

DÁIL ÉIREANN

AN ROGHCHOISTE UM IOMPAR, TURASÓIREACHT AGUS SPÓRT

SELECT COMMITTEE ON TRANSPORT, TOURISM AND SPORT

Dé Céadaoin, 29 Meitheamh 2016

Wednesday, 29 June 2016

The Select Committee met at 9 a.m.

MEMBERS PRESENT:

Deputy Mick Barry,	Deputy Kevin O’Keeffe,
Deputy Peter Fitzpatrick,	Deputy Shane Ross (<i>Minister for Transport, Tourism and Sport</i>),
Deputy Imelda Munster,	Deputy Robert Troy.
Deputy Catherine Murphy,	

DEPUTY BRENDAN GRIFFIN IN THE CHAIR

BUSINESS OF COMMITTEE

Business of Committee

Chairman: Good morning. We have a quorum and are now in public session.

For broadcasting purposes, please ensure mobile phones are switched off as distinct from on silent mode. I welcome everyone to today's meeting, particularly the new members - Deputies Barry and Munster. I welcome back Deputies Fitzpatrick, Murphy and Troy. I am delighted to have been appointed Chairman of this committee and I look forward to working with all members to progress the issues that come before us. I want to give everyone an opportunity to bring forward issues that are important to them in order that we can do good work.

I propose we go into private session to deal with some housekeeping issues.

The select committee went into private session at 9.07 a.m. and resumed in public session at 9.12 a.m.

Estimates for Public Services 2016

Vote 31 - Transport, Tourism and Sport (Revised)

Chairman: Before we begin I remind members and visitors in the Gallery to ensure their mobile phones are switched off as distinct from being on silent mode as they may interfere with the broadcasting equipment.

Members are reminded of the long-standing parliamentary practice to the effect that they should not comment on, criticise or make charges against a person outside the Houses or an official, either by name or in such a way as to make him or her identifiable.

I welcome the Minister, Deputy Ross, and his officials, and congratulate him on his recent appointment. On behalf of the committee, we look forward to working with him on the important issues that come before us. It was agreed in private session to follow a structured timetable dealing with the various items in the expenditure Vote. I ask the Minister to make his opening remarks on each item following which we will take questions from members who indicate.

Minister for Transport, Tourism and Sport (Deputy Shane Ross): I thank the Chairman and committee for the chance to present the Revised Estimate for 2016 for my Department. As the Chairman proposed, I will make some opening remarks to introduce each of the five programmes in the Department's Vote. I will also take the opportunity to make some general remarks which are relevant to all the programmes to avoid having to repeat myself throughout the presentation.

As we know, the budget allocation was agreed and published by the previous Administration as part of the budget last year. The Revised Estimate for all Departments was published after the Government agreed it in December. As the general election was called, we are only now in a position to take the next step of seeking Dáil approval.

We are now six months into 2016 and, therefore, a significant portion of the Department's budget is already spent - I believe it is just over half. I have not yet effected any changes to this

year's budget to take account of new commitments made in the programme for Government. At this point, I am not proposing to make any changes to the Revised Estimate as published for 2016.

Many of the commitments contained in the programme for Government for transport, tourism and sport are medium to long term. I will, therefore, come back to the committee later in the year to discuss how those can be addressed in the context of the 2017 Estimate and beyond.

As members will be well aware, the tourism and transport sectors have proven track records in creating employment and driving growth in the economy. Sport also has a vital economic role to play but its societal and health benefits are key. The 2016 budget allocation has been developed to support and underpin policies designed to maximise the economic, employment and societal benefits of these diverse sectors.

As regards the implications of last week's Brexit vote in the UK on the 2016 funding allocation, I do not foresee any immediate issues arising. However, there are clearly impacts further down the road which we will have to take into account, particularly with regard to the tourism sector where Britain remains our single most important market in terms of overseas visitor numbers to Ireland. My Department has been participating in the contingency planning led by the Taoiseach's Department and I am happy that we are in the good position to address the key challenges this decision presents to sectors under my remit.

With an overall budget allocation of €1.74 billion this year and a multi-annual capital commitment of €10 billion over seven years in the context of the capital plan, resources are being allocated to target investment in our transport network, support our tourism sector and promote sport to drive our country forward.

The 2016 allocation provides for an additional €125 million on last year, representing an 8% increase on the €1.6 billion available last year. This is the first year since 2011 that this Department's initial Estimate allocation for capital investment has exceeded the €1 billion mark. The Vote comprises five spending programmes - aviation, land transport, maritime, sport and tourism. The Department's administrative programme, its pay and operating costs, represents less than 2% of the overall Vote and these costs are distributed proportionally across all the programmes as members see them in the Revised Estimate.

Chairman: As there is interference, can everyone make sure his or her phone is turned off?

Deputy Shane Ross: They are off.

Chairman: With live TV, it is bound to happen.

Deputy Shane Ross: Chairman, will I start with the aviation programme?

Chairman: If you would, yes.

Deputy Shane Ross: The aviation programme has an allocation this year of €26 million, representing 2% of the Vote. The largest element of the programme is the regional airports programme at €12.6 million. Funding is also earmarked to cover costs associated with our membership of Eurocontrol, costs incurred by the Irish Aviation Authority for exempt services and subscriptions to international organisations.

The key priority for investment in the aviation programme over the short to medium term is to support the four regional airports - Donegal, Knock, Kerry and Waterford - for safety and se-

curity related projects and activities under the Regional Airports Programme 2015-2019. This is also a key priority in the programme for Government. This year's allocation for the regional airports programme represents an increase of 5% or €600,000 on last year. At this point of the year we would expect to see this allocation fully spent, given the level of demands on the programme.

Chairman: We agreed that members would be called in the following order, Government, Fianna Fáil, Sinn Féin, AAA-PBP and Social Democrats. As Deputy Peter Fitzpatrick has not indicated, I call Deputy Troy.

Deputy Robert Troy: I welcome the Minister and his officials to the meeting. I note the Minister has pointed out the key priority for investment in aviation in the programme for partnership Government. I think Waterford Airport has been singled out for large scale investment. Will the Minister comment on reports that €25 million is to be invested in Waterford Airport, the basis on which that figure was arrived at, the timeframe of this investment and whether an analysis of the value for money of the investment was conducted? I would imagine that investment in regional airports would be subject to compliance with the EU guidelines on state aid to airports. In the context of my comments on Waterford Airport, what effect will this have on the level of investment envisaged in the three other regional airports?

Chairman: With the agreement of members I propose to group the questions.

Deputy Imelda Munster: I have a couple of questions on road improvements and maintenance.

Chairman: Deputy, we are dealing with the section on aviation.

Deputy Imelda Munster: I am sorry Chairman.

Chairman: As Deputies Murphy and O'Keeffe have indicated they have no questions on aviation, I call the Minister to respond to the question.

Deputy Shane Ross: I thank Deputy Troy for the question. The €10 million which he refers to the in programme for Government has not been allocated at this stage. That is misleading. Let me read out something that will make clear the situation about Waterford Airport. Waterford Airport receives substantial Exchequer support under the regional airports programme that is administered by my Department. This programme supports necessary safety and security related projects and activities at the four regional airports. During the past five years, Waterford Airport has received €9.6 million in operational investment support from my Department. In April this year, a further €157,500 in grant aid was approved for a number of security related projects, including new X-ray equipment at the airport. The €10 million has not been allocated to Waterford Airport and the total capital allocation for regional airports was €28 million.

Deputy Robert Troy: Is the sum of €28 million the investment over the lifetime of the current Government?

Deputy Shane Ross: It is the allocation to the capital plan over the lifetime of the plan.

Deputy Robert Troy: Is the sum of €10 million allocated specifically to Waterford Airport?

Deputy Shane Ross: No, it is not specifically for Waterford Airport.

Deputy Robert Troy: Is it the allocation for all regional airports?

Deputy Shane Ross: It is for all regional airports.

Deputy Robert Troy: Is it the case that any one of the airports can make an application under this heading of EU State aids for security and non-commercial activity?

Deputy Shane Ross: Yes, any of the regional airports can apply for funding. The idea that the total allocation would go to Waterford Airport is not the case.

Deputy Robert Troy: Will the allocation be part of this year's Estimates, or will it be in future Estimates?

Deputy Shane Ross: It will be in the Estimates from 2017.

Deputy Robert Troy: It will be in the Estimates from 2017 onwards.

Deputy Shane Ross: Yes.

Deputy Kevin O'Keeffe: I congratulate the Minister on his appointment. A good job was done on Monday night by the Irish soccer team. Of course we must commend our rugby players.

Is the Minister happy with the rate of progress Cork Airport is making on getting transatlantic air routes up and running? How soon does he expect to see flights from Boston and New York landing at Cork Airport?

Deputy Shane Ross: I am not happy. I spoke to the European Commissioner when I was in Luxemburg recently. She was not happy either with the progress being made and the fact that this is being obstructed by various parties in the United States. As the Deputy knows, it is causing a great deal of difficulties in Cork. Such a service could give a high level of employment. There is a blockage in the United States which we are hoping to get lifted. I know the Taoiseach mentioned the matter to President Obama. I do not know whether he mentioned it to Vice President Biden during his visit last week. As far as I am concerned, it is not acceptable that this is being obstructed by parties in the United States. We will continue to do everything in our power to ensure that access is given as soon as possible.

Deputy Robert Troy: I understand that the Dublin Airport Authority is progressing the work on the second runway at Dublin Airport, which will cost €320 million - a substantial sum. It is doing so on the understanding that a new legislative framework relating to operating restrictions will be put in place. What is the Department's role in that regard? I understand a statutory instrument must be signed. Has the statutory instrument been signed yet?

Deputy Shane Ross: It has not been signed as of yet. I will be meeting representatives from the Dublin Airport Authority to discuss this issue next week. One of my concerns is that the original cost has risen from €250 million to €320 million. There are obvious concerns about noise, which is an issue for residents in the area. The Dublin Airport Authority is in discussions with a large number of residents and is meeting them at regular intervals.

Deputy Catherine Murphy: I presume we will have an opportunity at a future meeting to discuss these issues. We may put them on the agenda. I do not want to deviate from the consideration of the Revised Estimates. Clearly, the proposed second runway raises major issues for residents.

Chairman: When we come to our work programme, we will put a priority list in place. We

will try to cover the many issues that members want to raise.

Deputy Shane Ross: I am very happy to take questions on the concerns of residents near the airport if the Chairman decides I should do so.

Chairman: Okay.

Deputy Catherine Murphy: We have been receiving communications. As somebody who lives close to Weston Airport, a small facility with a high level of traffic, I have an appreciation of the level of disruption that a large airport would place on people's quality of life. Obviously, the location of the approach and take-off area of the runway matters. Weather also plays a part in that. Is the Minister in a position to outline the level and extent of engagement of daa with residents? Consultation can be a one-way or a two-way street. To what extent are the views of residents being taken on board? Dublin Airport is an extremely important element of infrastructure from the point of view of trading and in the context of its location in the capital. Finding a balance between both of those will be extremely difficult. Obviously, the Minister has to do that in the context of trying to minimise as much as possible the kind of impact it would have.

Deputy Shane Ross: I answered a question on this in the Dáil. I cannot answer the Deputy's question on how genuine it is. I have asked the authority to meet the residents on a regular basis, which it agreed to do, and they have had meetings. I will try to ensure that a State monopoly of this sort does not abuse its position. I take the matter quite seriously. Although the runway cannot, and should not, be stopped and stalling the project cannot for one moment be considered, it is very unfair that people should be victimised in their homes by this sort of development without being considered in a very meaningful way. By that, I mean that measures will be taken to contain the noise, improve the environment and rehouse people. I understand all of that will be on the cards.

I can assure the Deputy that I will be keeping a very close eye on the project. I and my colleagues feel very strongly that local communities should not have their wishes, sensitivities and houses overridden in an inhumane way when this sort of activity has to happen. The second runway is essential for the progress of tourism and transport in this country. Local communities also have to be considered, which involves rehousing, insulation and other measures of that sort.

