social workers, care assistants, dieticians and others; and if he will make a statement on the matter. [8286/12]

**Minister of State at the Department of Health (Deputy Róisín Shortall):** The HSE has developed a new Primary Care and Mental Health Centre in Ballyfermot which will provide a focal point for the provision of primary, community and continuing care services in the immediate area. This facility is on schedule to open during the first quarter of 2012.

The HSE Integrated Service Area (ISA) Dublin South Central (formerly Community Care Areas 3 and 5) has, in line with the Primary Care Strategy, reconfigured existing clinical staff

to Primary Care Teams in the area. This process, coupled with additional clinical posts approved during 2009 and 2010, has allowed the Primary Care Teams to continue to develop. ISA Dublin South Central has formulated a contingency plan in an effort to address issues of service delivery arising due to staff departures before 29 February next.

Funding of €20m has been provided in the HSE's National Service Plan 2012 to fill as many of such vacancies as possible. This fund will be increased to €25m if it can be established that there is scope for further savings of €5m in demand led schemes. The allocation of these posts will be subject to approval by the Project Team overseeing the implementation of Universal Primary Care.

*Question No. 48 answered with Question No. 14.*

### **Care of the Elderly**

49. **Deputy Joan Collins** asked the Minister for Health the rationale behind the setting aside of the decision to close St. Brigid's nursing home, Crooksling, pending a review, whose terms of reference have yet to be published, although Tallaght Hospital, Dublin, has been instructed not to refer patients there. [8492/12]

**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.

### **Hospital Services**

50. **Deputy Denis Naughten** asked the Minister for Health when he will publish his report on mortality rates at acute hospitals; and if he will make a statement on the matter. [8289/12]

**Minister for Health (Deputy James Reilly):** The Chief Medical Officer of my Department is finalising a report examining the potential of hospital discharge data in measuring the quality of health care. This includes the measure of recorded 30 day in-hospital mortality rates following heart attack. It is expected that the report will be finalised and published in the near future.

### **Health Service Staff**

51. **Deputy Niall Collins** asked the Minister for Health the estimated number and cost of re-employing staff following the conclusion of the early retirement scheme at the end of February; and if he will make a statement on the matter. [8357/12]

**Minister for Health (Deputy James Reilly):** I wish firstly to clarify that there is currently no 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 (No. 2) Act 2009 expires on 29 February 2012.

The cumulative impact of staff reductions, and particularly those occurring before the end of the present "Grace Period", together with reduced financial resources, represents a significant challenge for the health system in delivering services in 2012. The HSE's National Service Plan, which approved recently, sets out the actions to be taken to address these challenges. The priority is to reform how health services are delivered in order to ensure a more productive and cost-effective health system.

The HSE is currently finalising detailed regional contingency plans, whose focus is on maintaining essential frontline services such as emergency departments, intensive care and maternity services as well as addressing the service areas identified for priority development under the

[Deputy James Reilly.]

National Service Plan. The plans reflect the fact that the number of staff leaving varies from region to region and from service to service. These have been the subject of a series of discussions with my Department in recent weeks. Briefings with staff, unions, public representatives and other stakeholders are also being conducted.

The contingency plans make use of measures under the Public Service Agreement to achieve increased flexibility in relation to work practices and rosters, redeployment and other changes to achieve more efficient delivery of services. Some management structures and services will be amalgamated and streamlined. Cross-cover arrangements will be put in place wherever possible and where clinical management numbers have been reduced. Other measures will involve the filling of some key vacancies as part of a targeted investment and recruitment response.

A limited amount of funding (in the order of €16m) has been allocated in the National Service Plan to replace some critical posts where there will be gaps in essential frontline services. Local contingency plans are focusing only on the replacement of key essential posts that cannot be filled through other means such as reorganisation of services and reallocation of responsibilities.

### Medical Cards

52. **Deputy Pádraig Mac Lochlainn** asked the Minister for Health the outcome of the review of the operation of the centralised medical card application facility; and if he will make a statement on the matter. [8331/12]

**Minister of State at the Department of Health (Deputy Róisín Shortall):** A review of the medical card processing service is under way at the moment and the issues raised by the Deputy are being examined as part of this process. The review will be completed in a few weeks time.

### Hospitals Building Programme

53. **Deputy Brian Stanley** asked the Minister for Health the current status of the proposed national children's hospital; and if he will make a statement on the matter. [8338/12]

**Minister for Health (Deputy James Reilly):** An application for planning permission for the new National Children's Hospital is currently being considered by An Bord Pleanála. A decision on the application is expected before the end of this month.

The National Paediatric Hospital Development Board, in conjunction with the HSE, is currently making preparations for the tender process for the construction and delivery of the hospital, with a view to awarding the design/build contract at the earliest possible date. Both the Development Board and the HSE are currently working with the three existing Dublin children's hospitals with a view to bringing their work closer together in advance of the opening of the new hospital.

The Government is committed to ensuring that the project happens in the most cost effective and timely way and with the maximum benefit for patients, their families, and the staff of the new hospital.

### Suicide Prevention

54. **Deputy Dan Neville** asked the Minister for Health when the position of director of the National Office for Suicide Prevention will be appointed on a permanent basis. [8281/12]

**Minister of State at the Department of Health (Deputy Kathleen Lynch):** As the National Office for Suicide Prevention was established by the HSE in 2005 and is part of the internal organisation of that body the issue raised is a matter for the HSE. On that basis the question has been referred to the HSE for direct reply.

### Care of the Elderly

55. **Deputy Pearse Doherty** asked the Minister for Health if he will make a commitment to retain and resource public nursing homes, including those with fewer than 50 beds; and if he will make a statement on the matter. [8325/12]

**Minister of State at the Department of Health (Deputy Kathleen Lynch):** Government policy in relation to older people is to support people to live in dignity and independence in their own homes and communities for as long as possible. Where this is not feasible, the health service supports access to quality long-term residential care where this is appropriate.

While the Minister and this Government continues to reiterate our commitment to the future public provision of residential care for older people we must recognise that the HSE is facing challenges in respect of all services in 2012. In the case of Community Nursing Units for Older People these include challenges regarding staffing, funding, and environmental factors around the age and structure of the units. In addition further losses of staff are anticipated between now and the end of February 2012.

It is clear that on a business as usual basis, the HSE would have to close further beds across a range of public community nursing units in 2012. In the absence of reform, this would increase the cost of caring for older persons within the public system, undermine the viability of public community nursing units and reduce the overall number of older persons that can be supported within the budget available for Fair Deal. This is not a sustainable way forward and would not meet the needs of older persons, local communities, the taxpayer or those working in the public service.

The Minister has requested that the HSE provide him with a plan which seeks to protect the viability of as many units as possible within the funding and staffing resources available, including smaller units where challenges of scale may require more innovative approaches to service delivery. It is accepted that this will require a combination of actions such as consolidation of services; changes in staffing, skill mix and work practices; age and structure of public units etc. It will also have to take into account different types of services required and the capacity available within an area. The HSE is already examining issues in this regard and will be working closely with the Department to develop an overall set of proposals for the Minister.

### Hospital Services

56. **Deputy Caoimhghín Ó Caoláin** asked the Minister for Health if he was consulted on or if he intervened in the review of outpatient services at Cavan and Monaghan general hospitals which has resulted in a further reduction in services; and if he will make a statement on the matter. [8345/12]

**Minister for Health (Deputy James Reilly):** The Special Delivery Unit was established in my Department last July to tackle patient wait times for hospital services. Unacceptably high wait times have been tolerated for too long and have become systemic for both unscheduled and scheduled care. The problems have to be tackled step by step so that improvements can be sustained.

[Deputy James Reilly.]

Up to now the number of patients waiting for OPD appointment has not been consistently and reliably quantified by all hospitals. The data has simply not been sufficiently accurate to be meaningful at a national level. The SDU has now begun to work with the HSE building a new approach to compiling and validating outpatient lists

The priority for the first quarter of 2012 is for hospitals to support an SDU/NTPF project to establish weekly monitoring of outpatient waiting list numbers. The first task is to collate, analyse and validate the number of outpatient referrals in the system. This work has been well advanced by the HSE during 2011. Once it has been finalised and considered it will enable the SDU to make recommendations to me in respect of an outpatient wait time target in 2012. In principle I will be adopting the same criteria of strict chronological management of the waiting list which is now in place for in-patient treatment.

The organisation of hospital services nationally, regionally and locally will be informed by the Clinical Programmes, which have been developed and implemented by the HSE, and by the work on the Framework for the Development of Smaller Hospitals. These inter-related programmes aim to improve service quality, effectiveness and patient access and to ensure that patient care is provided in the service setting most appropriate to individuals' needs. The planned introduction of hospital groups will also provide further opportunities for inter site cooperation.

There has been no reduction to date in the out patient activity levels in the Cavan and Monaghan Hospital group. There are currently plans in place to increase the out patient activity on the Monaghan hospital site which will alleviate the pressures currently experienced on the Cavan General hospital site. This will assist with managing the service level activity within the overall budget and service plan for the Cavan and Monaghan Hospital group. The difficult budgetary position facing the health services this year means that maintaining and building on will be a significant challenge particularly in the initial few months of 2012, typically the busiest time for acute hospitals. However, I am encouraged by the recent successes of the SDU and those involved in the delivery of acute hospital services.

### **Disability Support Service**

57. **Deputy Jonathan O'Brien** asked the Minister for Health the position regarding the programme for Government commitment to address the need for further compensation for victims of Thalidomide; and if he will make a statement on the matter. [8346/12]

**Minister for Health (Deputy James Reilly):** I met with the Irish Thalidomide Association (ITA) and separately with the Irish Thalidomide Survivors Society (ITSS) last year. I informed both organisations that the Government's main concern is to address their health and social care needs. The first step in this process is to identify the needs of each individual. The Department is currently working with the Health Service Executive and members of one of the representative groups, the Irish Thalidomide Survivors Society, to develop an appropriate assessment process. This assessment process will commence as soon as possible.

Having taken legal advice, I am satisfied that the State does not have a legal liability for the injuries suffered by the survivors of thalidomide. However, I have previously indicated that I am willing to enter into discussions about a financial gesture of goodwill towards Irish survivors of thalidomide, which will be constrained by virtue of the current economic circumstances of the country and the many demands made on limited resources. The Irish Thalidomide Association has stated that it fundamentally disagrees with the State's position above and it is unwilling to engage with me on this basis.

### Hospital Services

58. **Deputy Denis Naughten** asked the Minister for Health the steps he is taking to address overcrowding at Galway and Roscommon hospitals group; and if he will make a statement on the matter. [8288/12]

**Minister for Health (Deputy James Reilly):** In July of last year I announced the establishment of the Special Delivery Unit. The development of the Unit is a key part of my plans to radically reform the health system in Ireland. In 2011 I identified two key priorities for the SDU, namely addressing trolley waiting times and reducing the maximum waiting time for elective surgery. I am happy to say that the SDU has delivered notable improvements on both objectives. The next phase of work in the area of Unscheduled Care will include a new focus on monitoring the *total* patient journey time, including any time spent on trolleys, as part of the new national score card for measuring performance. New target times to be introduced in this year will ensure that 95% of all attendees at Emergency Departments are discharged or admitted within 6 hours of registration, and that those who need to be admitted through ED wait no more than 9 hours from registration. Galway and Roscommon hospitals will be expected to comply with these targets.

Scheduled Care Targets to be introduced in 2012 will reduce maximum waiting time for elective surgery to 9 months or less. The target will be 20 weeks or less for elective paediatric procedures and 13 weeks for Endoscopy procedures.

There is also a specific SDU liaison process in place for all hospitals with varying degrees of intensity commensurate with the issues on the ground in each location.

The organisation of hospital services nationally, regionally and locally will be informed by the HSE's Clinical Programmes, which have been developed and implemented by the HSE, and by the work on the framework for the development of smaller hospitals. These inter-related programmes aim to improve service quality, effectiveness and patient access and to ensure that patient care is provided in the service setting most appropriate to individuals' needs.

In order to assist Galway and Roscommon Hospitals, I announced on 8th December, 2011 the appointment of Mr Bill Maher, as group CEO to the Galway group of hospitals. As well as strengthening the managerial capacity of the Galway and Roscommon hospitals, it is hoped that the appointment of Mr Maher will help these hospitals to meet the significant challenges they face in terms of service delivery and financial performance. The new reporting structures will support transparent accountability on the part of hospitals and their management for the services they deliver to patients. They will also ensure that the smaller hospitals are managed as part of a group and that their role is protected.

The introduction of hospital groups will provide further opportunities for inter site cooperation. Smaller hospitals can assist larger hospitals in the group by taking on more elective work. For example, outreach plastic surgical services have been recently established at Roscommon. This is the first of a number of service enhancements at this hospital. The development of services at Roscommon will help relieve waiting lists currently in Galway and in the wider West area.

Notwithstanding the significant progress which has been made to date, it is recognised that it will be a significant challenge to maintain these achievements particularly in the initial few months of 2012, typically the busiest time for acute hospitals. However, although achieving the targets for this year will be challenging, given the difficult budgetary position the health services are facing, I am encouraged by the recent successes of the SDU.

*Question No. 59 answered with question No. 24.*

### Health Services

60. **Deputy Jonathan O'Brien** asked the Minister for Health if he has assessed the likely impact of the health budget cuts on essential orthodontic treatments for children; and if he will make a statement on the matter. [8341/12]

**Minister of State at the Department of Health (Deputy Róisín Shortall):** Reductions to the budget for orthodontic services are being applied by the HSE in line with the agreed cost efficiencies required under the National Service Plan. The HSE will be commencing an independent review of Orthodontic Services which will consider a number of service provision models. The outcome of this review will give guidance as to what changes will be desirable to provide the best possible model of care delivery, given the current resources available and expected future demand for the services.

*Question No. 61 answered with question No. 37.*

*Question No. 62 answered with question No. 24.*

### Hospital Accommodation

63. **Deputy Joan Collins** asked the Minister for Health if he will set down the location at which the 41 patients in Tallaght Hospital, Dublin, who are in need of step down facilities, 20 of whom are maximum dependency, will be cared for. [8493/12]

**Minister for Health (Deputy James Reilly):** As this is a service matter, it has been referred to the HSE for direct reply.

### Medical Cards

64. **Deputy John Deasy** asked the Minister for Health if he will urgently investigate the process for medical card applications; if his attention has been drawn to the fact that current medical cards which are due to expire are not being rolled over pending decision on their renewal and that doctors and pharmacists are refusing treatment because they will not receive payment for same due to the renewal being operational only from a current date; and if he will make a statement on the matter. [8503/12]

**Minister of State at the Department of Health (Deputy Róisín Shortall):** Under a new procedure, a medical card will remain valid, irrespective of the expiry date shown on the card, once the medical card holder is genuinely engaging with the HSE review process. The medical card status of an individual can be confirmed by any doctor or pharmacist in their practice or pharmacy, or by the medical card holders themselves either on-line at [www.medicalcard.ie](http://www.medicalcard.ie) or through their GP's practice system. However, I am aware that there have been difficulties for a number of individuals. The HSE is taking steps to ensure that this rule is properly implemented.

### Hospital Services

65. **Deputy Seán Crowe** asked the Minister for Health the current status of the Health Information Quality Authority report on Tallaght hospital, Dublin; and if he will make a statement on the matter. [8336/12]

**Minister for Health (Deputy James Reilly):** I understand that the report of the investigation by the Health Information and Quality Authority into the quality, safety and governance of the care provided by Tallaght Hospital for patients who require acute admission has been drafted and all interviews and analysis of the information requested have been concluded. The

Authority is now undertaking a process of ensuring the accuracy of the information in the report. Once this is complete, the final report will be approved by the Board of the Authority and published thereafter.

### Medical Cards

66. **Deputy John Browne** asked the Minister for Health when the application for a medical card in respect of persons (details supplied) in County Wexford will be approved in view of the fact that the application was lodged a long time ago; and if he will make a statement on the matter. [8284/12]

**Minister of State at the Department of Health (Deputy Róisín Shortall):** I have asked the Health Service Executive for a report on the issue raised by the Deputy. I will revert to the Deputy on the matter as soon as possible.

### Nursing Homes Support Scheme

67. **Deputy Martin Ferris** asked the Minister for Health the number of outstanding applications under the fair deal scheme at the end of 2011; the projected number of new applications for the year 2012; and if he will make a statement on the matter. [8327/12]

**Minister of State at the Department of Health (Deputy Kathleen Lynch):** The HSE received 9,323 applications for the Nursing Homes Support Scheme in 2011. In the same period, 10,671 applications (some of which would have been received in 2010) were processed to conclusion. This figure includes approximately 2,700 applications which were withdrawn by the applicant.

There were just over 3,100 applications in progress at end-December. However, it should be noted that a significant volume of applications are submitted without the necessary supporting documentation. This can create delays which are outside of the HSE's control.

The HSE's National Service Plan 2012 estimates that an additional 1,270 people will be supported under the Nursing Homes Support Scheme at end-2012. However, it should be noted that the HSE is currently developing a Care of the Elderly Programme. Some of the objectives of the Programme are to improve the management of acutely ill, frail, older adults in acute hospitals and to increase independence in the home and reduce inappropriate admission to nursing homes. The implementation of this Programme during 2012 is likely to impact on the number of people applying for the Nursing Homes Support Scheme. This will be monitored on an ongoing basis.

### Accident and Emergency Services

68. **Deputy Patrick Nulty** asked the Minister for Health if the 24 hour accident and emergency service at James Connolly Memorial Hospital, Dublin, will remain in place this year as previously indicated; and if he will make a statement on the matter. [8291/12]

**Minister for Health (Deputy James Reilly):** I believe we must concentrate on getting the best possible services for patients from the budgets available to us. This means we need to focus on the throughput of patients, on reducing length of stay to international norms and on having as many procedures as possible carried out as day cases rather than inpatient work.

The organisation of hospital services nationally, regionally and locally will be informed by the Clinical Care Programmes. Together with the work of the Special Delivery Unit, implementation of these programmes will help to improve the efficiency of our hospitals, allowing us to treat as many patients as possible within budget and reducing the need for many emergency admissions.

[Deputy James Reilly.]

In the current economic climate the acute sector must reduce its cost in order to deliver the agreed level of activity within the resources available to it. The emphasis for the HSE in 2012 will be to continue its focus on the effective use of acute capacity through shorter length of stay, increased rates of day-of-surgery admission and more day surgery. In this way the acute hospital system can ensure that, within the level of resources available, it facilitates the maximum number of patients with safe, effective and efficient care.

Connolly Hospital in Blanchardstown received its allocated budget for 2012 at the end of last week and the Hospital's cost containment plan for 2012 is currently in draft format. The Hospital Executive is currently in discussions with the HSE and the Regional Director of Operations for the area with regard to the plan. There are no plans in place to change the emergency department service in Connolly Hospital.

### **Eating Disorders**

69. **Deputy Thomas P. Broughan** asked the Minister for Health if he will review the arrangements in place for citizens trying to access services to treat eating disorders in public and private hospitals and clinics; his views that health insurance providers should review their current arrangements for facilitating citizens who are seeking treatment for an eating disorder; and if he will make a statement on the matter. [8282/12]

**Minister of State at the Department of Health (Deputy Kathleen Lynch):** HSE services for people with eating disorders are embedded in the Community Mental Health Service and with Primary Care. Individuals with eating disorders frequently present to the primary care practitioner with complications of their condition and early intervention at this level greatly improves outcomes. The HSE has developed a Mental Health in Primary Care accredited training programme for primary care practitioners with Dublin City University with a view to enhancing the capacity of primary care to recognise, assess and treat a range of mental illnesses, including eating disorders, within the primary care setting.

Community based Adult Mental Health Services receive referrals from Primary Care and provide assessment and treatment to individuals with eating disorders. Child and Adolescent Mental Health Teams provide a similar role for their cohort of referrals. Where the individual's psychiatric or medical needs are more acute, in-patient admission is offered within the local psychiatric services or acute medical care where necessary.

The HSE can and has worked with service providers in the independent sector to provide specialised care, on an in-patient and/or an out-patient basis. In a limited number of cases, referrals to specialised eating disorder services in Dublin or the UK can be clinically recommended and supported in appropriate circumstances, subject to the necessary resources being available.

With regard to the private health sector, minimum benefit is one of the key principles on which the Irish private health insurance regulatory system is based. Minimum Benefit Regulations, made under the Health Insurance Acts, require insurers to offer a minimum benefit to every insured person. The key purpose of the Regulations is to ensure the continued availability of the type of broad hospital cover traditionally held as a minimum by the insured population and to ensure that individuals do not significantly under-insure. Minimum Benefit Regulations were introduced in 1996 under Section 10 of the Health Insurance Act 1994 and cover in-patient, out-patient and day-patient services provided by publicly funded hospitals, private hospitals, registered nursing home and hospital consultants.

Health insurance providers operate in a competitive market and are free to impose certain terms and conditions in their policies, providing they comply with Minimum Benefit Regulations. My Department has no role to play in the commercial decisions of any health insurer and is therefore not in a position to direct insurers to provide cover for any particular procedure or service, such as the treatment of an eating disorder, other than those outlined in the Minimum Benefit Regulations.

It is intended that the current Minimum Benefit Regulations will be examined over the coming months as part of the overall strategy to address issues in the private health insurance market, leading in to the introduction of Universal Health Insurance.

### **Health Service Reform**

70. **Deputy Richard Boyd Barrett** asked the Minister for Health if he will report on the progress made on developing a universal single tier health service which guarantees access to medical care based on needs not income as committed to in the programme for Government; and if he will make a statement on the matter. [8497/12]

**Minister for Health (Deputy James Reilly):** The Government is committed to fundamental reform of the health system. This will see the delivery of a single-tier health service, supported by universal health insurance, which will ensure equal access to care based on need, not income. The universal health insurance system will be based on the principle of social solidarity. Every citizen will have a choice of insurer and will have equal access to a comprehensive range of curative services.

There are a number of key initiatives in the reform programme which will underpin the introduction of universal health insurance and significant work has been undertaken to progress these. Firstly, the Programme for Government commits to significant strengthening of the primary care sector to deliver universal primary care with the removal of cost as a barrier. Access to primary care without fees will be extended on a phased basis over the life of this Government. The Minister for Primary Care has established the Universal Primary Care Project Team which has been tasked with working through the issues relating to this commitment. Initially, it is intended to provide GP visit cards to persons in receipt of drugs and medicines under the Long Term Illness Scheme. Primary legislation is required to give effect to this commitment. It is hoped that the new arrangements will be in place by early Summer.

Significant reform of the acute hospital sector is also underway. I have established the Special Delivery Unit (SDU) which has been tasked with unblocking access to acute services by improving the flow of patients through the system. Since the establishment of the SDU, a number of initiatives have been put in place which are having a positive effect on numbers waiting for both scheduled and unscheduled care. Furthermore, one of the priorities for the SDU in 2012 is to begin the work to transform public hospitals into independent not-for-profit trusts, as provided for in the Programme for Government. The first step in achieving this is the establishment of initial hospital groups and work on this is beginning immediately. Hospital groups will have a single clinical governance model, one budget and one employment ceiling.

Reform of the funding system for hospital care is also planned through the introduction of a “Money Follows the Patient” funding mechanism. To achieve this a number of initiatives are already underway including a patient level costing project and a pilot initiative in relation to prospective funding of certain elective orthopaedic procedures at selected sites.

In addition, I recently announced significant changes in the governance of the Health Service Executive under which the current Board/Chief Executive structure will be replaced with a Directorate or transitional governance structure. This new directorate structure will facilitate

[Deputy James Reilly.]

greater transparency, accountability, and efficiency, and is a key component in the move to UHI.

Delivering on the reform programme is a significant undertaking which should not be underestimated. It will require careful consideration, planning and sequencing. Cognisant of the scope and complex nature of what is planned, the Government has given approval for an Implementation Group on Universal Health Insurance to assist in developing detailed and costed implementation proposals for universal health insurance and to help drive the implementation of various elements of the reform programme. I have finalised details of the Implementation Group and these will be announced shortly.

### Nursing Home Accommodation

71. **Deputy Bernard J. Durkan** asked the Minister for Health the total number of public nursing homes at respective locations throughout the country; the number of patients therein; the number of such patients requiring long-term high dependency nursing care; the extent to which a similar profile of patients is accommodated in private nursing homes; the basis on which comparisons have been made between the cohort of high dependency patients in private and public nursing homes with particular reference to cross comparison; the extent to which it is proposed to meet the needs of high dependent patients in the future; and if he will make a statement on the matter. [8386/12]

**Minister of State at the Department of Health (Deputy Kathleen Lynch):** The latest validated information from the Health Service Executive reports that there are currently 128 public residential units in operation across the country providing 7,954 beds (this includes temporary closed beds). Of these, 5,914 are designated long-stay beds under the Nursing Home Support Scheme (NHSS). The balance (2,040) provide short-term care, i.e. rehabilitation, respite, convalescent and palliative care. The breakdown of these beds is set out in the following table.

Region	Number of Units	Designated NHSS Beds	Other Beds	Total Beds
HSE DML	25	1,615	346	1,961
HSE West	44	1,458	746	2,204
HSE South	38	1,719	721	2,440
HSE DNE	21	1,122	227	1,349
Total	128	5,914	2,040	7,954

The Department of Health carries out a survey of long-stay units each year. Each long-stay unit (public, private and voluntary) is sent a questionnaire and the responses are collated by the Department. The aim of the survey is to provide statistics on the number of beds available for long-term care, how these beds are used and the types of residents who occupy these beds. The results of the surveys are used to prepare the Long-Stay Activity Statistics Reports which are published on the Department's website.

The Long-Stay Activity Statistics for 2010 (the most recent year available) provides the following information in respect of the Percentage Distribution of Patients Resident by Level of Dependency in long-term care as at 31 December that year. The Deputy should be mindful that these are self reported survey results.

Survey Response Rate — 80%

Table B6 — Long-Stay Units by Category: Percentage Distribution of Patients Resident by Level of Dependency

Region	Low Dependency	Medium Dependency	High Dependency	Maximum Dependency	Total
HSE Extended Care Unit	4.9	11.5	26.4	57.3	100%
HSE Welfare Home	9.5	17.9	18.4	54.3	100%
Voluntary Home	10.1	21.6	28.9	39.5	100%
Voluntary Welfare Home	34.3	12.6	32.6	20.6	100%
Private Nursing Home	15.3	24.9	31.8	27.9	100%
Total	12.6	21.4	30	35.9	100%

The HSE is currently piloting a single assessment tool that will uniformly assess dependency levels.

### Hospital Services

72. **Deputy Liam Twomey** asked the Minister for Health the plans he has to tackle the distress that alcohol fuelled consultation causes to staff and other patients in hospital accident and emergency departments; and will moneys raised by a fat tax or sugar tax be used to deal with this crisis in our accident and emergency departments; and if he will make a statement on the matter. [8499/12]

**Minister for Health (Deputy James Reilly):** Measures aimed at reducing the overall consumption of alcohol in Irish society is the primary means to deal with the issue raised by the Deputy. The report of the National Substance Misuse Strategy Steering Group was launched this week; and it reported that in 2010 the per capita consumption of alcohol in Ireland equated to 11.9 litres of pure alcohol per adult, corresponding to 482 pints of lager, 125 bottles of wine or 45 bottles of vodka — in effect, a bottle of vodka per week. (Given that 19 per cent of the adult population are abstainers, the actual amount of alcohol consumed per drinker is considerably more.)

The report contains a range of recommendations to, among other things, reduce the consumption of alcohol in general. These recommendations are grouped under five pillars of Supply Reduction (availability), Prevention, Treatment, Rehabilitation and Research and the main recommendations include:

Increase the price of alcohol so that it becomes less affordable;

- introduce a legislative basis for minimum pricing, along with a ‘social responsibility’ levy on the drinks industry;
- commence Section 9 (structural separation of alcohol from other products in supermarkets, etc) of the Intoxicating Liquor Act 2008;
- introduce legislation and statutory codes to provide for a 9.00 p.m. watershed for alcohol advertising on television and radio; alcohol advertising in cinemas to only be associated with films classified as being suitable for over-18s; prohibition of all outdoor advertising of alcohol; and all alcohol advertising in the print media to be subject to stringent codes, enshrined in legislation and independently monitored;
- phase out drinks industry sponsorship of sport and other large public events by 2016;

[Deputy James Reilly.]

- develop a system to monitor the enforcement of the provisions of the intoxicating liquor legislation;
- establish a Clinical Directorate to develop the clinical and organisational governance framework to underpin treatment and rehabilitation services; develop early intervention guidelines for alcohol and substance use across all relevant sectors of the health and social care system. This will include a national screening and brief intervention protocol for early identification of problem alcohol use.

The recommendation to introduce a social responsibility levy on the drinks industry is associated with the theme of the Deputy's question; as in recommending this levy, the Steering Group adverted to using such funds raised to contribute to both the cost of social marketing and awareness campaigns on the social and health harms caused by alcohol and to fund sporting and other large public events that help provide alternative to a drinking culture for young people.

Finally, the recommendations of the Steering Group on alcohol will encourage public debate and the Minister envisages an Action Plan being developed in advance of proposals being drafted for Government.

### Foreign Conflicts

73. **Deputy Pádraig Mac Lochlainn** asked the Tánaiste and Minister for Foreign Affairs and Trade his views on the aims of the independence movement in Kashmir; and if he will make a statement on the matter. [8693/12]

**Tánaiste and Minister for Foreign Affairs and Trade (Deputy Eamon Gilmore):** The historic princely state of Jammu and Kashmir which was never part of British India was partitioned between India and Pakistan after both States became independent in 1947. China occupies two areas of the former State, one ceded by Pakistan, the other — Aksin Chin-taken from India before the 1962 Indo-China war. The political situation on the Indian side of the Line of Control (LOC), in the State of Jammu and Kashmir, is a complex one, ethnically, religiously, linguistically and topographically. Although a majority of the population that live in the State are Muslim, there are those who are Buddhist and Hindu as well as other minorities in different regions such as Leh and Ladakh.

In recent years the State has been comparatively quiet apart from 2010 when there was an outbreak of violence in the capital Srinigar and in the Valley area, resulting in the deaths of more than 100 young men and boys.

After the violence in 2010 an All-Party Committee from the Indian Parliament visited the State and the visit resulted in the establishment of a group of interlocutors who reported in October, last year, after interviews with all sectors of the local population. The report noted that the demands of Muslim groups vary from the lifting of emergency powers to greater autonomy for the State within India, to union with Pakistan including independence. In addition to the religious, ethnic and linguistic variations within the State, the differences within the Muslim community contribute to the intractability of the political situation. The report, which was the most comprehensive ever produced on Jammu and Kashmir, made a large number of recommendations which are being considered by the Indian Government.

The political situation in the State and its relations with Delhi are monitored by the Embassy to India. The Ambassador visited the area as part of an EU delegation in May, 2011.

74. **Deputy Thomas P. Broughan** asked the Tánaiste and Minister for Foreign Affairs and Trade if he will report on any additional sanctions he proposes at EU and UN level towards Syria; and if he will make a statement on the matter. [8702/12]

**Tánaiste and Minister for Foreign Affairs and Trade (Deputy Eamon Gilmore):** I have on a number of occasions stated clearly my grave concerns at the deteriorating situation in Syria and condemned the unacceptable violence and repression which is now estimated to have claimed some 7,000 lives since last March. In my address to the Security Council in New York on 9 February, I described the current situation in Syria as completely intolerable and condemned the appalling suffering of the Syrian people at the hands of the Assad regime. I also discussed the situation with the UN Secretary General Ban Ki moon and US Deputy Secretary of State Burns during the course of my visit to the United States last week. Given the serious implications for regional peace and security, it is deeply regrettable that the Security Council has so far been unable to speak with a single voice on Syria, in failing to pass a Resolution on 4 February which otherwise commanded the full support of the Council. The ramifications of this failure have been made painfully clear in the past week as the violence in Syria, and in particular the appalling attacks on the civilian population in cities such as Homs, Bab Amr and Hama, has increased significantly. There is a desperate need for humanitarian access, including medical assistance, to citizens in these areas.

The international community can no longer continue to ignore the daily escalation of bloodshed and repression as the Assad regime seeks to extinguish the legitimate desire of ordinary Syrians for democracy and renewal. There is a clear onus on the international community to protect the people of Syria from further suffering and to promote a speedy resolution of this conflict through peaceful political dialogue. It is clear that President Assad will not begin this process without additional pressure from the international community.

