

Written Answers

Thursday, 17 November 2011

20. Deputy Michael McGrath asked the **Minister for Public Expenditure and Reform** when the next review of the Croke Park Agreement will be published; if this will be published before Budget 2012; and if he will make a statement on the matter. [35130/11]

Minister for Public Expenditure and Reform (Deputy Brendan Howlin): Paragraph 1.16 of the Public Service, or Croke Park, Agreement provides for an annual review of the sustainable savings generated from the implementation of the Agreement and of the agreements in each sector.

As the Deputy will recall, the Implementation Body for the Agreement conducted the first such review last May. The Body's Report which was published last June reported that sustainable pay bill savings of €289m had been achieved in the first year of the Agreement, March 2010 to March 2011. It also reported that "solid and measurable" progress was being made on implementing the Action Plans in each sector, while pointing to certain issues that needed to be accelerated over the next reporting period.

The next annual review of the Agreement is scheduled to take place in Spring 2012 and I expect that the Report arising from that review will be published in May or June next year.

As an interim measure between annual reviews, the Implementation Body last month asked for a 6-monthly update from all sectors on the progress made in implementing sectoral Action Plans during the period April to September 2011. The Body has been considering these reports in recent weeks and is today publishing on its website a summary of the progress reported in each sector.

Thursday, 24 November 2011

109. Deputy Michael McGrath asked the **Minister for Public Expenditure and Reform** the net expected savings to current expenditure in 2012 from the implementation of the Croke Park deal including the redundancies across the public sector; and if he will make a statement on the matter. [36853/11]

Minister for Public Expenditure and Reform (Deputy Brendan Howlin): The estimates allocation and overall budgetary process will set out the approach to be taken to Government expenditure. This framework does not assign specific savings targets to those areas that are covered by the *Public Service Agreement 2010 – 2014*. However, the Agreement provides for an annual review of the savings generated from its implementation. The first such review undertaken by the Implementation Body, which

was published in June 2011, established that sustainable Exchequer pay bill savings of €289m had been achieved during the first year of the Agreement (i.e. the 12 months to end March 2011), driven primarily by the reduction in public service numbers of 5,349 over that period. The Body's report also provided evidence of significant non-pay savings achieved across the public service over the review period. Further reports will be published by the Implementation Body on an annual basis.

The Government's new Public Service Reform Plan announced on 17th November last provides for reducing the total number of Public Service employees by some 23,500 by 2015 compared to the total number at the end of 2010. In 2011, it is expected a further reduction of some 5,000 in staff numbers across the Public Service to bring the numbers below 300,000 (whole time equivalents) by the end of 2011. New high level targets for each sector in respect of 2012 will be set out at Budget time. In total, it is expected that by 2015, Public Service numbers are expected to have fallen by 37,500 since 2008 (a reduction of almost 12%). When delivered, this will have reduced the gross pay bill by over €2.5 billion (or 15%) since 2008.

This reduction excludes the effect of the pension related deduction on the exchequer paybill which gives rise to a further saving of some €900m on an annual basis. The public service number reductions are expected to be achieved through retirements and restrictions on recruitment except where existing exit mechanisms apply. The Croke Park Agreement provides the framework within which these reductions can be made and is a key enabler of the Government's public service reform programme.