I do not know the answer to the Deputy's question, namely, how genuine daa is in its consideration of the issue or whether it is going through the motions but I hope to ensure that it is genuine.

Chairman: I thank the Minister. This is an issue on which we can have a more in-depth discussion via the work programme. We will move on to the second item, land transport.

Deputy Shane Ross: Programme B, land transport, is the largest programme by far in the Department's Vote, representing 80% of my overall budget. A large portion of this is capital investment. The main components of the programme are roads improvement and maintenance funding with an overall budget of €720 million, the public transport investment programme at €347 million and public service provision payments at €250 million. The programme also includes provision of €13 million towards the smarter travel carbon reduction programme and €15 million for the operating costs of the National Driver Licence Service.

As the economy recovers, the demand and associated costs for increased service levels and quality grows. Fiscal constraints over the past number of years have meant that the funding

available for the land transport programme has fallen short of where it needs to be. Addressing the projected growth in transport demand needs careful planning, analysis and investment. While transport policy may be shifting towards dealing with growth rather than decline, the prudent fiscal regime in which we must operate dictates that funding for transport, like other capital-hungry sectors, is likely to be more constrained than we would wish for the years to come.

The existing capital plan provides for a substantial increase in land transport over the six years of the plan, increasing from €1 billion this year to almost €2 billion in 2021. The plan provides for additional funding for roads, rail infrastructure and public transport investment, ensuring that we increase State levels to maintain existing infrastructure and rolling stock and begin delivering what are modest, but important, improvements to passenger transport users, the freight sector and private car users.

Funds are being allocated in 2016 to facilitate the ongoing construction of the new Luas cross city line. This major public transport project has been delivered within budget and is on schedule for completion in 2017.

Given competing demands across the system and the continuing need for restraint, the challenge is to maintain the existing levels of funding for key programmes and seek modest increases where they are justified and represent value for money. A key priority will be to ensure funding for public service obligations, including the rural transport programme, is at a level that ensures the increased level of demand being placed on public transport system can be met.

I am happy that this year's Estimate provides a 14%, or €28 million, increase in support to public transport services. The priorities for this funding are to respond to passenger demand by intensifying key routes on Dublin Bus and Bus Éireann services, the opening of the Phoenix Park tunnel for commuter services and DART service improvements. I expect all of this funding to be fully spent by the end of the year.

In addition, the previous Government decided in January, after the Revised Estimates were published, to allocate €106 million to assist in the repair of storm and flood damage to transport infrastructure. This represents an additional €96 million over and above the provision included in the Revised Estimate for land transport. Following this decision, funding for the repair of regional and local roads has been allocated to local authorities in two tranches. The first tranche of €85 million was allocated in February to help local authorities start repairs as quickly as possible and the balance was held back and allocated in May to allow more time for further investigation and evaluation of certain proposed works, including that relating to bridges. To date, €15.7 million has been drawn down in respect of repair works on regional and local roads. Separately, €8 million has been allocated to Transport Infrastructure Ireland for repair works to national roads and a further €8 million to Irish Rail for repairs to the rail network. The formal allocation of this funding to the Vote will be done by way of a Supplementary Estimate later this year.

Chairman: I thank the Minister. I will call upon Deputies Fitzpatrick, Troy, Munster, Catherine Murphy and O'Keeffe. The Deputies can ask questions and the Minister can then answer.

Deputy Peter Fitzpatrick: I congratulate the Minister on his appointment and wish him the best in his work. I wish to express my disappointment about the €29 million reduction in the overall budget and the €43 million reduction in the road improvement budget. It is very important that road improvement and maintenance continues, even in difficult times when our

public finances are under severe pressure. I appeal to the Minister to carefully monitor expenditure and ensure any savings made are transferred to road improvement and maintenance. I do not want to concentrate on local areas, but I will refer to the N52 bypass. Could the Minister examine the position regarding that project?

I urge the Minister to direct that local authorities fully utilise local and community investment schemes. I have received many complaints from constituents and groups which were willing to contribute to the schemes, but find that local authorities are not working with them. This is an urgent matter and I ask the Minister to outline the powers we have to direct local authorities to fully utilise these schemes. There are many 80-20 schemes, and for the past number of years they have been totally neglected. Local authorities are not working closely with group schemes.

I refer to cycle greenways, which are the way forward. It is very important that we try to give everybody something. Those of us in Louth have pushed very hard for a Dundalk-Blackrock-Carlingford cycle route. I would appreciate if the Minister could examine that.

I ask the Minister for clarity on all road projects funded on a joint North-South basis in light of the UK leaving the EU. I refer, in particular, to the A5 in this regard. The Government has committed €75 million towards funding the latter. In light of the UK decision to leave the EU, can the Minister re-evaluate all such projects?

Deputy Robert Troy: I understand 22% of the overall budget is derived from motor tax receipts. The Minister may not be able to do so today, but I ask him to indicate the total amount generated in motor tax receipts on an annual basis. If only 22% is spent on the overall transport budget, 78% is diverted elsewhere, be it to Irish Water, health or education. Perhaps the Minister can clarify the situation. Of the capital funding for this area for 2015, some €16 million was carried forward to 2016. Why was that at a time when there was a significant underinvestment in capital projects over the length and breadth of the country? The road maintenance figures show a decrease in the money allocated. When the Minister took office, it was widely reported in the national media that we needed some €500 million per annum just to maintain our road infrastructure, but the Department is allocating only 50% of what is needed. I am not talking about improving or enhancing the road infrastructure but maintaining it. Why are we reducing the money being invested in our roads, given these warnings? It is prudent to invest and not to let our roads deteriorate into such a condition that, in the long run, it will cost more money to bring them up to a safe and appropriate standard. I met a delegation of councillors from Monaghan recently. The road infrastructure is disintegrating, particularly our regional and local roads, and local authorities do not have the money even to repair potholes. It is quite worrying that we are reducing the amount of money we are allocating under this heading.

On public transport, we are all aware that there were Luas strikes recently. The Luas is operated by Transdev, a private operator, and the Department has no role in it, but in light of the fact that agreement has been reached for an incremental increase over coming years, is the Minister concerned that other unions in companies under the control of the Department, such as CIE, Dublin Bus and Bus Éireann, will submit requests for similar wage increases? Is the Minister confident that we have the capacity to deal with such an issue? If we do not have that capacity, we could be facing strikes in Dublin Bus and CIE in the autumn and winter. That would lead to significant inconveniencing of commuters who rely on those services on a daily basis.

Regarding road safety, we can see that the number of road deaths are on an upward trajectory. This is worrying and it is part of the Department's responsibility to ensure that the neces-

sary legislation is put in place to enhance and improve road safety. One such piece of legislation is the Road Traffic Bill which would give gardaí, if we had enough of them in the traffic corps, the power to carry out random drug testing on the roadside. We had that on the Order Paper approximately three weeks ago and my understanding was that this necessary legislation would come before the Dáil before the summer recess. Is that still the case? If not, why not?

Chairman: There is a lot in the first two questions. Perhaps the Minister could deal with those first and then we will go to Deputies Imelda Munster, Catherine Murphy and Kevin O’Keeffe.

Deputy Shane Ross: I will take Deputy Troy’s questions first. The figure for motor tax receipts is €1.1 billion. The €16 million capital was carried forward because certain projects have been delayed a bit. The money is not lost and will be spent. I take the Deputy’s point about the €500 million for the maintenance of roads and a very large amount of the capital budget goes towards the steady state, whereby we simply keep the roads and railways up to par. It is disappointing that such a large proportion goes towards this but it has to be the case. We should look for more money and it should not be reduced. There was a Supplementary Estimate last year which added to the amount quoted by the Deputy for regional and local road grants. We expect another Supplementary Estimate this year to add to the figure again.

I did not get involved in the Luas dispute as a Minister as I thought it would not have been wise and would have been unhelpful. Another reason was that it was in a private company and it would not have been appropriate. Many people would have expected a Minister to intervene but there is no State funding involved in the settlement. I am watching what is happening with the transport unions very carefully and trying to see if there might be any knock-on effects from that dispute. Various negotiations are taking place, which are at different stages, and the unions are obviously looking at that settlement with an eye to gains themselves. We will monitor the position very closely and it would be unfortunate if the precarious state of the bodies involved was in any way disturbed or agitated even further by massive items of expenditure. Fragile companies of that sort are not under siege but there are difficult industrial relations problems to be resolved over the next few weeks and months. It is of concern to me but there is no immediate crisis in that area.

Deputy Robert Troy: I accept that but I wanted to know what the Department’s plan was to deal with the emergence of a potential issue. It is quite worrying when the Minister describes some of our State companies as being fragile and in a precarious state. Given that wage increase requests have been submitted, how will the Department deal with it if the companies in question are not in a position to meet those claims?

Deputy Shane Ross: In the first place, we will have to see how they deal with it because they are negotiating and we are hands off at the moment. I do not, however, want to see industrial relations problems in semi-State companies. Nor do I want to see something similar breaking out to what happened with Luas. I acknowledge the fact that the unions will be eyeing the settlements made in the Luas case. It may well be that the companies, in their fragile state, will find it difficult to meet those demands. The Department will talk to the NTA and CIE about these issues but not in a hands-on way.

The Deputy also asked about the Road Traffic Bill. We are still hoping to get it to at least Second Stage in the Dáil before the summer recess. An amendment has been sent to the Attorney General on the issue of written-off cars. This goes back to the “Prime Time” programme and so on. It is hoped the amendment will be cleared in the next week or two and then we can

put it to Committee Stage as well.

I am concerned about the number of road deaths. For many years the number of road deaths was reducing. The number is up by about 20% year-on-year this year. This is a matter of considerable concern and it may be that the trend has turned the other way. I launched a report and an RSA awareness campaign on the June bank holiday weekend to try to make people more careful. A notable aspect is that young people are beginning to drink and drive again, which is a serious development and one which people were not aware of. On top of that, the number of fatal accidents in which alcohol is an ingredient or a factor is beginning to rise to a high level again. There is a detection rate of alcohol in approximately 38% of fatal accident cases, which is high, and this is worrying.

We do not have comparative European figures. Neither do we have up-to-date figures. The report commissioned by the RSA covers up to the end of 2012. Anecdotal evidence is that the incidence of drink in fatal accidents is increasing. We have a problem on our hands which we must acknowledge. I had a meeting with representatives of the RSA, An Garda Síochána and others on Monday. They will have to act on this issue because it may be, as the Deputy stated, a result of fewer Garda resources and checkpoints. The Garda is getting together with the RSA to try to resolve the problem. I am not happy with the situation, we should be worried about it and we should take action as soon as possible.

Chairman: The next questions were those of Deputy Fitzpatrick.

Deputy Shane Ross: Deputy Fitzpatrick asked about the local improvement scheme, which I know is important to people, in particular those outside Dublin. Local roads have gone into disrepair and there has been a lack of funding for the repairs. This is a matter of great disappointment to many Deputies. As the committee is probably aware, it is now being given support in the programme for Government. While allocations may not and will not be ring-fenced, as they used to be, the local authorities can give local improvement scheme grants if they wish. Applications can be made and are being considered. The scheme is back.

I will leave the detail on the North-South road projects to my colleague, but the Narrow Water Bridge, which is an important project for Deputy Fitzpatrick and his constituency, is a matter of some disappointment as well. It was meant to be launched in 2003. The Deputy may be familiar with the situation but when the invitation for tenders was issued the amount of allocated funding was approximately €15 million but the tenders came in at approximately €40 million, so there was a huge funding gap that has never been met. As a result, the project has been in abeyance. There will be a North-South Ministerial Council meeting in Dublin Castle on Monday at which I will raise the issue. It is an important issue, particularly in light of Brexit. We cannot allow these projects to fall to one side, but this will be complicated by the possibility of some sort of Border controls. This particular project is important to the people of Louth and those across the Border and we will push for it to go ahead. There is a funding problem, but that does not mean we will not pursue it.