I welcome the continued strong leadership of the Arab League as well as the UN Secretary General and others in the international community who are striving to end the violence in Syria. The UN General Assembly discussed the situation and received a briefing from High Commissioner for Human Rights Pillay on 13 February. The current appalling human rights situation is also likely to be addressed at the forthcoming session of the UN Human Rights Council later this month.

The EU is also playing its part, not least through the enactment of tough sanctions against Syria which include a ban on oil imports. Syria will also figure heavily on the agenda for the EU Foreign Affairs Council on 27 February which I will attend and where there is likely to be consideration of how to increase even further the already considerable international pressure on the Assad regime to change course. This may include additional restrictive measures.

Arab League Ministers met in Cairo on 12 February and decided to increase sanctions against Syria, to support Syria's non-violent opposition, and to appoint former Jordanian Foreign Minister Al-Khatib as Arab League envoy to Syria. The Arab League plan adopted last November and recently considered by the UN Security Council still represents the most credible basis for resolving the current crisis. All sides need to desist from further violence and to allow the main elements of the Arab League plan, including withdrawal of all military forces to barracks, release of all detainees and the stepping down of President Assad to allow the start of a political transition, to be implemented. In relation to the Arab League's proposal for a joint UN-Arab peace-keeping force to be established, this is a proposal which offers a further opportunity for the UN Security Council to live up to its responsibilities in the area of international peace and security and revisit the current crisis as soon as possible.

[Deputy Eamon Gilmore.]

Ireland and its EU partners, working with the UN, the Arab League and international partners such as the US and Turkey, are determined to maintain strong and united political pressure on the Syrian regime until it ends the violent repression against its own people and begins a process of transition.

### Diplomatic Representation

75. **Deputy Thomas P. Broughan** asked the Tánaiste and Minister for Foreign Affairs and Trade the annual cost of maintaining the Irish embassies in London, Washington DC, Brussels, Moscow, Buenos Aires and Canberra for the years 2007 to 2011, inclusive; and if he will make a statement on the matter. [8703/12]

**Tánaiste and Minister for Foreign Affairs and Trade (Deputy Eamon Gilmore):** The budget for each of the Missions in question for 2007 to 2011 is provided in the following table. These budgets comprise the locally-devolved administrative budget, including local staff salaries but not salaries of diplomatic staff, which are a charge on the Headquarters budget. Likewise, my Department's small capital budget is not allocated to missions on an ongoing basis but is managed from Headquarters. The budget for the Embassy in Brussels includes the administrative costs associated with Ireland's participation in the Partnership for Peace. The budget for the Embassy in London includes the cost of administering a dedicated Passport office that is located there.

Outturn figures for Missions

Mission	2007	2008	2009	2010	2011
Brussels Emb (incl PFP)	1,092,437	1,064,838	1,132,756	816,501	799,662
Buenos Aires	322,915	356,510	372,902	435,854	415,840
Canberra	685,692	735,778	659,319	760,935	746,570
London (Inc PPO)	4,770,113	4,176,511	3,807,568	3,448,547	3,064,169
Moscow	848,094	621,369	759,994	758,895	731,157
Washington	1,271,809	1,170,402	1,200,800	1,236,870	1,072,065

### Foreign Trade

76. **Deputy Pádraig Mac Lochlainn** asked the Tánaiste and Minister for Foreign Affairs and Trade the volume of imports from Israel in 2009, 2010 and 2011; and the percentage of those imports that are from companies that operate in illegal settlements. [8808/12]

**Tánaiste and Minister for Foreign Affairs and Trade (Deputy Eamon Gilmore):** The total value of merchandise imports from Israel was €82.5m in 2009 and €71.2m in 2010. The total value of services imports from Israel was €72m in 2009 and €96m in 2010. Figures for the value of imports in 2011 are not yet available. A breakdown of statistics is not available in relation to imports from companies operating in the settlements.

### EU Presidency

77. **Deputy Niall Collins** asked the Tánaiste and Minister for Foreign Affairs and Trade the preparations he has undertaken for the Irish Presidency of the EU Council in January 2013; the amount of money spent on EU Council Presidency related activities to date in 2012; the estimated expenditure up to December 2012; the budget for the six month Presidency specifically; the additional staff he has undertaken; the number of re-assigned staff he has undertaken;

the estimated future staff requirements for the Presidency; and if he will make a statement on the matter. [8843/12]

**Tánaiste and Minister for Foreign Affairs and Trade (Deputy Eamon Gilmore):** Preparations for Ireland's EU Presidency are under way in all Departments and significant progress has been made in setting out what our Presidency priorities will be. At a practical level, the Government has taken a number of decisions with a view to putting in place an efficient and cost-effective Presidency. The Presidency is an important opportunity for Ireland to rebuild its positive image as a credible, effective, and trustworthy international player. However, the need for financial discipline means that expenditure for the Irish Presidency will be tightly controlled. As with previous Presidencies, our Permanent Representation to the EU will be responsible for the day to day management of the Presidency. In preparation for this work the number of staff working at the Representation will increase temporarily in 2012 and preparations are currently underway to manage this process.

In addition to the full range of meetings of the Council at Ministerial and official level and formal engagements with the European Parliament, there will also be a programme of events taking place in Ireland. The calendar of events is being compiled at present and currently stands at approximately 150 events. This is smaller than during our previous presidency in 2004 and is similar to the scale of programme currently hosted in Presidency countries. During the Presidency, extra responsibilities will also be assumed by Ireland in a number of other multilateral organisations. Consequently, Ireland's representation in these organisations will also be strengthened in the coming months.

As an important cost-containment measure, the Government has decided that Dublin Castle and other State-owned properties in the Dublin area will be the default venues for all Presidency-related events in Ireland. In spite of this, the responsibility of hosting the Presidency entails considerable unavoidable cost. To date, the amount of money spent directly on Presidency preparations by my Department totals €31,000. The current overall budget for the Presidency foresees approximately €25 million being spent during 2012 in areas such as additional staff costs, preparation of the venues to host meetings during the Presidency and procurement of a range of goods and services normally associated with a programme of this size and importance. The final 2012 allocations will be included in the 2012 Revised Estimates Volume.

In terms of staffing, Departments are already deploying staff internally to meet the increased Presidency responsibilities. As that process concludes, it will be necessary to assign a number of extra staff to meet the needs of the Presidency. This will be done in the most cost-effective way possible and will include a number of further redeployments between Departments and agencies as well as some targeted recruitment, including of interns, on a strict time-limited basis to ensure that the policy priorities of the Presidency are supported in full.

During the Presidency itself, it is foreseen that a further sum in the order of €35 million will be required to support the Presidency. In addition a further sum will be required to meet security costs. The amount needed will be determined by the Government when the scale of the proposed Presidency programme has been finalised, and to the extent that these costs cannot be met from within the normal provision, additional funding will be found. The final 2013 allocations will be included in the 2013 Revised Estimates Volume. The total budget for the Presidency is at the lower end of the range of Presidency costs in other EU member States in recent years.

### **Departmental Expenditure**

78. **Deputy Charles Flanagan** asked the Tánaiste and Minister for Foreign Affairs and Trade

[Deputy Charles Flanagan.]

the total cost to his Department of the provision of external legal services to his Department in respect of legal advice and legal services each year for the past five years. [8856/12]

**Tánaiste and Minister for Foreign Affairs and Trade (Deputy Eamon Gilmore):** As the Deputy will be aware, Government Departments do not directly pay for the legal services provided by the Office of the Attorney General and the Chief State Solicitor's Office or for advice from Counsel briefed by them. My Department has a Legal Division, staffed by qualified legal professionals who provide legal advice on a wide range of international legal issues. Having such 'in-house' legal experts reduces the costs which would be incurred if the Department was to engage externally for similar services.

Nevertheless, there are from time to time occasions where a need to engage external legal services arises, where the necessary specialised expertise is not available within my Department and cannot be accessed from the AG or CSSO, for example in regard to advice relating to the lease or purchase of Embassy properties abroad. I have provided details in the table below on the costs for external legal services in respect of general and property related legal fees in Ireland and overseas. It has not been possible to provide information prior to 2004 in the time available. There are no state agencies operating under the remit of my Department.

Year	2007	2008	2009	2010	2011
Cost of External Legal services	293,943	225,052	215,620	484,042	269,758

### Pension Provisions

79. **Deputy Mary Mitchell O'Connor** asked the Minister for Finance if she will review section 19 of the Finance Act which forces the average individual with an average pension fund of circa €200,000 to €250,000 to either purchase an annuity, contrary to the whole concept of ARF's, or lock the majority of the fund away until they reach 75 years; and if he will make a statement on the matter. [8649/12]

**Minister for Finance (Deputy Michael Noonan):** This question relates to the flexible options on retirement first introduced in Finance Act 1999. Prior to that Act, any person taking a pension under a defined contribution (DC) scheme or a Retirement Annuity Contract was required to purchase an annuity with their remaining pension pot after drawing down the appropriate tax-free lump sum. Finance Act 1999 introduced significant changes which gave a considerable degree of control, flexibility and personal choice to certain categories of individuals in relation to the drawing down of benefits from their pension plans. These choices include the options to purchase an annuity, to receive the balance of the pension fund in cash (subject to tax, as appropriate), to invest in an approved retirement fund (ARF) or an Approved Minimum Retirement Fund (AMRF), subject to certain conditions.

Access to these flexible options was extended to all main benefits from retirement benefit schemes (other than Defined Benefit arrangements) by section 19 Finance Act 2011. The changes made in Finance Act 2011 have particular relevance for ordinary members of occupational DC pension schemes in respect of the main benefits from such schemes, as up to the passing of the Act, the only option available to them in respect of those benefits had been the purchase of a retirement annuity after taking the tax-free lump sum. These individuals now have the choices referred to above depending on their particular circumstances. It should be borne in mind, however, that the option to invest in an ARF or AMRF as opposed to purchasing an annuity may not be appropriate for everyone.

Under the regime the options to:

- invest in an ARF, or
- receive the balance of the pension fund in cash (subject to tax, as appropriate),

are subject to conditions. The conditions include the requirements that the individual be over 75 years of age or, if younger, that the individual has a guaranteed level of pension income (specified income) actually in payment for life at the time the option to effect the ARF or cash option is exercised. Finance Act 2011 increased the guaranteed level of pension income required from the previous fixed amount of €12,700 introduced in 1999, to a variable amount equal to 1.5 times the maximum annual rate of the State Pension (Contributory) bringing the “specified income” limit to €18,000 per annum at present. The amount of a State Pension in payment to an individual in his or her own right (excluding any amount in respect of a dependent) would count towards meeting the specified income test.

The purpose of the specified income limit is to ensure, before an individual has unfettered access to their remaining retirement funds via an ARF or the cash option mentioned above, that they have the security of an adequate guaranteed income throughout their retirement. The change to the specified income limit introduced in Finance Act 2011 was strongly signalled in the National Pensions Framework published in March 2010.

Where the minimum specified income test is not met, and an individual does not wish to purchase an annuity, then an AMRF must be chosen into which a “set aside” amount must be invested from the pension fund equal to 10 times the maximum annual rate of State Pension (Contributory) — €119,800 at present — or the remainder of the pension fund, after taking the tax-free lump sum, if less. The purpose of an AMRF is to ensure a capital or income “safety net” for individuals with pension income below the specified income limit throughout the latter period of their retirement. The funds in an AMRF can be used by the owner at any time to purchase an annuity. On death of the AMRF owner, the AMRF automatically becomes an ARF and any remaining funds may be passed on in a tax efficient way to a surviving spouse and/or children.

As an alternative to going the AMRF route, an annuity can be purchased with the first €119,800 of the pension fund or an annuity can be purchased sufficient as to satisfy the specified income test and the balance placed in an ARF or taken as cash subject to tax. Prior to Finance Act 2011, if the minimum specified income test was not met at the time the option to effect the ARF or cash option was exercised and the individual placed a “set aside” amount in an AMRF, that capital sum was effectively “locked in” and could not be accessed by the individual, other than to purchase an annuity, until he or she reached 75 years of age (at which point the AMRF automatically becomes an ARF) though any income generated by the fund could be drawn down subject to tax. This was the position even if the minimum specified income test was met after retirement. Finance Act 2011 changed this rule so that where the minimum specified income test is met at any time after retirement and before age 75, the AMRF automatically becomes an ARF with full access to the funds.

As a transitional measure, Finance Act 2011 allows the previous lower guaranteed income requirement of €12,700 per annum to continue to apply for a period of 3 years from the date that Act was signed into law (6 February 2011):

- for individuals who had retired before that date and who already had an AMRF, and
- for individuals who availed of the deferred annuity purchase option, had exercised the ARF (or cash) option within one month of the date of passing of Finance Act 2011

[Deputy Michael Noonan.]

and who in exercising that option had transferred the requisite amount to an AMRF within that one month period.

This means that if such individuals satisfy the guaranteed income requirement of €12,700 within that three-year period their AMRF becomes an ARF. After this three-year period expires, the new higher guaranteed income test will have to be satisfied before the AMRF can become an ARF. The amount of guaranteed income required to meet the test will change in line with any future change in the maximum annual rate of State Pension (Contributory). The Budget and Finance Act 2011 changes sought to ensure that those in pension arrangements to whom the flexible ARF options on retirement have been extended will have choices which best suit their particular circumstances. In making the changes, however, there was also a concern to ensure that the parameters and rules governing the extension are set in a way that avoids an increase in the risk of income poverty in old age.

The deferred annuity purchase option was introduced with effect from 4 December 2008 for members of defined contribution occupational pension schemes and allowed them to defer the purchase of an annuity for an initial period of 2 years, in light of the fact that pension funds had been adversely affected by the falls in equity markets and the more general falls in assets values. The deferral option was operated administratively by the Revenue Commissioners. The period of deferral was subsequently extended to 6 March 2011 i.e. one month beyond the passing into law of the Finance Act 2011.

### **Motor Vehicle Registration**

80. **Deputy Joe Carey** asked the Minister for Finance the ways in which it is possible to change the registration number on a vehicle subsequent to its first Irish registration; and if he will make a statement on the matter. [8691/12]

**Minister for Finance (Deputy Michael Noonan):** I am advised by the Revenue Commissioners that registration numbers are assigned under section 131(5) of the Finance Act 1992. The registration number assigned at the time of first registration in the State remains assigned to that vehicle and must be displayed at all times until the vehicle is scrapped, destroyed or sent permanently out of the State. An owner of a vehicle which is 30 years old may request that the registration mark originally assigned to that vehicle be replaced with a registration number in the ZV series.

### **Tax Code**

81. **Deputy Pádraig Mac Lochlainn** asked the Minister for Finance if he will direct officials in Revenue to make inspections to ascertain if a company (details supplied) has unlawfully claimed relief on import duty on goods it has exported to Ireland. [8807/12]

**Minister for Finance (Deputy Michael Noonan):** This is a matter for the Revenue Commissioners and the Deputy will be aware of the longstanding independence of the Revenue Commissioners which was recently confirmed by Section 101 of the Ministers and Secretaries (Amendment) Act 2011. However, I have arranged for the Deputy's concerns to be brought to the attention of the Revenue Commissioners. In that context, the Deputy might advise the Revenue as to the specific basis for his concerns and provide such information as he considers would assist in the consideration of the issue raised by him.

### **Tax Reliefs**

82. **Deputy Pearse Doherty** asked the Minister for Finance the benefits that will be allowed

for an employee under the special assignee relief programme; and if the employee will be entitled to a medical card. [8512/12]

**Minister for Finance (Deputy Michael Noonan):** Section 14 of Finance Bill 2012 provides for the Special Assignee Relief Programme (SARP). An exemption from income tax on 30% of salary between €75,000 and €500,000 will be provided for employees that are assigned for a minimum of 1 year. The exemption will be available for a maximum of 5 years. The scheme will operate through the PAYE system as a deduction from income tax, but USC will continue to be payable on the full income amount. Social Insurance will also be payable.

As well as the exemption from income tax the assignee will be entitled to receive at their employers expense the cost of one trip home per year tax free. No other day-to-day expenses will be permitted free of income tax under the scheme. In recognition of differences in curriculums taught and languages spoken by the assignee and/or their children being brought to Ireland, vouched primary or secondary school fees of up to €5,000 per annum per child where paid for by the employer on behalf of an employee will be allowed free of benefit-in-kind taxation.

Share-based remuneration can also qualify for the exemption and there are no restrictions on where the income can be remitted. The scheme will be introduced for an initial three-year period ending on 31 December 2014, in order to allow for review. Any assignee that avails of the scheme during this time will have access to the relief for the period of their assignment, up to the maximum 5 years. As the minimum qualifying salary is €75,000, it is unlikely that any employee that avails of SARP would be eligible for a medical card under the qualifying conditions for medical cards set down by the Minister for Health.

### Tax Code

83. **Deputy Stephen S. Donnelly** asked the Minister for Finance further to Parliamentary Question No. 82 of 11 January 2012, if he will release the analysis and recommendations provided to him on this issue; if directors of limited companies paying Class S PRSI, whose income exceeds €100,000 in a year, and who may have additional income as landlords or from self-employment, pay the 3% USC surcharge on any or all of their total income; and if they do not, the reason for same. [8644/12]

**Minister for Finance (Deputy Michael Noonan):** For the purpose of this reply it is assumed that the Deputy is referring to a Proprietary Director who is a director of a company who is either the beneficial owner of, or able, either directly or through the medium of other companies or by any other indirect means, to control more than 15 per cent of the ordinary share capital of the company. The 3% surcharge of Universal Social Charge on self-employment (Schedule D) income in excess of €100,000 was introduced in Finance Act 2011 as a transitional measure. This measure was introduced when it became apparent that self-employed income earners earning over €100,000 would be sheltered from the harsher effects of Budget 2011.

Proprietary Directors generally pay Class S (self-employed) PRSI but, for tax purposes, their income in their role as Proprietary Director is assessed in the same manner as employment income and their tax is collected under the PAYE system. This means that the USC surcharge of 3% on self-employment income is not applied to their income as Proprietary Directors. However, where Proprietary Directors have self-employment income (such as rental, investment, trading or professional income) over €100,000, this income is subject to the 3% surcharge.

Many Proprietary Directors have significant other income from a self-employment source. Of the estimated 15,000 Proprietary Directors earning over €100,000 per annum, an estimated 5,500 have self-employment income of over €100,000. These Proprietary Directors are charged

[Deputy Michael Noonan.]

the 3% USC surcharge on non-directorship income. It is estimated that €34 million will be yielded in 2011 from Proprietary Directors alone as a result of the USC surcharge of 3%.

Furthermore, Proprietary Directors have a higher tax liability than other PAYE income earners, on the same level of income, as they do not benefit from the PAYE tax credit. They may also pay more PRSI than other PAYE income earners because, unlike Class A contributors, Class S contributors do not have the €127 per week PRSI allowance. Revenue classifies Proprietary Directors as PAYE taxpayers on their income from their role as Proprietary Directors and, based on the information I have outlined, I see no grounds for altering this state to, in effect, reclassify them as self-employed.

84. **Deputy Stephen S. Donnelly** asked the Minister for Finance if he will set out the total tax and charges burden that will follow the Finance Bill for three case studies, as follows, assuming all are single, and any other variables are standardised between them, a PAYE employee earning €200,000 per year; a company director earning €200,000 per year from that directorship; and a company director earning €100,000 per year from the company directorship plus €100,000 per year from other sources, including should the burden vary according to what those other sources of income are, setting out the variation according to the different classes of income; and if he will explain the discrepancies. [8645/12]

**Minister for Finance (Deputy Michael Noonan):** For the purpose of this reply it is assumed that the Deputy is referring to:

1. a proprietary director, which is a director of a company who is either the beneficial owner of, or able, either directly or through the medium of other companies or by any other indirect means, to control more than 15 per cent of the ordinary share capital of the company.
2. “€100,000 per year from other sources” is taken to mean other self-employed income (Schedule D income).

On that basis, the total taxes and charges for 2012 are set out as follows for the three case studies put forward by the Deputy. Figures are rounded to the nearest €1. In addition, variations can arise due to rounding.

Summary

Case	Gross Income	USC, PRSI, Income Tax	Net Annual Income
Single PAYE Employee	€200,000	€92,867	€107,133
Single Proprietary Director	€200,000	€94,781	€105,219
Single Proprietary Director with income from other sources	€200,000	€94,780	€105,220

The variation is due to the Employee benefitting from the PAYE (Employee Tax Credit) of €1,650 per annum and Class A PRSI having an weekly allowance of €127 which is not available to Class S contributors.

Case 1: A single PAYE employee earning €200,000 per year.

Gross Income €200,000

Universal Social Charge:

€10,036 @ 2% = €200.72

€5,980 @ 4% = €239.20

€183,984 @ 7% = €12,878.88 (€13,319)

PRSI:

Class A

€200,000 — €6,604 @ 4% = (€7,736)

Income Tax:

€32,800 @ 20% = €6,560

€167,200 @ 41% = €68,552

€75,112

Less Credits

Personal Tax Credit (€1,650)

PAYE Tax Credit (€1,650) (€71,812)

Total Deductions (€92,867)

Net Income €107,133

Case 2: A single Proprietary Director earning €200,000 per year.

Gross Income €200,000

Universal Social Charge:

€10,036 @ 2% = €200.72

€5,980 @ 4% = €239.20

€183,984 @ 7% = €12,878.88 (€13,319)

PRSI:

Class S

€200,000 @ 4% = (€8,000)

Income Tax:

€32,800 @ 20% = €6,560

€167,200 @ 41% = €68,552

€75,112

Less Credits

Personal Tax Credit (€1,650) (€73,462)

Total Deductions (€94,781)

[Deputy Michael Noonan.]

*Net Income* €105,219

*Case 3: A single Proprietary Director earning €100,000 per year plus €100,000 per year from other sources (self-employed/Schedule D income).*

*Gross Income* €200,000

Source A (Income from Proprietary Directorship) €100,000

*Universal Social Charge:*

€5,018 @ 2% = €100.36

€2,990 @ 4% = €119.60

€91,992 @ 7% = €6,439.44 (€6,659)

*PRSI:*

*Class S*

€100,000 @ 4% = (€4,000)

*Income Tax:*

€16,400 @ 20% = €3,280

€83,600 @ 41% = €34,276

€37,556

Less Credits

Personal Tax Credit (€825) (€36,731)

Total Deductions under Source A (€47,390)

(Income from Proprietary Directorship)

*Net Source A Income* €52,610

Source B Income from other sources €100,000

(self-employed/Schedule D income)

*Universal Social Charge:*

€5,018 @ 2% = €100.36

€2,990 @ 4% = €119.60

€91,992 @ 7% = €6,439.44 (€6,659)

*PRSI:*

*Class S*

€100,000 @ 4% = (€4,000)

*Income Tax:*

€16,400 @ 20% = €3,280

€83,600 @ 41% = €34,276

€37,556

Less Credits		
Personal Tax Credit	(€825)	(€36,731)
Total Deductions under Source B (self-employed/Schedule D income)		(€47,390)
<i>Net Source B Income</i>		€52,610
Total Deductions under source A and B		(€94,780)
<i>Total Net Income from Source A and B</i>		€105,220

### Tax Collection

85. **Deputy Aodhán Ó Ríordáin** asked the Minister for Finance his views on a possible revenue raising initiative (details supplied); and if he will make a statement on the matter. [8657/12]

**Minister for Finance (Deputy Michael Noonan):** Luxury goods such as the items outlined by the Deputy are currently subject to VAT at 23%, which was increased from 21% in the last Budget, and some luxury items are subject to further taxation such as excise duties. While any additional revenue would be welcome in the current circumstances, it is questionable whether placing a further tax on these goods would produce additional revenue, as the yield would be affected by the possible behavioural impact of the charge. I have no plans to introduce such a tax at this time.

### National Asset Management Agency

86. **Deputy Pearse Doherty** asked the Minister for Finance with respect to the National Asset Management Agency Q3 2011 accounts, the total amount of interest actually received by NAMA for that quarter and for Q1 and Q2 in the same year; and if he will make a statement on the matter. [8800/12]

87. **Deputy Pearse Doherty** asked the Minister for Finance if he will confirm that a method known as effective interest rate method is used by the National Asset Management Agency when calculating its interest income for the purposes of the compilation of its quarterly accounts; the difference between this method and the actual amount of interest received by NAMA in any given quarter; and if he will make a statement on the matter. [8801/12]

**Minister for Finance (Deputy Michael Noonan):** I propose to take Questions Nos. 86 and 87 together.

NAMA advises me that interest income is recognised in its quarterly accounts, based on the Effective Interest Rate (EIR) methodology. The EIR methodology is an accounting technique which NAMA is required to adopt for the recognition of interest income on its loan portfolio in accordance with International Financial Reporting Standards (IFRS). The EIR method allocates interest income proportionately over the life of a loan regardless of the timing of cash receipts. The income recognised in NAMA's accounts reflects the expected rate of return on NAMA's acquired loans based on their expected future cash receipts over the life of the loans.

While the NAMA borrower continues to be liable for interest accruing on the original par value of the loan, IFRS accounting standards do not allow NAMA to use this as a basis to

[Deputy Michael Noonan.]

recognise interest income on its loan portfolio for the purpose of financial reporting. As a result NAMA does not recognise in its financial statements interest income based on the contractual interest being accrued or being received on the nominal or original par value of the loan.

NAMA has informed me that the contractual interest payments actually received in cash from NAMA borrowers in respect of NAMA Loans during each quarter of 2011 are as set out in the table. The table also shows that quarterly income based on the EIR method.

	Quarterly Income Reported based on EIR Method	Interest Income Received on Loans
	€'m	€'m
Q1	276	178
Q2	255	184
Q3	255	175

The higher interest income reflected under the EIR method reflects the expected rate of return based on its expected future cash flows from the realisation of property collateral underlying the loans.

#### **National Asset Management Agency**

88. **Deputy Pearse Doherty** asked the Minister for Finance if he will confirm the total number of loans held by the National Asset Management Agency that are performing; the average interest rate being paid on those loans that are performing; the average interest paid by those loans which are non-performing; and if he will make a statement on the matter. [8802/12]

**Minister for Finance (Deputy Michael Noonan):** NAMA informs me that as at 30 September 2011, 2,872 of its loans were performing and 8,911 were non-performing. The weighted average contractual interest rate being paid in cash by those performing loans is estimated at 3.40% of the par / nominal debt at 30 September 2011. The non-performing loans at 30 September 2011, by definition, are not meeting their full contractual interest payments. However, it is estimated that €320 million in contractual interest has been paid to NAMA in respect of some of these loans since their acquisition, representing an estimated average annual interest rate of 0.38% on the non-performing loans.

89. **Deputy Pearse Doherty** asked the Minister for Finance the reason the sale of assets is included in the quarterly accounts of the National Asset Management Agency on the income side; his views that this practice gives a distorted account of the way NAMA is actually performing; and if he will make a statement on the matter. [8803/12]

**Minister for Finance (Deputy Michael Noonan):** NAMA has advised me that it prepares its quarterly accounts in accordance with International Financial Reporting Standards. In accordance with these standards, sales of assets are included in the income statement (Profit and Loss). NAMA informs me that during Quarter 3 and Quarter 4 of 2011, it sold a number of loans to third parties. When a loan is sold to a third party, the gain or loss on the disposal of the loan is calculated as the sale proceeds minus the value of the loan NAMA had been carrying in its books. NAMA advises that accounting for gains or losses on disposals of assets in this manner is a normal accounting practice and will present a fair reflection of its performance in the period.

90. **Deputy Pearse Doherty** asked the Minister for Finance the reason foreign exchange gains are included in the quarterly accounts of the National Asset Management Agency; his views that this practice gives a distorted account of the way that NAMA is actually performing; and if he will make a statement on the matter. [8804/12]

**Minister for Finance (Deputy Michael Noonan):** NAMA advises me that it prepares its quarterly accounts in accordance with International Financial Reporting Standards. In accordance with these standards, foreign exchange gains and losses are included in the income statement (Profit and Loss). The amount included in the income statement represents the gains or losses on the translation to euro of its foreign currency loan portfolio and related foreign exchange derivatives. NAMA has put in place hedging arrangements and uses foreign exchange swaps to manage its foreign exchange risks. The performance of foreign exchange markets may result in unrealised foreign exchange gains or losses being recognised in the income statement for a period, which may not be subsequently realised at a later date. The gain of €47 million in the Quarter 3 Report is an unrealised gain reflecting movements in foreign exchange swap rates in the quarter. NAMA informs me that its accounting treatment for foreign exchange gains or losses and the presentation of its financial performance in general is in accordance with other similar enterprises.

91. **Deputy Pearse Doherty** asked the Minister for Finance the reason no independent auditing firm is used in the preparation of the National Asset Management Agency's quarterly accounts. [8805/12]

**Minister for Finance (Deputy Michael Noonan):** The NAMA quarterly accounts are prepared in accordance with section 55 of the National Asset Management Agency Act 2009. NAMA advises that it would not be considered normal practice for any State or commercial entity to have its quarterly accounts audited or prepared by an independent auditing firm. NAMA also advises me that, apart from imposing additional and unnecessary costs, involving an independent auditing firm in the preparation of the agency's quarterly accounts would delay their publication. The annual accounts of NAMA and each group entity are subject to an independent audit by the Comptroller and Auditor General in accordance with section 57 of the Act. It is expected that the NAMA 2011 annual accounts will be publicly available by the middle of the year.

### State Banking Sector

92. **Deputy Joe Higgins** asked the Minister for Finance the amount spent by the State-funded EBS and Bank of Ireland in preparing the submissions of their respective chief executives for the Central Bank of Ireland's fitness and probity review of directors, including both the cost of engaging the services of the US-based consultants Promontory and the cost of these banks' own employees; and if he, the Central Bank of Ireland or the Regulator approved the use of these consultants. [8812/12]

**Minister for Finance (Deputy Michael Noonan):** I can confirm that I did not approve the use of these consultants in the case of either EBS or Bank of Ireland. The Central Bank has also confirmed to me that it did not approve the use of these consultants. The procurement of external service providers is a matter for the management and board of each respective institution. I have no role in the day-to-day commercial and operational decisions of the banks, which include these matters. These decisions are taken by the board and management of the institution. As the Deputy will be aware, notwithstanding the fact that the State is a significant shareholder in both institutions, the banks are run on a commercial arm's length basis as per

[Deputy Michael Noonan.]

the Memorandum on Economic and Financial Policies agreed with the EU Commission, the ECB and the IMF.

The individual institutions have provided certain additional details. In line with AIB's normal practice, the bank has not publicly disclosed the fees paid as the bank deems it to be commercially sensitive to do so in respect of arrangements entered into with individual firms. Use of Promontory or other services were not formally notified to the Central Bank of Ireland or the Department of Finance as it is not normal practice nor is there a requirement to do so. Promontory was engaged by the chairman of EBS to perform an independent assessment of the Chief Executive's fitness and probity. The Promontory report was submitted to the Central Bank of Ireland on 3 February. The bank has confirmed that the full cost of the Promontory engagement was borne by the bank. Bank of Ireland uses a range of professional firms, and in some instances individuals, to assist it in its activities across a wide range of governance, regulatory, commercial and other matters. These would vary on an ongoing basis, depending on specific business needs right across the group. The bank does not divulge details of arrangements in place with any such companies or individuals.

### EU Presidency

93. **Deputy Niall Collins** asked the Minister for Finance the preparations he has undertaken for the Irish Presidency of the EU Council in January 2013; the amount of money spent on EU Council Presidency related activities to date in 2012; the estimated expenditure up to December 2012; the budget for the six month Presidency specifically; the additional staff he has undertaken; the number of re-assigned staff he has undertaken; the estimated future staff requirements for the Presidency; and if he will make a statement on the matter. [8842/12]

**Minister for Finance (Deputy Michael Noonan):** Preparations for the Irish Presidency of the EU in the first half of 2013 are well advanced in my Department. A steering Committee has been established to coordinate the preparation of the Department's Presidency programme for the Ecofin Council and the organization of the Informal Ecofin meeting in Dublin. The Management Advisory Committee is updated regularly on progress to date. A budget in the order of €2m approximately has been allocated in my Department for Presidency-related activities in 2012. This will mainly be accounted for in additional staffing costs and increased travel on Presidency planning with our Trio partners (Lithuania and Greece), the preceding Presidencies (Denmark and Cyprus) and the EU Institutions. To date no Presidency-related additional expenditure has been identified. The 2013 Presidency budget for Department of Finance has not yet been finalized.

