

Written Parliamentary Questions Answered on 7 June 2011

31. Deputy Billy Kelleher asked the **Minister for Finance** if he is satisfied with the level of savings being achieved under the Croke Park agreement and if they are sufficient to avoid further pay cuts in the public sector. [14162/11]

64. Deputy Clare Daly asked the **Minister for Finance** his plans to meet with trade union representatives in view of the review of the Croke Park agreement and the upcoming quarterly EU-IMF review; and if he will make a statement on the matter. [14216/11]

100. Deputy Richard Boyd Barrett asked the **Minister for Finance** his plans to meet with the trade union representatives in view of the review of the Croke Park agreement and the upcoming quarterly EU-IMF review; and if he will make a statement on the matter. [13709/11]

Minister for Finance (Deputy Michael Noonan): I propose to take Questions Nos. 31, 64 and 100 together.

Progress under the Public Service Agreement 2010-2014 is overseen by the Implementation Body, established in July 2010. In line with paragraph 1.16 of the Agreement, a review of progress is to be conducted on an annual basis by the Body to determine the sustainable savings that have been achieved. The first such review has been completed and the Report of the Body will be presented to Government shortly and published thereafter. The Deputy will appreciate that I am not in a position to discuss the contents of that report in advance of discussion by Government.

The Government considers that the Croke Park Agreement represents a key enabler to meeting its fiscal targets under its obligations under the EU/IMF Joint Programme of Assistance. In the first quarterly return made by the Government under the Programme, the number of public service posts had been reduced by 2,000 in the first three months to end of March 2011. This indicated that progress is being made and we are on track to meet the existing target of 302,000 public service posts by end 2011. Similarly, the Exchequer pay bill return for the first quarter is in line with the 2011 pay bill targets.

The Implementation Body report will also be considered in the context of the Comprehensive Review of Expenditure. The Expenditure Review now underway will include a full review of how services are delivered and will provide the scope to achieve further reductions in public service numbers in the coming years. This is reflected in the significant numbers reductions targets set out in the Programme for Government. These are challenging targets and I believe the Croke Park Agreement provides the framework to achieve these ambitious reductions.

In return for the delivery of the necessary savings and full co-operation with the Agreement, the Government gave certain commitments to serving public servants in terms of no further reductions in their pay rates, over and above those implemented in

2009 and 2010, and no compulsory redundancies (where they do not currently apply) as long as public servants co-operate flexibly with necessary redeployments.

The reviews under the Agreement will transparently show whether the Agreement is delivering savings in the costs of public service delivery, primarily through reductions in public service numbers, and with related changes in working practices necessary to ensure that priority public services can continue to be sustained or improved. The Government is on record as saying that we would like to see an accelerated implementation of this agenda and this represents an ongoing collective challenge to all parties to the Agreement. Following publication of the report, my colleague Minister Howlin would intend to engage with the representatives of the Public Service Unions on these issues.