Deputy Fitzpatrick also asked about the greenways and mentioned Blackrock and Carlingford specifically. I am not familiar with them.

Deputy Peter Fitzpatrick: The Minister is welcome to visit any time.

Deputy Shane Ross: I will do that at some stage. There is additional funding promised in the programme for Government for green ways. This is a project and a concept that is reason-

ably new to me but I find it extremely attractive. They are not just environmentally attractive. They can also bring in tourists as well as be attractive from a sport and clean living perspective. We should embrace and encourage them and it is my intention to increase their funding during my tenure, however long that may be. They provide value for money and give a great deal of enjoyment. They take people off the roads, improve tourism and their use is a healthy occupation. I will visit the one in Deputy Fitzpatrick's constituency. I will look at green ways projects seriously because funding will be available in the programme for Government. There should be a nationwide network of green ways. The number of them should certainly be increased.

I will leave the specifics on the roads to my colleague as I am not familiar with them.

Mr. Dominic Mullaney: The Government commitment on the A5 still stands, which is €25 million in 2017, 2018 and 2019. There has been no change in that regard. On the figures for regional and local roads, as the Minister stated, the initial figure for 2016 is identical to the initial figure for 2015. In 2015 there was a supplementary amount of approximately €25 million during the year. As a result of the severe weather, this year's figure has since been supplemented by €80 million. The outturn figures will therefore be higher for 2016. It is correct to say that overall the full amounts needed are not going in. Approximately €100 million comes from the local authority sector itself. When it comes to regional and local roads, our funding is supplementary.

As a final point, under the capital plan the amounts for what is called steady state do increase. They stay flat for the first two years, namely, 2016 and 2017, but they do increase thereafter. In 2020 they will have reached a much higher level.

Deputy Peter Fitzpatrick: I thank the Minister for his reply. In this day and age, it is fantastic to see constituents and groups willing to put their hands in their own pockets to help improve the road facilities. There has been a failure on the part of local authorities to help out and these roads have been neglected for the past number of years due to the state of the economy. It would be a great scheme to get back up and running. Money has been given to local authorities in recent years and it has been spent in other areas but the neglect of the roads and the potholes are such that when citizens and group schemes are willing to put their hands in their pockets to contribute, we should look into it.

I mentioned the Ardee N52 bypass and I think bypasses will be very important as they could help develop town centres. We should contribute towards the A5 but with the UK leaving the EU, we should look into other joint ventures we have with the North. Some €75 million is an awful lot to contribute to roads when we do not know what is going to happen in the future. It is important that we re-evaluate the money we propose to invest, North and South.

Deputy Imelda Munster: The Minister has answered some of my questions in part. The Minister spoke about road improvements and maintenance and mentioned the difference of €43 million. The gentleman beside him said the spend for 2015 may be matched for this year but can the Minister clarify if this is the case? If it is not the case, is it sustainable to decrease funding for local road improvements and maintenance? Only six months ago, the CEO of Louth County Council told us the situation with regard to local roads funding was so dire that the council needed to prioritise which potholes to fill in. The world and his brother know there is a serious lack of funding for local roads and their maintenance not just in Louth, but right across the State. I am not just talking about potholes but road safety measures at junctions and all the other necessary works that need to be carried out, whether they relate to road safety issues in rural areas or built-up and urban areas.

In the capital plan for public transport, there is a note about measures to improve public transport accessibility. Can the Minister direct me to where it shows the funding identified for accessibility to public transport for people with disabilities? In a priority question recently I raised with the Minister the difficulties encountered by people with disabilities. He replied that he had not realised how bad it was until he started researching. It is obvious that this has not been prioritised. Yesterday, I received a response from the NTA to a question which the Minister had referred to that body about a particular route, though this applies right across the State. On this particular route, the 190 from Laytown to Drogheda, wheelchair users are very often left at the side of the road, watching the public bus drive on without them. The NTA's response was disappointing, to say the least, and shameful at worst. It stated that double-decker buses may be assigned to the route. That does not take this matter seriously or treat it as a priority. Will the Minister go back to wheelchair users in Louth and east Meath and ask them if they mind sitting at the side of the road for another six months or 12 months until the NTA takes this matter seriously? If there are double-decker buses that are wheelchair-accessible, which there clearly are, as the NTA has suggested, it could switch a double-decker bus back onto this route. Can the Minister intervene to see to it that this is done in Louth and east Meath and in other areas across the State where there are similar problems with wheelchair accessibility?

Other Deputies raised the question of the Ardee N52 bypass. Some €5.3 million has already been spent on this for land acquisition and surveying but the funding has not been included in the capital plan. The initial stages are complete and ready to go. Can the Minister say whether it will be included in the capital programme? People in Ardee say that Ardee is a bypass, as it is bypassed for everything, but they have been fighting for this for years.

The other issue is the R150 spine road from Laytown to Bettystown. The Minister said this was included in the capital funding plan, but Meath County Council seems not to be 100% sure. Can he confirm whether the funding has been allocated and is ready to be given out, and that there is no delay?

There was an article in *The Irish Independent* this morning about the number of used cars imported from the UK. There was an increase of 1,000 in the first five months of this year, bringing the figure up to 3,442. This flags up problems in regard to road safety, particularly in view of the slack regulations. I understand there was to be legislation to deal with this. Where is that legislation? Does the Minister intend to speed it up? This is a huge increase in imported cars. Many of these cars are not roadworthy and many are death traps so we need to take it seriously and prioritise legislation to deal with it.

Deputy Catherine Murphy: Speaking earlier, I omitted to congratulate the Minister and wish him well in his brief. The new Dáil arrangements aimed to ensure we did not end up trying to be in two places at once. I am, unfortunately and fortunately, on the Business Committee, which meets at 10.30 a.m. I may get back but, as roads and public transport are the major component of the budget, I wanted to focus on these areas. Does the Minister see the balance between the spend on roads and public transport changing substantially in the future? We need good roads to provide bus services and to move goods and people, but our climate obligations will have a dramatic impact on our approach to this sector. They will have an impact on agriculture and the built environment, too, but transport will have to carry a heavier load by virtue of its conflicts with agriculture.

I wish to drill down into some of the items in the documentation. My first question relates to public transport. One of the reasons there was investment in the link between Heuston Station and the Phoenix Park was that the railway order in respect of the DART underground was

not proceeded with. That is the real game-changer in terms of public transport in the greater Dublin area. It is estimated to grow public transport usage to 100 million passenger journeys a year. It is an expensive project but when one starts factoring in the resultant savings over the decades, for example, congestion, accident rates, insurance costs and productivity, is it really possible to avoid undertaking that project? What efforts are being made to see if funding can be obtained for that project, even from sources such as the European Investment Bank? There is a need to square the circle of trying to keep the deficit to the permitted levels and the debt in compliance with euro rules that are substantially imposed on Ireland. We also have obligations, such as climate change obligations, that we cannot fulfil unless we have the money to invest in fairly large initiatives in major urban centres. The DART underground would be the critical project in the greater Dublin area but if we are to grow cities at a regional level, like Galway and Cork, there will have to be a greater focus on public transport and much of that will involve capital investment. Where will such capital investment come from? Is that being factored in? Where will that be positioned in regard to the sectoral plans, one of which will come from the Department? There is a conflict between the obligations we have signed up to as a member state of the European Union and fulfilling those obligations through having the wherewithal to provide the alternatives. Obviously, that is something we must see in budgeting in future years to a much greater degree.

On investment in public transport fleet replacement, one of the issues that came to light locally - I am sure the same is happening elsewhere - was the inadequacy in the rail rolling stock where there are peak-time deficiencies. In fact, it is putting passengers off using rail services where that is obviously the most efficient way of transporting them. I presume there has been some modelling of the needs, even with the existing services for DART, Arrow and the other suburban services.

On the subvention to CIE, when one considers the need to grow the numbers using public transport, the cost of transport is cropping up as an issue and adds to the issue of the cost of living. It is difficult to see how the Minister will live within those budgets if there are continued wage demands. I wonder what the attitude will be to further subventions, as would be the case in other European countries, such as Italy, France and Spain, which invest heavily in public transport. The public transport in such countries is well used but it receives subventions. We are certainly not one of the countries that invests out of line. In fact, we are one of the countries with a low subvention in public transport, which is picked up in the cost of living for passengers.

It is not the case that there is a reduction in the amount for road maintenance. There was a dramatic reduction in the early stages following the economic crash and I recall some of the local authority officials talking about sweating an asset. There is a point beyond which that is advisable. Has the Minister information on the point where it becomes even more expensive to carry out repairs, where one allows the asset to become a significant liability? The former Minister, Mr. Pádraig Flynn, when roads were the responsibility of the then Department of the Environment, famously declared war on potholes. So bad had the under-investment been, it became a dominate issue. What analysis has been done on the condition of primary, secondary and regional roads?

On road fatalities, a decade and a half ago a mechanism was put in place to undertake a cost-benefit analysis. That was the mechanism that was used when, for example, road deficiencies were deemed to be a contributory factor in road fatalities. Is that cost-benefit analysis model still as robust as it was in the past? It seems horrible to say, but I am aware that the cost

of a life formed part of the analysis. There may well have been changes. Has that changed in recent years? Such fatalities are mapped and one can see, for example, the kind of collisions that happen and the contributory factors in those road fatalities. Sometimes fatalities are due to road conditions, while on other occasions they obviously occur as a result of driver behaviour or other factors. That matter is one which is specific to the Department. I would be interested to hear whether that is being examined or whether it needs to be examined.

The number of passengers using Leap cards is growing and that goes back into the cost of transport. Is it intended to do further work there or is the Minister satisfied with the good progress? Consumers are looking to their pockets and the Leap card is obviously a positive for regular transport users.

Chairman: I ask the Deputy to conclude.

Deputy Catherine Murphy: I am just finishing. I must leave in a few minutes.

Chairman: I might allow the Minister to answer those two questions before I call Deputy O'Keeffe. There are also one or two questions I wish to pose. Would that be okay?

Deputy Catherine Murphy: Yes. I will leave it at that.

Chairman: The Minister might answer the questions posed by Deputies Munster and Catherine Murphy first.

Deputy Shane Ross: As Deputy Catherine Murphy has to go at 10.30 a.m., I will take her questions first.

Deputy Catherine Murphy spoke of the relationship between roads and public transport. The 2016 breakdown shows a 43% spend on roads and a 35% spend on public transport. The answer to the Deputy's question, of course, is that both of them need a great deal more funding. I certainly would be open to ideas on that but the Deputy is really saying public transport needs more funding and that the roads are getting a great deal. I would agree with her. We are very short of funding in the Department because infrastructure is so incredibly important in the long term. It was Deputy Munster who mentioned that and who stated that we must take long-term decisions because short-term decisions are not any good. The Deputy correctly stated that short-term decisions are more expensive. In both these cases, long-term funding is needed. If you give to one, you take from the other. It is a difficult decision. I do not know. I would certainly consider that but my main thrust will be to go to the Minister for Public Expenditure and Reform to ask for larger sums for capital investment overall. I think he is fairly sympathetic to that ambition. He seems to have singled out transport when he spoke about the additional money and the extra fiscal space. He has always specifically mentioned the Department of Transport, Tourism and Sport as one of his top three priorities. He appreciates that having previously served as Minister in the Department.

I would be loath to say I want to change the relationship between those two figures because I know that the roads and infrastructure elsewhere would suffer if I did. However, I take the Deputy's point about public transport. I know she is committed to public transport and that it will be necessary - particularly in Dublin, where there is terrible congestion - to improve the capital investment in it. The proposal for the DART underground was put in the deep freeze in 2010. It is now in the fridge. There is every intention of its being a project. It is being designed and kept alive and will certainly be eligible for EU funding. We must not lose sight of that project along with metro north and others. If funds became available, the timetable for that

and the DART underground should be looked at anew because they are so important. I do not know whether we have an analysis of the economics of the side benefits the Deputy mentioned. I will ask the Department about that afterwards. It is certainly long term.