Recently the Government made a decision regarding the overall cost of Ireland's Presidency. The current overall budget for the Presidency foresees approximately €25m being spent during 2012 in areas such as additional staff costs, preparation of the venues to host meetings during the Presidency and procurement of a range of goods and services normally associated with a programme of this size and importance. The precise figure will emerge in the coming months as the preparations progress. During the Presidency itself, it is foreseen that a further sum in the order of €35m will be required to support the Presidency across all Departments. In addition a further sum will be required to meet security costs. The amount needed for security will be determined when the scale of the Presidency programme has been finalised. The total budget for the Presidency is at the lower end of the range of Presidency costs in recent years.

The staff requirements of the Department of Finance are still under consideration and will represent a temporary increase in headcount for the duration of the Presidency and for some months before and after the first half of 2013. It will be important that an adequate complement

of appropriately skilled staff is available to ensure that Ireland's Presidency of the EU is businesslike and successful.

This will be the 7th EU Presidency that Ireland has presided over and our record from previous Presidencies has been that we get the business done in an efficient and effective manner. The Government is determined that Ireland's 7th Presidency of the European Union will enhance our reputation and standing at EU level. The hosting of a successful and business-like Presidency of the EU will demonstrate to our European colleagues that we are committed to the European project and that we have much to contribute in resolving the crisis in the Euro area and the wider EU. In addition, every effort will be made to control EU Presidency-related expenditure and to ensure value for money for the taxpayer.

### **School Meals Policy**

94. **Deputy Gerry Adams** asked the Minister for Education and Skills if there are specific guidelines for schools in relation to the times allowed for school children to eat lunch to ensure that children have sufficient time in which to eat their lunch; if he has been in contact with parents from a school (details supplied) in County Meath in relation to this issue; and if he will make a statement on the matter. [8678/12]

**Minister for Education and Skills (Deputy Ruairí Quinn):** The Rules for National Schools provide for a midday recreation interval of one half-hour. Forenoon and afternoon breaks of five minutes each are also allowed. Where a recreation interval or breaks of a longer duration than the foregoing are taken the length of the school day must be extended correspondingly. The arrangements within the recreation interval for pupils to eat their lunch are a matter for each Board of Management to determine. My Department has not issued guidelines to schools in this regard. In the event that a parent has concerns regarding these arrangements, the parent should raise these concerns with the Board of Management in question.

### **Departmental Expenditure**

95. **Deputy Ciarán Lynch** asked the Minister for Education and Skills the funding provided by him towards the operation of AONTAS for the years 2010 and 2011; and if he will make a statement on the matter. [8531/12]

**Minister of State at the Department of Education and Skills (Deputy Ciarán Cannon):** My Department provided funding of €920,000 and €896,000 to AONTAS in 2010 and 2011 respectively. The 2012 provision for AONTAS is €887,000.

### **Departmental Schemes**

96. **Deputy Anthony Lawlor** asked the Minister for Education and Skills the future plans for the summer works scheme and minor works grants; if these schemes are being phased out, the funding that will be available to schools to undertake necessary minor structural works, such as improving recreational facilities; and if he will make a statement on the matter. [8544/12]

**Minister for Education and Skills (Deputy Ruairí Quinn):** As the Deputy is aware, the Government's Medium Term Infrastructure and Capital Investment Framework, which was published on 10th November last, sets out the demographic challenge facing the education system. Total enrolment in both primary and post-primary schools is expected to grow by almost 70,000 between now and 2018 — over 45,000 at primary level and 25,000 at post primary — and will continue to grow up to at least 2024 at post-primary. In view of the very real need to ensure that every child has access to a school place, the delivery of new schools, together with extension projects, will be the main focus for capital investment in schools in the coming

[Deputy Ruairí Quinn.]

years. The Deputy will be aware that a Minor Works Grant issued to primary schools last November for the school year 2011/2012 at a cost of €28m. In the context of the financial constraints imposed by the need to prioritise available funding for the provision of essential school accommodation, it is not possible for me to advance with a summer works programme this year. It is not envisaged that a Minor Works Grant to primary schools will be issued in 2012 for the school year 2012/2013. My Department administers an Emergency Works Scheme solely for unforeseen emergencies or to provide funding to facilitate inclusion and access for special needs pupils. An emergency is deemed to be a situation which poses an immediate risk to health, life, property or the environment which is sudden, unforeseen and requires immediate action and in the case of a school if not corrected would prevent the school or part thereof from opening. Details of the Scheme are available on the Department's website *www.education.ie*.

### Schools Building Projects

97. D'fhiafraigh **Pearse Doherty** den Aire Oideachais agus Scileanna cad é an staid reatha i gcás Scoil Náisiúnta Ghort an Choirce, Uimhir 16819T. Gealladh scoil nua do Ghort an Choirce ach anois, nuair nach bhfuil sin ag tarlú, tá athchóiriú agus méadú ar fhoirgneamh na scoile riachtanach go práinneach. An gcuirfidh an tAire eolas chun dáta ar fáil agus an ndéanfaidh sé ráiteas ar an ábhar seo. [8545/12]

**Minister for Education and Skills (Deputy Ruairí Quinn):** Beidh fhios ag an Teachta nárbh fhéidir dul ar aghaidh le tógáil scoile nua do Scoil Náisiúnta Ghort an Choirce mar gur diúltaíodh cead planála don suíomh a bhí beartaithe.

Tá eolas maidir leis an gclár reatha tógála scoile mar aon leis na hiarratais mheasúnaithe go léir ar oibreacha móra caipitil, an tionscadal seo san áireamh, le fáil ar shuíomh gréasáin na Roinne ag *www.education.ie*.

Breithneofar cur ar aghaidh na dtionscadal mór tógála go léir, an tionscadal seo san áireamh, ag tabhairt aird ar an maoiniú caipitil atá ar fáil, agus ar an riachtanas le tosaíocht a bheith ag tionscadail mhóra, a theastaíonn chun freastal ar éileamh déimeagrafach, i ndáil le maoiniú dá leithéid. Ina leith sin, ní féidir fráma ama tascach a thabhairt do chur ar aghaidh an tionscadail seo ag an dtráth seo.

### Teachers' Remuneration

98. **Deputy Mary Lou McDonald** asked the Minister for Education and Skills if he will provide a full list of the allowances and payments referred to in a Circular 003/2012 and corresponding amounts in tabular form. [8553/12]

**Minister for Education and Skills (Deputy Ruairí Quinn):** A full list of the teaching allowances referred to in Circular 0003/2012 is provided in tabular form. A full list of the allowances payable to non-teaching staff in schools and VECs is currently being compiled and details will be supplied when this has been finalised. Not every person serving in a beneficiary grade has necessarily been eligible to receive the allowances listed.

Teaching Allowances

Name/Description of Allowance	Amount of allowance €	Beneficiary (Grade)
Higher Diploma in Education (pass)	591	Teacher
Higher Diploma in Education (honours)	1,236	Teacher
Primary Degree (pass)	1,842	Teacher
Primary Degree (honours)	4,918	Teacher

Name/Description of Allowance	Amount of allowance €	Beneficiary (Grade)
Master's Degree (pass)	4,918	Teacher
Master's Degree (honours)	5,496	Teacher
Doctor's Degree	6,140	Teacher
Diploma in Special Ed	2,437	Teacher
Supervision and Substitution — minimum 37 hour payment — payment for hours worked in excess of 37 is at the hourly rate for the hours worked	1,769 for 37 hours or 47.82 per hour	Teacher
Principal — Rate varies depending on category of school — categories are based on number of teachers in the school	9,310 — 42,469	Principal
Deputy Principal — Rate varies depending on category of school — categories are based on number of teachers in the school	3,769 — 27,217	Deputy Principal
Assistant Principal	8,520	Assistant Principal
Director of Adult Education — Rate varies depending on category of school — categories are based on number of enrolment hours	3,769 — 22,645	Director of Adult Education
Supervising Teacher in Prison Education Unit — Rate varies based on number of teachers in the unit	8,520 — 23,127	Supervising Teacher
Programme Coordinator AP level	8,520	Programme Coordinator
Special Duties Teacher	3,769	Special Duties Teacher
Deputy Supervising Teacher in Prison Education Unit	8,520	Deputy Supervising Teacher
Programme Coordinator SDT level	3,769	Programme Coordinator
Assistant Supervising Teacher in Prison Education Unit	3,769	Assistant Supervising Teacher
Allowance payable to Principals of schools offering a part-time adult education programme — Rate varies depending on category of school	1,625	Principal
Allowance for Principals who act as Secretary to Board of Management — rate varies based on number of students in school	523 — 1,572	Principal
Honorarium	4,773	Teacher
Allowance payable to Principals of 5 Community Schools for management role in sports complexes	4,820	Principal
Secondment allowance Category 1 (Divisional Inspector scale)	25,638	Teacher on secondment — rate varies depending on length of service
Secondment allowance Category 2	16,825	Teacher on secondment
Secondment allowance Category 3	13,146	Teacher on secondment
Secondment allowance Category 4	10,130	Teacher on secondment
Director of Education Centre allowance	27,197	Teacher on secondment
Gaeltacht grant	3,063 or 10% of salary	Teacher
Teaching through Irish	1,583	Teacher
Island Allowance	1,842	Teacher
Visiting Teacher Allowance	8,520	Teacher
Secure Unit Allowance/ Disturbed Adolescent Allowance	2,195	Teacher
Allowance payable to teachers of apprentices in Dun Laoghaire and County Cork VECs	9,740	Teacher
Allowance for teachers with 35 years service	2,324	Teacher
National Teacher PCW allowance	1,842	Teacher

[Deputy Ruairí Quinn.]

Name/Description of Allowance	Amount of allowance €	Beneficiary (Grade)
Principal — pre PCW — Rate varies depending on points rating of school	6,660 — 25,303	Principal
Personal rate of Principal Allowance — Rate varies depending on category of school	6,660 — 11,163	Principal
Personal rate of Principal Allowance Pre '87/ Revised Duties — Rate varies depending on category of school	8,521 — 14,289	Principal
Vice Principal — pre PCW — Rate varies depending on points rating of school	2,944 — 15,983	Vice Principal
A Post — pre PCW	6,660	A Post
B Post — pre PCW	2,944	B Post
Rural Science Teachers	1,842	Teacher
Itinerant Domestic Science Teachers	1,842	Teacher
Special Allowance to Teachers in Comprehensive Schools	2,471	Teacher
Special Payment to EPTs under AR 2/98 — rate varies depending on years of service	313 — 1,644	Teacher
Special Payment to TWTs under AR 2/98 — rate varies depending on years of service	626 — 5,482	Teacher
Rule 87 (Higher Froebel Cert)	1,435	Teacher
Long Service Increment	1,477	Teacher
Special differential allowance paid to ex-Preparatory College Professors	2,860	Teacher
Personal Allowances referred to in Paragraph 2 of C/L 50/70	2,565 — 13,049	Teacher
Children's Allowances	113	Teacher
Secretary to Board of Management allowance (payable on a personal basis to Principals of Comprehensive schools who held the allowance prior to the implementation of Agreed Report 3/06)	2,802	Principal

### Departmental Expenditure

99. **Deputy Alex White** asked the Minister for Education and Skills the level of public funding given by him to subsidise and support the network of Irish summer colleges in 2011; the budgetary provision, if any, that has been made for 2012; and if he will make a statement on the matter. [8641/12]

**Minister for Education and Skills (Deputy Ruairí Quinn):** In 2011, my Department paid a total of €868,440 to the Irish Summer Colleges in respect of student primary teachers and provision has been made for a similar amount of expenditure in 2012.

As part of the Government's budgetary considerations and the Comprehensive Expenditure Review, a decision was made to abolish the payment of grants by this Department to the Gaeltacht Colleges towards the cost of student teachers' attendance at Gaeltacht courses. The cost of attendance at the courses will, from the commencement of the 2012/13 academic year, not be met by this Department as priority has been given to protecting resources for front line services as far as possible in the coming years.

### Departmental Schemes

100. **Deputy Stephen S. Donnelly** asked the Minister for Education and Skills the status of the work to encourage school book rental schemes; if he will consider implementing a national

scheme, or in some way making participation in a scheme obligatory; and if he will make a statement on the matter. [8642/12]

**Minister for Education and Skills (Deputy Ruairí Quinn):** My Department has undertaken a survey of schools to establish the current situation regarding school book rental and loan schemes. This survey has recently been completed.

When the results of this survey have been examined in detail, I will consider how I might incentivise the introduction of book loan or rental schemes in schools that do not currently operate such schemes. I believe it is the most effective means of lowering costs for all parents.

My Department is also, currently preparing guidelines for schools on best practice in the operation of such schemes.

### School Accommodation

101. **Deputy Stephen S. Donnelly** asked the Minister for Education and Skills the total number of pupils and schools currently being accommodated in prefabricated buildings in the country and in County Wicklow; the annual spend on rental and purchase of prefabricated buildings for each of the past ten years, broken down by school; and if he will make a statement on the matter. [8643/12]

**Minister for Education and Skills (Deputy Ruairí Quinn):** My Department does not hold information on the numbers of pupils in individual schools who currently occupy temporary accommodation; this depends on the organisation of class groups by schools within available accommodation and may vary from year to year. Local school managements are responsible for organising their class numbers, year on year, to achieve the optimum local efficiencies.

Currently, there are 591 primary and post-primary schools renting 1,543 prefab units throughout the country of which 19 of these schools rent 56 prefabs in County Wicklow. (Please note that one prefab unit may consist of one or more classrooms and/or ancillary accommodation). Current expenditure on rental of prefabricated accommodation in primary and post-primary schools in Co. Wicklow is in the region of €600k per annum.

The information requested by the Deputy on the annual spend on rental and purchase of prefabricated buildings for each of the past ten years, broken down by school is not readily available. The Table sets out details of expenditure on purchased prefabs throughout the country including Co. Wicklow since 2008, with details of Co. Wicklow outlined in a separate table.

Separately, the amount spent on renting temporary accommodation at primary and post-primary level throughout the country, including — but not limited to — prefabricated accommodation in the last 4 years:

Year	€m
2012	€29.3m (allocation)
2011	€28.9m
2010	€29.3m
2009	€39m

[Deputy Ruairí Quinn.]

## Number and Cost of Purchased Prefabs 2008-2011

## Country

Year	Total Paid	No. of schools
2008	€29,788,751.25	199
2009	€10,955,153.84	94
2010	€9,901,538.57	73
2011	€3,455,257.89	33
Total	€54,100,701.55	399

## Wicklow

Year	Total Wicklow Paid	No. of schools	Mainstream Classrooms	Resource Classrooms
2008	€312,426.69	3	4	0
2009	€92,895.24	2	1	0
2010	€534,874.10	1	4	1
2011	€239,910.00	3	6	1
Total	€1,180,106.03	9	15	2

**Special Educational Needs**

102. **Deputy Ciarán Lynch** asked the Minister for Education and Skills if he will confirm that 30 December 2011 is the closing date for applications for submissions regarding resource teachers and not 25 November 2011 the date used by the National Council for Special Education; if he will review the application of a school (details supplied) in County Cork in this context; and if he will make a statement on the matter. [8658/12]

**Minister for Education and Skills (Deputy Ruairí Quinn):** The Deputy will be aware that the National Council for Special Education (NCSE) is responsible, through its network of local Special Educational Needs Organisers (SENOS) for allocating resource teachers to schools to support children with special educational needs. The NCSE operates within my Department's criteria in allocating such support.

All schools have now received their resource teaching allocations for the current school year, based on the number of valid applications for resource teaching support received by the NCSE to 25th November, 2011, and taking into account my Department's Employment Control Framework obligations which limits the number of overall resource teaching posts which may be allocated to schools.

Applications for resource teaching hours received after 25th November, 2011, will be processed by the NCSE in the context of the 2012/13 school year applications process. In the interim, schools should support pupils for whom new applications are being made from their existing resource teaching allocations, until revised allocations are made for the September 2012 school year.

Where a pupil meets the criteria for Resource Teaching support, following diagnosis or enrolment to a school which does not have any existing allocation of resource teaching support,

the NCSE may make an allocation for such pupils from the small pool of remaining posts which have been reserved for such emergencies or eventualities.

### **Ministerial Staff**

103. **Deputy Michael Healy-Rae** asked the Minister for Education and Skills the number of staff working directly for the Minister of State, Deputy Ciarán Cannon, that is, constituency staff, and the cost involved; the number of secretaries in his Department; and if he will provide the cost of a driver and personal assistants. [8673/12]

**Minister for Education and Skills (Deputy Ruairí Quinn):** In accordance with the terms of the Department of Finance Guidelines in relation to Ministerial Appointments dated the 24th, March 2011 a personal assistant and personal secretary were appointed to assist the Minister of State in carrying out his functions. The following is a breakdown of staff assigned to his constituency office together with their salaries: 1 Personal Assistant (non civil servant appointed 20/04/2011) — €49,790 p.a. 1 Personal Secretary (non civil servant appointed 10/06/2011) — €38,906 p.a. 0.80 Staff Officer (civil servant) — €34,024 p.a. Two civilian drivers were appointed on 11th April 2011 at an annual combined salary cost of €65,930 (€32,965 each per annum). Five civil servants are assigned to the Minister of State's private office at an annual combined salary cost of €213,548.

### **Disadvantaged Status**

104. **Deputy Gerry Adams** asked the Minister for Education and Skills the position regarding the review he established in relation to cuts to legacy posts for DEIS schools; if the group tasked with the review has concluded its work; when he expects the review to conclude; when will the review be made public; the contact that he has had with the DEIS schools affected by these cuts in the course of the review; and if he will make a statement on the matter. [8674/12]

105. **Deputy Gerry Adams** asked the Minister for Education and Skills if he will give details of the DEIS schools in County Louth; and if he will assess the number of posts that will be lost as a result of cuts to DEIS legacy posts. [8675/12]

**Minister for Education and Skills (Deputy Ruairí Quinn):** I propose to take Questions Nos. 104 and 105 together.

As announced in the house on the 11th January, I have asked my Department for a report on the impact of the withdrawal of certain posts allocated under previous disadvantaged schemes in DEIS Band 1 and Band 2 primary schools.

This report, which is currently being finalised, will detail the facts for each individual school affected by this measure, applying the most up to date enrolments for September 2011. In addition, the report will take account of the net effect of a range of factors on teacher allocations in these schools, for example increasing and decreasing enrolments and the reforms to the existing teacher allocations process, all of which will determine the staffing requirement for these schools for 2012/13 school year.

When the report is finalised and submitted to me I will be in a position to make a decision on the final outcome for the individual schools involved.

Schools will be notified in the coming weeks of their staffing entitlements under the new arrangements for 2012/13.

### Special Educational Needs

106. **Deputy Gerry Adams** asked the Minister for Education and Skills if he has a long-term strategic plan to integrate children with special needs into mainstream classes; and if he will make a statement on the matter. [8697/12]

**Minister for Education and Skills (Deputy Ruairí Quinn):** I wish to advise the Deputy that my Department's policy is to promote the principle of inclusive education as envisaged in Section 2 of the Education for Persons with Special Educational Needs (EPSEN), Act 2004. The Department, either directly or through the National Council for Special Education (NCSE), provides for a range of supports in schools to enable them to cater for students with special educational needs which includes additional resource teachers, Special Needs Assistants (SNAs) and specialist equipment. The precise model of provision made will depend on the pupil's assessed disability.

A key priority for my Department is to facilitate the maximum possible inclusion of students with special educational needs while always allowing for individuals for whom inclusion with mainstream peers may not be in their best interests, or the interests of children with whom the child is to be educated, as set out in section 2 of the EPSEN Act, to be provided for.

Some students are capable of attending ordinary classes on an integrated basis with additional teaching and/or SNA support. In other cases, a more appropriate response for pupils may be to attend special dedicated classes within the school. These students have the option, where appropriate, of full/partial integration and interaction with other pupils. Other children may have such complex needs that special school places may be required to provide them with specialist interventions and reduced pupil teacher ratios.

The continuum of provision provided for by my Department ensures that all such requirements can be catered for, while allowing for the majority of children with special educational needs to be educated in mainstream environments.

Approximately 15% of the entire budget of my Department — some €1.3 billion — was spent in support of children with Special Educational Needs in 2011. Despite the current economic difficulties, funding for special education has not been cut.

The continued commitment of this Government to special education provision, at a time when savings are being required across a range of other expenditure areas, will ensure that children with special educational needs can continue to have access to mainstream education, in line with their requirements, while also providing specialist interventions for the small number of students who require special school or class placements.

107. **Deputy Martin Heydon** asked the Minister for Education and Skills the position regarding the provision of a place in an ASD unit at a local primary school for a pupil (details supplied) in County Kildare; and if he will make a statement on the matter. [8734/12]

**Minister for Education and Skills (Deputy Ruairí Quinn):** The Deputy will be aware that the National Council for Special Education (NCSE), through the local special educational needs organisers (SENOs), is responsible for processing applications from primary and post primary schools for special educational needs supports including the approval of special classes for autism. The NCSE operates within my Department's criteria in allocating such support.

All schools have the names and contact details of their local SENO. Parents may also contact their local SENO directly to discuss their child's special educational needs, using the contact details available on [www.ncse.ie](http://www.ncse.ie).

I have arranged for the information requested by the Deputy to be forwarded to the NCSE for their direct reply.

The Deputy will also be aware the provision of therapy supports is a matter for the Health Service Executive.

### **FÁS Training Programmes**

108. **Deputy Martin Ferris** asked the Minister for Education and Skills the person who owns the premises which were used by Monavalley FÁS centre, Tralee, County Kerry; and what is being done with the equipment formerly used by the centre which is being removed. [8740/12]

**Minister of State at the Department of Education and Skills (Deputy Ciarán Cannon):** These issues are a day to day matter for FÁS. However I understand that the TV and Video Production Course being run by FÁS in Kerry is currently located in a building adjoining the FÁS Training Centre in Tralee. This premises is leased by FÁS from Shannon Development.

There is a plan under consideration by FÁS to move the TV and Video Course from these rented premises into a newly renovated part of the existing FÁS Training Centre in Monavalley, Tralee. All equipment from the TV and Video Course would transfer from the existing premises into the new facility.

The section allocated to the new facility is currently being organised in anticipation of the project being approved. Equipment has therefore been moved and stored in the Centre. At this time, no capital or accountable equipment items have been disposed of by the Training Centre. Some unused items of furniture (benches) have been disposed of in compliance with FÁS procedures.

### **Irish Language**

109. **Deputy Liam Twomey** asked the Minister for Education and Skills his best estimate of the cost to the Exchequer of teaching Irish in our primary and secondary schools; and if he will make a statement on the matter. [8741/12]

**Minister for Education and Skills (Deputy Ruairí Quinn):** Only a small element of the costs of teaching Irish can be identified separately. These include the outlay on professional development of teachers provided at second level through the Seirbhís Tacaíochta Dara Leibhéal don Ghaeilge, €832,500 p.a, and the grant paid to An Chomhairle um Oideachas Gaeltachta agus Gaelscolaíochta for the development of resources and materials, advice and research (€1.6m in 2011 and €1.75m in 2012). At primary level, professional development is provided by the Professional Development Service for Teachers, but the costs of Irish cannot be identified separately.

The main areas of expenditure on Irish are the overall costs of teacher salaries and the grants paid for the running costs of schools. When the curriculum time devoted to Irish and participation levels in Irish relative to other subjects are apportioned, the estimated annual outlay in 2011 on Irish at primary and second level was €522.8m excluding capital costs, and €573.7m including capital costs.

### **School Staffing**

110. **Deputy Liam Twomey** asked the Minister for Education and Skills the cost to his Department for chaplaincy services in secondary schools; noting that their role is different to school guidance services, but asking whether they overlap in any way; the schools entitled to

[Deputy Liam Twomey.]

have a full-time chaplaincy service paid for by him; and if he will make a statement on the matter. [8742/12]

**Minister for Education and Skills (Deputy Ruairí Quinn):** My Department allocates chaplain posts to Community and Comprehensive Schools and designated Community Colleges. There are currently 152 whole time equivalent chaplain posts allocated to these schools. The annual cost is approximately €9m.

The appointment of chaplains to these schools flow from the original agreements concluded when the schools concerned were established. The chaplains are not necessarily teachers of religion and perform pastoral and counselling roles. Under current arrangements they can teach a minimum number of hours and subject to their individual qualifications this may be for subjects other than religion.

Schools have autonomy in relation to how to use their standard staffing allocation for the provision of subjects to their students. As a result of the recent budget measure the standard staffing allocation must, from September 2012, also be used for the provision of guidance to students. The provision of guidance continues to remain a statutory requirement for schools and my Department's forthcoming Circular will make this clear. It will also make clear that guidance is a whole school activity and under existing arrangements each school is expected to develop a school guidance plan as a means of supporting the needs of its students.

#### **Departmental Expenditure**

111. **Deputy Liam Twomey** asked the Minister for Education and Skills the cost of providing transition year to schools; if he will provide the breakdown of the costs incurred to him by transition year; and if he will make a statement on the matter. [8743/12]

**Minister for Education and Skills (Deputy Ruairí Quinn):** Teachers employed within an approved staffing allocation granted by my Department in fee-charging schools and teachers in schools within the Free Education Scheme are paid by the State. Teacher allocations for fee-charging schools are based on a ratio of 20 to 1, while allocations for schools in the Free Education Scheme are at a ratio of 19 to 1.

The average cost of a teaching post for a transition year student in a fee-charging school is €3,200 and the estimated annual cost is €13.6m. The average cost of a teaching post for a transition year student in a school in the Free Education Scheme is €3,368 and the estimated annual cost is €88.5m.

My Department also provides funding by way of a programme grant of €95 per Transition Year pupil to schools in the Free Education Scheme. The estimated annual cost of this grant is €2.5m.

112. **Deputy Liam Twomey** asked the Minister for Education and Skills if he carries out a cost benefit analysis review on different educational programmes paid for by him; if, for example, he has reviewed the leaving certificate vocational programme from this point; and if he will make a statement on the matter. [8744/12]

**Minister for Education and Skills (Deputy Ruairí Quinn):** My Department commissions or undertakes evaluation reports from time to time on the impact of various educational programmes.

A formal cost benefit analysis study was not undertaken in respect of the Leaving Certificate Vocational Programme. The programme was introduced in 1994 on foot of the Report of the

Industrial Policy Review Group (the Culliton Report, published 1992) which recommended a strengthening of the vocational and technical dimensions of second level schooling. The LCVP programme attracted aid from the European Social Fund as part of the Vocational Preparation and Training Measure for the period 1994-99 and was costed and reported on regularly for this purpose.

An evaluation of the Leaving Certificate Vocational Programme was published by my Department's inspectorate in 1998, and the results were generally positive. The emphasis on enterprise, active learning, integration of ICT and enhancement of career investigation skills were viewed very positively by students.

As part of the ongoing evaluation of schools, my Department publishes whole school evaluation reports, subject inspection reports, and reports on the operation of programmes, including Transition Year and the Leaving Certificate Vocational Programme, in individual schools. These are available on the website *www.education.ie*. In 2010/11, there were 37,213 students following the Leaving Certificate Vocational Programme at an estimated cost of €325.6m per annum. These students follow linked business and/or technical subjects in the established Leaving Certificate, allied with a continental language, a strong focus on ICT, and the LCVP Link Modules — Enterprise Education and Preparation for the World of Work. The State Examinations Commission provides information on the results scored in the LCVP Modules.

#### **Vocational Education Committees**

113. **Deputy Noel Harrington** asked the Minister for Education and Skills further to Parliamentary Question No. 112 of 14 December 2011, the number of legal cases taken against County Cork Vocational Education Committee in each of the years since 2000 that have been subject to a court hearing; and if he will make a statement on the matter. [8761/12]

114. **Deputy Noel Harrington** asked the Minister for Education and Skills further to Parliamentary Question No. 112 of 14 December 2011, the number of legal cases taken against County Cork Vocational Education Committee in each of the years since 2000 relating to employment legislation; and if he will make a statement on the matter. [8762/12]

**Minister for Education and Skills (Deputy Ruairí Quinn):** I propose to take Questions Nos. 113 and 114 together.

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.

Further to Parliamentary Question No. 112 of 14 December 2011, my officials again contacted the VEC which confirmed that it would require an inordinate amount of administrative time to compile the information sought.

115. **Deputy Noel Harrington** asked the Minister for Education and Skills further to Parliamentary Question No. 112 of 14 December 2011, the total amount of legal costs spent by Cork County Vocational Education Committee in each year since 2000; and if he will make a statement on the matter. [8763/12]

**Minister for Education and Skills (Deputy Ruairí Quinn):** The information requested by the Deputy is contained in the accounts of Co. Cork VEC, which for most of the years in question are stored in an off site location. Officials from my Department are arranging for the documents to be retrieved and the information will be collated and forwarded to the Deputy as soon as possible.

116. **Deputy Noel Harrington** asked the Minister for Education and Skills if he has raised any issues with Cork County Vocational Education Committee in respect of its spending of its grant in aid; and if he will make a statement on the matter. [8764/12]

**Minister for Education and Skills (Deputy Ruairí Quinn):** My Department has raised a number of issues with Co. Cork VEC in relation to the expenditure of its funding. These relate to ineffective expenditure on an IT project that was the subject of a report by the Comptroller and Auditor General (C&AG), in accordance with Section 7 of the Comptroller and Auditor General (Amendment) Act 1993, and to an internal audit report on Macroom Youthreach centre.

The C&AG's report found that the processes employed by the Co. Cork VEC in this case were defective in regard to certain aspects of procurement, that the approval of the Minister had not been sought to enter into a leasing agreement, that the financial risk associated with the arrangement rested mainly with the VEC and that the contract was inadequate.

Resulting from this report my Department issued Circular 39/2011 "Good Practice Guidelines in relation to Contracts for the Provision of Goods and/or Services" to the Chief Executive Officers (CEOs) of the VECs in June 2011. Circular 39/2011 informed VECs that, whether commissioning public services or providing them directly, they have a duty to strive for economy, efficiency, transparency and effectiveness in their expenditure.

The Circular drew the attention of VECs to their obligations with regard to procurement, to the importance of adherence to EU Directives and national regulations in regard to advertising, and to the use of objective tendering procedures for awarding contracts above certain value thresholds.

The guidelines also dealt with the evaluation of proposals, borrowing/leasing, and the reporting of losses.

The Secretary General of my Department also wrote recently to each CEO, in the context of the Co. Cork VEC report and a number of other C&AG Section 7 reports, reminding each of their responsibility, as accounting officer, to ensure that value is achieved in the engagement of services and the procurement of goods. CEOs were reminded that, as public servants, they have a responsibility to ensure that funds provided by the Exchequer are expended in a manner which is economic, efficient, transparent, and effective and achieves the very best value for the taxpayer.

An internal audit report on Macroom Youthreach centre was received in my Department on 29 September 2011. On receipt of the report my officials wrote to the acting CEO of Co. Cork VEC and sought a report on how the irregularities highlighted arose, how it was proposed to rectify them, or if already rectified how this was accomplished, and how it was proposed to safeguard against their recurrence in the future. The acting CEO confirmed to my Department that the recommendations of the internal audit had been implemented, however, my Department has sought clarification from the acting CEO on any possible losses arising.