The Department examines the big-ticket items regularly. It changed and updated its capital appraisal rules this year for that very reason to examine the relationships between these spending items and I hope we may come up with changes. We should be coming up with them all the time in any event. It is not something that should be set in stone because of the changing demands in the areas of transport and roads. It would be wrong for me to say we are going to change it and spend more on public transport and less on roads because that would have detrimental effects elsewhere but I will keep it under constant review. The interesting point here is whether we should be making big decisions of that nature. Perhaps we should but I do not want to make any promises about that now.

We do have serious climate change obligations and the amount given to sustainable transport initiatives, €14 million, is too small. We will certainly have to give serious consideration to that. We will be under pressure from overseas to do so. Our commitment to our emissions targets needs to be stepped up. I will review all of these matters over the summer. I do not want to do anything too dramatic in the first three to five months because it would probably be premature and I do not know enough about the subject. I will review this relationship and other similar matters, perhaps in the autumn, because they certainly should be reviewed.

They may go against many of my instincts but subventions are here to stay. They increased by 13% this year. They are absolutely essential for those who are left out by the system. Public transport should not be completely dictated by the market. If we are looking for changes in the semi-State organisations, particularly in the subventions to Iarnród Éireann, CIE and the subsidiaries, we should look for more efficiencies. There are areas where there is still scope for efficiencies. It would be totally unrealistic to say that subventions are going to be cut much further, they have been cut very far already. If we have a commitment to public transport, which we do, the subventions are part of that. Unless we intend to privatise these particular semi-State bodies, which I do not, we have to accept that subventions are part of that landscape. The size may vary from time to time but certainly they are here to stay for the near future.

I will ask Mr. Mullaney to answer the Deputy's question on the under-investment in road repairs.

Mr. Dominic Mullaney: There has been a drop. In 2007 national roads got €1.75 billion and that was down to approximately €420 million in 2015. Regional and local roads were getting over €600 million and the initial figure for this year was just around €300 million. There have been substantial drops. The capital programme does envisage an increase again but that will not happen until 2018. There has been analysis of the effects of deferring works on a road. If a road needs repairs and they are deferred five years the cost can increase 18 times. There is international research on all of those matters.

In respect of speed limits there is a lower accident rate on motorways, which has contributed to a fall in deaths, but sometimes speeds go up on the bypassed roads. There is an exercise going on with Transport Infrastructure Ireland, TII, to better match the speed limits on national roads. That is being done in conjunction with the councils.

Deputy Shane Ross: By the end of the capital plan it is intended that public transport and roads should be virtually in equilibrium. The relationship should be changed by 2022. It will

be moving in the direction the Deputy suggests.

The Leap card is spectacularly successful. It is a fantastic achievement. I do not have the figures in front of me but there has been a massive increase in the past year. We should congratulate Iarnród Éireann on that. It gets a lot of stick for many things, probably quite rightly but the Leap card is extremely successful and consumers are very happy with it. We discussed this already. I will provide Deputy Munster with more specific figures after the meeting. The overall figure for accessibility for bus stops, rail improvements and an accessible bus fleet has improved quite a lot. It is within the public transport safety and development infrastructure figure. It has increased substantially, from €135 million to €207 million.

I cannot provide the Deputy with specific figures on the Laytown to Drogheda route. There is no delay in the project.

Mr. Dominic Mullaney: I understand a Part 8 designation has been achieved on the Layton to Bettystown project. It requires a CPO. Some funding has been provided in the current year. Before the project can begin, the CPO needs to be achieved. It is not being delayed because of a lack of funding. Once the CPO process has been completed and if and when the project gets approval from An Bord Pleanála, it can go ahead. There is a small scoping exercise going on because the initial figure was lower than what is currently estimated. That is not delaying the project.

The Ardee bypass is not in the capital plan but I imagine it is one that Transport Infrastructure Ireland will put forward as part of any review in 2017. The latter is buying land and has probably procured a lot of it at this stage.

Deputy Shane Ross: Deputy Munster received an answer to this specific question from the NTA yesterday. I have the reply here. I will revert to her. I have only just read it. I am quite happy to contact the NTA on her behalf if she wants me to do so and if it is appropriate. I have not had time to read the reply.

On a general level, we had an exchange about this in the Dáil. I do not want to refer to specifics because I do not have the facts at my fingertips, but there are areas of accessibility which need to be accelerated countrywide. There are gaps in accessibility and public transport which need to be filled. I will examine the issue in a meaningful and serious way. It seems that in some areas some buses are fully equipped but others are not. I understand that only 5% of taxis are wheelchair accessible. The Deputy is correct in saying there are gaps. I will revert to her on the specifics.

The Deputy asked about legislation on write-offs. I answered a question on this earlier. The intention is to introduce a Bill before the Dáil recess if the Attorney General clears the amendments. Some of the comments in newspapers today were not completely accurate, but I take the point. Write-offs are a problem and it is unacceptable that they can be back on roads, especially as they may cause accidents. It is a problem we have acknowledged and are addressing. It is to be hoped it will be dealt with in legislation before the summer recess, but if not, then very soon afterwards.

Deputy Kevin O'Keeffe: I was taken aback by the Minister's opening statement when he said he would follow through on the previous Government's programme. I understood from what I read in the newspapers that he would be more progressive.

I do not want to be too parochial. When I came into public life, one of the major issues was

the trans-European road network, which was a motorway from Belfast to Rosslare and Cork to Rosslare. It was a priority project in the late 1990s. Does the Minister have a timeframe for the project? It is fine to have lovely motorways between Cork, Limerick, Galway, Sligo and Dublin, but there is no connectivity in the western seaboard. The road network from Cork to Limerick and Limerick to Galway has not been completed. It is having a serious effect on local economies in terms of economic growth.

In recent weeks, the Minister said in the Seanad that he has no timeframe for the M20 from Cork to Limerick. It is an issue in Munster. It may appear to be a local issue, but it has an impact on the national economy and the western seaboard. Can we implement some town bypasses? Perhaps a Lego job could be done, and the motorway could be completed at a later stage. I know money is a major issue, and I am sure we will go down the PPP route, but I am concerned about the western economy and that its growth is being hindered by not having infrastructure to enable people to travel from Cork to Mayo and Donegal.

I am taken aback by the Minister's statement that there has been an increase in young people drink driving. I am shocked. I understood the problem with young drivers is that they are on the roads at 3 a.m. or 4 a.m. doing doughnuts at the crossroads or even motorways - when I drive to Dublin I can see circles on the roads. I would like a breakdown of the data on fatal crashes. Rural Ireland is suffering. In terms of crime scenes in rural Ireland, if there are more gardaí present does that mean more people have been caught or that there are fewer robberies?

Chairman: I welcome the comments of the Minister on greenways. I have felt very strongly about the issue for a long time. We are trying to get a number of projects over the line in Kerry. When the Government is finished in Louth, the Minister is welcome to come to south Kerry when, it is to be hoped, the south Kerry greenway will be up and running. Would the Department consider a programme for greenways? Greenways are expensive from the initial planning stage to delivery, as there are access issues, purchase orders and bureaucratic red tape. I have spotted another option. We have a major network of tertiary and local roads, and the maintenance of these roads is seen as a burden on the State. May I suggest that local authorities be invited to put together an engineering proposal to identify how one would get from A to B using these roads and thereby create priority cycle routes using existing quiet country roads that are rarely used? One might need funding to take away some sharp bend or junction where sight distance needs to be improved, improve road surfaces and reduce speed limits to 50 km/h. This would be a way of delivering an amenity at a much lower cost than greenways and would turn what is traditionally seen as a negative into an opportunity.

In respect of the capital plan, I concur with Deputy O'Keeffe's remarks about the M20, connecting the two main cities of the south, Cork and Limerick. I would like to see the capital plan reviewed earlier, if possible. The upgrading of the N22 Ballyvourney-Macroom road has been announced in the capital plan. Is this seen as a priority project, given how far the proposal has come in terms of being almost shovel-ready?

In the early 1970s there were more than 600 road fatalities per annum, a shocking figure. At the time, certain safety measures would have been viewed as culturally unacceptable, but today it seems incredible that these measures were not in place at that time. Similarly, I do not think we can be too draconian when it comes to road safety. Are we working with our European colleagues to push new technology such as alco-locks and GPS speed monitoring technology? The use of this technology might be viewed as a bit over the top at present, but could be seen as the norm in 15 to 20 years. Are we keeping the use of this technology on the agenda?

I know the Minister cannot intervene in the insurance market, but the cost of insurance is crippling so many motorists. There are shocking examples of the cost of insuring vehicles that are ten years or older. It has come to my attention that returning emigrants get no credit for their driving experience abroad, and their insurance cover is very expensive as they cannot avail of a no-claims bonus. It is no way to treat returning emigrants, particularly those who were forced to leave because of the economic catastrophe. They are now being punished on the double. Could the Minister, together with the Minister for Finance, engage with the insurance industry to try to achieve progress in reducing costs?

Farmers may have to cross roads to get their animals from one part to another part of the farm. The cost of constructing an underpass on regional and national secondary roads is significant. I wonder whether the Departments of Transport, Tourism and Sport, Environment, Community and Local Government and Agriculture, Food and the Marine could co-fund, with each Department putting up 25% and the farmer putting up 25%, so that what is an unaffordable €40,000 project would become an affordable €10,000 project. It is a pro-road-safety measure. It makes it easier for the farmer to put the infrastructure in place, and everybody benefits. It would be a stimulus to construction. Would the Minister consider such a proposal?

The number of wheelchair-accessible vehicles, particularly taxis, is very low. I know the NTA has set long-term targets for 100% compliance by 2040. At present there needs to be greater incentives for taxis to retrofit their vehicles. In Killorglin, County Kerry, a wheelchair user cannot get a taxi, and I know a man who is housebound during the winter months. Even in a town the size of Killarney I know of a person who finds it incredibly difficult just to get out of his house because of the lack of availability of suitable transport.

“Prime Time” raised the issue of devices to regulate diesel emissions. Members may have come across it. Will efforts be made to tackle this in forthcoming legislation?

Deputy Robert Troy: I refer to an earlier reply from the Minister when he said that he would not like to see roads and public transport competing against each other for funding. The Minister is correct that it is extremely important that both are funded. Given our geography, we have major road infrastructure that needs to be maintained and requires a high level of funding. We also need to increase funding for public transport because of the serious capacity issues. Thankfully, more people are back at work but we now have an issue with the capacity of public transport. One can see in the capital programme that large scale investment in public transport will not happen for a minimum of three to four years. Is there an opportunity to borrow from Europe to invest in public transport when interest rates are at an incredibly low rate? By doing so, we would increase our capacity and ensure we have a public transport system in the capital city that is fit for purpose and that will encourage people to leave their cars at home and use public transport instead. When we increase our capacity, we increase the number of people who pay fares and generate greater revenue and we ensure that we can fund public transport in the future. We talk about congestion but how will we get people out of their cars? The only way to get people out of their cars is by providing an alternative. Nobody will choose an alternative that is not fit for purpose, if it runs late or is oversubscribed, resulting in people standing, waiting or queueing. That is something that should be looked at. How can we get the necessary funding to increase investment in public transport and increase our capacity in the capital city of Dublin?

Deputy Shane Ross: I will deal with Deputy O’Keeffe’s questions first. The Cork to Limerick motorway, the M20, is not off the agenda, as I suspect the Deputy knows but it is hugely expensive project. I think it is in the region of €860 million, which would take up a pretty good whack of the capital budget. I know it is necessary and it will almost certainly be included in

the mid-term review next year. I do not think the Deputy should give up hope but I do not want to give him any false hope that it will be completed immediately because of its massive size. I am aware that it is an imperative in the area. The message is coming through from all of his colleagues as well. We will keep it in mind.

The Deputy also raised the Cork to Rosslare road. I am not familiar with that but I will ask my colleague to respond.

Mr. Dominic Mullaney: The next stage, Cork to Rosslare, is not on TII's programme at present. Obviously, TII is doing the Gort to Tuam scheme, which is part of the Atlantic corridor, and that is progressing well. In fact, it is due to be completed by the end of 2017.

As the Minister said, it was not possible to include the M20. There was an allocation of €860 million for capital plan projects and the M20 alone would have cost €800 million. It would have meant there would be no money for anything else. What was included was a possible Mallow bypass in terms of an east-west link, which could be part of the longer term M20 project. That is being looked at by TII. That would bring relief to the N72, where many trucks have to go through the town.

Deputy Kevin O'Keeffe: How close would that be?

Mr. Dominic Mullaney: It will depend on when TII comes back with the report. We would hope it will have it later this year. We would then be able to get a fix on whether that element could be brought forward. However, there is provision for it in the capital plan. If it is feasible, TII would have to start working on the acquisition of land and so forth.

With regard to the N22, the Dunkettle project is likely to go ahead of it. TII would see that as the highest priority and it would be followed by the N22 in the Cork schemes. Unfortunately, I cannot provide an exact timescale but I suspect it will be 2018 or 2019 before Dunkettle gets going and the N22 would follow it.

Chairman: Will the two projects of Ballyvourney-Macroom and Dunkettle be bundled or will one follow the other?

Mr. Dominic Mullaney: They will be separate. There was an intention at one time to bundle them as a PPP but that is not happening. In fact, Dunkettle is proving to be a very complicated project. There is a huge number of bridges and minor structures on it. I believe TII is going to do it using a different form of contract, early contractor involvement as opposed to a traditional design and build contract.

Chairman: Would the N22 not be seen as more straightforward to start?

Mr. Dominic Mullaney: You are right, it would be more straightforward. It is a question of managing budgets and the fact that so much hinges on Dunkettle. The future Ringaskiddy road also hinges on it.

Chairman: Is there a final decision on the order of those projects?

Mr. Dominic Mullaney: TII is working on a programme for that.

Deputy Shane Ross: On the breakdown on drink driving, that report contains a great deal of information. I can get the Deputy a copy as it gives a good breakdown. The only problem is that it is not up-to-date as it is for 2012. However, we will provide the Deputy with more

information and breakdown if he wishes. It is a pretty staggering discovery that drink driving is creeping back in. We thought there had been a culture change on it. There is also anecdotal evidence that the number of Garda checkpoints is down, which means the numbers of convictions and discoveries of drink driving are lower than perhaps they ought to be.

On the question about the greenways, Chairman, where they are shovel ready, we are happy to consider them in a serious way. There is money available to progress with them. That is a good news story. I will be delighted to visit. I will be in south Kerry in the summer, so perhaps I can take you up on your offer if you are there in August.

Deputy Kevin O’Keeffe: Will the Minister be cycling there?

Deputy Shane Ross: That would be pleasant. Your idea, Chairman, is to turn really narrow roads into cycle routes. Would they be exclusively cycle routes?

Chairman: No, they would be shared. Obviously, engineering works would be required for shared roads if one is trying to promote them as cycle routes, such as ensuring ditches are lowered for increased visibility. These are really quiet roads that might be travelled by one tractor and two cars in a day. Obviously, one would have to market them responsibly as priority cycle routes. One could not let children out on roads that are too busy but there are so many of these roads around the country that any rural Deputy could identify a network of links to get from A to B through towns along these roads and do it in a much cheaper manner. This would be where one does not have a greenway option or an old railway route or canal bank. Council engineers around the country would have local knowledge of where this could be done very cheaply. It should be explored, or at least the local authorities could be invited to come forward with such routes. They could be brought forward very quickly and relatively cheaply. It might be something worth exploring.

Deputy Shane Ross: It is a good idea. I will ask my Department to look at it.

We have also addressed the N20 Cork-Limerick link, which Deputy O’Keeffe mentioned. Was the question on the N22 answered?

Mr. Dominic Mullaney: That was answered.

Deputy Shane Ross: I absolutely agree that the insurance situation is bad. It is not my Department’s responsibility, but we should take a more active interest in it. I had a meeting with all the stakeholders in the road safety and roads areas earlier this week and we agreed that we would engage with Insurance Ireland as this requires further investigation. We will engage with Insurance Ireland at a senior level. I will meet its representatives and perhaps the Minister for Justice and Equality as well. It is inexplicable. We have not received proper explanations for why premia have gone up so much in such a short time. I do not wish to cop out of it from our Department and just hand it over to the companies. It is primarily their responsibility, as was clear from the recent debate in the Dáil. We would have liked to have had the lead part in that but it was the Department of Finance’s responsibility. However, we will meet with the industry and challenge it on various areas because we are not happy with the situation.

On taxis, the low accessibility is a little staggering. We might look at that and see if we can increase it. It is at 5% and the target has been 30% or 35% for quite a long time. Deputy Munster will probably be quite interested in that. It is too slow. It is expensive for them, so it is difficult, but we should reach to a much higher standard than this.

Chairman: There are two other matters. One is the cattle underpass.

Deputy Shane Ross: Yes, I ducked that.

Chairman: Is co-funding something that might be considered? There is a demand for this as I regularly encounter farmers who want to take cattle off the road, in everybody's interest. It is in their interest too, in terms of the labour intensity of being obliged to have two or three people out on the road rather than just one farmer bringing the cows in at mornings or evenings. This would mainly be their concern. From a practical point of view, if the Departments with responsibility for agriculture and transport could come together and meet the farmer part of the way, it would be a positive for everybody. Perhaps it is something that could be considered.

The other matter was road safety technology such as alcolocks, GPS monitoring and the diesel emissions devices.

Deputy Shane Ross: We can certainly consider that. Perhaps they could identify the need to the local council first. Obviously, this is a new idea; it is a good idea. I am not qualified to say whether it would work, what it would cost or the like, but it appears to be fresh idea. We will consider it without hesitation.

On the road safety issues, apparently the Department, through the RSA, is working at EU level to develop and study how information technology can assist safety. The Department is working in parallel with its counterparts in the EU, so that is already happening. The answer on alcolocks is "Yes". Diesel filters and emissions are primarily a consumer protection and environmental matter rather than a road safety issue, but we can pass it on to the bodies concerned from the transport committee.

Chairman: Thank you.

Deputy Shane Ross: Deputy Troy made a fair point when he raised the issue of whether we should borrow money. We already are in various areas. We have borrowed €150 million already to fund the Luas cross-city project, which is a fair amount. The Department is quite aggressive and quite happy to do that. It is also looking to the European Investment Bank, EIB, in respect of the DART underground project. I do not think we are lacking in that area. One has to be careful when borrowing money for companies which are not in a very good state. Iarnród Éireann already has a loan problem and might not be able to borrow any more but it is something we are aggressively pursuing. We are not frightened to borrow large sums if a project merits it.

Chairman: We have 45 minutes to get through the remaining programmes so I hope we will be as disciplined as possible. The next programme is maritime transport and safety.

Deputy Shane Ross: At €95 million, or 5% of the overall Vote, the maritime programme provides primarily for the operating costs of the Irish Coast Guard, the bulk of which relate to the search and rescue, SAR, helicopter service. The allocation also part funds the Commissioners of Irish Lights and the building and renovation programme for Irish Coast Guard stations. The Irish Coast Guard requires a strong resource commitment on the part of the Exchequer. The SAR helicopter has seen a step change in the quality of service on offer and that will remain a priority. Future developments in IT will also ensure that the Irish Coast Guard will remain best in class internationally. At this point in the year, I expect to see this programme allocation fully expended.

Deputy Peter Fitzpatrick: Would it be suitable to talk about Drogheda Port at this stage? The Vikings are coming to County Louth on 9 and 10 July and the Minister is more than welcome to come to Drogheda. The Irish maritime festival is back at Drogheda Port on 9 and 10 July, hosted by Louth County Council, the Drogheda Port Company, Fáilte Ireland and Virgin Media. Can the Minister give an update on future plans for Drogheda Port?

Deputy Shane Ross: The date of transfer is 1 September.

Deputy Robert Troy: All members are inviting the Minister to visit their constituencies so I had better thank him for visiting our constituency and committing to extra money for our greenway earlier in the summer. We look forward to him coming back with the cheque. There has been a notable reduction in the number of inspections of licences relating to port facilities since last year, both in terms of the output target and the return, with a drop from 50 to two.

The biggest thing in the maritime area at present is the transfer of ports to the respective local authorities. How is legislation to give effect to that progressing? What progress has been made and when will it be completed?

Deputy Shane Ross: We will come back to the Deputy on the question of inspections.

Deputy Robert Troy: There seems to be a significant decrease from 50 to two.

Deputy Shane Ross: Can the Deputy repeat the second question?

Deputy Robert Troy: What does the Minister mean by further progress in respect of the transfer of ports from national to local authorities where the ports are located? When will the transfers be complete?

Mr. Ray O'Leary: The Department is working with local authorities, the port authorities and the Department of the Environment, Community and Local Government to move them forward. Each will have to follow its own timetable because each will be at a different stage of preparation. We expect Drogheda and Wicklow to be early movers because they are quite ready for it but others will take more time. The previous Minister stated that Galway would take at least 18 months to be ready. It is a question of working with partners in local authorities and in the ports and with the Department of the Environment, Community and Local Government, given its oversight responsibility for local authorities, to ensure everything proceeds smoothly and the correct options are pursued.

Deputy Robert Troy: Is it true that no further legislation is required from a national perspective?

Mr. Ray O'Leary: Yes, the legislation was enacted by the last Dáil.

Deputy Robert Troy: So the status of individual ports depends on the relevant local authorities?

Mr. Ray O'Leary: Yes.

Deputy Shane Ross: This is the slowest one but it will be completed in a reasonably short time.

Chairman: I assume the Department is committed to the continuation of Malin and Valentia Coast Guard radio stations.

Deputy Shane Ross: I think so.

Chairman: It is something we have discussed here before. I assume the commitment stands.

Deputy Shane Ross: There is no reason to believe we are not committed to them.

Mr. Ray O'Leary: There is no change in the previously stated position.

Deputy Shane Ross: In 2016, the overall sports allocation will increase by 40% to €126 million - a strong recognition by Government of the value of sport in all aspects of Irish society. The current expenditure allocation for the recently established Sport Ireland for 2016 is €47 million. This is an increase of €3 million on the total current funding provided to the Irish Sports Council and the National Sports Campus Development Authority last year. This funding will assist the national governing bodies of sports and our high-performance athletes in their preparation for the Olympic and Paralympic Games in Rio in August and September.

Further funding of €4.5 million is being made available for sports measures through dormant accounts funding. The focus of this funding will be to support the implementation of the national physical activity plan in disadvantaged communities. Sport Ireland will continue to support the community sport hubs which were piloted last year through the local sports partnerships under dormant accounts funding. In recent years there has been an increase in the popularity of activities like walking, running, cycling and swimming. I propose to allocate dormant accounts funding through Sport Ireland and the national governing bodies of sport for the further development of the get Ireland walking programme and the development of new get Ireland cycling, running and swimming programmes. Investment will also be made in programmes to address the high dropout rates from sport among specific groups.

Almost €25 million is being provided for the development of the national sports campus, including completion of phase one of the national indoor arena. Other major components of the sports programme include the sports capital programme and the local authority swimming pools programme. Provision has been made for the Páirc Uí Chaoimh redevelopment and for the Kerry sports academy in Tralee. It is possible that spending originally envisaged for both these projects in 2016 may not happen until 2017 but it is still too early in the year to be definitive.

Deputy Peter Fitzpatrick: I welcome the increase of over €36 million, which is much appreciated. I also welcome the increase of €17 million in the sports capital programme. I note that a target of 1,200 applications was set for 2016 but, to the end of May, only 471 were approved. Can the Minister elaborate on that?