### **EU Presidency**

117. **Deputy Niall Collins** asked the Minister for Education and Skills the preparations he has undertaken for the Irish Presidency of the EU Council in January 2013; the amount of money spent on EU Council Presidency related activities to date in 2012; the estimated expenditure up to December 2012; the budget for the six month Presidency specifically; the additional staff he has undertaken; the number of re-assigned staff he has undertaken; the estimated future staff requirements for the Presidency; and if he will make a statement on the matter. [8840/12]

**Minister for Education and Skills (Deputy Ruairí Quinn):** Significant preparatory work has been undertaken by my Department in preparation for the education and skills components of the Irish Presidency of the EU Council in the first half of 2013. A departmental committee, chaired by the responsible member of the Management Advisory Committee, is co-ordinating the Department's approach at official level. To date, the work has focused on developing a set of priorities in the education and skills sectoral area, including the identification of suitable themes for Council meetings, conferences and working group meetings during the Presidency. Engagement on priorities and possible themes has taken place with the European Institutions and a number of meetings have been held with senior representatives of our Trio partners, Lithuania and Greece. The final programme of activities for the Presidency which arises from this process will serve as the basis for determining financial and other resource requirements, having regard to the level of services, such as conference facilities, which will be provided centrally. Until this process is complete, I will not be in a position to give a detailed indication of my Department's resource requirements for the Presidency. The current budget for the Presidency for 2012 across Government as a whole foresees approximately €25 million being spent in areas such as additional staff costs, preparation of venues to host meetings and procurement of a range of goods and services. The final 2012 allocations will be included in the 2012 Revised Estimates Volume. It is foreseen that a further sum of the order of €35m for Government as a whole will be required to support the Presidency during 2013. In addition, a further sum will be required to meet security costs. The final 2013 allocations will be included in the 2013 Revised Estimates Volume.

### Departmental Expenditure

118. **Deputy Charles Flanagan** asked the Minister for Education and Skills the total cost to his Department of the provision of external legal services to his Department in respect of legal advice and legal services each year for the past five years. [8854/12]

**Minister for Education and Skills (Deputy Ruairí Quinn):** The following is the expenditure of my Department in relation to the provision of external legal services legal in the years 2007-2011 (inclusive):

Year	Amount
2007	€150,963.01
2008	€158,431.21
2009	€192,455.29
2010	€106,192.39
2011	€25,586.91
Total	€633,628.81

### Educational Projects

119. **Deputy Eoghan Murphy** asked the Minister for Education and Skills his plans to establish a database or network of PhD students at universities in the country and details of their work so as to create a portal into this important state resource. [8909/12]

**Minister for Education and Skills (Deputy Ruairí Quinn):** My Department has no plans to create a database or network that is dedicated specifically to Ph.D. students at Irish universities. However, funding was provided under the Department's Strategic Innovation Fund to the Irish Universities Association in 2008 to develop a national online repository for research publi-

[Deputy Ruairí Quinn.]

cations from Irish universities. This initiative aims to make Irish research material more freely accessible, and to increase the research profiles of individual researchers and their institutions. The portal, rian.ie, was launched in 2010 and provides open access to the research of the seven universities and the Dublin Institute of Technology. I understand that there are proposals to extend this initiative to other institutions. I understand that there are a number of other initiatives under development across the sector, which aim to showcase and promote Irish research internationally and these developments are to be welcomed.

### Vocational Education Committees

120. **Deputy Noel Harrington** asked the Minister for Public Expenditure and Reform when he intends to extend the freedom of information Acts to vocational education committees; and if he will make a statement on the matter. [8765/12]

**Minister for Public Expenditure and Reform (Deputy Brendan Howlin):** The Programme for Government provides that the Government will legislate to restore and extend the Freedom of Information Acts. My Department is at an advanced stage in the preparation of the General Scheme of a Bill to give effect to the above commitments on Freedom of Information. Subject to Government approval of the draft Heads of the Bill and other priorities in the Government's legislative programme, I expect to be in a position later this year to introduce the Bill to give effect to these commitments. Extension of the Freedom of Information Acts will include consideration of extension of the Acts to the Vocational Education Committees.

### Departmental Expenditure

121. **Deputy Eoghan Murphy** asked the Minister for Public Expenditure and Reform the minimum amount of money spent by a Government Department that must be made public as an individual itemised line in the departmental accounts when published. [8767/12]

122. **Deputy Eoghan Murphy** asked the Minister for Public Expenditure and Reform the maximum amount of money that a Government Department can spend before that specific item of expenditure must be made public. [8768/12]

123. **Deputy Eoghan Murphy** asked the Minister for Public Expenditure and Reform the obligations to publish money spent by each Department. [8769/12]

124. **Deputy Eoghan Murphy** asked the Minister for Public Expenditure and Reform the degree of detail the Government is obliged to provide expenditure incurred by the State; and the form in which the information must be published. [8770/12]

**Minister for Public Expenditure and Reform (Deputy Brendan Howlin):** I propose to take Questions Nos. 121 to 124, inclusive, together.

In relation to expenditure by Government Departments, in the case of the majority of transactions, there are no minimum or maximum amounts specified for reporting in the annual accounts. There are, however, a number of situations in the annual Appropriation Accounts where expenditure thresholds apply. These are outlined in the Statement of Accounting Policy and Principles which are published with the Appropriation Accounts. Certain notes to the Accounts aim to draw the attention of the Dáil and of the Committee of Public Accounts to matters bearing on parliamentary control, or to provide fuller information about material transactions of an unusual nature recorded in the Account, e.g. losses, special or *ex gratia* payments, and extra remuneration. Except in the cases outlined below, notes are provided where an individual transaction, or a category of transactions taken together, involves a sum

of €50,000 or more. Where amounts lower than the threshold values are involved, notes are also provided where a serious issue of principle arises or where the Comptroller and Auditor General or the Department of Public Expenditure and Reform consider that a note should be given.

In the case of extra remuneration, the details given include the total amount paid under each category, the total number of recipients, the number of individuals that received €10,000 or more, and the maximum individual payment, if over €10,000. In the case of late payments in commercial transactions, information is supplied where the total of interest payments due was €10,000 or more or an individual interest payment was €10,000 or more. Apart from the issue of annual accounts, as the Deputy is probably aware, the Programme for Government includes a provision that every purchase order by a Government Department or agency for more than €20,000 will be published online. This process will commence over the coming months and will provide a range of information on state expenditure.

### Departmental Reviews

125. **Deputy Eoghan Murphy** asked the Minister for Public Expenditure and Reform when the national development plan is to be reviewed; and his plans for this review. [8775/12]

**Minister for Public Expenditure and Reform (Deputy Brendan Howlin):** My Department has already conducted a major review of capital expenditure programmes across Government in 2011. On foot of this we have set out our capital investment priorities for the next five years in *Infrastructure and Capital Investment 2012-2016*, which we published on 10 November 2011.

126. **Deputy Eoghan Murphy** asked the Minister for Public Expenditure and Reform his plans to introduce a green book appraisal system similar to that in the UK. [8778/12]

**Minister for Public Expenditure and Reform (Deputy Brendan Howlin):** In the *Comprehensive Expenditure Report 2012-2014* published last December, I set out a range of reform initiatives designed to modernise our system of public expenditure management and planning. As part of this reform process, I introduced a new Value for Money (VFM) Code, a central point of reference for the public service on good practice in the areas of evaluation, appraisal and prioritisation of public funds. The VFM Code, which is accessible on-line at <http://VFM.per.gov.ie>, consolidates, updates and streamlines earlier elements of the national VFM framework, including the Capital Appraisal Guidelines.

### EU Presidency

127. **Deputy Niall Collins** asked the Minister for Public Expenditure and Reform the preparations he has undertaken for the Irish Presidency of the EU Council in January 2013; the amount of money spent on EU Council Presidency related activities to date in 2012; the estimated expenditure up to December 2012; the budget for the six month Presidency specifically; the additional staff he has undertaken; the number of re-assigned staff he has undertaken; the estimated future staff requirements for the Presidency; and if he will make a statement on the matter. [8847/12]

**Minister for Public Expenditure and Reform (Deputy Brendan Howlin):** I have taken a close interest in the preparation for Ireland's EU Presidency since my appointment as Minister for Public Expenditure and Reform. A Presidency planning group has been set up within the Department and the matter is discussed regularly by the Department's Management Board. My Department also takes an active part in the various Presidency preparation groups established by the Department of the Taoiseach and continues to work closely with the Department of Finance on matters of common interest.

[Deputy Brendan Howlin.]

In addition to normal staffing and travel costs, a sum of €343,000 has been provided in my Department's budget for 2012 for Presidency related matters. Expenditure to date in 2012 has mainly been related to travel. As with other Departments, the budget for 2013 has yet to be finalized.

In the areas of staffing, my Department will shortly be appointing an attaché to the Permanent Representation in Brussels to deal with issues falling within the remit of the Department, principally in the area of Cohesion policy. This will be in addition to the Department of Finance personnel already in place there who provide a service to both Departments. Additional staffing requirements are under review.

A key issue for my Department during the Presidency will be the area of Cohesion policy. Under the Commission's proposals, which were published on 6 October 2011, the total Cohesion package is valued at €376 billion, making it the biggest single element of the EU Budget. Last November I attended an Informal Meeting of Cohesion Ministers in Poznan where I had an opportunity to engage with other Ministers responsible for Cohesion Policy, as well as Regional Policy Commissioner Hahn and Social Affairs Commissioner Andor. In December I also attended a meeting of the General Affairs Council devoted to Cohesion Policy. I will continue to be actively engaged in this important issue as we head into the Presidency.

#### **Departmental Expenditure**

128. **Deputy Charles Flanagan** asked the Minister for Public Expenditure and Reform the total cost to his Department of the provision of external legal services to his Department in respect of legal advice and legal services each year for the past five years. [8860/12]

**Minister for Public Expenditure and Reform (Deputy Brendan Howlin):** In general, my Department uses the services of the Office of the Attorney General and the Office of the Chief State Solicitor. The costs associated with these Offices are borne by their respective Votes. My Department also seeks outside legal advisors in circumstances requiring legal services of a specific nature. The total cost of such payments made by my Department since it was formed in 2011 was €2,226.40.

#### **Departmental Bodies**

129. **Deputy Jonathan O'Brien** asked the Minister for Jobs, Enterprise and Innovation the total number of employees in the Office of the Director of Corporate Enforcement; and the total number of ODCE employees who are part of the investigation team into Anglo Irish Bank. [8786/12]

**Minister for Jobs, Enterprise and Innovation (Deputy Richard Bruton):** The total number of staff in the Office of the Director of Corporate Enforcement is 48.9 full-time equivalents including 10.1 full-time equivalent Garda staff seconded from the Department of Justice and Equality. Sixteen staff are involved with the Office's investigation into events at Anglo Irish Bank.

130. **Deputy Michael Creed** asked the Minister for Jobs, Enterprise and Innovation if he is satisfied that the Competition Authority has sufficient resources to carry out its statutory and non statutory duties; and if he will make a statement on the matter. [8559/12]

**Minister for Jobs, Enterprise and Innovation (Deputy Richard Bruton):** My Department is currently undertaking a review of the resources of the Competition Authority. I expect this review to be completed by the end of March 2012. This review will have to take account of

Government policy to reduce the size and cost of the public sector through the Employment Control Framework.

### Work Permits

131. **Deputy Willie Penrose** asked the Minister for Jobs, Enterprise and Innovation if he will outline the way in which a person (details supplied) from Canada who is authorised because of special skills to work in the country on a one year work holiday visa can have same extended; if she will give details of their options on their status; and if he will make a statement on the matter. [8687/12]

**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. The Employment Permits Section has indicated that they cannot consider applications for employment permits for foreign nationals who are currently in the State on a working holiday authorisation (WHA) issued by Department of Foreign Affairs and Trade. WHAs are issued by the Irish Embassy/Consulate in the relevant country. They are issued to individuals for a period of 12 months and they must adhere strictly to the conditions set out. One of these conditions is that the person concerned would have signed a declaration stating that they would not seek authority to settle in Ireland and that they would leave the State at or before the end of the authorised period of stay. In the event that the WHA has expired and they have left the State then they are free to apply for an employment permit, however the current policy in relation to new first time applications would apply.

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.

Further information and the conditions that apply to the obtaining of new employment permits can be found at my Department's website at [www.djei.ie](http://www.djei.ie).

### County Enterprise Boards

132. **Deputy Pearse Doherty** asked the Minister for Jobs, Enterprise and Innovation the supports in place for persons who wish to set up a business. [8796/12]

**Minister for Jobs, Enterprise and Innovation (Deputy Richard Bruton):** State assistance for micro and small businesses and services in Ireland is currently delivered principally by the County and City Enterprise Boards (CEBs) and Enterprise Ireland (EI), operating as agencies under the aegis of my Department. Contact details for each of the CEBs can be obtained through their national website [www.enterpriseboards.ie](http://www.enterpriseboards.ie). Enterprise Ireland's HPSU Team is located at The Plaza, Eastpoint Business Park, Dublin 3. Early Stage Start-Up enquiries to EI should be directed to Phone No. 01 7272885, Fax No: 01 7272020 or e-mail: [client.service@enterprise-ireland.com](mailto:client.service@enterprise-ireland.com); Website: [www.enterprise-ireland.com](http://www.enterprise-ireland.com).

In addition, I have been reviewing the structure of enterprise supports in recent months and, in particular, the role of the CEBs. As the Deputy will be aware, under the Action Plan for Jobs it is proposed that a new "one-stop-shop" micro enterprise support structure be estab-

[Deputy Richard Bruton.]

lished through the dissolution of the existing CEB structures and the creation of a new Micro Enterprise and Small Business Unit in EI. EI will work with the Local Authorities to establish a new network of Local Enterprise Offices (LEOs) in each Local Authority. The LEOs will combine the enterprise support service of the previous CEBs and the business support work of the Business Support Units in the Local Authorities, offering an enhanced service because of their seamless access to both EI expertise and the broader business services of the Local Authority.

The intention is that the new LEOs will act as a focal point for a series of important new policy initiatives aimed at small businesses. The Deputy may wish to access the full details of the Action Plan for Jobs on my Department's website [www.djei.ie](http://www.djei.ie). However with regard to the crucial micro and small business sectors — from which many of our new jobs will come — my objective is to ensure that there is a continued clear focus of Government policy and supports.

### Job Creation

133. **Deputy Regina Doherty** asked the Minister for Jobs, Enterprise and Innovation his plans to provide employment opportunities for County Meath. [8799/12]

**Minister for Jobs, Enterprise and Innovation (Deputy Richard Bruton):** Job creation is at the top of the Government's agenda. Since we came into office, we have been working hard to create the improved economic conditions which will support the maintenance of existing jobs and the creation of new ones. Our objective is to put the country back on the road to economic recovery and full employment. The Action Plan for Jobs, which I launched last Monday, outlines the Government's plan to rebuild the economy and create jobs. The plan will improve access to finance for small businesses, reduce costs and red tape, and improve supports for exports, management and innovation.

Enterprise Ireland will continue to drive industrial development and job creation in Co. Meath where it is working with 172 Enterprise Ireland client companies. For the second successive year, employment in these companies has grown, with the most recent figures indicating that they employed 5,120 people on a full and part-time basis in 2011. Since 2007, funding of over €20m (€2.2m in 2011) has been approved by Enterprise Ireland to companies based in Co. Meath, helping them to retain and create employment.

In 2011, businesses supported by Meath County Enterprise Board created 358 full-time jobs and 120 other (i.e. part-time, seasonal, contract) jobs and I will continue to ensure that available funds are targeted to maximise entrepreneurial development.

I have also been reviewing the structure of enterprise supports in recent months and, in particular, the role of the CEBs. As the Deputy will be aware, under the Action Plan for Jobs it is proposed that a new "one-stop-shop" micro enterprise support structure be established through the dissolution of the existing CEB structures and the creation of a new Micro Enterprise and Small Business Unit in Enterprise Ireland. EI will work with the Local Authorities to establish a new network of Local Enterprise Offices (LEOs) in each Local Authority. The LEOs will combine the enterprise support service of the previous CEBs and the business support work of the Business Support Units in the Local Authorities, offering an enhanced service because of their seamless access to both EI expertise and the broader business services of the Local Authority.

The intention is that the new LEOs will act as a focal point for a series of important new policy initiatives aimed at small businesses. The Deputy may wish to access the full details of the Action Plan for Jobs on my Department's website [www.djei.ie](http://www.djei.ie). With regard to the crucial

micro and small business sectors — from which many of our new jobs will come — my objective is to ensure that there is a continued clear focus of Government policy and supports.

One of the targets for IDA Ireland in the Action Plan for Jobs is to have 50% of foreign direct investments based in locations outside of Dublin and Cork. IDA Ireland has been marketing a number of large towns, including Navan and Drogheda, as key locations of focus for foreign direct investment. At present, there are 16 IDA Ireland supported companies in Co. Meath employing approximately 1,300 people. The agency continues to work with these clients in encouraging them to broaden their mandate and to continue to re-invest within the region.

I am confident that the measures outlined in the Action Plan for Jobs, together with other policies and initiatives being pursued, will create the employment opportunities necessary for Co. Meath.

### **Economic Competitiveness**

134. **Deputy Michael Creed** asked the Minister for Jobs, Enterprise and Innovation if he is satisfied that a free and fair market exists for cement in this country; his views on the cost differential per tonne for cement supplied to the Irish market and the cost per tonne at which the same cement is exported to the UK; and if he will make a statement on the matter.

[8829/12]

**Minister for Jobs, Enterprise and Innovation (Deputy Richard Bruton):** One of the objectives of the Competition Act 2002 is to prohibit activities which prevent, distort or restrict competition in trade in the State. In that context, the Competition Authority is the statutory body responsible for the enforcement of competition law in the State. Section 29(3) of the Competition Act 2002 provides that the Authority is independent in the performance of its functions while under section 30(1)(b) of that Act, the Competition Authority is responsible for investigating alleged breaches of the Act. Persons who have concerns that anti-competitive practices are being undertaken should bring their concerns to the attention of the Competition Authority. As investigations and enforcement matters generally are part of the day-to-day operational work of the Authority, I have no direct function in the matter. On the issue of cost differentials, pricing strategies in any business is the normal outcome of the competitive process and is a legitimate business tool. Such practices are matters for businesses themselves and are ones in which I have no direct function.

### **EU Presidency**

135. **Deputy Niall Collins** asked the Minister for Jobs, Enterprise and Innovation the preparations he has undertaken for the Irish Presidency of the EU Council in January 2013; the amount of money spent on EU Council Presidency related activities to date in 2012; the estimated expenditure up to December 2012; the budget for the six month Presidency specifically; the additional staff he has undertaken; the number of re-assigned staff he has undertaken; the estimated future staff requirements for the Presidency; and if he will make a statement on the matter. [8845/12]

**Minister for Jobs, Enterprise and Innovation (Deputy Richard Bruton):** Preparations for the Irish Presidency have been ongoing in my Department for some time now. The Department has been inputting into two Inter-Departmental Planning Groups dealing with planning and logistics, the Inter-Departmental Committee for Coordinating the Presidency chaired by my colleague Ms Lucinda Creighton T.D. Minister of State for European Affairs and the Inter-Departmental Administrative Planning group chaired by a senior Official of the Department of Foreign Affairs and Trade.

[Deputy Richard Bruton.]

Last July a Presidency Planning Committee was established in my Department. The Committee meets on a regular basis and has discussed a wide range of related topics such as the implications of the Presidency on financial and human resources, ICT requirements, likely Presidency issues both legislative and non-legislative, the servicing of Council working groups in Brussels and training for chairpersons and delegates of these working groups. A considerable amount of Presidency engagement with Geneva based organisations will take place, including the International Labour Organisation (ILO), the World Trade Organisation (WTO) and the World Intellectual Property Organisation (WIPO). Additional staff resources will be required to service the Permanent Representation of Ireland to the EU in Brussels and Geneva, Presidency conferences and high level group meetings in Ireland.

This Department will be primarily responsible for three of the current Council of Ministers formations, namely:

- Competitiveness Council (Research, Industry and Internal Market issues).
- Employment, Social Policy Health and Consumer Affairs Council.
- Trade Council.

These Councils are supported by or linked to a range of Council chaired and Commission chaired Working Groups, advisory Groups and implementing Committees.

During the Irish Presidency I, along with my Ministers of State, Mr John Perry T.D., Minister for Small Business, and Mr Seán Sherlock T.D., Minister for Research and Innovation, will chair and act as head of delegation for the formal Council meetings. We will also attend plenary sessions of the European Parliament and work closely with various Commissioners. In preparation for this we continue to avail of every opportunity to engage with all the EU institutions and key players on policies of mutual concern. Bilateral meetings have been held at both official and Ministerial level with Commissioners and high ranking officials, our trio partners Lithuania and Greece, EU partners and like-minded groups. This level of engagement will further intensify during 2012.

It is my Department's intention to enhance its current staff deployment in the Perm Reps in Brussels and Geneva with 8 officials. Where possible, with effect from mid-2012, we also intend to avail of internships in both locations. In addition to these staff costs, there will be additional expenditure on staffing, training and travel and subsistence in 2012 in preparation for the Presidency. To-date no additional funding has been spent on Irish Presidency-related work. It is estimated that Presidency-related expenditure in 2012 could amount to €2 million in pay and non-pay costs. A similar figure is estimated for 2013.

### **Departmental Expenditure**

136. **Deputy Charles Flanagan** asked the Minister for Jobs, Enterprise and Innovation the total cost to his Department of the provision of external legal services to his Department in respect of legal advice and legal services each year for the past five years. [8858/12]

**Minister for Jobs, Enterprise and Innovation (Deputy Richard Bruton):** The cost of the provision of external legal services from solicitors and barristers to my Department and its Offices for each of the last five years is set out in the following table:

Cost of Legal Advice and Services

Year	Total cost €
2007	€1,259,629

Year	Total cost €
2008	€816,797
2009	€1,581,284
2010	€642,893.61
2011	€577,821.76

### Redundancy Payments

137. **Deputy Dan Neville** asked the Minister for Social Protection the position regarding a statutory redundancy application in respect of a person (details supplied) in County Limerick. [8546/12]

**Minister for Social Protection (Deputy Joan Burton):** A redundancy lump sum claim in respect of the person concerned was awarded and payment issued by cheque in December 2011.

138. **Deputy Seán Ó Fearghaíl** asked the Minister for Social Protection the reason a redundancy payment has not yet been issued in respect of a person (details supplied) in County Kildare; if said payment will be expedited; and if she will make a statement on the matter. [8635/12]

**Minister for Social Protection (Deputy Joan Burton):** My officials are investigating the reason why payment has not issued in this case. I understand that they are currently liaising with your office directly in this regard.

### Pension Provisions

139. **Deputy Mary Mitchell O'Connor** asked the Minister for Social Protection if funds in additional voluntary contribution schemes can be made available for early draw down thereby creating a more humane and flexible system which is responsive to the reality of life of many persons living in Ireland today; and if she will make a statement on the matter. [8648/12]

**Minister for Social Protection (Deputy Joan Burton):** Additional Voluntary Contributions (AVCs) are contributions made by employees in addition to any compulsory pension contributions they make to a pension scheme. They are used to improve the benefits of members over and above those provided by the pension scheme. AVCs are an integral part of pension savings and are normally availed off by employees to make up any shortfall they may have in their pensions. In common with regular contributions to pension saving, early access to pension savings is currently not permitted as they are designed to provide financial support to people in later life.

Pension coverage is still relatively low in Ireland and people are not making adequate provision for their retirement. Also, demographic indicators clearly indicate that increasing numbers of people are living longer and healthier lives with more of their lives spent in retirement than previously. The reduction in pension savings as a result of allowing people access their pension savings might have a short term benefit, however it could have significant longer term negative consequences by depleting the retirement savings of those who availed of it and could contribute to an increase in old age poverty.

Once the principle of keeping funds locked away until retirement has been breached it would be difficult to argue against a further withdrawal. Allowing people access to their pension savings before pension age would run totally counter to the policy of encouraging more people

[Deputy Joan Burton.]

to save more for their retirement. Accordingly, there are no proposals to provide for early draw down of AVC funds or early access to pension funds.

### **Social Welfare Appeals**

140. **Deputy Martin Ferris** asked the Minister for Social Protection when a person (details supplied) in County Kerry will receive a decision on an appeal for domiciliary care allowance. [8504/12]

**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 23 January 2012. 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. When received, the appeal in question will be referred in due course to an Appeals Officer for consideration. 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**

141. **Deputy Michael Healy-Rae** asked the Minister for Social Protection if she will consider making all participants in the CERRS, Tús and CSB schemes the same as social welfare recipients and classify them as such; and if she will make a statement on the matter. [8511/12]

**Minister for Social Protection (Deputy Joan Burton):** The Department of Social Protection operates a range of employment support measures designed to encourage and support social welfare recipients of working age to reduce their dependency on welfare payments. I understand that the Deputy is interested in the position relating to entitlement to secondary benefits.

Participants on the RSS, Tús and CE are entitled to continue to receive any secondary benefits to which they were previously entitled prior to their commencement on any of the above schemes. Entitlement to secondary benefits is subject to the usual assessment processes operated by the appropriate scheme area of the Department of Social Protection or relevant Authority. Participants are required to meet the terms and conditions attached to the secondary benefits, as set out in order to continue to qualify for any such payments.

The Health Service Executive (HSE) is responsible for medical cards and entitlement is dependent on personal circumstances. Applicants (for the above schemes) in receipt of job-seeker's allowance for a period of 12 months or more are entitled to retain their medical card for three years on taking up a place on the schemes from the date on which the placement commenced.

While participants on the RSS, Tús and CE are encouraged to engage in part-time work outside the time spent working on the respective scheme, they are advised to check this and any secondary benefits which are being claimed with their local Social Welfare Office, Health Service Executive and/or Local Authority to see if benefits are affected (for example, lone parents, rent allowance, medical card).

Individuals participating on the Community Services Programme (CSP) are treated as employees and it is up to their employer companies to determine their final salary levels. However, any spouse of a CSP participant is free to receive his/her own DSP payment, should the circumstances warrant it.

### Social Welfare Appeals

142. **Deputy Martin Ferris** asked the Minister for Social Protection when a person (details supplied) will have an appeal heard. [8518/12]

**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 1 December 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 23 January 2012 and the appeal will, in due course, be assigned to an Appeals Officer for consideration.

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

143. **Deputy Martin Ferris** asked the Minister for Social Protection when a decision on carer's allowance will issue in respect of a person (details supplied). [8520/12]

**Minister for Social Protection (Deputy Joan Burton):** The person concerned was refused carer's allowance on the grounds that the care recipient is not so disabled as to require full-time care and attention as prescribed in regulations. He was notified of this decision and the reason for it.

Additional medical evidence was received and forwarded to the Department's medical assessor for consideration. However, this information did not alter the opinion of the medical assessor and the deciding officer confirmed his decision. On 9 February 2012, the person concerned was notified of the outcome of the review.

### Social Welfare Appeals

144. **Deputy Martin Ferris** asked the Minister for Social Protection when a supplementary benefit appeal will be heard in respect of a person (details supplied) in County Kerry. [8524/12]

**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 14 January 2012. 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 30 January 2012 and the appeal will, in due course, be assigned to an Appeals Officer for consideration.

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.

145. **Deputy Brendan Griffin** asked the Minister for Social Protection if a decision has been made on the appeal for habitual residency in respect of a person (details supplied) in County Kerry; and if she will make a statement on the matter. [8527/12]

**Minister for Social Protection (Deputy Joan Burton):** I am advised by the Social Welfare Appeals Office that an oral hearing of the appeal of the person concerned took place on 7 February 2012 and the Appeals Officer is now considering the appeal in the light of all the

[Deputy Joan Burton.]

evidence submitted, including that adduced at the hearing. The person concerned will be notified of the Appeals Officer decision when the appeal has been determined.

The Social Welfare Appeals Office functions independently of the Minister for Social Protection and of the Department and is responsible for determining appeals against decisions on social welfare entitlements.

### **Social Welfare Appeals**

146. **Deputy Pat Breen** asked the Minister for Social Protection the position regarding an application for a person (details supplied) in County Clare; and if she will make a statement on the matter. [8536/12]

**Minister for Social Protection (Deputy Joan Burton):** The Social Welfare Appeals Office has advised me that the appeal from the person concerned was referred to an Appeals Officer who proposes to hold an oral hearing in this case.

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 and 2011 when the intake rose to 32,432 and 31,241 respectively. 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.

### **Redundancy Payments**

147. **Deputy John O'Mahony** asked the Minister for Social Protection when a person (details supplied) in County Mayo will receive their rebate payment; and if she will make a statement on the matter. [8537/12]

**Minister for Social Protection (Deputy Joan Burton):** Five redundancy rebate claims in respect of the company concerned were received on 28 July 2011. Redundancy rebate claims received in May 2011 are currently being processed.

148. **Deputy Anthony Lawlor** asked the Minister for Social Protection the reason for the delays in processing applications for State redundancy payments; the steps being taken to expedite the processing of these claims; and if she will make a statement on the matter. [8543/12]

**Minister for Social Protection (Deputy Joan Burton):** The purpose of the Redundancy Payments Scheme is to compensate workers, under the Redundancy Payments Acts, 1967 to 2011, for the loss of their jobs by reason of redundancy. Under the Redundancy Payments Acts an eligible employee is entitled to two weeks statutory redundancy payment for every year of service, plus a bonus week. Compensation is based on the worker's length of reckonable service and reckonable weekly remuneration, subject to a ceiling of €600 per week. Employees must have at least two years' service to be eligible for a redundancy payment. There are two types of redundancy payments — rebates to employers and lump sums paid directly to employees,

where an employer refuses, or is unable to pay lump sums. Both rebate and lump sum payments are paid from the Social Insurance Fund (SIF).

It is the responsibility of the employer to pay statutory redundancy to all eligible employees. An employer who pays statutory redundancy payments to employees is then entitled to a rebate from the State of a percentage of the relevant amount.

There is currently a backlog of approximately 29,000 statutory redundancy claims on hand. There are two processing streams for redundancy claims. A new computerised system was introduced in October 2011 and online claims submitted correctly through this system may be processed, on average, within six to eight weeks. Manual claims submitted since October 2011 are also processed as part of this stream but take longer to process due to the need to enter the manual claims onto the new system.

Claims submitted prior to the introduction of this new system require more clerical intervention and will take longer to process and are part of a second processing stream. The Department is currently processing claims in this category which were received in late May/early June 2011.

### **Social Welfare Appeals**

149. **Deputy Timmy Dooley** asked the Minister for Social Protection when a decision will issue on an appeal for farm assist in respect of a person (details supplied) in County Clare; and if she will make a statement on the matter. [8556/12]

**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 summary decision. The person concerned has been notified of the Appeals Officer 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.

150. **Deputy Seán Ó Fearghail** asked the Minister for Social Protection the position regarding an application for domiciliary care allowance in respect of a person (details supplied) in County Kildare; and if she will make a statement on the matter. [8558/12]

**Minister for Social Protection (Deputy Joan Burton):** The Social Welfare Appeals Office has advised me that the appeal from the person concerned was referred to an Appeals Officer who proposes to hold an oral hearing in this case.

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 and 2011 when the intake rose to 32,432 and 31,241 respectively. 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.

### Social Welfare Benefits

151. **Deputy Patrick O'Donovan** asked the Minister for Social Protection the position regarding the enactment of the partial capacity benefit scheme; and if she will make a statement on the matter. [8661/12]

**Minister for Social Protection (Deputy Joan Burton):** I am pleased to advise the Deputy that the Partial Capacity Benefit scheme was formally launched on Monday, 13 February 2012. Full details of the scheme have been published on the Department's website.

The Partial Capacity Benefit scheme is open to people who are in receipt of Invalidity Pension (IP) or who have been in receipt of Illness Benefit (IB) for a minimum of six months. Participation in the scheme is voluntary and the scheme is designed in particular to respond to the needs of people who have sought to avail of 'exemptions' in order to take up employment opportunities. The limitations on hours worked which applied under the 'exemptions' arrangements do not apply to the new scheme.

The introduction of the Partial Capacity scheme marks an important positive development of the social welfare system. The scheme recognises that the welfare system, which categorised people as 'fit to work' or 'unfit to work', did not reflect the reality for many existing welfare customers. It provides an opportunity for people with disabilities, and assessed to have an employment capacity which is restricted when compared to the norm, to avail of employment opportunities while continuing to receive an income support payment.

### Social Welfare Appeals

152. **Deputy James Bannon** asked the Minister for Social Protection the position regarding an application for carer's allowance in respect of a person (details supplied) in County Longford; and if she will make a statement on the matter. [8664/12]

**Minister for Social Protection (Deputy Joan Burton):** On 27 April 2010 the person concerned was refused carer's allowance on the grounds that the care recipient was not so disabled as to require full time care and attention as prescribed in social welfare legislation. She was notified of this decision and the reason for it.