Can the Minister confirm when applications for the sports capital grants will be open? I would like a pre-validated scheme to operate as too many sporting clubs are losing out on grants due to simple errors in their initial applications. This is a vital source of funding for many sporting organisations and it has been a great success in the past. When one fills in an application online, one does not know if it is valid or invalid. In County Louth, there are a large number of sporting clubs that depend solely on grants and they are all looking for some funding at the moment. Is there some way we can find out if there is a problem with an application before the closing date? This would give clubs another opportunity to submit their applications.

Deputy Shane Ross: Even if people apply offline, they might not get a validation any sooner. It has not yet been decided when the applications will open. It has not been decided yet, but I think it will be in the new year.

Deputy Robert Troy: It is not stated here, but I have a memory of reading somewhere that the sports budget is to double to €300 million per annum. I do not know whether that is a memory or wishful thinking on my behalf, but I thought I read it somewhere. Is that part of an increased allocation that will come under the new sports capital programme? The Minister indicated that it will be the new year before the sports capital programme is rolled out. That could be part of 2017's figure.

I am straying off the Estimates, but in the light of a number of our world-class golfers deciding to opt out of going to Rio to represent Ireland at the Olympics, has the Minister a concern relating to the Zika virus in Brazil? We could have a situation where other athletes opt out, not just from the golfing fraternity, although certainly Katie Taylor is not going to opt out, judging by her tweet. On a serious note, is there a real and genuine concern on the part of the Department of Transport, Tourism and Sport that other athletes will be forced out? Has the Department had any contact or consultation with the authorities in Brazil or the authorities running the Olympics to ensure that the safety of our athletes travelling there is of paramount concern? Of course, it is not only athletes travelling, but also spectators and supporters. What level of engagement has the Department embarked on?

Deputy Shane Ross: I will answer that. I do not know from where Deputy Troy got the €300 million figure.

Mr. Ray O'Leary: It is the capital plan, over seven years.

Deputy Shane Ross: There is a seven-year figure of about €300 million over the lifetime of the capital plan. It is not going to double next year or the year after, unfortunately. It would be great if it could.

There is some concern within the Department about the Zika virus. My Minister of State will consult with the Chief Medical Officer to see what the health dangers are. The World Health Organization has made some very reassuring noises about this. It is somewhat strange that the concentration of withdrawals is in golf. It seems rather a coincidence. The concern is there, but we want to investigate the matter, which we are doing.

Chairman: I thank the Minister and call Deputy Munster.

Deputy Imelda Munster: I do not profess to be a sports expert or even an enthusiast at the best of times. The sports application grants are not happening this year. Why is that the case? I know that many clubs across the State have been watching anxiously for the announcement in order that they might make applications. In reading the programme this morning, I ask: was that a deliberate decision by the Department? Was the focus then put on the national physical activity plan, rather than the availability of grants through sports clubs? Why is it not available this year? What was the amount due to be available? Will that be added on next year?

Deputy Shane Ross: The sports allocation this year has increased quite dramatically. It has gone up from €25,500 to €42,200, so it has increased by €16,700. I am sorry, I should have said it has gone up from €25.5 million to €42.2 million, so it has gone up by €16.7 million, which is an increase of 65%. That is a pretty good increase.

I do not think any decision has been made about the date of the sports allocation grants at this stage, but it is likely to be early in the new year. I would not be certain of it.

Mr. Ray O'Leary: One of the considerations is how to enable the very many bodies that

have received funding in previous rounds to move forward with their grants. Clubs make grant applications, some of which are successful. It can then take quite a period of time to draw down the funding because they have to make local arrangements in order to be eligible to draw down the funding and put contracts in place to have the work done. As the Minister said, the money to be handed out to local clubs has been increased this year in light of the previous calls that have been made. The intention this year is to focus on helping clubs to use up the allocations that they have received and then to reopen the scheme, as the Minister said, in the new year. The Department is anxious that the issue with absorption of funds is addressed. As the other Deputy said these are small clubs and they have to put a great deal of voluntary effort into ensuring they draw down the funding.

The work on the national physical activity plan would have been quite distinct from the work on the sports capital grants.

Deputy Imelda Munster: On a point of clarification on the absorption of funding, does that happen every other year or is this the first year that has happened? Are the sports grants made available every year? Do clubs apply for them every year or every second year? Is this the first year that the grants have not been-----

Mr. Ray O'Leary: The grants have been periodic. There was a lengthy period during the challenging years when no allocations were made. There is no fixed period. There have been a couple of rounds in the past two years as some funding became available. I understand the Minister of State, Deputy O'Donovan is proposing to the Minister, Deputy Ross that they work on putting in place a fixed period, which would make it more predictable. It is a question of looking at how much money we have allocated and how much has been drawn down at this point in time to get a measurement of the likely absorption capacity.

Chairman: I thank the Minister. First, I must congratulate the Irish soccer teams on the fantastic job they did in France. Both teams, and their supporters from the Republic and Northern Ireland did their countries proud. I was at the Euros in Poland four years ago, but I did not have the chance to go this time and I missed it. We can all be proud of the great ambassadorial job our supporters in France did for our country. That needs to be mentioned. We can be very proud of what happened on and off the pitch.

In regard to the sports capital programme, a scheme which has one third invalidation indicates there is a problem. I think we need to look at the process. Deputy Fitzpatrick alluded to it earlier. I think we should look at an early bird option, so that if a club or organisation has made its application a month or six weeks before the deadline, there could be an early deadline for those who want to get feedback to be told whether the application is valid or invalid. At least this would give the organisation time to rectify the issue. Alternatively a number of days could be allocated for over the counter validations to try to reduce the number of invalid applications. One in three invalid applications is far too high. From my meetings with those involved in the clubs, the clubs that are most annoyed are the clubs which submitted an invalid application. Clubs can accept not get funding, as the reason could be that there was not enough to go round because the scheme had been heavily over subscribed. Those clubs which made invalid applications feel very frustrated. It causes a high degree of internal hassle in the club, because club secretaries and other volunteers acting in good faith have gone through the process, but for whatever reason, be it a box that was not ticked, or another reason, the application has been invalidated. It is a difficult process to get right. We should try to make it easier for the applicants. That would be progress. I think it would be better to make it an annual programme, even if one reduced the overall budget, as that would provide certainty. There would be less

rush. Clubs that have not got their application quite ready, try to get in because they do not know if the scheme will operate for a few years. As members know it was scrapped in the 30th Dáil. It was reintroduced in 2012, there was a programme in 2014 and 2015, but possibly not in 2016. I think we should try to have an annual scheme, as distinct from an irregular scheme with a larger budget.

Another issue is that a large draw down has not been taken up at this stage. There are various reasons this has not happened. There are some clubs that will never draw down what has been allocated to them. Could we look at incentivising clubs to write off that money if we could reassure them it will not be held against them if they waive it and return the money to the Department? There is money tied up that could be spent on the ground. As we all know there are clubs that badly need funding now. I think it would be a step forward were the Department to take a proactive approach to try to claw back some of the draw down that will never be spent.

I know the Office of the Chief State Solicitor is heavily inundated. Could the Minister liaise with his Cabinet colleagues to try to ensure that the office could be assisted because sports capital grants depend on everything being processed by the Chief State Solicitor's office. Many of the applications are slowed down at that point in the process. It is making it difficult for works to start on the ground. Will the Minister consider this suggestion and raise it with his colleagues?

Deputy Shane Ross: Yes. I will ask Mr. O'Leary to respond and I will come in after him.

Mr. Ray O'Leary: The Deputy asked for an annual scheme and I think this suggestion will be considered by the Minister and Minister of State. Another option is a biennial scheme that would allow time to move things forward. I think predictability is the point more than anything else.

On the issue of validation, the challenge is to ensure that everybody is on the same playing field. If one club comes in early and the invalid element is spotted whereas another club is late for no bad reason and there is no time to spot the invalidation, are they being treated equally? At present they are opened together and compared equally. The challenge of giving feedback is whether it will give somebody an advantage. I know one of the focuses of moving to the online system was to have the information required for a valid application much more in people's face when they make the application. We can bring these points to the Department. The challenge will be how to give people feedback without giving somebody an accidental advantage to have a second bite of the cherry.

Chairman: What would equalise the system is that it would be made known in advance that those who availed of the early bird option have the opportunity to avoid invalidation.

Mr. Ray O'Leary: That is something we can bring back to the Department.

Deputy Kevin O'Keeffe: Would it not be more feasible to write to the applicant, asking him or her to correct the discrepancy? I can see the officials' difficulty with the two-tier application system, but if all the applications went into the system, those who have made a mistake could be asked to correct them. Under the single farm payment, the Department will come back and tell the application that an issue must be addressed.

Deputy Shane Ross: I think I should acknowledge there are a large number of complaints. It is not just coming from members, it is coming from all over the place. I should acknowledge that there seems to be a problem as there are too many invalidations. I do not know what it is

exactly. A help desk is available for all of these applications but I think it is something we could look at because of the volume of complaints I have heard. I am not sure what the problem is or where it lies but I think we should look at it because it is unfair that people get invalidated. Maybe we could look at the system again with a view to some improvements.

Deputy Peter Fitzpatrick: I accept the helpline is excellent. I have used the helpline since becoming a Deputy and find it fantastic. The most frustrating part is that after completing one's application online, one presses a button and it is accepted. Automatically, one thinks one is validated and that everything is fine. However, when the sports capital grants are announced there is a list showing those who received it. That is great for the people who get it. There is also list showing the people whose applications were invalid and then it is too late. As the Chairman said it causes a lot of friction within the club. When one presses a button in the bank having completed a form and it is accepted, one thinks everything is fine. Suddenly, one discovers that something about it is not fine. Most of these things are very simple. The application form is simple to fill in. However, there are a few technical hitches that need to be sorted. To be fair, I acknowledge that the helpline is absolutely fantastic. Last year I had to get on the helpline almost 20 times for different applications.

I agree that many applications have been submitted. Ireland is a sporting country. We have rugby, soccer, Gaelic, golf, everything, and that is fantastic. All of these sporting organisations are seeking a small amount of help. It is probably the only type of funding they can get because there are too many people seeking sponsorship. I agree that €42 million, which is a 65% increase, is a fantastic amount of money. Being a spokesperson, I am kept informed. People automatically think in 2016 that there will be sports capital grants. In fairness, after this meeting there will be many disappointed clubs and societies. If the Minister has anything in his budget, even in October, November or December, will he please make it available in 2016? He could perhaps clarify that he will have a sports capital grant in 2016 but that the next one will be in 2018. I think it is unfair because I am sure everybody in this room has been approached. It is very disappointing news for many sporting organisations who discover today that there will be no sports capital grants for 2016.

Deputy Shane Ross: I will certainly look at the procedures because it is coming from Deputies from all parties all the time.

Chairman: The staff in Killarney, in particular, are fantastic. They receive a lot of complaints and because of the nature of the programme they get swamped at particular times. While they are constituents of mine they are fantastic staff and have a heavy administrative burden. It is about striking a balance between making the system user friendly and dragging the administrative process on and on. We should try to find somewhere in the middle that is fair to the applicant but also that is practical to administer.

Deputy Imelda Munster: Given that the issue arose today in the course of conversation I would have understood that parliamentary questions were submitted in March and April in respect of the sports capital grant. It was only when I asked if it was not going to happen this year and if there was a gap year, that it was confirmed and it was not definitive. Has that decision been taken on the sports capital grant? Given that this is the end of June we need to know if that decision has already been taken why people were not informed. Will the Minister look at the issue given the number of clubs that would have made application in the past and were not disappointed on just one but on several occasions? Given the huge level of interest and dependency on the part of many clubs the length and breadth of the state, perhaps we could have some clarification on the issue.

Deputy Shane Ross: I am impressed by what members have said. The reality is that no decision has been made yet. It is a political decision which will be made by Minister of State, Deputy Patrick O'Donovan, and me. We will make a decision very shortly. I will bear in mind what members have had to say.

Chairman: I thank the Minister.

Deputy Shane Ross: May I have one minute, please?

Chairman: Absolutely.

Sitting suspended at 11.30 a.m. and resumed at 11.35 a.m.