The person concerned appealed this decision and the matter was brought before an appeal hearing of the Social Welfare Appeals Office. The decision of the appeals officer was to uphold the deciding officer's decision and, accordingly, the appeal was disallowed. On 25 March 2011 the person concerned was notified of the appeals officer's decision. The Department has no record of any subsequent application for carer's allowance.

### Social Welfare Benefits

153. **Deputy James Bannon** asked the Minister for Social Protection the number of migrants claiming benefits here; and if she will make a statement on the matter. [8668/12]

**Minister for Social Protection (Deputy Joan Burton):** The information requested by the Deputy is not routinely collated by my Department as not all schemes register the details of the client's nationality.

If a person has paid the required PRSI class, in non-EU cases had a valid Work Permit and satisfies all the qualifying conditions of the scheme (including the Habitual Residence Condition) they are treated as equally as all other claimants.

At the end of January 2012 there were approximately 315,018 identifiable non-Irish nationals claiming benefits in this jurisdiction. A scheme breakdown of this number is set out for your information.

Scheme	Non-Irish National
Carers Allowance	Not Available
Carers Benefit	Not Available
Domiciliary Care Scheme	3,637
Invalidity Pension	1,022
State Pension Contributory	4,551
State Pension Non-contributory	3,979
State Pension Transition	353
Widow(er)'s Contributory Pension	2,561
Disablement Benefit	Not Available
FIS	8,467
Child Benefit (Recipients)	121,592
Child Benefit (Children)	223,362
Blind Persons Pension	Not Available
Basic Supplementary Welfare Allowance (1)	11,162
Rent Supplement	35,333
Mortgage Interest Supplement	1,979
Other Supplements (2)	1,234
Disability Benefit	10,749
Occupational Injury Benefit	383
One-parent Family Payment	15,668
Back to Education Allowance	4,288
Back to Work	2,540
Internship Program	444
Labour Market Activation Fund	59
Springboard Program	334
Short Term Enterprise Allowance	167
Jobseekers Allowance	59,087
Jobseekers Benefit	25,429

(1) Includes Direct Provision Allowance.

(2) Includes Diet, Travel, Creche, etc.

### Social Welfare Appeals

154. **Deputy Sean Fleming** asked the Minister for Social Protection the position regarding mortgage interest supplement in respect of a person (details supplied) in County Laois; if it is being awarded; the amount involved; and if she will make a statement on the matter. [8670/12]

**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 24th October 2011. It is a statutory requirement of the appeals process that the relevant Departmental papers and comments by or on behalf of the Designated Person who decided the case on the grounds of appeal be sought. These papers were received in the Social Welfare Appeals Office on 24th January 2012 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.

[Deputy Joan Burton.]

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.

### Community Employment Schemes

155. **Deputy Gerry Adams** asked the Minister for Social Protection if she will provide a list of all community employment schemes in County Louth in tabular form; the numbers of participants per scheme; the length of time each scheme will be active; the location of each scheme; the supervisor of each scheme; the funding that was provided to each scheme in 2009, 2010, 2011; the funding that will be provided in 2012; and if she will make a statement on the matter. [8676/12]

**Minister for Social Protection (Deputy Joan Burton):** There are currently 29 Community Employment Projects with a total of 743 participants and 44 supervisors in place in County Louth. Projects run for a 52 week period and contracts are renewed at various stages throughout the year.

Attached is a breakdown of Co Louth projects showing the number of participants, project start and finish dates, the name and location of each project and the number of supervisors attached to each project. Funding to County Louth projects is estimated as follows:

Year	€m
2009	circa €14.2 million
2010	circa €15.4 million
2011	circa €14.7 million

Funding for County Louth Projects in 2012 is estimated to be €14.3 million.

156. **Deputy Gerry Adams** asked the Minister for Social Protection when she expects the review into the community employment schemes she announced in the aftermath of Budget 2012; when the review will conclude; if the review team have been consulting with CE scheme supervisors as part of the review; and if she will make a statement on the matter. [8677/12]

**Minister for Social Protection (Deputy Joan Burton):** Following the reductions in the CE training and materials grant announced in the Budget, the Department of Social Protection commenced a review of the financial resources of individual schemes. This review is scheduled to be completed by the end of March.

All sponsors have been contacted by Department officers at local level to brief them on the review, discuss their returns and deal with any queries that the sponsors may have. The submissions will be made to these officers.

In addition to these local discussions, discussion and consultation with the main representative bodies and stakeholders, including supervisors, involved in schemes will take place over the coming weeks in regard to funding.

### Departmental Staff

157. **Deputy Patrick O'Donovan** asked the Minister for Social Protection in view of the fact that community welfare officers have been transferred from the Department of Health to the Department of Social Protection, the persons with responsibility of providing financial assist-

ance to patients who have to travel regularly to hospital for treatment; and if she will make a statement on the matter. [8681/12]

**Minister for Social Protection (Deputy Joan Burton):** Under the supplementary welfare allowance (SWA) scheme, the Department may make a single exceptional needs payment (ENP) to help meet essential, once-off expenditure, which a person could not reasonably be expected to meet out of their weekly income. However, the scheme is not intended to cover circumstances where another Government Department or Agency has a primary responsibility such as patient transport. Patient transport is a matter for the Health Service Executive and it was never within the remit of the Community Welfare Service.

#### **Social Welfare Benefits**

158. **Deputy Gerry Adams** asked the Minister for Social Protection if she will provide an update from the group formed in her Department to examine the position of part-time fire-fighters with respect to social welfare payments. [8727/12]

**Minister for Social Protection (Deputy Joan Burton):** Taking account of the unusual circumstances of retained fire brigade personnel and general efforts to develop and standardise our jobseeker schemes, a departmental group was established in late 2011 to examine the position of these workers vis-à-vis jobseeker's benefit and jobseeker's allowance. Deliberations on this issue are currently being finalised. My officials will be in touch with relevant deputies in this regard in due course.

#### **Social Welfare Appeals**

159. **Deputy Michael Creed** asked the Minister for Social Protection the reason for the delay in expediting a decision on an appeal on an application for disability allowance in respect of a person (details supplied) in County Cork; and if she will make a statement on the matter. [8780/12]

**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 21 March 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 28th November 2011 and the appeal was assigned to an Appeals Officer for consideration on 16 January 2012.

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 and 2011 when the intake rose to 32,432 and 31,241 respectively. This has significantly impacted on the processing time for appeals and, in order to be fair to all appellants, they are dealt with in strict chronological order.

The Social Welfare Appeals Office functions independently of the Minister for Social Protection and of the Department and is responsible for determining appeals against decisions on social welfare entitlements.

#### **Social Welfare Code**

160. **Deputy Pearse Doherty** asked the Minister for Social Protection if she will clarify changes made in budget 2012 to one-parent family payments for applicants who applied after 27 April 2011 and whose children turns 14 in 2012; and does the payment cease once the child turns 14 or do they continue to receive it until the end of 2012. [8782/12]

**Minister for Social Protection (Deputy Joan Burton):** Legislative changes were introduced to the one-parent family payment (OFP) scheme in the Social Welfare (Miscellaneous Provisions) Act, 2010. These came into effect on 27 April, 2011, and reduced the maximum age limit of the youngest child for receipt of the OFP to 14. Further changes to the maximum age limit of the youngest child for receipt of the OFP were announced in Budget 2012.

For pre-27 April, 2011 customers the current tapering arrangement will remain in place until 2015 (i.e. age 18 in 2012, age 17 in 2013, age 16 in 2014), at which point the age limit of the youngest child for receipt of payment will reduce to age 7. A saver, up to the end of the 2012-2013 academic year, was provided for recipients with a child aged between 17 and 22 who is in full-time education, when the change in qualification was introduced on 27 April, 2011 and this will continue to apply.

For customers whose OFP claim commenced between 27 April, 2011 and April, 2012 the current age limit of age 14 will remain in place in 2012 and there will therefore be no change. The age limit will then reduce to age 12 in 2013, age 10 in 2014 and age 7 in 2015. In all cases, the age limit applies when the child reaches that age.

### Social Welfare Benefits

161. **Deputy Aengus Ó Snodaigh** asked the Minister for Social Protection the number of qualified adults in relation to whom a payment is being made minus those qualified adults that are of pension age. [8746/12]

162. **Deputy Aengus Ó Snodaigh** asked the Minister for Social Protection the number of female qualified adults in relation to whom a payment is being made minus those qualified adults that are of pension age. [8747/12]

163. **Deputy Aengus Ó Snodaigh** asked the Minister for Social Protection if any recent research has been undertaken that documents a breakdown of who the qualified adults in regard to whom a payment is being made are in terms of age profile, educational qualifications and work history; and if so, the key findings of same. [8748/12]

**Minister for Social Protection (Deputy Joan Burton):** I propose to take Questions Nos. 161 to 163, inclusive, together.

The information requested by the Deputy is not routinely collated by my Department across all of its various schemes. Where possible I have included the information requested by the Deputy in full. The Department has not undertaken or commissioned research in relation to qualified adult payments. This is a matter that the Department may examine in the future as it develops policies to further reform the Social Welfare system. At the end of December 2011 there were approximately 193,000 adult dependent allowances in payment.

	Total Number of Qualified Adults	Number of Qualified Adults Under 66 years of age.	Female Adult Dependents under 66 years of age
State Pension (Contributory)	66,609	18,246	17,954
State Pension (Transition)	2,572	2,284	2,224
State Pension (Non-Contributory)	3,012	3,012	2,600
Pre-Retirement Allowance	1,233	Not Available	Not Available
Illness Benefit	7,894	Not Available	Not Available
Interim Illness Benefit	33	Not Available	Not Available
Injury Benefit	95	Not Available	Not Available

	Total Number of Qualified Adults	Number of Qualified Adults Under 66 years of age.	Female Adult Dependents under 66 years of age
Invalidity Pension	7,728	7,478	6,573
Disablement Pension	161	Not Available	Not Available
Disability Allowance	8,737	8,606	Not Available
Blind Pension	127	127	Not Available
Jobseeker's Benefit	9,771	Not Available	Not Available
Jobseeker's Allowance	65,480	Not Available	Not Available
Back To Work Allowance Employee	17	Not Available	Not Available
<i>Back To Work Enterprise Allowance</i>			
— Self Employed First Year	2,216	Not Available	Not Available
— Self Employed Years 2-4	1,885	Not Available	Not Available
Back To Education Allowance	2,322	Not Available	Not Available
Farm Assist	5,213	Not Available	Not Available
Supplementary Welfare Allowance	7,906	Not Available	Not Available

164. **Deputy Aengus Ó Snodaigh** asked the Minister for Social Protection the total number of persons in receipt of one-parent family payment; and the total number of children to which this relates. [8751/12]

165. **Deputy Aengus Ó Snodaigh** asked the Minister for Social Protection the number of persons in receipt of one-parent family payment who are also engaged in paid employment. [8752/12]

166. **Deputy Aengus Ó Snodaigh** asked the Minister for Social Protection if she will provide a breakdown of the weekly hours worked by persons in receipt of an one-parent family payment that is the number of recipients working five hours, ten hours, 15 hours, 20 hours, 25 hours, 30 hours and 35 hours. [8753/12]

167. **Deputy Aengus Ó Snodaigh** asked the Minister for Social Protection if she will provide a breakdown of the days worked each week by persons in receipt of a one-parent family payment that is the number of recipients working one day, two days, three days, four days and five days each week. [8754/12]

**Minister for Social Protection (Deputy Joan Burton):** I propose to take Questions Nos. 164 to 167, inclusive, together.

There were 90,267 recipients of One-parent Family Payments at the end of January 2012 with payments being made in respect of 149,196 qualified children. It is estimated that approximately 46% of the recipients are in paid employment. Information concerning the working patterns of recipients of One-Parent Family Payment is not collated by my Department.

### Social Welfare Code

168. **Deputy Aengus Ó Snodaigh** asked the Minister for Social Protection if she will provide tables updating those contained on pages 96 to 108 of the report on the desirability and feasibility of introducing a single social assistance payment for persons of working age' published in November 2010 taking account of the subsequent budget cuts. [8755/12]

**Minister for Social Protection (Deputy Joan Burton):** In November 2010, my Department published a "Report on the Desirability and Feasibility of introducing a Single Payment for

[Deputy Joan Burton.]

People of Working Age”. The report concluded that it was both desirable and feasible to move to a single payment over time. There is a commitment contained in the agreed EU/ECB/IMF Programme of Financial Support, that Ireland will present a comprehensive programme of reforms for the social welfare system to the troika by the end of quarter 1 2012. This programme of reforms is expected to contain an implementation plan for the introduction of the single payment.

An internal working group within the Department of Social Protection has been established and has commenced work on designing the single payment. As part of its work a number of models are being developed to illustrate the various policy options regarding the single payment. These models will contain tables similar to those in the 2010 feasibility study. As all the relevant data is still being compiled these tables are not yet available.

In addition to the internal working group, an interdepartmental group has been set up in relation to the provision of the necessary supports and services to assist recipients of a single payment to progress into employment.

Following the work of these groups a report will be prepared for the Minister. No decisions have been made on the structure of the single payment; those will be matters for Government in due course.

### Social Welfare Benefits

169. **Deputy Aengus Ó Snodaigh** asked the Minister for Social Protection if she will provide a breakdown by age of the number of recipients of one-parent family payment. [8757/12]

**Minister for Social Protection (Deputy Joan Burton):** At the end of January 2012 there were 90,267 people in receipt of One-parent Family Payment. A breakdown of these recipients by age is set out in the following table:

One-Parent Family Payment

Age	Recipients
Under 25	11,701
25-29	17,443
30-34	17,931
35-39	15,946
40-44	13,297
45-49	8,672
50-54	3,803
55-59	1,209
60-64	249
65 and over	16
Total	90,267

170. **Deputy Aengus Ó Snodaigh** asked the Minister for Social Protection if she will provide a breakdown by age of the number of recipients of carer’s allowance. [8758/12]

**Minister for Social Protection (Deputy Joan Burton):** At the end of December 2011 there were 51,666 people in receipt of Carer’s Allowance. A breakdown of these recipients by age is set out in the following table:

## Carer's Allowance

Age	Recipients
Under 25 years	655
25 to 29 years	1,564
30 to 34 years	3,262
35 to 39 years	5,313
40 to 44 years	6,914
45 to 49 years	7,134
50 to 54 years	6,333
55 to 59 years	5,622
60 to 64 years	5,132
65 to 69 years	4,254
70 to 74 years	2,912
75 to 79 years	1,846
80 years and over	725

**Social Welfare Appeals**

171. **Deputy Billy Timmins** asked the Minister for Social Protection the position regarding invalidity pension appeals; the length of time it is taking for decisions to be made on IP appeals; the steps she is taking to help speed up the process; and if she will make a statement on the matter. [8811/12]

**Minister for Social Protection (Deputy Joan Burton):** I am informed by the Social Welfare Appeals Office that the number of appeals for invalidity pensions on hand at the end of 2011 was 1,582 and the average length of time to process invalidity pension appeals which were finalised in 2011 was 36.4 weeks for those dealt with by way of a summary decision and 58.9 weeks for those that required an oral hearing. These processing times are calculated from the registration date of the appeal to the date of its finalisation and include all activities during this period including time spent in the Department for comments by the Deciding Officer on the grounds of appeal put forward by the appellant and any further investigation, examination or assessment by the Department's Inspectors and Medical Assessors that is deemed necessary. A considerable period of time is added to the process when an oral hearing is required because of the logistics involved in this process.

In an effort to reduce the processing times, the Department appointed 9 additional Appeals Officers during 2011 who augmented the 3 appointments made to the Office in 2010. In addition, a further 10 Appeals Officers, formerly employed by the Community Welfare Services (CWS) of the Health Services Executive joined the Office as part of the integration of the CWS appeals services into the Social Welfare Appeals Office. This brings the total number of Appeals Officers to 39.

I am assured by the Chief Appeals Officer that she is keeping the methods of operation by which the Social Welfare Appeals Office conducts its business under constant review, and that the processes are continuously being enhanced to reduce the backlogs in the Office and, overall, to reduce the processing times for dealing with appeals.

**EU Presidency**

172. **Deputy Niall Collins** asked the Minister for Social Protection the preparations she has undertaken for the Irish Presidency of the EU Council in January 2013; the amount of money

[Deputy Niall Collins.]

spent on EU Council Presidency related activities to date in 2012; the estimated expenditure up to December 2012; the budget for the six-month Presidency specifically; the additional staff she has undertaken; the number of re-assigned staff she has undertaken; the estimated future staff requirements for the Presidency; and if she will make a statement on the matter. [8848/12]

**Minister for Social Protection (Deputy Joan Burton):** Discussions on priorities for the EU Presidency, the functions which will take place under the auspices of my Department and the resources which will be required to support Presidency activities are ongoing at present. Work on the Presidency has so far been undertaken using existing staffing resources. Accordingly, expenditure to date has been quite small and is limited to about €750 on travel costs in respect of meetings in Brussels with officials of the EU Commission.

The Presidency will involve officials of my Department taking over the Chair of a number of EU Committees which oversee the coordination of social security systems across the EU. In addition, the hosting of a number of other functions including Ministerial meetings or conferences and high level officials meetings is being considered. Discussion on the number and nature of these meetings is at present taking place. It is not possible at this stage to estimate the cost of the Presidency to my Department or the additional staffing resources required until discussions on the overall programme are finalised. My Department's plans must, of course, have regard to the overall budget set by the Government for Presidency activities.

### Departmental Expenditure

173. **Deputy Charles Flanagan** asked the Minister for Social Protection the total cost to her Department of the provision of external legal services to the Department in respect of legal advice and legal services in each year for the past five years. [8861/12]

**Minister for Social Protection (Deputy Joan Burton):** The Department incurs expenditure on legal and compensation costs and fees from the Department of Social Protection Vote and the Social Insurance Fund. The elements of these payments relating solely to legal fees are not recorded separately. The following table sets out expenditure on legal and compensation costs/fees for the period from 2007 to 2011:

Legal and compensation costs/fees

Year	Department of Social Protection Vote €	Social Insurance Fund €
2007	300,814	97,670
2008	204,964	20,797
2009	280,778	96,028
2010	838,266	0
2011	1,245,115	0

Costs relating to prosecutions arising from fraudulent claims made to the Department are borne by the Chief States Solicitors Office. Figures provided for 2011 are provisional.

### Departmental Funding

174. **Deputy Alex White** asked the Minister for Arts, Heritage and the Gaeltacht the level of public funding given by him to subsidise and support the network of Irish summer colleges in 2011; the budgetary provision, if any, that has been made for 2012; and if he will make a statement on the matter. [8640/12]

**Minister of State at the Department of Arts, Heritage and the Gaeltacht (Deputy Dinny McGinley):** My Department does not provide any assistance directly to Irish summer colleges in the Gaeltacht. However, under Scéim na bhFoghlaimoírí Gaeilge, my Department provides assistance to Gaeltacht households who accommodate Irish students while attending summer colleges in the Gaeltacht. A total of €4.45m was paid under the scheme in 2011 and €4.35m has been allocated for the scheme in 2012.

### Designated Areas

175. **Deputy Pearse Doherty** asked the Minister for Arts, Heritage and the Gaeltacht the number of appeals submitted to his Department with regard to proposed SPAs in west County Donegal; if all appeals and objections have been acknowledged by him; and the direction he intends to pursue taking into account the local concerns in the west Donegal area. [8656/12]

**Minister for Arts, Heritage and the Gaeltacht (Deputy Jimmy Deenihan):** I assume that the Deputy's Question refers to the six Special Protection Areas (SPAs) that have been specifically selected for the Corncrake in Donegal. My Department has issued written acknowledgements in respect of some 261 valid objections received in relation to the proposed designation of these sites. Each of these objections will be considered on its own merits. Objectors will be informed of my Department's decisions and will be given an opportunity to appeal to the Designated Areas Appeals Advisory Board, which will consider further the merits of any appeal referred to it. Once all appeals are dealt with, it will then be a matter of proceeding to formally designate the sites, including any boundary adjustments arising from appeals, through the making of a Statutory Instrument for each site.

### EU Presidency

176. **Deputy Niall Collins** asked the Minister for Arts, Heritage and the Gaeltacht the preparations he has undertaken for the Irish Presidency of the EU Council in January 2013; the amount of money spent on EU Council Presidency related activities to date in 2012; the estimated expenditure up to December 2012; the budget for the six-month Presidency specifically; the additional staff he has undertaken; the number of re-assigned staff he has undertaken; the estimated future staff requirements for the Presidency; and if he will make a statement on the matter. [8836/12]

**Minister for Arts, Heritage and the Gaeltacht (Deputy Jimmy Deenihan):** My Department is actively involved in the ongoing preparations for Ireland's Presidency of the Council of Ministers of the European Union in 2013, including in relation to events both on the European and wider international stage in the lead up to, and during, the Presidency. To this end, an EU Presidency steering group has been established in my Department, which reports to me on a regular basis. The group is advancing a programme of work to support key EU Presidency objectives, particularly in the heritage and culture areas. Officials from my Department are also actively involved in the inter-Departmental committees established to oversee Presidency preparations.

In particular, my Department will play a significant role in the development and implementation of a Cultural Programme to accompany Ireland's EU Presidency. The Cultural Programme offers an important opportunity to project a strong image of Ireland to audiences within the EU and beyond. It will also provide a platform to engage with people at home concerning Ireland's place in the EU. Funding to support the development of the Cultural Programme will be addressed in the context of the 2012 Revised Estimates. My Department is already engaged with a number of other key Departments and organisations to ensure that effective advance

[Deputy Jimmy Deenihan.]

planning is undertaken in developing a multi-stranded programme targeted at audiences, both in Ireland and abroad.

With regard to staff to support Presidency-related work, my Department is currently reviewing what internal reassignments will be necessary to support its increased Presidency responsibilities. In this regard, an application for some limited staff flexibility has been made to the Department of Public Expenditure of Reform, within the parameters set out by Government.

### **Departmental Expenditure**

177. **Deputy Charles Flanagan** asked the Minister for Arts, Heritage and the Gaeltacht the total cost to his Department of the provision of external legal services to the Department in respect of legal advice and legal services each year for the past five years. [8851/12]

**Minister for Arts, Heritage and the Gaeltacht (Deputy Jimmy Deenihan):** My Department was established on 1 June 2011 and the Deputy will appreciate that it only feasible, therefore, to provide the information requested from that date. Accordingly, I can confirm that my Department has not incurred any costs in relation to legal advice or legal services since 1 June 2011.

### **Grant Payments**

178. **Deputy Jerry Buttimer** asked the Minister for Communications, Energy and Natural Resources the reason a person (details supplied) in County Cork has not yet received payment under the Sustainable Energy Ireland scheme for work carried out; the reasons for the delay; when payment can be expected; and if he will make a statement on the matter. [8814/12]

179. **Deputy Jerry Buttimer** asked the Minister for Communications, Energy and Natural Resources the reason a person (details supplied) in County Cork has not yet received payment under the Sustainable Energy Ireland scheme for work carried out; the reasons for the delay; when payment can be expected; and if he will make a statement on the matter. [8815/12]

180. **Deputy Jerry Buttimer** asked the Minister for Communications, Energy and Natural Resources the reason a person (details supplied) in County Cork has not yet received payment under the Sustainable Energy Ireland scheme for work carried out; the reasons for the delay; when payment can be expected; and if he will make a statement on the matter. [8816/12]

181. **Deputy Jerry Buttimer** asked the Minister for Communications, Energy and Natural Resources the reason a person (details supplied) in County Cork has not yet received payment under the Sustainable Energy Ireland scheme for work carried out; the reasons for the delay; when payment can be expected; and if he will make a statement on the matter. [8817/12]

182. **Deputy Jerry Buttimer** asked the Minister for Communications, Energy and Natural Resources the reason a person (details supplied) in County Cork has not yet received payment under the Sustainable Energy Ireland scheme for work carried out; the reasons for the delay; when payment can be expected; and if he will make a statement on the matter. [8818/12]

183. **Deputy Jerry Buttimer** asked the Minister for Communications, Energy and Natural Resources the reason a person (details supplied) in County Cork has not yet received payment under the Sustainable Energy Ireland scheme for work carried out; the reasons for the delay; when payment can be expected; and if he will make a statement on the matter. [8819/12]

184. **Deputy Jerry Buttimer** asked the Minister for Communications, Energy and Natural Resources the reason a person (details supplied) in County Cork has not yet received payment under the Sustainable Energy Ireland scheme for work carried out; the reasons for the delay; when payment can be expected; and if he will make a statement on the matter. [8820/12]

185. **Deputy Jerry Buttimer** asked the Minister for Communications, Energy and Natural Resources the reason a person (details supplied) in County Cork has not yet received payment under the Sustainable Energy Ireland scheme for work carried out; the reasons for the delay; when payment can be expected; and if he will make a statement on the matter. [8821/12]

186. **Deputy Jerry Buttimer** asked the Minister for Communications, Energy and Natural Resources the reason a person (details supplied) in County Cork has not yet received payment under the Sustainable Energy Ireland scheme for work carried out; the reasons for the delay; when payment can be expected; and if he will make a statement on the matter. [8822/12]

187. **Deputy Jerry Buttimer** asked the Minister for Communications, Energy and Natural Resources the reason a person (details supplied) in County Cork has not yet received payment under the Sustainable Energy Ireland scheme for work carried out; the reasons for the delay; when payment can be expected; and if he will make a statement on the matter. [8823/12]

188. **Deputy Jerry Buttimer** asked the Minister for Communications, Energy and Natural Resources the reason a person (details supplied) in County Cork has not yet received payment under the Sustainable Energy Ireland scheme for work carried out; the reasons for the delay; when payment can be expected; and if he will make a statement on the matter. [8824/12]

**Minister for Communications, Energy and Natural Resources (Deputy Pat Rabbitte):** I propose to take Questions Nos. 178 to 188, inclusive, together.

Better Energy Homes is administered by the Sustainable Energy Authority of Ireland (SEAI). It is a rules-based scheme with each application subject to a number of checks and reviews to ensure that the terms and conditions of the scheme are fully met by homeowners and contractors in the disbursement of public funds. I have been informed by the SEAI that the cases referred to by the Deputy are currently being examined.

In general, queries in relation to individual applicants are an operational matter for the SEAI and a dedicated hot line can be reached at 1850 927 000. In addition, the SEAI has established a specific email address for queries from Oireachtas members, which can be sent to [oireachtas@seai.ie](mailto:oireachtas@seai.ie) and will be dealt with promptly *mailto:oireachtas@seai.ie*.

### Mobile Telephony

189. **Deputy Martin Ferris** asked the Minister for Communications, Energy and Natural Resources the number of complaints ComReg has received in relation to a premium mobile phone number 57675. [8515/12]

**Minister for Communications, Energy and Natural Resources (Deputy Pat Rabbitte):** In accordance with Part 2 of the Communications Regulation (Premium Rate Services and Electronic Communications Infrastructure) Act 2010, the Commission for Communications Regulation (ComReg) has statutory responsibility for the regulation of premium rates services. Complaints regarding such services are therefore a matter for ComReg. I wish to advise the Deputy that my Department does not hold the information sought. I understand that comprehensive information on the rights of individuals and complaints procedures is available on ComReg's website [www.phonesmart.ie](http://www.phonesmart.ie).

### EU Directives

190. **Deputy Liam Twomey** asked the Minister for Communications, Energy and Natural Resources if he will outline the pathway for the implementation of the Renewable Energy Directive for 2020, in view of the fact that this will help indigenous companies plan for the future; and if he will make a statement on the matter. [8516/12]

**Minister for Communications, Energy and Natural Resources (Deputy Pat Rabbitte):** Directive 2009/28/EC on renewable energy requires all EU Member States that they have a plan in place which sets out the planned trajectory towards the achievement of their legally binding target under the Renewable Energy Directive. The Directive also sets indicative interim targets so that the European Commission can monitor whether the actions being taken by Member States are sufficiently robust over the period to ensure the target will be reached by 2020. Ireland submitted its National Renewable Energy Action Plan to the European Commission in mid 2010.

Under Article 22 of the Directive, Member States are required to submit progress reports on the National Renewable Energy Action Plan to the European Commission. The progress report requires any changes in policy to be flagged to the Commission as well as requiring various other reporting and statistics. Ireland's first progress report has been published on my Department's website.

Within each sector, the progress report sets out the actions which are being taken towards the achievement of the target and the renewable technologies being deployed. In the electricity sector, the bulk of the target will be achieved through onshore wind generation supported by the REFIT tariff. In transport, the target is being progressed through the biofuels obligation with the prospect of some contribution to the target from electrification. The heating target which is particularly challenging will be assisted through take-up of the recently announced biomass REFIT scheme.

### Telecommunications Services

191. **Deputy Tom Hayes** asked the Minister for Communications, Energy and Natural Resources when a service under the rural broadband scheme will be offered to persons in County Tipperary (details supplied); and if he will make a statement on the matter. [8694/12]

**Minister for Communications, Energy and Natural Resources (Deputy Pat Rabbitte):** The Application Phase of the Rural Broadband Scheme (RBS) closed on 29 July 2011. The Department received 5,000 applications and of these, approximately 3,700 qualified under the terms of the scheme.

The Verification Phase of the Scheme has now commenced. In this phase of the Scheme, the details of applicants have been passed to Internet service providers to assess whether a service can be offered to them without intervention from the State.

A total of 32 companies are participating in this part of the Scheme.

My Department will be writing to all applicants by the end of this month, including those in the areas mentioned by the Deputy, to let them know the position in relation to their application and asking applicants to give their written permission to enable the companies to contact them directly with a written offer.

It is expected that the companies involved will then write with offers to those applicants who give their consent.

I expect that a significant number of applicants may be served by commercial operators as part of this phase of the scheme. If any applicants remain unserved after this phase, a service will be procured by my Department which will be rolled out later this year.

### Departmental Agencies

192. **Deputy Pádraig Mac Lochlainn** asked the Minister for Communications, Energy and Natural Resources if he will confirm who will carry out the report into the practice of fracking on his behalf; the qualifications of this person; the report's terms of reference; and if external organisations will be in a position to make submissions. [8797/12]

**Minister of State at the Department of Communications, Energy and Natural Resources (Deputy Fergus O'Dowd):** I can inform the Deputy that in October of last year, Minister Rabbitte requested the Environmental Protection Agency (EPA) to conduct research and advise on the environmental implications of hydraulic fracturing as a means of extracting natural gas from underground reserves.

The EPA is currently funding preliminary background research into the environmental aspects of shale gas extraction and into the regulatory approaches of other countries with a view to helping to establish best environmental practice. This research is in the form of a desk based study being carried out by the University of Aberdeen. The EPA proposes to commission further, more extensive research on hydraulic fracturing in 2012 and a working group involving representatives from my Department and the EPA has been established to develop the scope for this study. However, the final specification for this research will only be prepared after the EPA, which is an independent statutory body, has considered the output from the study currently underway at the University of Aberdeen.

### EU Presidency

193. **Deputy Niall Collins** asked the Minister for Communications, Energy and Natural Resources the preparations he has undertaken for the Irish Presidency of the EU Council in January 2013; the amount of money spent on EU Council Presidency-related activities to date in 2012; the estimated expenditure up to December 2012; the budget for the six-month Presidency specifically; the additional staff he has undertaken; the number of re-assigned staff he has undertaken; the estimated future staff requirements for the Presidency; and if he will make a statement on the matter. [8838/12]

**Minister for Communications, Energy and Natural Resources (Deputy Pat Rabbitte):** Preparations for the Irish Presidency of the EU Council are underway in my Department. While there has been no specific expenditure on Presidency related activities to date provision has been made for such activities in 2012 including any additional staff costs that may arise. Presidency resource requirements for 2013 will be determined as part of the overall resource allocation within my Department's Vote for 2013. I am not in a position to indicated the level of this provision at this stage.

### Departmental Expenditure

194. **Deputy Charles Flanagan** asked the Minister for Communications, Energy and Natural Resources the total cost to his Department of the provision of external legal services to his Department in respect of legal advice and legal services each year for the past five years. [8853/12]

**Minister for Communications, Energy and Natural Resources (Deputy Pat Rabbitte):** The following table sets out the total cost of external legal advice and legal services provided to my Department in the years 2007 to 2011:

Cost 2007	Cost 2008	Cost 2009	Cost 2010	Cost 2011
€723,496.57	€2,159,273.5 6	€494,683.64	€567,194.98	€335,335.74

### Planning Issues

195. **Deputy Eoghan Murphy** asked the Minister for the Environment, Community and Local Government his position on the need for a national organisation to support the effective and sustainable strategic management of our towns and cities; and if he has considered establishing something along the lines of an Irish branch of the Association of Town Centre Management in the UK. [8771/12]

197. **Deputy Eoghan Murphy** asked the Minister for the Environment, Community and Local Government his strategy regarding the sustainability of town centres; the way such a strategy is to be supported; and the systems to be put in place to monitor performance. [8773/12]

198. **Deputy Eoghan Murphy** asked the Minister for the Environment, Community and Local Government his views on the need for a national plan driving urban policy throughout the country to ensure strategic planning at the national, regional, local level to protect and promote town centres. [8774/12]

**Minister of State at the Department of the Environment, Community and Local Government (Deputy Jan O’Sullivan):** I propose to take Questions Nos. 195, 197 and 198 together.

The responsibility for the planning of cities, towns and urban areas is a matter for local authorities. The regeneration of urban areas has been a priority of my Department for some time, and a number of initiatives and programmes have been used to promote regeneration.

A wide range of property-based tax relief schemes were introduced up to the mid 2000s including town renewal and living over the shop schemes. While many important developments were encouraged by these schemes, independent reviews concluded that the tax costs of the initiatives were high relative to the outputs achieved and the Department of Finance is in the process of winding down existing schemes in light of the current economic climate and the ongoing legacy costs of such schemes to the Exchequer as investors use their reliefs and capital allowances.

Similarly, the Urban and Village Renewal Programme 2000-2006, through which grant assistance was provided to local authorities for a range of interventions to upgrade the fabric of the built environment in cities, towns and villages, ended in early 2008. That scheme involved total EU and Exchequer co-financed expenditure of over €158m. The 2007-2013 Urban and Village Regeneration Programme, administered by my Department, was deferred due to budgetary constraints. A comprehensive hierarchy of evidence-based national, regional and local planning policies have been put in place to secure the proper planning and sustainable development of the country as a whole, including urban areas.

The 2002 National Spatial Strategy (NSS) is a twenty-year planning framework designed to achieve a better balance of social, economic and physical development and population growth between regions, including the urban structure of Gateway cities and towns, Hub towns and other towns and villages. The NSS is further elaborated on and implemented through statutory regional planning guidelines across eight regions, which were reviewed in 2010.

A comprehensive review of implementation of the NSS was undertaken during 2010, culminating in the publication in October 2010 of the NSS Update and Outlook Report (available at [www.environ.ie](http://www.environ.ie)); this addresses a range of issues relevant to urban areas, including the vitality of city and town centres.

In addition, the adoption of updated Regional Planning Guidelines in 2010 for the twelve-year period to 2022, and legislative requirements under the Planning and Development (Amendment) Act 2010 to include new Core Strategies in development plans, are further implementing the NSS within the forward-planning process and ensuring an appropriate policy focus on the importance of urban areas, including city and town centres, for the long term proper planning and sustainable development of the country.

My Department published statutory Guidelines for Planning Authorities on Sustainable Residential Development in Urban Areas (Cities, Towns and Villages) in December 2008. The Guidelines are accompanied by an Urban Design manual which sets out practical examples and best practice.

Furthermore, I intend shortly to finalise draft Guidelines for Planning Authorities on Retail Planning on foot of the submissions received during the public consultation process. These Guidelines are aimed, inter alia, at advancing choice for the consumer while promoting and supporting the vitality and viability of city and town centres, and also highlight the options open to planning authorities for the operations of Business Improvement Districts as provided by the Local Government (Business Improvement Districts) Act 2006. I also intend to publish a consultation draft of planning guidelines on Local Area Plans later this year which will also address matters relating to the vitality of city and town centres.

My Department is also working in conjunction with the Department of Transport, Tourism and Sport on a Manual for Streets which will address design guidance and standards for streetscapes and related shared space, and will be guided by universal design and accessibility principles.

My Department remains committed to working with local government and other community development and enterprise stakeholders to ensure that a recovering economy will result in an even distribution of opportunity. In this regard there is a particular need to target in an integrated way urban areas which face particular problems resulting from both the economic downturn and investments in the past which did not facilitate the development of sustainable communities capable of benefiting from the period of high prosperity or coping with the subsequent downturn. Major regeneration programmes in Ballymun and Limerick together with a range of other remedial works schemes across the country continue to be prioritised to assist in addressing this deficit.

I am therefore satisfied that this policy and legislative framework, together with the suite of existing and proposed planning guidelines, will ensure effective delivery of a sustainable urban policy, but I will continue to keep under review the need for any further provisions in this regard.

196. **Deputy Eoghan Murphy** asked the Minister for the Environment, Community and Local Government in respect of the draft sustainable development framework, if this has the involvement of universities; the extent to which the framework evidence is based; if it will include an evaluation of its 1997 predecessor; if it will take into account urban sprawl; and if there is any international best practice exchange with other countries on the development of this document. [8772/12]

**Minister for the Environment, Community and Local Government (Deputy Phil Hogan):**

Following clearance by Government, a draft Framework for Sustainable Development for Ireland (FSDI) was published for public consultation in December, 2011. A public consultation seminar was held on 24 January, 2011 which was attended by a broad range of stakeholders, including from academia. The consultation period concludes on 29 February, 2011 and it is open to all stakeholders, including universities, to make a submission to my Department.

The FSDI aims to build on the progress made under Sustainable Development, a Strategy for Ireland published in 1997 and is a response to the significant challenges now being faced across a range of economic, social and environmental policy areas. In terms of our approach, the FSDI follows the model of the Renewed EU Sustainable Development Strategy (2006 and 2009) which is based on a gap analysis, identifying areas where limited progress has been made, particularly in terms of the need to decouple natural resource use from economic growth, and outlining actions to address these challenges. The draft FSDI also takes account of developments at international and EU level to deliver an effective transition to an innovative, low carbon and resource efficient economy and to achieve a shift towards greener growth. The preparatory phase also involved an examination of best practice models in terms of national sustainable development strategies in other countries.

Among the thematic areas addressed in the FSDI are Social Inclusion, Sustainable Communities and Spatial Planning. The FSDI examines the complex challenges being faced in this area, including development and settlement patterns that have emerged in the last decade or so. It also identifies gaps that need to be addressed and actions that should be taken in this sector.

It is my intention to seek Government approval for the Framework for Sustainable Development for Ireland following consideration of submissions made during the public consultation phase. The FSDI will form a central element of Ireland's contribution to the UN Conference on Sustainable Development (Rio+20) which takes place in Rio de Janeiro, Brazil in June 2012. This major conference marks the 20th anniversary of the 'Earth Summit'. The FSDI will set an overarching framework for the advancement of sustainable development, resource efficiency and green economy agendas in Ireland over a medium to long term time horizon.

*Questions Nos. 197 and 198 answered with Question No. 195.*

**Departmental Agencies**

199. **Deputy Jerry Buttimer** asked the Minister for the Environment, Community and Local Government the total cost of the operation of the Private Residential Tenancies Board; if he will provide a breakdown of the expenditure incurred in the following areas, the cost of full-time administrative staff, the cost of independent adjudicators, the cost of tribunals and the total number of tribunals conducted in 2011; and if he will make a statement on the matter.  
[8825/12]

**Minister of State at the Department of the Environment, Community and Local Government (Deputy Jan O'Sullivan):** 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 on 1 September 2004. While the PRTB received Exchequer funding for a number of years, it has operated on a self-financing basis since 2010.

Details of the Board's income and expenditure are published in its annual report and accounts, which are available on the PRTB website *www.prtb.ie*. The most recently available accounts relate to 2010 and will be published shortly. The total expenditure for the year ended 31 December 2010 was €7.7 million.

### Local Authority Charges

200. **Deputy Derek Nolan** asked the Minister for the Environment, Community and Local Government the reasons for applying the household charge to persons who also pay a non-residential property tax; if both these payments will be streamlined when the new property tax comes in; and if he will make a statement on the matter. [8521/12]

**Minister for the Environment, Community and Local Government (Deputy Phil Hogan):** The Local Government (Household Charge) Act 2011 and the Local Government (Charges) Act 2009, as amended, set out the legislation underpinning the household charge and the charge on non-principal private residences respectively.

Under the legislation, owners of residential property are liable to the household charge, including those persons with a liability to pay the charge on non-principal private residences, unless otherwise exempt.

I have recently established an inter-Departmental expert Group to design an equitable property tax having regard to its terms of reference. This Group has been asked to report to me by end April, 2012. I will then bring proposals to Government for decisions on the structure and modalities of the property tax.

201. **Deputy Dara Murphy** asked the Minister for the Environment, Community and Local Government in view of the fact that collection of the household charge is vested with the city and county managers, the discretion these managers have regarding unfinished estates and the liability of the persons living in those estates for the household charge; and if he will make a statement on the matter. [8538/12]

202. **Deputy Gerald Nash** asked the Minister for the Environment, Community and Local Government his plans to amend the Local Government (Household Charge) Act 2011 to provide for an appeals facility regarding inclusion of housing estates on the list of category three and four estates in view of the level of dissatisfaction expressed by residents in some estates at their exclusion from the lists; and if he will make a statement on the matter. [8541/12]

**Minister for the Environment, Community and Local Government (Deputy Phil Hogan):** I propose to take Questions Nos. 201 and 202 together.

As part of the process of preparing the National Housing Development Survey 2011, published by my Department in October 2011, local authorities provided details of all unfinished housing developments in their areas. Unfinished housing developments were divided into four categories as follows:

- Category one, where the development is still being actively completed by the developer, or where no serious public safety issues exist;
- Category two, where a receiver has been appointed;
- Category three, where a receiver has not been appointed and the developer is still in place but effectively inactive; and
- Category four, where the development has been effectively abandoned and is posing serious problems for residents.

Other relevant factors for the purposes of the categorisation process include, *inter alia*:

[Deputy Phil Hogan.]

- the state of completion of roads, footpaths, public lighting facilities, piped water and sewerage facilities and open spaces or similar amenities within the development;
- the extent to which the development complies with the terms of applicable planning permission;
- the extent to which it complies with the provisions of the Building Control Acts 1990 and 2007;
- the provisions of the Local Government (Sanitary Services) Act 1964 as they pertain to dangerous places and dangerous structures within the meaning of the Act;
- the extent to which facilities within the development have been taken in charge by the local authority concerned and
- where there is an agreement regarding the maintenance of such facilities, the extent to which this agreement has been complied with.

In some cases a local authority may have found that conditions in respect of a certain phase of a development were relatively good and that, for example, no serious public safety issues could be identified. This phase of the development may have been categorised under category 1 or 2. Conversely, safety issues may have been identified in another phase of the same overall development, or development in that second phase may have been abandoned altogether, implying a category 3 or 4 identification for that phase.

This categorisation formed the basis for the list of those unfinished developments eligible for a waiver on the annual household charge.

Only households in developments in categories three and four are eligible for the waiver from payment of the household charge. This list of developments in which households are eligible for the waiver in 2012 is set out under the Local Government (Household Charge) Regulations 2012 and forms the complete list of such developments for this year. The Local Government (Household Charge) Act 2011 does not provide for an appeals facility in this regard. A revised list of estates will be prescribed for 2013 after which time the waiver for unfinished housing developments will end. Throughout this period it is anticipated that the numbers of categories 3 and 4 developments will decrease as my Department continues to work with local authorities and other stakeholders to resolve outstanding issues, including through the Public Safety Initiative.

### **Local Authority Housing**

203. **Deputy Seán Ó Fearghail** asked the Minister for the Environment, Community and Local Government the number of recognised voluntary housing bodies currently operating here; the number of housing units being managed by each of these associations; and if he will make a statement on the matter. [8636/12]

**Minister of State at the Department of the Environment, Community and Local Government (Deputy Jan O'Sullivan):** The voluntary and co-operative housing sector are valued partners in the delivery of social housing solutions for low-income families and persons with specific categories of housing need, including older people, persons with a physical, intellectual or mental health disability, homeless persons and elderly returning emigrants.

Some 700 voluntary and co-operative bodies have been granted Approved Housing Body status by my Department in accordance with section 6 of the Housing (Miscellaneous Provisions) Act of 1992. Of these, 443 bodies have completed one or more housing projects yielding a total of 25,363 housing units to date.

A detailed breakdown of the number of housing units provided by each of the approved housing bodies will be forwarded to the Deputy as soon as possible.

204. **Deputy Seán Ó Feargháil** asked the Minister for the Environment, Community and Local Government the number of recognised voluntary housing associations that have undertaken long-term leasing arrangements; the number of units that each such association has taken on; and if he will make a statement on the matter. [8637/12]

**Minister of State at the Department of the Environment, Community and Local Government (Deputy Jan O’Sullivan):** To the end of December 2011, 21 approved housing bodies have been issued approval by the Department to proceed with leasing projects, which encompass over 1,200 housing units. A breakdown of these units by body is shown in the following table.

In addition, 1,546 unsold affordable units have been included in the leasing scheme and are being managed by approved housing bodies.

AHB/Status	Operational	Approved	Total
Banner Housing Association	0	2	2
Carberry	0	6	6
Cheshire Ireland	0	3	3
Circle	0	76	76
Clúid Housing Association	4	433	437
Escombe	1	0	1
Focus Ireland	0	156	156
Fold Ireland Housing Association	0	31	31
Galtan Ltd	0	8	8
HAIL	0	9	9
Inis Housing Association	0	13	13
Midlands Simon Com.	7	0	7
NABCo	2	2	4
North and East Housing Association	0	66	66
Oaklee Housing Trust	0	36	36
S.T.E.E.R.	29	44	73
St Vincent De Paul	0	10	10
Sunbeam	0	16	16
The Iveagh Trust	64	20	84
Thomond Housing Association	5	0	5
Tuath/Helm	83	139	222
<b>AHB Total</b>	<b>195</b>	<b>1,070</b>	<b>1,265</b>

### Social and Affordable Housing

205. **Deputy Seán Ó Feargháil** asked the Minister for the Environment, Community and Local Government if he has given consideration to introducing a tenant purchase scheme for housing units built under the capital loan and subsidy scheme; and if he will make a statement on the matter. [8638/12]

**Minister of State at the Department of the Environment, Community and Local Government (Deputy Jan O’Sullivan):** Under the terms of the Incremental Purchase scheme introduced in June 2010, new houses provided by approved voluntary and co-operative housing bodies and designated under the scheme may be purchased by their tenants. As regards the sale to tenants of existing houses provided by approved bodies, my Department is currently examining, in consultation with the relevant bodies, the future funding and governance arrangements for the voluntary and co-operative housing sector. The need for any policy and legislative changes, including changes to facilitate the sale to tenants of houses provided by approved housing bodies, will be considered in the light of the outcome of this examination.

### **Foreshore Licences**

206. **Deputy Pearse Doherty** asked the Minister for the Environment, Community and Local Government the status of the lease of the foreshore licence at Burtonport Harbour to Donegal County Council; the date the licence was applied for to his Department; the date Donegal County Council and the fee Donegal County Council paid his Department for the lease; and if he is satisfied with the process in which this case has been dealt with. [8653/12]

**Minister for the Environment, Community and Local Government (Deputy Phil Hogan):** The application involves the proposed lease of an area of foreshore by Donegal County Council and a proposal by the Council to sub-lease a portion of the foreshore concerned to a third party. It has come to my Department’s attention that the nature of the proposal for which the Council had originally intended to make the third party sub-lease has changed substantially. The proposed changes to the third party lease arrangements raise a number of legal issues on which my Department has sought advice. Given the complexity of the issues involved processing of the application cannot be moved forward until the advices of the Chief State Solicitor’s Office are received.

### **Local Authority Charges**

207. **Deputy James Bannon** asked the Minister for the Environment, Community and Local Government if a local authority will only allow payment of the household charge in cash and refuses to accept a credit card, which is the preferred method of payment of a person (details supplied) in County Longford; and if he will make a statement on the matter. [8665/12]

**Minister for the Environment, Community and Local Government (Deputy Phil Hogan):** The Local Government (Household Charge) Act 2011 and the Local Government (Household Charge) Regulations 2012 provide the legislative basis for the household charge. There is a range of options available for persons to pay the household charge. An online system *www.householdcharge.ie* is in place in the Local Government Management Agency (LGMA) to enable homeowners to pay the household charge by credit/debit card or in four instalments by direct debit. In addition, homeowners can make payment by cheque, postal order, credit/debit card or in four instalments of €25 by direct debit by completing the relevant payment details on the declaration form and posting it to Household Charge, PO Box 12168, Dublin 1. Instalment payments are available by direct debit only and persons opting to pay in this way must register their details by 1 March, 2012. A bureau is in place in the LGMA to administer the charge on a shared service/agency basis for all local authorities. In addition, all county/city councils have been requested to have arrangements in place for persons to attend their principal offices to pay the household charge up to 31 March, 2012. I am satisfied that there is a comprehensive suite of payment options available to persons with a liability to pay the household charge.

### **Dormant Accounts Fund**

208. **Deputy John Browne** asked the Minister for the Environment, Community and Local Government the total amount of funding still available in his Department through the dormant accounts fund; and the reason he continues to withhold funding already approved for projects under the rapid programme for County Wexford (details supplied). [8684/12]

**Minister for the Environment, Community and Local Government (Deputy Phil Hogan):** Since its establishment in April 2003 to the end of December 2011, the transfers to the Dormant Accounts Fund have totalled some €631.14m, which includes interest earned of some €35.51m. Funds reclaimed in that period by account holders amounted to approximately €228.94m. The net value of the Dormant Accounts Fund (uncommitted funds) at year-end was €69.091m, subject to final audit. No funds have yet been allocated to meet the costs of projects in the new RAPID towns and this matter remains under active review in my Department in light of available funding for 2012.

### **Fire Services**

209. **Deputy Mary Lou McDonald** asked the Minister for the Environment, Community and Local Government the sectors from within the public service that Dublin City Council intends to fill fire-fighter vacancies through redeployment; and the oversight measures that he has put in place to ensure that such redeployments will not compromise the health and safety of citizens in need of the Dublin fire brigade service. [8689/12]

**Minister for the Environment, Community and Local Government (Deputy Phil Hogan):** The provision of fire services in local authority areas, including the establishment and maintenance of fire brigades, the assessment of fire cover needs and the provision of premises is a statutory function of individual fire authorities under the provisions of the Fire Services Act 1981. My Department supports fire authorities through setting of general policy, training support and issue of guidance on operational and other related matters, and the provision of capital funding.

Under section 159 of the Local Government Act 2001, each county and city manager is responsible for the staffing and organisational arrangements necessary for carrying out the functions of the local authority for which he or she is responsible. Accordingly, the deployment of fire brigade staff in Dublin is a matter in the first instance for Dublin City Council. However, I understand that Dublin City Council, under the Public Service Agreement 2010-2014 (Croke Park Agreement), intend to replace fire-fighters who currently work in the Regional Communications Centre (RCC) in Townsend St. with dedicated control room operators, sourced from within the four Dublin Local Authorities, so that the fire-fighters can fill vital front-line fire service roles for which they are especially trained. Such staff will be trained in accordance with a national syllabus for the role and in nationally agreed procedures which have proved effective over the years at similar Regional Communications Centres in Limerick and Castlebar. On the general issue of fire service staffing, my Department considers all staffing sanction requests on a case by case basis, having due regard to Public Service numbers policy and the continued delivery of key services.

### **Local Authority Charges**

210. **Deputy Billy Timmins** asked the Minister for the Environment, Community and Local Government the position regarding the household charge in respect of a person (details supplied) in County Wicklow; and if he will make a statement on the matter. [8709/12]

**Minister for the Environment, Community and Local Government (Deputy Phil Hogan):** The Local Government (Household Charge) Act 2011 and the Local Government (Charges) Act 2009, as amended, set out the legislation underpinning the household charge and the charge on non-principal private residences respectively. Under the legislation, owners of residential property are liable to the household charge, including those persons with a liability to pay the charge on non-principal private residences, unless otherwise exempt. The Acts contains a common definition of residential property as including a house, maisonette, flat or apartment (including the form of accommodation commonly known as a bedsit). The NPPR charge and the household charge are payable on each unit of accommodation that is occupied, or suitable for occupation, as a separate dwelling, whether or not the occupier shares, or would be entitled to share, in connection therewith, any accommodation, amenity or facility with any other person. The owner of a building split into a number of studio flats is thus liable for the NPPR charge and the household charge on each such unit in that building.

211. **Deputy Billy Timmins** asked the Minister for the Environment, Community and Local Government the position regarding the non-principal private revenue charges on multi-unit dwellings in view of the fact that some local authorities are failing to collect charges from those liable; and if he will make a statement on the matter. [8710/12]

**Minister for the Environment, Community and Local Government (Deputy Phil Hogan):** The Local Government (Charges) Act 2009, as amended, broadened the revenue base of local authorities by introducing a charge on non-principal private residences. The charge is set at €200 and liability for it falls, in the main, on owners of rental, holiday and vacant properties. Under the Act, it is a function of a local authority to collect non-principal private residence charges and late payment fees due to it and all charges and late payment fees imposed and payable to a local authority are under the care and management of the local authority concerned. In this regard, application of the legislation in particular circumstances is a matter for the relevant local authority. The Act further provides for offences where a person contravenes the statutory requirements. In addition, late payment fees apply where payment is not made by the due date and non-principal private residence charges and any associated late payment fees are a charge against the property which will have to be discharged in the event of the sale or transfer of the property concerned. Since the introduction of the charge on non-principal private residences in 2009 over €208m has been raised from it for the provision of local authority services.

212. **Deputy Niall Collins** asked the Minister for the Environment, Community and Local Government if his attention has been drawn to the current campaign to oppose the household charge which informs persons they do not have to legally pay the charge unless they register; the actions he is taking to address that campaign; and if he will make a statement on the matter. [8736/12]

**Minister for the Environment, Community and Local Government (Deputy Phil Hogan):** The Local Government (Household Charge) Act 2011 and the Local Government (Household Charge) Regulations 2012 provide the legislative basis for the household charge. Under section 5(1) of the Act, the owner of a residential property, who on a liability date, is liable to pay a household charge to a relevant local authority, or who is entitled to a waiver from payment of a household charge under section 4(4), must make and provide to the relevant local authority a declaration stating that he or she is so liable or so entitled, as the case may be. Under section 5(2) of the Act, the declaration must, in the case of a person who is liable to pay a household charge, be accompanied by payment of the household charge in respect of the property con-

cerned. The Act further provides for offences where a person contravenes these statutory requirements. In addition, late payment penalties apply where payment is not made by 31 March, 2012 and household charges and late payment penalties are a charge against the property which will have to be discharged in the event of the sale or transfer of the property concerned.

Significant measures are underway to ensure that property owners are aware of the household charge and the liability and payment dates. The LGMA and local authorities have commenced a national information campaign to advise people of the household charge and their responsibilities in relation to payment of the charge. A similar and successful advertising and information campaign was undertaken in the context of the €200 charge on non-principal private residences on its introduction in 2009 with further advertising taking place each year since. A household charge information leaflet is being issued at this time to residential properties in the State. I am confident that those liable to the household charge will be aware of their obligation to discharge their liability for the charge by 31 March 2012 and thereby avoid any late payment fees or late payment interest.

213. **Deputy Eoghan Murphy** asked the Minister for the Environment, Community and Local Government his plans to release data sets containing information on retail and commercial floor space rateable under each local authority with a view to ascertaining existing floor space in urban areas versus developments located outside or on the outskirts of cities and town centres. [8776/12]

**Minister of State at the Department of the Environment, Community and Local Government (Deputy Jan O’Sullivan):** The information requested is not available in my Department. Local authorities are under a statutory obligation to levy rates on any property used for commercial purposes in accordance with the details entered in the valuation lists prepared by the independent Commissioner for Valuation under the Valuation Act 2001. The Commissioner for Valuation has sole responsibility for all valuation matters.

### EU Presidency

214. **Deputy Niall Collins** asked the Minister for the Environment, Community and Local Government the preparations he has undertaken for the Irish Presidency of the EU Council in January 2013; the amount of money spent on EU Council Presidency-related activities to date in 2012; the estimated expenditure up to December 2012; the budget for the six month Presidency specifically; the additional staff he has employed; the number of reassigned staff he has taken on; the estimated future staff requirements for the Presidency; and if he will make a statement on the matter. [8841/12]

**Minister for the Environment, Community and Local Government (Deputy Phil Hogan):** Preparations for my Department’s role in Ireland’s Presidency of the EU commenced in July 2010 with the establishment of an internal committee to co-ordinate arrangements and significant progress has been made since then in building a draft Presidency programme. My Department is also working closely with the Departments of An Taoiseach and Foreign Affairs and Trade who are co-ordinating preparations at national level.

As part of my ongoing Presidency preparations, I have already met with Irish MEPs, the Chair and Leaders of political groupings on the European Parliament’s Committee on Environment, Public Health and Food Safety, and MEPs who will be acting as rapporteurs for some of the key dossiers. My Department has also met with key officials in the European Commission and in the Council Secretariat. Only very limited Presidency-related costs have arisen

[Deputy Phil Hogan.]

so far in 2012 and these have been met from within existing resources. Specific Presidency-related funding for my Department in 2012 will be finalised in the context of the Revised Estimates to be published later this month, with the 2013 costs being finalised in the context of next year's Estimates.

In addition to the corps of existing staff, primarily in my Department's Environment Division, who by virtue of their normal responsibilities will be involved in Presidency-related work, some 40 additional staff will be required for varying periods in order to support my Department's Presidency-related activities. Approximately half of these posts are being filled through staff resources freed up through restructuring/efficiency initiatives and from internal re-assignments; the mechanisms for filling the remaining posts will be decided later this year.

### Departmental Expenditure

215. **Deputy Charles Flanagan** asked the Minister for the Environment, Community and Local Government the total cost to his Department of the provision of external legal services to his Department in respect of legal advice and legal services each year for the past five years. [8855/12]

**Minister for the Environment, Community and Local Government (Deputy Phil Hogan):** The information requested in respect of relevant payments made by my Department from 2007 to 2011 is set out in the following table:

Year	Cost €*
2011	118,101
2010	134,234
2009	30,622
2008	143,167
2007	44,925

\*In addition to the payments shown, some other contractual arrangements for services contain an element of recoupment for incidental legal fees; the table does not include costs associated with the Planning Tribunal.

### Coroners Service

216. **Deputy Billy Timmins** asked the Minister for Justice and Equality the position regarding the outcome of the coroner's inquest into the death of a person (details supplied) in County Carlow; and if he will make a statement on the matter. [8552/12]

**Minister for Justice and Equality (Deputy Alan Shatter):** I wish to inform the Deputy that while neither I nor my Department has any role in individual cases, I understand that this case was within the jurisdiction of the Coroner for West Wicklow. I am advised that following receipt of the post-mortem report, the Coroner decided that an inquest was not necessary and a Coroner's Certificate was issued to the County Registrar in October 2011.

### Departmental Funding

217. **Deputy Clare Daly** asked the Minister for Justice and Equality if he can make it a requirement that non-governmental organisations that receive funding from him in return for such funding respect recommendations from the Labour Court. [6379/12]

**Minister for Justice and Equality (Deputy Alan Shatter):** As the Deputy is aware, issues concerning the Labour Court come under the remit of my colleague, the Minister for Jobs, Enterprise and Innovation.

However, it should be noted that were a Department to place more onerous obligations regarding Labour Court recommendations on a certain class of employer, i.e. non-governmental organisations (NGOs), who are in receipt of Departmental grants, such grants given to help these NGOs in the provision of services could instead end up financing, for example, redundancy payments on foot of Labour Court recommendations.

### Garda Transport

218. **Deputy Thomas P. Broughan** asked the Minister for Justice and Equality the number of community Garda vans in operation in each of the years 2009, 2010, 2011 and 2012; the stations to which they are attached in the Dublin region; and if he will make a statement on the matter. [8704/12]

**Minister for Justice and Equality (Deputy Alan Shatter):** I am advised by the Garda authorities that the number of community Garda vans in operation throughout the country in each of the years requested is set out in the following table:

2009	2010	2011	2012
22	22	22	20

I am further advised that the following table sets out the allocation of these vans within the Dublin Metropolitan Region:

Station	2009	2010	2011	2012
DMR-Blanchardstown	1	1	1	0
DMR-Clontarf	1	1	1	0
DMR-Crumlin	1	1	1	0
DMR-Fitzgibbon Street	1	1	1	1
DMR-Harcourt Terrace	1	0	0	0
DMR-Kevin Street	0	1	1	2
DMR-Pearse Street	1	1	1	0
DMR-Santry	1	1	1	1
DMR-Store Street	1	1	1	1
DMR-Tallaght	2	2	2	3

### Charities Act

219. **Deputy Pádraig Mac Lochlainn** asked the Minister for Justice and Equality the reason he has not commenced the 2009 Charities Act, which refers to a sector worth €6 billion and employing a similar number of people as multinationals based here. [8728/12]

**Minister for Justice and Equality (Deputy Alan Shatter):** In taking on the charities regulation function, in the context of the reorganisation of Government Departments in May last year, I recognised that full implementation of the Charities Act 2009, which would necessitate the establishment of a new regulatory body for charities, presented a challenge, particularly given the moratorium on public service recruitment.

[Deputy Alan Shatter.]

The Irish Government, under the agreement with the troika, is committed to reducing public service numbers, not increasing them. It is committed to increasing the efficiency of service delivery, which the Government is doing, for example, in the case of the legal profession. It is committed to reducing bureaucracy, and reducing the number of State bodies and eliminating duplication.

The Deputy will appreciate that the implementation of the Charities Act 2009 had to be considered in that overall context. On balance, I considered, within the comprehensive review of expenditure, that it was not practicable to proceed with the full implementation of the Act at this time given the financial and staffing resources that would have been required, hence the implementation of the Act has been deferred.

I would like to reassure the Deputy that it is not the case that charities in Ireland are currently devoid of oversight — charities are already subject to scrutiny by various State bodies. The Revenue Commissioners have granted charitable tax exemptions to almost 8,000 charities, and they have significant powers to help them to ensure that such charities comply with tax law. A full list of eligible charities is available to the public at [www.revenue.ie](http://www.revenue.ie). Many charities are companies limited by guarantee and, as such, are also subject to the provisions of company law and are generally required to provide information to the Companies Registration Office under the Companies Acts, which can be accessed by the public. Such charities would also potentially be subject to scrutiny by the Office of the Director of Corporate Enforcement. Charities that take the form of a trust are subject to the provisions of trust law. And, of course, any business entity is subject to general criminal and fraud legislation.

I am also committed to developing approaches, within available resources, to enhance the transparency and oversight of the Irish charities sector, in order to maintain public confidence, and to help to develop a climate of philanthropic giving in Ireland. For example, my Department is supporting the development of Codes of Practice to regulate charitable fundraising in partnership with the charities sector through Irish Charities Tax Reform Ltd (ICTRL), an umbrella body for the sector. The new Guidelines and Code of Practice for fundraising were developed after extensive consultation with industry experts and stakeholders including charities, non-profit organisations, legal and financial advisers, donors and academics. These Codes are intended to complement the statutory regulation of collections that is administered by An Garda Síochána under the Street and House to House Collections Act 1962.

The Deputy will note therefore that it is certainly not the case that the sector will be unregulated pending the implementation of the Charities Act 2009 when circumstances permit.