Chairman: We now come to Programme E, tourism services.

Deputy Shane Ross: A strong Exchequer funding commitment to the sector will be key to achieving the ambitions set out in the tourism policy People, Place and Policy - Growing Tourism to 2025. There is an additional investment in 2016 of €2 million in key elements of Fáilte Ireland's and Tourism Ireland's programmes along with continued capital investment next year and beyond to 2022. This funding will enhance supports to the new experience brands of the Wild Atlantic Way, Ireland's Ancient East and Dublin: A Breath of Fresh Air, provide funding needed for the Rugby World Cup 2023 and increase overseas marketing activities in key destination markets. Within the overall additional investment of €2 million, half will be used in the allocation for overseas tourism marketing activity. This is the first increase in the funding since 2008, and will enable our strong overseas marketing campaigns to continue in our key target markets and help ensure that our ambitious targets for further growth are met.

On the impact of the Brexit vote, I would like to make a few quick comments. The vote has clear implications for the tourism sector, given the relative importance of the British market. It should also be noted that, while the British market accounts for 40% of overseas visit numbers, it accounts for around 25% of the total associated revenue from overseas visits. This is due to the fact that visitors from further afield generally tend to stay longer when on holidays here. Even prior to the referendum result, there was a commitment in the tourism policy statement to prioritising tourism marketing efforts towards those markets providing higher revenue returns.

Tourism Ireland is monitoring the situation in Britain and has been in contact with relevant players, including members of the central marketing partnership group. Tourism Ireland's chief executive officer is travelling to London this week to meet key industry figures there and has been in contact with organisations such as VisitBritain, the European Tour Operators' Association and UK Inbound as well as long haul tour operators to the UK. On the back of these consultations, Tourism Ireland will decide on what further actions, if any, are required in the short term.

It is important to remember that at the moment there are no planned changes to how people can travel between Ireland and the United Kingdom, including Northern Ireland. In his response to the referendum result, the Taoiseach committed the Government to doing its utmost in upcoming discussions to maintain the common travel area and minimise any possible disruptions to the flow of people between the islands.

It is also important to state here that there are no changes to how North-South bodies, including Tourism Ireland, operate. Again, the Taoiseach's statement made it clear that the maintenance of the strong spirit of partnership that has developed since the Good Friday Agreement

will be a priority for the Government.

Deputy Peter Fitzpatrick: The Minister referred to the tourism marketing fund. It is important that we clarify the budget in light of the recent referendum in the United Kingdom. I am disappointed that there was no increase in the overall budget. I urge the Minister to increase the budget for marketing to attract more visitors from overseas. It should be noted that we will be facing stiff competition from the United Kingdom and in particular from Northern Ireland.

I am also disappointed that north Louth, including the Cooley peninsula, Carlingford and Dundalk, was not fully included in Ireland's Ancient East initiative. I would appreciate if the Minister could look into the reason that happened.

I note the success of the Great Western Greenway. We spoke earlier about a proposal for an eastern greenway that would incorporate Blackrock, Dundalk and Carlingford in County Louth. I appeal to the Minister to try to invest as much as we can into cycle greenways.

Chairman: As we are tight on time, I will group the questions.

Deputy Robert Troy: I thank the Chairman. I welcome the discussion on Programme E as it is an important section of the overall budget. It generates significant revenue for the Exchequer because tourists spend money in Ireland.

The Minister correctly identified Brexit as an area of concern. I think it is more than a concern. The vast majority of tourists to Ireland are from the United Kingdom. In the past number of years, the reason more and more people came from the United Kingdom - this is not to diminish the good work done by Fáilte Ireland on promotional campaigns and the Wild Atlantic Way - was the favourable exchange rate. It was cheaper to holiday in Ireland than it was to holiday in parts of the United Kingdom. I have statistics that show that a significant percentage of the tourists from the United Kingdom in 2014 and 2015 were first-time tourists who came because of the favourable exchange rate. With the fall in sterling, visiting Ireland will not be as financially advantageous for UK tourists. In addition, there is political and economic instability in the United Kingdom and this will obviously lead to fewer people coming here.

Tourism Ireland has €34 million to promote 23 key markets. The priority markets are USA and the United Kingdom. Do we need to consider promoting our tourism offering in other markets to try to compensate for the obvious drop in tourist numbers from the United Kingdom? I would welcome the Minister's opinion on that.

The Wild Atlantic Way was a good initiative, and now there is Ireland's Ancient East and Dublin: A Breath of Fresh Air. Where do we stand in regard to marketing the midlands? The area between the Wild Atlantic Way and Ireland's Ancient East is right up along the middle of Ireland. There does not seem to be a strategy, a policy or a marketing programme in terms of marketing the lakes district. There is so much to offer, including the waterways of counties Longford, Westmeath, Cavan and Fermanagh. Is there a programme in place? What happens is that when a community group or local authority is not in a particular targeted area, be it the Wild Atlantic Way or Ireland's Ancient East, they cannot avail of funding because they are not deemed to be in the priority areas. Could the Minister indicate the intention in this regard?

Five or six years ago every county had a tourist officer working in collaboration with the local authority to promote the notable places of interest that would attract tourists to that county. That has been gradually eroded. Is it the intention to re-establish the collaboration between Tourism Ireland and the local authorities and to fund a tourist officer in each local authority?

Deputy Imelda Munster: Ireland's Ancient East is a great initiative; the only downside is that County Louth does not get too much mention. Our landmarks and heritage sites are not very prominent. I asked about St. Laurence's Gate as the gateway to Ireland's Ancient East and the Minister referred my question to Bord Fáilte.

In regard to the Wild Atlantic Way, Ireland's Ancient East and Dublin: A Breath of Fresh Air, what level of funding was allocated to each of those projects and how was it allocated? We talk about North-South tourism. There was an initiative, which was progressing very well, in regard to a geopark or geotourism for Slieve Gullion and the Cooley Peninsula.

Deputy Shane Ross: Sorry.

Deputy Imelda Munster: This is equally important. It was an initiative for a geopark and geotourism in what is a hugely significant scenic area from Slieve Gullion down to the Cooley Peninsula. Progress had been made through the North-South bodies and cross-Border groups and while everything had been bedded down and was ready to go in the Slieve Gullion area, it appears that Louth County Council pulled the project from this end of the county. No significant reason was given for that other than that the consultation with the Irish Farmers' Association, IFA, was problematic but there did not appear to be any evidence of consultation. There was certainly no evidence that it was problematic. Much to its shock, the cross-Border committee was informed only recently that it was not going ahead because this is an area of majestic beauty and it is hugely significant if we are talking about all-Ireland and cross-Border tourism. Will the Minister ask the questions about this because the group is not getting too many answers? Everything was in place from the Slieve Gullion and south Armagh end but the plug was pulled from the Louth end. What happened is unacceptable. It would generate tourism and revenue in that area at a time when we are trying to encourage walking and similar aspects of tourism. We only have to see the number of tourists who travel to Ireland now for walking holidays.

Deputy Catherine Murphy: The value of sterling was part of the reason many people found Ireland to be a cost-effective holiday. It certainly would have been a factor in people deciding to come here but we should not see as the sole reason. It was useful to us that a cohort of people living in Britain came here for their holidays, possibly for the first time. We need to deepen that relationship not only from the point of view of them looking at the cost of the holiday but also in terms of what the visit offers them.

With regard to cultural tourism, I was surprised by the extent of the feedback on the investment in the areas of arts, heritage and culture, which was a factor in people coming here. I am sure analysis has been done on the return on that investment, so even though we are discussing the budget, we should not assume that people will only make a decision to come here based on economic grounds. We should start looking beyond that to areas that will encourage them to come here. We will always be prone to swings in that regard, which will probably occur at the wrong time, unless we look beyond that. Arts and culture are a very big factor and we should see them as more than just an after-thought but rather as areas that are central to this particular sector.

In terms of the film industry, when President Michael D. Higgins was Minister for Arts, Culture and the Gaeltacht, great benefit flowed from the effort that was put into the film industry because people saw the images. It was a marketing tool in its own right and demonstrates what I am trying to say.

One of the other issues is the preferential 9% VAT rate, which I do not believe was entirely necessary. I do not believe there is a way of doing it other than universally applying it. It would be nice to have that as a benefit now to act as a counterbalance but we do not have it. I am not sure the 9% is a very clever idea in terms of some sectors. For example, the fast food sector benefits from the 9% VAT rate, whereas we would be far better to collect the full VAT from it and reinvest it into the arts and culture sector, which would give a return. Is that something the Minister would consider?

Not all of the country could be said to be in the same position. I take the point that was made about areas outside major urban centres. A different approach is probably needed in different parts of the country. I am not sure a very localised approach works, having experienced it at local government level, because one has a very small budget and I am not sure the impact is that beneficial. A more regional approach is likely to give a better return. We must stop thinking small in terms of appealing to people and having borders that are almost irrelevant. People who come from other countries do not notice when they move from Dublin into Kildare or from Meath into Louth. We must start to think the way tourists think. We must think bigger in terms of the return on marketing. I would be interested to hear the Minister's thinking in that regard.

I will be slightly cheeky given that I was at another meeting but could I ask the Minister about the swimming pool programme, which was commenced earlier this year? Only two pool applications were deemed to be valid. The one that was considered an outlier, that was expected to qualify, was a pool in north Kildare but the county council did not cover itself in glory in the application process. Is the grant still available if an application meets the criteria?

Deputy Kevin O'Keeffe: For the information of my colleague, Deputy Troy, when I first became a member of a local authority, our main function was the provision of waste collection and management, roads and housing. Now, one of our main pillars is tourism and economic development. We have changed our focus and work for the benefit of communities in County Cork.

Overall, I compliment the tourism organisations on the Wild Atlantic Way initiative. Ireland's Ancient East is also a great idea. I am pleased the previous Government acknowledged the importance of extending the area further west into Cork, Limerick and parts of Tipperary. The change was welcome. As Deputy Troy stated, there is a perception that parts of the country are not being marketed, for example, the lake district, and I support him in his request in that regard.

Brexit is a big talking point. It is impacting already because the currency exchange rate is sliding the wrong way in terms of attracting investment inwards in terms of tourists. I am concerned in that regard. It is fine to say that people are being sent to market us abroad but does that mean we will have to bring down our costs in this country to attract more people to come here because of the exchange rate?

When is the announcement expected on whether this country has been successful in its bid to host the Rugby World Cup in 2023?

Chairman: I thank the Deputy. Before I wrap up, I wish to raise a few issues. I know we say it every year but this year, in particular, with the fall in sterling, holidaying at home is something we must really push in order to make up for any shortfall that might result from a drop in the number of UK visitors.

The 9% VAT rate was probably the most pro-rural policy of any Government in a long time and its benefit extended to every single community. I agree that it is a crude instrument in that one cannot pick and choose where one applies it but in the aftermath of the Brexit vote and the reduced strength of sterling, it is more crucial than ever that we would hold onto it. I accept it is more effective in some areas than others but it is something that benefits every community in the country. On the UK market, we need to build on the wonderful exposure that we got on Sunday from “Top Gear” on the BBC. I remember that when I wrote to the BBC two years ago, inviting them to film “Top Gear” on the Wild Atlantic Way in Kerry, people laughed at me. It happened. It is the most watched TV programme in the world. We really need to follow up that screening with an intensive marketing campaign in the UK to remind people where “Top Gear” was, that they have seen it before and that it is only a ferry away. Chris Evans has done the country a massive service through his radio show, which has millions of listeners, by highlighting the Wild Atlantic Way and what he saw when he came here to film “Top Gear”. The agencies need to follow up and remind consumers in the UK and around the world about “Top Gear” and maybe liaise with the BBC about using for marketing purposes the footage it broadcast, because it was beautifully shot. It was a wonderful opportunity for Ireland, particularly for the Wild Atlantic Way. There is a massive opportunity to build on this and market the Wild Atlantic Way as an all-year-round destination, as something to do in the winter as much as in the summer, to try to fill up some of the ceiling space in the shoulder months. I have always felt that the Wild Atlantic Way is more spectacular and invigorating in January than in July. We need to push this slogan, “The wilder the better,” to try to gain full-year, 12-month employment along it. There is massive potential for us to do that and to market it on a global basis.