### **Garda Investigations**

220. **Deputy Jonathan O'Brien** asked the Minister for Justice and Equality the cost to date of the investigation into Anglo Irish Bank; and if he will make a statement on the matter. [8784/12]

221. **Deputy Jonathan O'Brien** asked the Minister for Justice and Equality the number of gardaí working on the investigation into Anglo Irish Bank. [8785/12]

222. **Deputy Jonathan O'Brien** asked the Minister for Justice and Equality the total number of gardaí who are part of the Garda Bureau of Fraud Investigation; and the number of these gardaí who are part of the investigation team investigating Anglo Irish Bank. [8787/12]

224. **Deputy Jonathan O'Brien** asked the Minister for Justice and Equality the moneys paid to any external consultants or forensic accountants as part of the Anglo Irish Bank investigation; and the names of these individuals or companies and services rendered. [8789/12]

225. **Deputy Jonathan O'Brien** asked the Minister for Justice and Equality if he has met the Garda Commissioner regarding the Anglo Irish Bank investigation; and if he discussed personnel levels during this meeting. [8790/12]

226. **Deputy Jonathan O'Brien** asked the Minister for Justice and Equality the number of gardaí assigned to the Anglo Irish Bank investigation who retired in the course of the investigation; the number of these vacancies which remain unfulfilled; and the date on which they will be filled. [8791/12]

227. **Deputy Jonathan O'Brien** asked the Minister for Justice and Equality the number of gardaí assigned to the Anglo Irish Bank investigation who retired during February; and the number of these vacancies which remain unfulfilled; and the date on which they will be filled. [8792/12]

228. **Deputy Jonathan O'Brien** asked the Minister for Justice and Equality the number of times the gardaí have applied to the courts, under the relevant provisions of the Criminal Justice Act 2011, to require any person with relevant information to produce documents, answer questions and provide information for the purposes of the investigation of relevant offences connected to Anglo Irish Bank. [8793/12]

230. **Deputy Jonathan O'Brien** asked the Minister for Justice and Equality the number of files to date submitted by the gardaí to the Director of Public Prosecutions as a result of the Anglo Irish Bank investigation; the dates on which they were submitted; and if he will make a statement on the matter. [8795/12]

**Minister for Justice and Equality (Deputy Alan Shatter):** I propose to take Questions Nos. 220 to 222, inclusive, 224 to 228, inclusive and 230 together.

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.

I am further informed that as of 14 February, the current strength of the Garda Bureau of Fraud Investigation is seventy one, comprising one Superintendent, five Inspectors, fifteen Sergeants and fifty Gardaí. Twenty-six Garda personnel are engaged in the investigations into Anglo Irish Bank, comprising sixteen personnel at the Garda Bureau of Fraud Investigation, including fifteen Garda investigators and a forensic accountant as well as ten members of An Garda Síochána currently seconded to ODCE.

I am also informed that no money was paid to external consultants or forensic accountants by An Garda Síochána as part of the Anglo Irish Bank investigation.

No members of the Garda team of investigators assigned specifically to the Anglo Irish Investigation have retired during the course of the investigation and no members of the team of investigators have retired, or are due to retire, during February 2012. Following retirements in 2011 the allocation of a Chief Superintendent and a Superintendent to the Garda Bureau of Fraud Investigation have recently been announced by the Garda Commissioner, who will take up their posts with effect from 21 February 2012.

[Deputy Alan Shatter.]

The Garda authorities have indicated that to date two investigation files were submitted by the Garda Bureau of Fraud Investigation to the Law Officers in December, 2010. A supplementary file was submitted in May 2011 and a further investigation file was forwarded in October 2011. The files remain under consideration by the Director of Public Prosecutions, and directions are awaited. Following recent developments additional information has been submitted to the Law Officers to allow the matters resting at that office be considered further.

Members of An Garda Síochána attached to the Office of the Director of Corporate Enforcement made an application under section 15, Criminal Justice Act, 2011 before Naas District Court in September, 2011. Such applications are only required in circumstances where an individual has failed, or refused without reasonable excuse, to make available documents or provide information, upon request, to An Garda Síochána and this situation has not arisen since.

In relation to the costs incurred associated with the investigation, the Garda authorities have indicated that these are payable from the overall budget allocated to the Garda Bureau of Fraud Investigation. The actual cost of this investigation, which remains ongoing, is not readily available without a disproportionate expenditure of Garda time and resources to calculate same.

The detailed deployment of Garda personnel is a matter for Garda management who inform me that they are satisfied there is sufficient personnel and technical expertise available to assist in the various aspects of ongoing investigations. I can assure the Deputy that this Government will continue to provide the necessary legislative and administrative supports for the investigations and that I attach the highest priority to the full investigation of white collar crime and bringing the perpetrators of such crime to justice.

In particular, on taking office, this Government gave priority to satisfying itself that the necessary resources, both personnel and legal, were available to the investigation. 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.

I am being briefed on an ongoing basis on the progress of the investigations and am assured that this investigation remains an absolute priority for An Garda Síochána and that there is sufficient personnel and technical expertise available to assist in the various aspects of this ongoing investigation.

### **Departmental Expenditure**

**223. Deputy Jonathan O'Brien** asked the Minister for Justice and Equality the total annual budget of the Garda Bureau of Fraud Investigation for the past 12 months; and the total moneys spent by the Garda Bureau of Fraud Investigation on the Anglo Irish Bank investigation. [8788/12]

**Minister for Justice and Equality (Deputy Alan Shatter):** The Garda Commissioner is the Accounting Officer for the Garda Vote. In that context I am informed by the Garda authorities that a total of €6,786,759 was expended by the Garda Bureau of Fraud Investigation in 2011.

I am further informed that a special cost-code has not been established for the purpose of the investigation referred to by the Deputy and that, accordingly, costs associated with the investigation are payable from the overall budget allocated to the Bureau of Fraud Investigation. In the circumstances the Deputy will appreciate that the actual costs involved are not readily available and I understand that they could not be compiled without a disproportionate expenditure of Garda time and resources.

*Questions Nos. 224 to 228 answered with Question No. 220.*

### **Criminal Prosecutions**

229. **Deputy Jonathan O'Brien** asked the Minister for Justice and Equality the number of persons who have been convicted under provisions of the Criminal Justice Act 2011 due to failure to comply with such an order; and the penalties received by these persons. [8794/12]

**Minister for Justice and Equality (Deputy Alan Shatter):** Section 15, Criminal Justice Act, 2011 commenced on the 9 August 2011. Section 15 relates to Orders to produce documents or provide information. For the purposes of the investigation of a relevant offence, a member of An Garda Síochána may apply to a judge of the District Court for an order under this section in relation to the making available by a person of any particular documents or documents of a particular description, or the provision by a person of particular information by answering questions or making a statement containing the information, or both. A person who, without reasonable excuse, fails, or refuses, to comply with an order under section 15 of the Act is committing an offence.

I am informed by the Garda authorities that, while the provisions of the 2011 Act are being utilised fully, up to 12 February 2012 there have been no proceedings commenced for an offence contrary to Section 15 of the Act.

*Question No. 230 answered with Question No. 220.*

### **Asylum Applications**

231. **Deputy Maureen O'Sullivan** asked the Minister for Justice and Equality the reason for the drop in the rate of positive determinations for asylum protection applications from 38.7% to 2.9% between Q4 of 2009 and Q1 of 2010; if there are plans to improve Ireland's positive determinations rate for 2012 and to improve Ireland's overall rate in relation to the EU average of 25%, Q2 of 2011; and if he will make a statement on the matter. [8813/12]

**Minister for Justice and Equality (Deputy Alan Shatter):** The statistical information quoted by the Deputy is not correct. The EUROSTAT figure referred to in respect of 2009 was the subject of revision as it erroneously included in the first instance protection recognition rate, figures in respect of failed asylum seekers who were granted leave to remain under the Immigration Act 1999 (as amended). The correct first instance recognition rate for Q4 2009 was in fact 4.7%.

As I have explained on a number of occasions, Ireland's overall first instance recognition rate cannot be readily compared with that for the EU. A large proportion of Ireland's asylum applications are processed under the Dublin II Regulation; are withdrawn or deemed withdrawn; or are made in respect of children under 3 years of age by parents who may have failed in their own asylum applications. In total, determinations in respect of these three categories of applicant accounted for over half of all refused applications at first instance in 2010. In addition, many EU states have particularly low numbers of decisions. For instance Estonia had just 40 decisions in all of 2010 with a refugee recognition rate of 37.5%. In cases such as this where there are low numbers of decisions made by certain member states it is difficult to make a meaningful comparison of recognition rates.

As I am sure the Deputy is aware, the Refugee Applications Commissioner has responsibility for investigating first instance asylum applications and is fully independent in the exercise of that function. The Commissioner has advised that every case is considered on its merits having regard to its subjective and objective elements.

### **Garda Recruitment**

232. **Deputy Niall Collins** asked the Minister for Justice and Equality if An Garda Síochána will run a recruitment campaign during 2012; and if he will make a statement on the matter. [8830/12]

**Minister for Justice and Equality (Deputy Alan Shatter):** The moratorium on Public Service Recruitment continues to apply to An Garda Síochána and no date has been fixed for future intakes into the Garda College. A decision on when recruitment will re-commence will take into account the rate of retirements in the Garda Síochána and Government targets, set in the context of the agreement with the EU and the IMF, to reduce the numbers of public servants. In addition to this and what will ultimately determine the sustainable level of Garda numbers, and therefore establish when recruitment will recommence, is the level of budgetary provision that can be made for the Force, and the House will be conscious that difficult decisions will continue to have to be made, right across the public sector, in order to bring our public finances back into balance.

### **EU Presidency**

233. **Deputy Niall Collins** asked the Minister for Justice and Equality the preparations he has undertaken for the Irish Presidency of the EU Council in January 2013; the amount of money spent on EU Council Presidency-related activities to date in 2012; the estimated expenditure up to December 2012; the budget for the six month Presidency specifically; the additional staff he has undertaken; the number of reassigned staff he has undertaken; the estimated future staff requirements for the Presidency; and if he will make a statement on the matter. [8846/12]

**Minister for Justice and Equality (Deputy Alan Shatter):** I am determined to play my part in ensuring that Ireland's 2013 Presidency of the Council of the European Union is seen as a success. We must ensure that the Presidency demonstrates that Ireland is fully open for business with its reputation restored and playing a full part in shaping the destiny of Europe. Preparations for Ireland's EU Presidency are well underway in my Department and significant progress has been made in identifying priority issues for the Presidency programme in the Justice and Equality areas. A Steering Group has been put in place in my Department to oversee this important work. My Department actively participates in the two inter-Departmental committees led by the Department of An Taoiseach and Department of Foreign Affairs and Trade to coordinate Presidency planning across all Departments in both policy and administrative areas.

At a practical level, the Government has taken a number of decisions with a view to putting in place an efficient and cost-effective Presidency. The Presidency is an important opportunity for Ireland to rebuild its positive image as a credible, effective, and trustworthy international player. I have held several discussions with EU Interior and Justice Ministers in regard to EU issues to be pursued in the Justice and Home Affairs Council. A further series of meetings, including with important contacts in the European Parliament, will be held in the coming months. Department officials have also met with key officials in the European Commission and in the Council Secretariat.

Some limited Presidency-related costs have been incurred which have been met from existing resources. Specific Presidency-related funding for my Department in 2012 will be finalised as part of the Revised Estimates process and the Presidency budget for 2013 will be included in the normal Estimates process for 2013. As with previous Presidencies, our Permanent Representation to the EU will have significant responsibility for the day to day management of the

Presidency. In preparation for this work the number of staff working at the Representation will increase temporarily in 2012 and preparations are currently underway to manage this process.

My Department is already deploying staff internally to meet Presidency responsibilities. As that process develops further assignments to meet the needs of the Presidency will be made. This will be done in the most cost-effective way possible and may include a number of redeployments between Departments and agencies as well as some targeted recruitment, including of interns, on a strict time-limited basis to ensure that the policy priorities of the Presidency are supported in full. The Department is also engaged in discussions with relevant officials in the Department of Public Expenditure and Reform in terms of establishing a sustainable level of staffing resources to ensure delivery of a successful Presidency.

### Departmental Expenditure

234. **Deputy Charles Flanagan** asked the Minister for Justice and Equality the total cost to his Department of the provision of external legal services to his Department in respect of legal advice and legal services each year for the past five years. [8859/12]

**Minister for Justice and Equality (Deputy Alan Shatter):** I wish to inform the Deputy that, for the most part, the legal services sought by my Department are coordinated and paid for by the Office of the Attorney General and the Chief State Solicitor's Office. These services are typically sought in the context of the preparation of legislation, legal advice in respect of policy issues and in the management of litigation including judicial reviews. In a number of instances, my Department has sought and paid for legal advice and services additional to those provided centrally by the Attorney General and the Chief State Solicitor.

The information requested by the Deputy concerning external legal services is set out in the following table:

Year	Amount (€)
2007	1,773,478
2008	1,337,005
2009	244,818
2010	179,295
2011	135,000
Total	3,669,596

### Defence Forces Personnel

235. **Deputy Thomas P. Broughan** asked the Minister for Defence the number of personnel by rank that have indicated their intention to retire before 29 February 2012; and if he will make a statement on the matter. [8706/12]

**Minister for Defence (Deputy Alan Shatter):** The number of personnel who retired from the Defence Forces in the period from 1 January 2012 to 10 February 2012 was 157. A further 208 personnel have indicated their intention to depart the Defence Forces before 29 February 2012. A detailed breakdown of these figures by rank is contained in the table below. It is the Government's intention that the Defence Forces retain the capacity to operate effectively across all of the assigned roles to them. It was against this backdrop, and having regard to restricted financial allocations, that the Government decided to maintain the strength of the

[Deputy Alan Shatter.]

Permanent Defence Force at 9,500 personnel. This recognises the significant modernisation that has been achieved to date.

In response to this revised strength ceiling of 9,500, there will be a major re-organisation of the Defence Forces encompassing a reduction in the number of Army Brigades from three to two. I have asked the Chief of Staff and the Secretary General of the Department of Defence to bring forward detailed proposals for my consideration.

Having said that, I recognise that the departure of the number of personnel outlined earlier, over a short period, will require close monitoring, particularly where vacancies arise in critical appointments. In order to address this issue, limited promotion competitions will take place to provide candidates to fill critical vacancies. In addition, within the agreed 2012 estimates, limited recruitment will be undertaken in 2012. Throughout this process careful monitoring will take place to ensure that any problems arising are managed in the interim period.

#### Officers

Subject	BRIG GEN	COL	LT COL	CMDR	COMDT	LT CMDR	CAPT		Total
Retired from 01-Jan-2012 to 10-Feb 2012	2	1	3	1	7	1	1		16
Expected to Retire up to 29-Feb-2012		5	7		17		2		31
	2	6	10	1	24	1	3	0	47

#### Other Ranks

Subject	SGT Major	BQMS	CS/FS/BS	CQMS/FQMS	SGT	CPL	Total NCO'S	PTE 3 * /REC	Total
Discharged from 01-Jan-2012 to 10-Feb 2012	0	0	4	5	23	25	57	84	141
Additional Expected to Depart up to 29-Feb-2012	3	1	12	12	40	33	101	76	177
	3	1	16	17	63	58	158	160	318
								TOTAL	365

### EU Presidency

236. **Deputy Niall Collins** asked the Minister for Defence the preparations he has undertaken for the Irish Presidency of the EU Council in January 2013; the amount of money spent on EU Council Presidency-related activities to date in 2012; the estimated expenditure up to December 2012; the budget for the six month Presidency specifically; the additional staff he has undertaken; the number of reassigned staff he has undertaken; the estimated future staff requirements for the Presidency; and if he will make a statement on the matter. [8839/12]

**Minister for Defence (Deputy Alan Shatter):** The preparations for the upcoming Irish Presidency of the EU Council during the first six months of 2013 have been underway since mid-2010. The Departments of An Taoiseach and Foreign Affairs and Trade are the lead Departments in planning for the Presidency. Two Inter-Departmental Committees have been setup. The Inter-Departmental Committee for Co-ordinating the Presidency, chaired by Minister of State Creighton, is responsible for policy aspects. The Inter-Departmental Administrative Planning Group, chaired by the Department of Foreign Affairs and Trade, deals with administrative, logistical and resource elements. Officials from all Departments, including my own Department, and the Permanent Representation to the EU are represented on these Committees.

In relation to the issue of Defence, both formal and informal meetings of Defence Ministers are held during each EU Presidency. In consultation with the European External Action Service (EEAS), Ireland will facilitate a formal meeting of the Foreign Affairs Council in Defence Ministers format and a formal Defence Policy Directors meeting. Both of these formal meetings will be held in Brussels.

It is also my intention to host, in Ireland, a number of informal meetings and seminars, including a Defence Ministers informal. Usually, the subjects of discussion at the informal meetings range from current military operations, cooperation between the EU and other International Organisations, the development of EU military capabilities and ongoing developments in the European Defence Agency.

The agendas for Ireland's Presidency defence related meetings will be considered in consultation with the EU High Representative for Foreign Affairs and Security Policy, Baroness Catherine Ashton, the EEAS and our Trio partners (Lithuania and Greece). Both my officials and I will be in regular contact with the High Representative, the EEAS and our Trio Partners in the lead up to Ireland's Presidency in order to prepare the Defence agenda.

No money has been spent to date in 2012 specifically on EU Council Presidency activity. Although ongoing discussions are taking place within my Department, it is not envisaged that there will be substantial additional spending in 2012 on EU Council Presidency activity. It is instead envisaged that any additional staffing resources in 2012 will be met from within my Department's existing resources through redeployment from other areas.

The Government has recently agreed that expenditure on EU Council Presidency activity across all Departments will cost €60m, of which €10.6m relates to staffing costs. No final budget has been agreed between my Department and the Department of Public Expenditure and Reform for 2013 overall or for the six months Presidency specifically. Preliminary discussions are underway internally within my Department regarding the number of additional or re-assigned staff that will be necessary to run the Presidency in 2013. No decisions have been taken to date and it is anticipated that it will be some time yet before my Department will commence negotiations with the Department of Public Expenditure and Reform regarding an allocation in the 2013 Estimates in respect of the additional costs of running the Presidency.

### **Grant Payments**

237. **Deputy Pat Breen** asked the Minister for Agriculture, Food and the Marine further to Parliamentary Question No. 745 of 11 January 2012, if payment has issued to a person (details supplied) in County Clare; and if he will make a statement on the matter. [8522/12]

**Minister for Agriculture, Food and the Marine (Deputy Simon Coveney):** The person named commenced REPS in June 2008 and received payments for the first three years of their contract. REPS 4 is a measure under the current 2007-13 Rural Development Programme and is subject to EU Regulations which require detailed administrative checks on all applications to

[Deputy Simon Coveney.]

be completed before any payments can issue in respect of 2011. These checks have now been completed and 75% of the year 4 payment issued to the person named on 20 January 2012 for the amount of €9,210.89, and the remaining 25% balancing payment issued on 25 January 2012 for the amount of €3,070.29.

238. **Deputy Paudie Coffey** asked the Minister for Agriculture, Food and the Marine when an agri-environment options scheme payment will issue to a person (details supplied); and if he will make a statement on the matter. [8650/12]

**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 1 September 2010. Under the EU Regulations governing the Scheme and other area-based payment schemes, a comprehensive administrative check, including cross-checks with the Land Parcel Identification System, had to be completed before any payment could issue. During these checks a query arose in respect of land parcels declared which required digitisation. This is being dealt with by my Department at present and once the digitisation process is completed, the application will be processed with a view to making payment in respect of 2010 at the earliest opportunity.

Payments in respect of the 2011 Scheme year are subject to a similar administrative checking process which includes verification of capital investments related to approved AEOS actions. These checks have now been completed and following the payment of year 1, the payment in respect of year 2 will be processed further.

### **Afforestation Programme**

239. **Deputy James Bannon** asked the Minister for Agriculture, Food and the Marine the plans in place to allay legitimate concerns (details supplied) about the effects of a proposed forest surrounding a property; the effect on the environment and on a landscape amenity in view of the fact that this is within a NHA-SAC area, contains mass rock and an archaeological site — stone wall adjoins monument — is also within a prime scenic area and a forest would obstruct the view of Saints Island, church and lake; and if he will make a statement on the matter. [8663/12]

**Minister for Agriculture, Food and the Marine (Deputy Simon Coveney):** The application in question is currently being examined by my Department to determine its suitability for afforestation and to ensure that the development is compatible with the protection of the environment. Because of its location adjacent to a designated conservation area, consultations have taken place with a number of public agencies, including the National Parks and Wildlife Service. As a consequence of these consultations, the applicant has been requested to supply further information to enable an assessment to be completed of the potential impacts of this proposed development on the designated areas. No decision on this application will be taken pending receipt of this information and completion of the necessary assessment.

### **Grant Payments**

240. **Deputy Michael Healy-Rae** asked the Minister for Agriculture, Food and the Marine with regard to farmers in the Gap of Dunloe, Blackvalley, County Kerry who have horses and ponies, will they be able to continue the practice of using these animals when it comes to claiming entitlements; and if he will make a statement on the matter. [8679/12]

**Minister for Agriculture, Food and the Marine (Deputy Simon Coveney):** While the proposed changes to the Disadvantaged Areas Scheme await the response of the EU Commission, necessitated as the Scheme forms part of our Rural Development Programme 2007/2013, which is co-funded by the EU, the proposal relating to the eligibility of equines in the calculation of applicants' stocking density is prompted by the need to make the Scheme more focused. However, it is specifically proposed that those engaged in equine breeding enterprises will continue to be otherwise eligible, subject to specific criteria in this regard currently being developed. Furthermore, it is envisaged that provision will be made for consideration, on a case by case basis, of cases deemed to represent force majeure/exceptional circumstances; should the proposed changes be approved, it is intended that all those who are shown not to have achieved the qualifying stocking density for 2011 will be written to and offered the opportunity to outline any circumstance which restricted the activity in 2011.

*Question No. 241 withdrawn.*

### Agricultural Imports

242. **Deputy Pádraig Mac Lochlainn** asked the Minister for Agriculture, Food and the Marine the volume of agricultural and horticultural produce imported from Israel in 2009, 2010 and 2011; and the percentage of imports that are from companies in illegal settlements. [8809/12]

**Minister for Agriculture, Food and the Marine (Deputy Simon Coveney):** The table below outlines Ireland's imports of horticultural and agricultural produce from Israel for the last three available years. Trade data for the year ending December 2011 will not be available until later this year.

As CSO data is per country only, a regional breakdown from within Israel is not available.

Agricultural Imports into Ireland from Israel

Year	Jan-Dec 2008		Jan-Dec 2009		Jan-Dec 2010	
	Volume (Tonnes)	Value (€m)	Volume (Tonnes)	Value (€m)	Volume (Tonnes)	Value (€m)
Horticultural produce	11,239	7.05	11,076	6.94	7,826	5.72
Other agricultural produce	2,255	4.86	2,049	4.88	2,851	5.35
Total imports	13,494	11.91	13,125	11.82	10,677	11.07

### Fur Farming

243. **Deputy Joanna Tuffy** asked the Minister for Agriculture, Food and the Marine the position regarding the report and findings of the review group set up by him to review the issue of fur farming; and if he will make a statement on the matter. [8827/12]

**Minister for Agriculture, Food and the Marine (Deputy Simon Coveney):** The Review Group set up in my Department to review fur farming in Ireland and make appropriate recommendations will conclude its report shortly. I will consider what action, if any, to take following the submission and conclusions of the Group's findings.

### Grant Payments

244. **Deputy Brendan Griffin** asked the Minister for Agriculture, Food and the Marine when a grassland sheep payment for 2011 will issue to a person (details supplied) in County Kerry; and if he will make a statement on the matter. [8831/12]

**Minister for Agriculture, Food and the Marine (Deputy Simon Coveney):** An application under the 2010 Single Payment Scheme/Grassland Sheep Scheme was received from the person named on the 11 May 2010. On processing this application it was found that a sheep census return had not been made under the herd number quoted; however, following investigation, it was established that the census return had been submitted under an associated herd number. This has allowed processing of the case to be finalised, with payment due to issue shortly.

### EU Presidency

245. **Deputy Niall Collins** asked the Minister for Agriculture, Food and the Marine the preparations he has undertaken for the Irish Presidency of the EU Council in January 2013; the amount of money spent on EU Council Presidency related activities to date in 2012; the estimated expenditure up to December 2012; the budget for the six month Presidency specifically; the additional staff he has undertaken; the number of re-assigned staff he has undertaken; the estimated future staff requirements for the Presidency; and if he will make a statement on the matter. [8835/12]

**Minister for Agriculture, Food and the Marine (Deputy Simon Coveney):** Preparation for Ireland's Presidency of the European Union is underway in my Department and significant progress has been made in setting out what our Presidency priorities will be. At a practical level the Government has taken a number of decisions with a view to putting in place an efficient and cost-effective Presidency. The Presidency is an important opportunity for Ireland to rebuild its positive image as a credible, effective and trustworthy international player.

The Department of the Taoiseach and the Department of Foreign Affairs and Trade have established various working groups and officials from my Department are participating fully in these preparations. In addition, I and my officials are in regular contact with the Danish Presidency, the forthcoming Cypriot Presidency and our trio partners Lithuania and Greece and with the EU institutions to monitor existing agenda items and develop our work plan for 2013.

In addition to the full range of meetings of the Council at Ministerial and official level and formal engagements with the European Parliament, there will also be a number of meetings taking place in Ireland. The calendar of events is being compiled at present.

My Department has incurred some minor incidental expenses to date as current Presidency activities at EU level are organised around existing meeting requirements. The bulk of expenditure will arise towards the latter part of 2012 and in 2013. Costs in the region of €320,000 for 2012 and €1.875m for 2013 have been factored into the annual estimates to cover Presidency related expenditure including costs associated with hosting meetings in Ireland.

In terms of human resources, no additional staff have been assigned to the Presidency to date in 2012. As the year progresses and the work required for logistical arrangements intensify, additional staff will be assigned to work on Presidency related matters as required.

### Departmental Expenditure

246. **Deputy Charles Flanagan** asked the Minister for Agriculture, Food and the Marine the total cost to his Department of the provision of external legal services to his Department in respect of legal advice and legal services each year for the past five years. [8850/12]

**Minister for Agriculture, Food and the Marine (Deputy Simon Coveney):** The information requested is being collated at present and will be forwarded to the Deputy directly.

### EU Presidency

247. **Deputy Niall Collins** asked the Minister for Children and Youth Affairs the preparations she has undertaken for the Irish Presidency of the EU Council in January 2013; the amount of money spent on EU Council Presidency related activities to date in 2012; the estimated expenditure up to December 2012; the budget for the six month Presidency specifically; the additional staff she has undertaken; the number of re-assigned staff she has undertaken; the estimated future staff requirements for the Presidency; and if she will make a statement on the matter. [8837/12]

**Minister for Children and Youth Affairs (Deputy Frances Fitzgerald):** My Department participates in the Inter-Departmental Committee for Coordinating the Presidency and the Inter-Departmental Administrative Planning Group, both of which are chaired by the Department of Foreign Affairs and Trade.

No specific expenditure has been incurred on EU Council Presidency related activities to date in 2012 and I do not foresee such expenditure up to December 2012. I do not expect that there will be a specific budget for the EU Presidency in 2013 for my Department. I expect that staffing requirements for the EU Presidency in 2013 by will be met from existing staffing resources.

### Departmental Expenditure

248. **Deputy Charles Flanagan** asked the Minister for Children and Youth Affairs the total cost to her Department of the provision of external legal services to her Department in respect of legal advice and legal services each year for the past five years. [8852/12]

**Minister for Children and Youth Affairs (Deputy Frances Fitzgerald):** As the Deputy will be aware, the Department of Children and Youth Affairs was only established on the 2 June 2011. There were no costs directly incurred by my Department in respect of the provision of legal advice and legal services.

### Medical Cards

249. **Deputy Martin Ferris** asked the Minister for Health when a person (details supplied) will be issued an over 70 years medical card. [8519/12]

**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.

### Water Fluoridation

250. **Deputy Gerry Adams** asked the Minister for Health the amount the insertion of fluoride into water costs the State on an annual basis. [8554/12]

**Minister of State at the Department of Health (Deputy Róisín Shortall):** The estimated annual spend for fluoridation nationally in 2011 is €3,865,406, broken down as follows:

Table

Operational costs	€2,392,266
Acid costs	€1,387,561
Capital costs	€85,579

### Medical Cards

251. **Deputy Martin Ferris** asked the Minister for Health when a person (details supplied) will receive a decision on a medical card. [8506/12]

**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.

### Medical Aids and Appliances

252. **Deputy Martin Ferris** asked the Minister for Health when a person (details supplied) in County Kerry will receive a hearing aid. [8507/12]

**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.

### Medical Cards

253. **Deputy Ciarán Lynch** asked the Minister for Health when a determination will be made on an application for a medical card in respect of a person (details supplied) in County Cork; and if he will make a statement on the matter. [8530/12]

**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.

254. **Deputy Ray Butler** asked the Minister for Health when a decision will issue on a medical card application in respect of a person (details supplied) in County Meath; and if he will make a statement on the matter. [8533/12]

**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.

### Mental Health Services

255. **Deputy Maureen O'Sullivan** asked the Minister for Health if he will provide a breakdown, by discipline, of all inpatient and outpatient staff in the mental health services that were in place by the end of 2011; and if he will make a statement on the matter. [8539/12]

**Minister of State at the Department of Health (Deputy Kathleen Lynch):** As this is a service matter the question has been referred to the HSE for direct reply.

### Medical Cards

256. **Deputy Martin Ferris** asked the Minister for Health when a person (details supplied) will receive a medical card. [8547/12]

**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.

257. **Deputy Martin Ferris** asked the Minister for Health when a person (details supplied) will receive a medical card. [8550/12]

**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.

258. **Deputy Niall Collins** asked the Minister for Health when persons who hold long-term illness cards will be awarded general practitioner visit cards as announced in budget 2012. [8551/12]

**Minister of State at the Department of Health (Deputy Róisín Shortall):** The Programme for Government committed to reforming the current public health system by introducing Universal Health Insurance with equal access to care for all. As part of this reform programme the Government is committed to introducing Universal Primary Care within the first term of office of this Government.

It is intended to provide GP visit cards to persons in receipt of drugs and medicines under the Long Term Illness Scheme. Primary legislation is required to give effect to this commitment. There will be an announcement in due course about the start date for the new arrangements. It is hoped that the new arrangements will be in place by early Summer.

### Hospital Waiting Lists

259. **Deputy Seán Ó Fearghaíl** asked the Minister for Health if he will arrange for urgent surgical intervention in respect of a person (details supplied) in County Laois; and if he will make a statement on the matter. [8557/12]

**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 were instructed to ensure that, by the end of 2011, they had no patients waiting more than 12 months for treatment. I can confirm that the vast majority of hospitals achieved this objective. During 2012 the SDU will support hospitals in the delivery of a 9 month maximum wait time for inpatient or daycase surgery.

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.

### Health Service Funding

260. **Deputy Alex White** asked the Minister for Health the total revenue grant given to the Food Safety Promotion Board, SafeFood, in 2011; his Department's budget provision for revenue grant in 2012; and if he will make a statement on the matter. [8647/12]

**Minister for Health (Deputy James Reilly):** The total revenue given to Food Safety Promotion Board in 2011 was €8.5m. This was made up of a grant of €5.95m from my Department with the remainder allocated from the Department of Health, Social Services and Public Safety in Northern Ireland. This was down 10.8% on their 2010 budget, a reduction achieved through efficiency savings. It is expected that our grant to Food Safety Promotion Board this year will amount to €5.95m.

### Health Service Properties

261. **Deputy Pearse Doherty** asked the Minister for Health the terms and conditions that the Health Service Executive has agreed with Respond Housing Association with regard to

[Deputy Pearse Doherty.]

development in Dungloe, County Donegal; the date the premises was obtained by the HSE; and the usage of this premises since the property was obtained by the HSE. [8651/12]

**Minister for Health (Deputy James Reilly):** Estate management of the Health Service Executive property portfolio is a service matter. Therefore your question has been referred to the Executive for direct reply.

262. **Deputy Pearse Doherty** asked the Minister for Health if he will provide a list of all properties and their location that are owned by, leased or rented by the Health Service Executive in County Donegal; and the practice that is being carried out in each property. [8655/12]

**Minister for Health (Deputy James Reilly):** Estate management of the Health Service Executive property portfolio is a service matter. Therefore your question has been referred to the Executive for direct reply.