The Department also needs strongly to consider an urgent follow-up to the Gathering. It was a great success and a catalyst for increased tourism activity in 2013. It is timely that we follow it up with something similar to get things moving again. Word of mouth is probably the strongest marketing tool there is, but we need to keep that going. We can now build on the success of recent years with follow-ups like that.

Finally, the travel tax was a positive initiative. It needs to be maintained from a budgetary point of view. It has certainly paid for itself many times over. It is important for us to keep that.

Deputy Shane Ross: I thank members very much for their questions. A lot of them were comments, which are equally useful, to be honest, to hear what members’ views are. Let me deal with Deputy Fitzpatrick’s first. He talked about some of the cutbacks and the lack of funding in various areas. The tourism marketing fund went up by €1 million this year. On 8 June the Minister of State with responsibility for tourism and sport, Deputy O’Donovan, launched the new Fáilte Ireland capital investment support for large tourism projects, which will provide a pool of €65 million in investment to develop new, or boost existing, tourist experiences or attractions across Ireland. That scheme will run from 2016 to 2020. The Government’s capital programme provides for €125 million in expenditure. We are not starving the funding, but Deputy Fitzpatrick is right that it is and probably will remain tight. This is a good news story. We have done incredibly well, despite the cutbacks. Yesterday’s tourism figures, which were published in the newspapers today, were better again and very encouraging. I hope we can continue it, despite what Deputy Troy quite rightly points out as the Brexit intervention. It is extremely serious if it continues, because of the exchange rate, which he identified. Nobody can tell how long the exchange rate will be low for. The initial response is yes, the collapse of sterling in the last few days will damage the fact that 40% of our tourists come from the UK, although they spend only 25% of the money spent here. That is a serious prospect for us and something we must recognise. Exchange rates are difficult to predict. There is no reason to

believe that they may not recover. In fact, I heard this morning that we need to be careful about assuming it will remain that way. Markets are very unpredictable. I heard one of the so-called market experts this morning say exchange rates will bounce back. We want to watch them carefully, but of course it is a serious situation. They may go down further.

I presume that the answer to this is along the lines of the sensible suggestions Deputy Murphy offered about cultural tourism and other such areas that would not directly relate to people's pockets. The fact that it will be cheaper for them is not necessarily the only reason people come here. They may come because we offer products that appeal to a certain sector or group of people in the UK who have not visited before. It is imperative that we and the agencies immediately recognise that we might need to go in search of other markets. I suspect that we ought to go to areas where the currency is stronger. We should look at that as well. Once sterling falls, presumably the dollar will go up and other currencies will rise against the euro. We can certainly look that way. I am not an expert on this, but we have to do some very hard thinking about it. The success story will end if Brexit has the worst effects on tourism that we fear. Let us hope it does not, but I am sure it is something the agencies already recognise. I was with one of them in Paris on Friday and what they said was really encouraging. The Chairman touched on it just now. They said that it is staggeringly difficult, but look at the soccer players. They are sending out a fantastic message already to the world that Irish people are friendly and dynamic. That is hugely positive, even in the midst of this crisis. I would not regard it as doomsday, but it is serious. The agencies have to react, but I think they are and are taking advantage of something that has already appeared, totally coincidentally.

On Deputy Troy's point, I suppose the midlands do not necessarily feel part of the great success of the Wild Atlantic Way and some of the other projects such as Ireland's Ancient East, but the midlands certainly have a great deal to offer. The lakeland district was particularly identified as a target area in the programme for Government. We have already mentioned greenways, which will be very big and attractive selling points for the midlands. The greenway opened between Mullingar and Athlone last year. There have been developments in other areas. I do not think that there is any reason for despair. Maybe the fact that the Wild Atlantic Way has been the flagship project means that other areas of the country feel left out, but I do not think there is any intention to neglect the midlands. People realise that Athlone and other areas throughout the midlands have an enormous amount to offer. They will be and have to be promoted.

Deputy Robert Troy: I am not actually being parochial. I sound as though I am as Longford-Westmeath is in the midlands.

Deputy Shane Ross: I did not mean to say that.

Deputy Robert Troy: I am talking about how the Wild Atlantic Way is all along the west coast and how Ireland's Ancient East it is all along the east coast. A whole section of amenities and tourist attractions right from the north to the south along the middle of our country, which we happen to fall into, feel neglected by the lack of a national policy. As the Minister said, we are quite fortunate because we have a greenway that will link up with the Wild Atlantic Way, so it is not a major concern locally, but there are counties along the middle of the country that feel excluded. Dublin has been identified on its own with A Breath of Fresh Air, there is Ancient East on the east coast and there is the west coast. A whole section of the middle of Ireland feels that it is not part of a marketing strategy. Deputy Murphy was correct when she said we cannot have counties competing against each other. They need to work in collaboration. An overall policy is needed for a section of our country.

Deputy Shane Ross: What has happened here - Deputy Troy can correct me if I am wrong - is that we have themed marketing projects now with the Wild Atlantic Way, Dublin's A Breath of Fresh Air and the Ancient East. Maybe we could suggest one or persuade the agencies that there could be a common theme in those counties which the Deputy has suggested might be neglected, although I do not think they are that neglected. It might be a way to market those counties, such as using greenways or something else. I am just thinking about this in my head.

Chairman: This might be something that we could focus on as a committee to try to identify and bring forward either a type of east-west or north-south type of similar route. Perhaps it is something we could work on as a committee as part of our work programme and identify it as a particular aim of ours to try to fill that vacuum.

Deputy Shane Ross: There are several themes which would be very attractive, such as the lake district of Ireland. It is a matter of selling it. There may be too many themes at the moment and we do not want to confuse people but it certainly has a specific and particular attraction which I am sure would appeal to people. Ireland's lakes have a huge range of activities to offer, such as fishing, and it could work.

With regard to Deputy Munster's reference to Slieve Gullion and the Cooley Peninsula, I believe that is a local authority decision. The Deputy can correct me if I am wrong, but I believe it is a situation where we cannot prejudge what the local authority will say or do. However, I am trying to think of a way through that. It is a very specific problem which we could probably address. Perhaps the Deputy could forward a summary of the problem and I could deal with it. It is probably a particular position on one incidence in the detail with which I can certainly help the Deputy, but I am unsure if it is being repeated elsewhere. That would be my only concern. If the Deputy wishes me to act upon it, I will make an approach to the local authority if that is acceptable to her.

With regard to Deputy Murphy's point, her approach is great because one cannot just lie down and say, "fine, it is the currency", and forget it. It is not and there are lots of other messages that go out and which could appeal to people. We do not have to restrict ourselves just because the UK is the biggest customer here and naturally probably always will be, or think that just because the currency has collapsed, it will stop people coming here. It will not because if there is cultural tourism and the film industry and all sorts of things, then we can attract people in other ways and I think that is absolutely true. In some ways perhaps we have had it too easy and the recent currency fluctuations have worked to our advantage for a very long time. We will need some new thinking.

Deputy Kevin O'Keeffe: Not if one is going to Cheltenham.

Deputy Shane Ross: I would say that is true.

With regard to the 2023 Rugby World Cup, I have the bid timetable. The applicant phase is from May 2016 until September 2016. The candidate phase is from November 2016 to June 2017, the evaluation phase is from June 2017 to November 2017 and the World Rugby class decision is November 2017. This is a very exciting project and it is a real runner. It will be wonderful for Ireland, tourism and the economy. Having spoken to some of the people involved in the committee, which is headed up by some really prominent sportsmen here and the Department, there is a real enthusiasm behind this bid. It is a realistic bid and the people involved are taking it very seriously. It will cost a little but it will bring back much more if it works. This is a serious bid by Ireland. The Department considers that Ireland is really in the

running for this and it would be a fantastic lift for the nation if we could pull it off, particularly after the ambassadorial role played by our footballers. It would be a wonderful message to go across the world. We are putting a lot of effort into the bid on which I hope to be able to report some progress fairly shortly.

With regard to VAT, I was struck by the point raised by the Chairman, Deputy Griffin. This realisation is sinking in for people, and I do not know whether the Chairman was right or wrong, but I was thinking the same way as him. The Chairman is correct in that it looks as though it might have different kinds of regional benefits. We are seeing a situation where some of the larger hotels in Dublin are benefiting from this and are making very large sums of money. They benefit from the lower VAT rate situation. Despite that I am not saying it should be removed from them but maybe they do not need it as much. Disproportionately there are people outside that group who are very dependent on the VAT rate and have rightly benefited from it. It has given a boost to the economy, to the economy in those areas, in the smaller hospitality areas and for the smaller businesses. There may be a case for looking at the situation in a more weighted way. I do not know and I am not trying to say anything which is sensational. However, it is obviously very important to people outside Dublin and it should be retained there. Given that hotel pricing is so high in Dublin they are inviting examination on whether they should be the beneficiaries of that lower VAT rate for too long. There is a great case to be made for holidaying at home and those points were well made.

I was impressed with the comments about “Top Gear”. Winter tourism is something we should be looking at for the future. I hope I have covered all the points that Deputies have raised.

Chairman: Deputy Fitzpatrick wishes to contribute.

Deputy Peter Fitzpatrick: The French air traffic controllers have gone on strike 12 times in the past 13 weeks. Some 30,000 travellers had their flights cancelled in one day in Ireland and 100,000 travellers the following day had their flights delayed. Many Irish people plan to holiday over the next couple of months and this will also affect tourism into Ireland. People travelling from all parts of Europe coming to Ireland will depend on French airspace. Perhaps the Minister will outline what is the Government stance on the situation? Last Saturday we watched the Ireland team playing in France; did the Minister have an opportunity to speak to somebody there about the strikes? If it is going to continue it would be a problem for the whole summer.

Deputy Shane Ross: I do not think the Government is going to take a position on French industrial relations. We could be looking for an awful lot of trouble, as the Deputy can imagine. However, he has voiced, very eloquently, the frustrations of people coming and going. It has driven people mad. Some people were left out of the European Cup because, having paid for flights, they were grounded on the day they had to go out which is absolutely infuriating. However, I do not think it would be correct for me to pick up a megaphone and say anything to the French trade unions. I am not going to do it but the situation is very annoying, frustrating and deeply regrettable for people from both countries.

Chairman: It is a pity that Griezmann did not go on strike on Sunday. I think we have covered everything. Will the Minister visit us later in the year to go through the 2017 Estimates and will he also ensure that as soon as the information on the forthcoming budget is available later in the summer it will be passed on to the committee?

MESSAGE TO DÁIL

Deputy Shane Ross: I will of course. This is my first appearance before an Oireachtas committee and I apologise if I do not yet have all of the information the committee needs. I can say, genuinely, that for me it has been a very useful exchange because it is two-way traffic. I can give whatever information I have, which is limited, but I will probably have more next time I come or at least I will be more familiar with it. It is even more useful for me to hear what members have to say because there is a common theme emerging and it will influence what I will have to say and do in the months to come. I thank the Chairman and the committee.

Chairman: I thank the Minister and his officials. I also thank Ms Sinéad McCann and Ms Josephine Curran from the committee secretariat. We have had a long morning.

Deputy Kevin O’Keeffe: When will we receive a schedule of committee meetings?

Chairman: We must first wait for the Seanad to appoint Senators to form the joint committee. We are working as a select committee for the moment, but we will meet in private session to discuss those matters. The date of the next meeting will be notified to the Deputy. I again thank the Minister.

Message to Dáil

Chairman: In accordance with Standing Order 90, the following message will be sent to the Dáil:

The Select Committee on Transport, Tourism and Sport has completed its consideration of the following Revised Estimate for public services for the year ending 31 December 2016: Vote 31 - Transport, Tourism and Sport.

The select committee adjourned at 12.15 p.m. *sine die*.