### Medical Cards

263. **Deputy Finian McGrath** asked the Minister for Health if he will support a matter (details supplied). [8659/12]

**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.

264. **Deputy Bernard J. Durkan** asked the Minister for Health when a medical card will issue in respect of a person (details supplied) in County Kildare; and if he will make a statement on the matter. [8662/12]

**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.

265. **Deputy James Bannon** asked the Minister for Health the position regarding an application for a medical card in respect of a person (details supplied) in County Westmeath who is on oxygen 16 hours per day; and if he will make a statement on the matter. [8667/12]

**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.

### Hospital Services

266. **Deputy James Bannon** asked the Minister for Health when a cancer patient (details supplied) in County Longford will be called for treatment to Tallaght hospital, Dublin 24; and if he will make a statement on the matter. [8669/12]

**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 were instructed to ensure that, by the end of 2011, they had no patients waiting more than 12 months for treatment. I can confirm that the vast majority of

hospitals achieved this objective. During 2012 the SDU will support hospitals in the delivery of a 9 month maximum wait time for inpatient or day case surgery

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.

### **Ministerial Staff**

267. **Deputy Michael Healy-Rae** asked the Minister for Health the number of staff working directly for the Minister of State, Deputy Shortall — that is, constituency staff — and the cost involved; the number of secretaries in the Department; and if he will provide the cost of a driver and personal assistants. [8672/12]

**Minister for Health (Deputy James Reilly):** I wish to advise the Deputy that there are three administrative staff employed by my Department working in my colleague Minister of State Shortall's constituency office, one of whom is a Personal Assistant and one of whom is a Personal Secretary. She does not avail of a civilian driver. The full year cost of these staff amounts to €125,841.97.

### **Health Service Allowances**

268. **Deputy Patrick O'Donovan** asked the Minister for Health, in view of the fact that community welfare officers have been transferred from his Department to the Department of Social Protection, the persons with responsibility of providing financial assistance to patients who have to travel regularly to hospital for treatment; and if he will make a statement on the matter. [8680/12]

**Minister for Health (Deputy James Reilly):** In general, patients are expected to make their own way to and from hospital and OPD appointments, using private or scheduled public transport. The exceptions are for dialysis, cancer (radiotherapy and chemotherapy) and post-operative transplant patients. In these cases, the patient's appointment or treatment should be directly related to the condition. Transport may also be provided where, in the clinician's view, the patient would be unable to make the journey without clinical assistance or where the patient must be transported on a stretcher.

Under the supplementary welfare allowance (SWA) scheme, the Department of Social Protection may make a single payment to help meet essential, once-off, exceptional expenditure, which a person could not reasonably be expected to meet out of their weekly income. These payments are known as Exceptional Needs Payments (ENPs). The amount paid, if any, is assessed by Departmental staff (former Community Welfare Officers) on a case by case basis, depending on the nature of each particular exceptional need and the type of assistance required. There is no automatic entitlement to such payments i.e. the fact that a person is dependent on a social welfare or HSE payment does not necessarily mean that they will qualify for an ENP. The scheme is not intended to cover circumstances where primary responsibility rests with another Government Department or Agency.

### **Medical Cards**

269. **Deputy Michael Healy-Rae** asked the Minister for Health the position regarding an application for a medical card in respect of a person (details supplied) in County Kerry; and if he will make a statement on the matter. [8682/12]

**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.

### **Drugs Payment Scheme**

270. **Deputy Liam Twomey** asked the Minister for Health the reason Pradaxa was removed from the drug allowance scheme; and if he will make a statement on the matter. [8683/12]

**Minister of State at the Department of Health (Deputy Róisín Shortall):** Pradaxa is available under the GMS Scheme, the Drug Payment Scheme and other community drugs 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 to provide for the 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 wrote to all GMS doctors and community pharmacy contractors in November 2011 to clarify the position in relation to Pradaxa. The HSE will continue to update health care 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 clarification.

### **Hospital Services**

271. **Deputy John Browne** asked the Minister for Health the number of deaths due to a certain illness (details supplied) at a Dublin hospital in the past ten years; and if he will make a statement on the matter. [8686/12]

**Minister for Health (Deputy James Reilly):** As this is a service matter, it has been referred to the HSE for direct reply.

### **Medical Cards**

272. **Deputy Ann Phelan** asked the Minister for Health if he will investigate the case of a person (details supplied) in County Kilkenny in respect of their application for a medical card, which has been ongoing since May 2011; and if he will make a statement on the matter. [8698/12]

**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.

### **Departmental Funding**

273. **Deputy Gerry Adams** asked the Minister for Health if the Health Service Executive will provide funding to Dignity for Patients, the support organisation which provides counselling services for victims of sexual abuse at Drogheda Hospital, County Louth; and if he will make a statement on the matter. [8699/12]

**Minister for Health (Deputy James Reilly):** As this is a service matter, it has been referred to the Health Service Executive for direct reply.

### **Departmental Investigations**

274. **Deputy Gerry Adams** asked the Minister for Health if he will respond to calls from Oireachtas Members in counties Louth, Meath, Cavan and Monaghan for an inquiry into alle-

gations of abuse of patients at Drogheda Hospital, County Louth; and if he will make a statement on the matter. [8700/12]

**Minister for Health (Deputy James Reilly):** The Government's original intention was to facilitate an inquiry by an Oireachtas Committee into the issues referred to by the Deputy. As this approach has not proved possible, I am examining how best to deal with the issues involved in the case. My Department is currently exploring the options in this regard, including the possibility of a Commission of Investigation under the Commissions of Investigation Act 2004. I also intend to consult with the Attorney General in view of the complex legal issues involved.

### Departmental Schemes

275. **Deputy Willie Penrose** asked the Minister for Health if he will make contact with the primary care reimbursement service with a view to the immediate processing of a change of doctor application (details supplied) which was initially submitted in November 2011 and, notwithstanding the furnishing of additional details, has not been processed to date; and if he will make a statement on the matter. [8701/12]

**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.

### Autism Spectrum Disorder

276. **Deputy Bernard J. Durkan** asked the Minister for Health the extent to which intensive research, or any research, continues to be conducted here with a view to determination of the cause or causes of autism, Asperger's syndrome or similar conditions; the extent to which comparisons have been made with other European countries in respect of determination of the origins of these conditions, whether genetic or otherwise; the degree to which the number of cases reported in this country compares with the average in other European countries; and if he will make a statement on the matter. [8714/12]

**Minister of State at the Department of Health (Deputy Kathleen Lynch):** The Department of Health does not collect information on children identified with autism and Asperger's on a national or international basis. Information pertaining to diagnosis is specifically excluded from the National Intellectual Disability Database as the database is not designed as a medical epidemiological tool. Accordingly the database does not record the incidence of autism or any other disability.

In 2004 the Department of Health provided funding through the Health Research Board (HRB) on autism research to help improve international understanding of the genetic causes of autism. I will arrange to ask the HRB for information on how this research has progressed and will arrange for the Deputy to be contacted on the matter.

### Medical Research

277. **Deputy Bernard J. Durkan** asked the Minister for Health the extent of research currently ongoing in respect of the various forms of cancer, heart, lung and-or kidney conditions; the extent to which preventative measures have been identified as being most essential; and if he will make a statement on the matter. [8715/12]

287. **Deputy Bernard J. Durkan** asked the Minister for Health the full extent of any research ongoing in relation to the various life-threatening illnesses currently affecting the broadest age profile of the population, children and adults of all ages; the degree to which the origins of such conditions continue to be monitored; the number of incidents compared with those in

[Deputy Bernard J. Durkan.]

other jurisdictions throughout Europe; the extent to which any information can be obtained to ascertain the reason for higher or lower levels of conditions in particular regions, nationally and overseas; and if he will make a statement on the matter. [8725/12]

**Minister for Health (Deputy James Reilly):** I propose to take Questions Nos. 277 and 287 together.

The information requested by the Deputy is not readily available within my Department. The information sought is extremely broad and detailed in nature, and would require the extensive and costly use of scarce resources. I have asked the Health Research Board to provide the Deputy with a list of the research it is currently funding.

### Health Services

278. **Deputy Bernard J. Durkan** asked the Minister for Health the total number of long-term patients requiring constant nursing care currently residing in public or private nursing homes; the full extent of the care facilities available in terms of medical and nursing staff, physiotherapy or other back-up services at each location; the extent to which waiting lists for the services in both the public and private sector exist; and if he will make a statement on the matter. [8716/12]

**Minister of State at the Department of Health (Deputy Kathleen Lynch):** The Health Act 2007 (Care and Welfare of Residents in Designated Centres for Older People) Regulations, 2009 (as amended) currently require that there is an appropriately qualified registered nurse on duty and in charge of all designated centres at all times. The Long-Stay Activities Statistics for 2010 (the most recent year available) provides the following information in respect of the Percentage Distribution of Patients Resident by Level of Dependency in long-term care as at the 31st December that year. The Deputy should be mindful that these are self-reported survey results.

Survey Response Rate — 80%

Table B6 — Long-Stay Units by Category: Percentage Distribution of Patients Resident by Level of Dependency

Region	Low Dependency	Medium Dependency	High Dependency	Maximum Dependency	Total
HSE Extended Care Unit	4.9	11.5	26.4	57.3	100%
HSE Welfare Home	9.5	17.9	18.4	54.3	100%
Voluntary Home	10.1	21.6	28.9	39.5	100%
Voluntary Welfare Home	34.3	12.6	32.6	20.6	100%
Private Nursing Home	15.3	24.9	31.8	27.9	100%
Total	12.6	21.4	30	35.9	100%

The HSE is currently piloting a single assessment tool that will uniformly assess dependency levels. The Health Information and Quality Authority (HIQA) is the statutory body responsible for the registration of all designated centres for older people, including public, voluntary and private nursing homes. Full details of all currently registered homes, including the care services provided, can be found on the HIQA website, [www.hiqa.ie](http://www.hiqa.ie).

Since the Nursing Homes Support Scheme was introduced in October 2009, individuals must undergo cares needs and financial assessments in order to qualify for financial support towards the cost of long-term residential care. At end-December 2011, there were 583 applicants on

the national placement list awaiting allocation of funding. In addition, 779 applicants had been allocated funding but had not yet taken up a bed. A further 3,112 applications for the scheme were in progress. However, it should be noted that applications are frequently submitted to the HSE without the necessary supporting documentation. This can create delays which are outside of the HSE's control.

### **Hospital Waiting Lists**

279. **Deputy Bernard J. Durkan** asked the Minister for Health the total number of patients currently residing in general hospitals and awaiting transfer to either public or private nursing homes; the extent of waiting lists and the average time on such waiting lists for placement; and if he will make a statement on the matter. [8717/12]

**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.

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. For some hospitals the issue of delayed discharges are a factor and additional funding was provided to some hospitals at the end of last year to alleviate this. The funding was issued on a strictly once off basis, based on specific proposals including the reduction of delayed discharges.

The HSE is currently developing a Care of the Elderly Programme. Some of the objectives of the Programme are — to improve the management of acutely ill frail older adults in acute hospitals, increase independence in the home and reduce inappropriate admission to nursing homes. 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.

In relation to the Deputy's query regarding the number of patients awaiting transfer to nursing homes, I have arranged for the question to be forwarded to the HSE who will respond directly to the Deputy.

### **Health Services**

280. **Deputy Bernard J. Durkan** asked the Minister for Health the total number of stroke patients currently in private nursing homes and in public nursing homes; and if he will make a statement on the matter. [8718/12]

**Minister of State at the Department of Health (Deputy Kathleen Lynch):** Patients/residents in nursing homes can have a number of complex medical conditions, which may include stroke. As far as we are aware there is no overall statistical information in relation to numbers of stroke patients in private residential homes. The part of the question relating to public nursing homes has been referred to the HSE for direct reply.

*Question No. 281 answered with Question No. 16.*

### **Medical Cards**

282. **Deputy Bernard J. Durkan** asked the Minister for Health the length of time currently taken to process an application for a medical card; the extent to which the process can be expedited; and if he will make a statement on the matter. [8720/12]

**Minister of State at the Department of Health (Deputy Róisín Shortall):** The final part of the centralisation project took place on 1 July 2011 with the centralisation of Medical Card processing and associated tasks for the entire country in the Primary Care Reimbursement Service (PCRS) office in Finglas, Dublin. For the first time in the State's history a single uniform system of application processing has been put in place. This system replaces the different systems previously operated through more than 100 Offices across the country. Some of the changes that have been introduced include the medicalcard.ie website and the standardisation of medical card assessments.

However, I am aware that there have been difficulties. These issues are a matter of serious concern and I have held several meetings with the HSE to raise the concerns. As a result of these discussions a number of changes are being introduced to the medical card application system. These changes will assist in speeding up the turn around for applications by easing the level of pressure on the medical card system, particularly with respect to the review process which, due to the timing of the re-issuing, and hence review, of a large cohort of medical cards has placed a large demand on the resources of the centralised office.

In 2010 the Central Office introduced a self assessment review process for people aged 70 years and over, as that cohort was managed entirely by the central office. Following on from this development the HSE has eased the review process for all pensioners. The change will mean that reviews for medical card holders who are 66 years or over will operate on a self-assessment basis, as currently happens with over-seventies. The self-assessment review model will also be extended to medical card holders under 66, who were granted their medical card on the basis of a means assessment, where the HSE is satisfied the person is living in this jurisdiction.

The HSE is also standardising eligibility periods from two years to three years for people aged under 66 yrs, with a new four year eligibility period for medical card holders aged 66 or over. Notwithstanding, there continues to be an obligation on all card holders to notify the HSE of any change in their circumstances which would disentitle them from holding a medical card. The HSE is in the process of arranging access to data in the possession of the Revenue Commissioners and the Department of Social Protection to allow them conduct reviews without troubling medical card holders for further documentation. It is also intended to increase the fine applying to false claims in a forthcoming Bill.

Discretionary cards, emergency cards and cards held by people in a small number of other categories will continue to be reviewed in the normal way, but the HSE are confident that the extension of the self assessment model to the great majority of medical card holders will simplify the process substantially, will improve the service to the client and will improve turn-around times for reviews. It is hoped that ultimately about 80% of renewals will be dealt with in this way. This new process also focuses attention on active users of the Medical Card to ensure that those most in need are involved in the streamlined process.

In addition, from this month, the HSE will implement a new system that gives GPs the additional ability to identify and assist the most vulnerable Medical Card holders in our society. GPs will be able to maintain the eligibility of these patients where they are going through the renewal system. GPs will also be able to add new babies onto the medical card system online.

I wish to emphasise that in no circumstances should a medical card holder who genuinely engages with the review of their medical card have their entitlement withdrawn before that review is complete. Some such cases were brought to my attention in recent weeks and this is unacceptable. The HSE is taking steps to ensure that this rule is properly implemented.

In addition the PCRS's central office is working to deal with some of the processing issues that have been arising. This has included reviewing and refining their systems for the receipt and logging of applications and documents being sent in as a result of requests for additional information. In addition, the PCRS has received further staff resources this month as a result of a transfer from the Central Statistics Office and this should make an impact on processing times. I am continuing to engage with the HSE with regard to other possible improvements. I will continue to monitor the situation and have arranged to meet the HSE on a regular basis to discuss any issues which may arise with respect to medical cards.

### Health Service Staff

283. **Deputy Bernard J. Durkan** asked the Minister for Health the total number of staff at all levels of management throughout the public health sector; the extent to which such management numbers compares with the private sector; and if he will make a statement on the matter. [8721/12]

**Minister for Health (Deputy James Reilly):** My Department does not collate information in relation to numbers employed in the private health sector. The numbers employed in the public health service in the Management/Administrative grade category (by grade group), as at December 2011 (latest data), are as follows:

Numbers employed in the Management/Administrative grade category

Grade Group	Total WTE excl. Career Break
General Administrative [III to VII]	14,231.01
Management [VIII+]	1,087.07
Other Administrative	665.4
Total	15,983.48

The numbers employed in the public health service in the Management [VIII+] grade group (by grade), as at December 2011, are as set out in the table:

Numbers employed in the Management [VIII+] grade group

Grade	Total WTE excl. Career Break
Administrative Officer, Senior	2
Architectural Advisor, Chief	1
Area Planning Specialist	3
Care Group Specialist	2
Chief Executive Officer	30.5
Chief Executive Officer, Deputy	10.97
Chief Executive Officer (HSE)	1
Corporate Learning and Development Manager	3
Director, NCSS	1
Director of Care	8.91
Director of Corporate Services	1
Director of Finance	7
Director of HR	5
Director of Human Resources (HSE)	1
Director of ICT	5

[Deputy James Reilly.]

Grade	Total WTE excl. Career Break
Director of Information Services	1
Director of Information Systems	11
Director of Integrated Services	2
Director of Medical Manpower	1
Director, Regional Health Office (HSE)	1
Finance Officer	8.93
Functional Officer	63.14
General Manager	137.61
Grade VIII	607.7
Head of Internal Audit (HSE)	1
Head of Process and Operations (HSE)	1
Head of Shared Financial Services (HSE)	1
HSE Area [ISA] Manager	4
Local Health Office Manager — PCCC (HSE)	20.99
National Director, Assistant (Services)	13.97
National Director, Assistant (Support)	38.96
National Director CPCP	1
National Director for Children and Families	1
National Director, NCCP	1
National Director of Communications	1
National Director of Risk, Quality and Clinical Care	1
National Director, Population Health	1
National Planning Specialist	12.22
Network Manager (Hospital)	2
Personnel Officer/Manager	27.2
Planning and Evaluation Officer	7
Programme Manager	7.97
Regional Director of Operations	3
Regional Materials Manager	2
Secretary Manager	11
Service Function Officer	11
Service Manager	1
Total	1,087.07

### Health Services

284. **Deputy Bernard J. Durkan** asked the Minister for Health the extent to which the total requirement in terms of beds for stroke or Alzheimer's patients has been identified; the provision likely to be made for such conditions in the future; and if he will make a statement on the matter. [8722/12]

**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.

285. **Deputy Bernard J. Durkan** asked the Minister for Health the total number of persons currently receiving home help or other supports on an ongoing basis in each region throughout the country; the extent to which such persons require full-time nursing care; and if he will make a statement on the matter. [8723/12]

**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.

286. **Deputy Bernard J. Durkan** asked the Minister for Health the extent to which community care facilities are likely to be made available to older persons in the future with particular reference to those with a higher degree of mobility; and if he will make a statement on the matter. [8724/12]

**Minister of State at the Department of Health (Deputy Kathleen Lynch):** Government policy is to support older people to live at home and in their communities for as long as possible. This is realised through a range of community based services such as mainstream Home Help, enhanced provision through Home Care Packages, or through other service elements such as Meals-on-Wheels, Day Care and Respite Care.

While the recently agreed HSE Service Plan for 2012 involves a reduction of 4.5% in Home Help hours nationally, from around 11.2m hours in 2011 to 10.7m hours this year, the corresponding reduction proposed in the actual number of people receiving this service is 1.2%. This means that the number of people receiving the Home Help service this year is 50,000 compared to around 50,600 in 2011. This approach is possible due to the increased focus by the HSE on more personalised care for the most vulnerable older people.

I would also draw the Deputy's attention to the fact that the level of community based supports for older people contained in the HSE Service Plan maintains Home Care Packages for this year at 2011 levels. These enhanced packages of care usually contain a nursing, therapy or allied professional care element to support vulnerable older people remain at home. In addition, the HSE are increasingly placing greater emphasis on other improvements, such as increased linkages between Services for Older People and Primary Care Teams and, in particular, advancing the potential of Telecare, and of Aids and Appliances for those with mobility problems. The measures I have outlined reflect the commitment of the Government to provide the best possible services to the most vulnerable older people, in the light of increasing competing demands and severe resource limitations overall.

*Question No. 287 answered with Question No. 277.*

288. **Deputy James Bannon** asked the Minister for Health the position regarding dental treatment in respect of a person (details supplied) in County Longford. [8726/12]

**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.

#### **Medical Cards**

289. **Deputy Willie Penrose** asked the Minister for Health if he will make contact with the PCRS with a view to having an urgent medical card application processed immediately, which was initially submitted in November 2011 and has not been processed to date in respect of a person (details supplied) in County Westmeath; and if he will make a statement on the matter. [8738/12]

**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.

#### **Hospital Services**

290. **Deputy Michael Lowry** asked the Minister for Health if he will provide information on the status of the closed respite beds in the Community Hospital of the Assumption, Thurles,

[Deputy Michael Lowry.]

County Tipperary; when these 22 beds will be re-opened further to his guarantee that these would be reopened by 31 January 2012, the reason for the delay in such; and if he will make a statement on the matter. [8779/12]

**Minister of State at the Department of Health (Deputy Kathleen Lynch):** As this is a service matter it has been referred to the Health Service Executive for direct reply.

#### Health Services

291. **Deputy Bernard J. Durkan** asked the Minister for Health if and when a centre for dialysis treatment will be catered for in north Kildare; his plans if any in regard to same; and if he will make a statement on the matter. [8781/12]

**Minister for Health (Deputy James Reilly):** As this is a service matter, it has been referred to the Health Service Executive for direct reply.

#### Hospital Services

292. **Deputy Pearse Doherty** asked the Minister for Health if there will be any change in service in Dungloe Community Hospital, County Donegal, in 2012; and if he will make a statement on the matter. [8783/12]

**Minister of State at the Department of Health (Deputy Kathleen Lynch):** As this is a service matter it has been referred to the Health Service Executive for direct reply.

#### Health Services

293. **Deputy Pearse Doherty** asked the Minister for Health the number of home help hours allocated in the Health Service Executive West service plan for County Donegal for 2009, 2010, 2011, 2012; the number of actual home help hours serviced in County Donegal for 2009, 2010, 2011, 2012; and if he will make a statement on the matter. [8745/12]

**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.

#### Medical Cards

294. **Deputy Finian McGrath** asked the Minister for Health the position regarding a medical card in respect of a person (details supplied) in Dublin 3. [8806/12]

**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 as a matter of urgency.

#### Health Services

295. **Deputy Billy Kelleher** asked the Minister for Health the progress being made in developing the clinical care programmes within the Health Service Executive, particularly, with regard to reducing the level of inappropriate use of acute hospitals; the way the overall development process and that of the individual clinical care programmes is being reported on and evaluated; the way this work will be incorporated into recently announced directorates; when a detailed report can be available to the Health Committee; and if he will make a statement on the matter. [8826/12]

**Minister for Health (Deputy James Reilly):** Immediately following my appointment I set about establishing the Special Delivery Unit to unblock access to acute services by improving the flow of patients through the system. The SDU was established in June last year and quickly began work with the HSE to put in place a systematic approach to eliminate excessive waiting in emergency departments. The SDU is establishing 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 us to be able to embed performance management in the system to sustain shorter waiting times.

I also want to ensure that as many services as possible can be provided safely in smaller, local hospitals. Joint HSE/Departmental group is currently developing a framework for the future development of smaller hospitals. Consultation with all the stakeholders, including patients and public representatives, will be an integral part of the process.

The organisation of hospital services nationally, regionally, and locally will be informed by the clinical programmes, which have been developed and implemented by the HSE, and by the work on the framework for the development of smaller hospitals. These inter-related programmes aim to improve service quality, effectiveness and patient access and to ensure that patient care is provided in the service setting most appropriate to individual's needs.

The clinical programmes, led by multidisciplinary teams, are developing and implementing solutions that will improve the quality, access to and cost of patient care. The benefits of the programmes are already been felt. The Acute Medicine programme, currently being implemented in 18 hospitals already contributed to a reduction in the average length of stay of medical patients and enabled bed day savings while at the same time improving the patient experience. The stroke programme is implementing nine new stroke units and standardising care in another 19. This will ensure that for the first time in Ireland there will be a thrombolysis service available 24/7 across the country. The Elective surgery programme is already generating savings through improving theatre management and will also generate reduction in the average length of stay for elective surgery.

Behind each of the programmes currently being implemented is a business case setting out the quality, access and cost benefits they are seeking to achieve. Each programme at a national level has a clinical programme lead, a programme manager and a multidiscipline working group including nursing, AHPs, GPs, etc. At a regional level there are programme co-ordinators in place in each who co-ordinate the implementation of the programmes on behalf of the Regional Director of Operations. Implementation plans are developed at a local hospital level by local project managers. Fortnightly meetings of the National Programme Managers and Regional Co-ordinators are held which focuses on tracking progress, issue resolution and monitoring of risks. There are also regular 1:1 meetings with the National Clinical Leads and the National Director of Clinical Care.

The 2012 service plan includes key performance indicator (KPI) for a number of the programmes. Progress on the delivery of these KPIs will be tracked in the usual service plan reporting process. The HSE itself acknowledges that there is a need to accelerate the process of health care reform and through the use of initiatives, such as the National Clinical Care Programmes, to move to models of care across all programmes that deliver services to patients and clients at the lowest level of complexity and the least possible unit cost. It is hoped to minimise the impact on services but the reality is that we are in very challenging times and there is going to be a consequence for every programme. A key way forward will be changing how services are delivered and this will involve full engagement from all concerned. The HSE will be working with all involved.

I have recently announced my intention to move the clinical programmes to my Department. The precise arrangements are now under consideration.

### Medical Cards

296. **Deputy Mattie McGrath** 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 Tipperary; the reason for the delay in processing further information that was received two months ago; and if he will make a statement on the matter. [8828/12]

**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.

### EU Presidency

297. **Deputy Niall Collins** asked the Minister for Health the preparations he has undertaken for the Irish Presidency of the EU Council in January 2013; the amount of money spent on EU Council Presidency related activities to date in 2012; the estimated expenditure up to December 2012; the budget for the six month Presidency specifically; the additional staff he has undertaken; the number of re-assigned staff he has undertaken; the estimated future staff requirements for the Presidency; and if he will make a statement on the matter. [8844/12]

**Minister for Health (Deputy James Reilly):** My Department is currently preparing its Programme for the Irish Presidency of the EU Council from January to June 2013. As you will appreciate, discussions are ongoing with the European Commission on its programme, including legislative proposals in the fields of public health, pharmaceuticals, medical devices, narcotics and foodstuffs, which Ireland will be expected to progress during its Presidency.

To date most activity, and therefore expenditure, has related to my Department's ongoing commitments at EU level which includes attendance at various working groups. It is inevitable that engagement will increase in the coming months with an increase in the number of meetings to be held with various stakeholders (European Parliament, Commission, other Member States, etc.) and increased attendance at meetings for officials who will be engaged in Presidency work. Given that the Programme is still under consideration, the budget and staffing requirements for the Presidency are not yet finalised.

For my part I have, over the past months, worked to build relationships with relevant stakeholders in advance of Ireland's Presidency. This included meeting with Commissioner John Dalli and the Director General of SANCO Paola Testori Coggi, key members of the European Parliament's ENVI Committee in Brussels, and fellow Health Ministers from the Netherlands, Denmark, UK and Malta. I will continue to engage with the Commission, the European Parliament, and with other Health Ministers (including Ireland's Trio partners Lithuania and Greece) in the coming months to prepare for Ireland's Presidency.

### Departmental Expenditure

298. **Deputy Charles Flanagan** asked the Minister for Health the total cost to his Department of the provision of external legal services to his Department in respect of legal advice and legal services each year for the past five years. [8857/12]

**Minister for Health (Deputy James Reilly):** The information requested by the Deputy is currently being collated within my Department and will be forwarded as soon as it is available.

### State Airports

299. **Deputy Pádraig Mac Lochlainn** asked the Minister for Transport, Tourism and Sport the pre-clearance arrangements being put in place for the US military at Shannon Airport, County Clare; and the practical significance of these changes. [8517/12]

**Minister for Transport, Tourism and Sport (Deputy Leo Varadkar):** At present no arrangements have been made for the pre-clearance at Shannon of commercial aircraft carrying U.S. military personnel. This is an issue which is being discussed between Irish and US authorities.

### **Sports Capital Programme**

300. **Deputy Michael Healy-Rae** asked the Minister for Transport, Tourism and Sport when sports grants will be available for 2012; and if he will make a statement on the matter. [8510/12]

**Minister for Transport, Tourism and Sport (Deputy Leo Varadkar):** I recently announced that the Department of Transport, Tourism and Sport will be advertising two new rounds of the Sports Capital Programme between now and 2016. I am currently making the necessary arrangements to launch a new programme early this year.

### **Public Transport**

301. **Deputy Michael McGrath** asked the Minister for Transport, Tourism and Sport if he will make any funding available in 2012 in respect of a project (details supplied). [8525/12]

**Minister for Transport, Tourism and Sport (Deputy Leo Varadkar):** My Department is funding an ongoing programme for public transport improvements in the four regional cities of Cork, Galway, Limerick and Waterford, and this programme is being administered on behalf of my Department by the National Transport Authority (NTA).

I am informed by the NTA that it has just recently completed, in consultation with Bus Éireann, a review of the bus network operated in the Cork metropolitan region. That review has identified various beneficial changes to the bus network which will be implemented by Bus Éireann over the coming months.

Arising from that review and the resultant network changes, the NTA are examining with the relevant local authorities the bus corridor improvements that should be implemented to support the revised service pattern. Associated with that exercise, an analysis is being undertaken by the NTA on appropriate funding allocations to the Cork region for 2012 under the public transport grant funding programme and my Department expects the NTA's recommendations in this regard within the next few weeks.

The issue of potential bus priority measures to support bus routes to Douglas / Carrigaline will be considered as part of that process.

### **Tourism Industry**

302. **Deputy Brendan Griffin** asked the Minister for Transport, Tourism and Sport if an attraction (details supplied) in County Kerry will receive development funding; and if he will make a statement on the matter. [8549/12]

**Minister for Transport, Tourism and Sport (Deputy Leo Varadkar):** The issue raised is an operational matter for Fáilte Ireland. I have referred the Deputy's Question to Fáilte Ireland for direct reply. Please advise my private office if you do not receive a reply within ten working days.

### **Rail Services**

303. **Deputy Thomas P. Broughan** asked the Minister for Transport, Tourism and Sport the reason that bikes are not allowed on commuter or DART trains before 10 a.m. and between 3.30 p.m. to 7 p.m.; the reason commuters have to pay an additional €6 single or €12 return to bring their bikes on the intercity service; and if he will make a statement on the matter. [8705/12]

**Minister for Transport, Tourism and Sport (Deputy Leo Varadkar):** The issue raised is a matter for Iarnród Éireann. I have referred the Deputy's question to the company for direct reply. Please inform my private office if you do not receive a reply within ten working days.

### EU Presidency

304. **Deputy Niall Collins** asked the Minister for Transport, Tourism and Sport the preparations he has undertaken for the Irish Presidency of the EU Council in January 2013; the amount of money spent on EU Council Presidency related activities to date in 2012; the estimated expenditure up to December 2012; the budget for the six month Presidency specifically; the additional staff he has undertaken; the number of re-assigned staff he has undertaken; the estimated future staff requirements for the Presidency; and if he will make a statement on the matter. [8849/12]

**Minister for Transport, Tourism and Sport (Deputy Leo Varadkar):** Preparations for Ireland's EU Presidency are well underway in my Department. A separate EU Coordination and Presidency Planning Unit was established last Autumn, with a Dublin-based staff complement of two. A Presidency Planning Group, comprising relevant officials from the Irish Permanent Representation in Brussels together with key Departmental staff, is in place and has already met on a number of occasions. The focus to date has been on tracking legislative and non-legislative priorities, planning the official calendar of Councils and events and making sure that the appropriate resources, training and business planning is in place to ensure an efficient and cost-effective Presidency.

Minister of State Ring and I have met with our European Commission counterparts and with representatives of the relevant European Parliament Committees. These and other contacts will intensify in the rundown to the Presidency.

As with previous Presidencies, the Irish Permanent Representation to the EU will be responsible for the day to day management of the Presidency. In preparation for this work, the number of staff working in the Representation will increase temporarily in 2012 and arrangements are underway to manage this process.

To date, the amount of money spent directly on Presidency preparations by my Department has been very small and confined to some training and travel costs. It is estimated that we will have additional staff costs of up to €150k per annum in each of the years 2012 and 2013 and additional administrative costs for travel, training etc. of up to €70k per annum over the same period. I understand that estimates for the overall budget for the Presidency are contained in the reply to a similar Question from the Deputy to the Minister for Foreign Affairs and Trade. The precise figures will emerge in the coming months as the preparations progress.

### Departmental Expenditure

305. **Deputy Charles Flanagan** asked the Minister for Transport, Tourism and Sport the total cost to his Department of the provision of external legal services to his Department in respect of legal advice and legal services each year for the past five years. [8862/12]

**Minister for Transport, Tourism and Sport (Deputy Leo Varadkar):** The information requested by the Deputy is being compiled and will be forwarded as soon as possible.