

**Department of Finance Vote Section Paper for  
Special Group on Public Sector Numbers and Expenditure  
Programmes**

**VOTE 36 & 37  
Defence Group**

**February 2009**

## Overview of the Defence Vote Group

The Defence mission is to *'to provide for the military defence of the State, contribute to national and international peace and security and fulfil all other roles assigned by Government'*

The Defence Group of Votes consists of two Votes i.e. Vote 36 – Defence, and Vote 37 Army Pensions. The Vote Group is split into five Programmes

Programme	2008 Outturn €m	2009 Budget* €m	Numbers of Staff
1. Contingent Capabilities	510.9	493.8	PDF 6,707 Civilian Employees 724
2. On Island Security & support to other agencies	142.0	139.9	PDF 1,494 Civilian Employees 108 Civil Defence Board 27
3. International Peace & Security	176.7	166.0	PDF 1,899
4. Defence Policy, Military Advice (1)	50.3	42.6	PDF 296 Civil Servants 371 Coiste An Asgard 8 Office of Ombudsman 4
5. Military Pensions & Gratuities – Programme Admin. Army Pensions Board	203.7	209.0	Civil Servants 16

<sup>(1)</sup>The 2008 outturn includes corporate support costs in programme 4. From 2009 these costs are apportioned across the programmes. \* As updated to take account of recent reductions.

**The figures in the table are the programme cost, including capital and capital carryover**

### Summary of Proposed Measures

Measure	Saving (€m) compared to Budget 09	
	2010	2011
<b>Across the board cut</b>	20	20

The Government's policy on Defence is set out in the White Paper on Defence which was published in February 2000. This was the first-ever White Paper on Defence and it set out the policy framework and development strategy for the period to 2010. The overall Government objective was to achieve affordable and sustainable Defence Forces capable of fulfilling the roles laid down by the Government.

In addition to confirming the roles of the Defence Forces and providing a policy framework, the White Paper set out specific recommendations for change, re-organisation and investment. The programme for development and change was directed at "the provision of Defence Forces organised, maintained and equipped on conventional military lines to ensure a defence capacity suited to current and contingent needs". Achieving the appropriate balance between pay and non-pay investment was a key factor.

Most of the recommendations for change have been implemented or are being implemented according to agreed timetables. These include reductions in numbers, investment in equipment and infrastructure, continuous recruitment and the re-organisation of the Reserve and Civil Defence. The Programme for Government 2007-2012 repeats a number of the major aspirations of the White Paper and also commits to a new White Paper for the period 2011-2020. As in other areas, the expansionary thrust of the Programme for Government has been overtaken by the economic situation.

The Strategy Statement of the Department of Defence sets out four High Level Goals for the Defence Organisation.

1. To provide for the Defence of the State against armed aggression, by maintaining and developing appropriate military capabilities.
2. To contribute to on-island security and stability by providing, on request, aid to the civil power, aid to the civil authority and other emergency and non-emergency services.
3. To contribute to the maintenance of international peace and security through participation in approved UN- mandated peace support, crisis management and humanitarian relief operations.
4. To provide the best possible defence policy advice and military advice to the Minister in order to support management of all aspects of defence provision and facilitate planning for future needs.

The overriding ambition is to provide Defence Forces consisting of

- an Army based on light infantry forces with an appropriate level of all-arms capability,
- a Naval Service based on an 8 ship flotilla,
- an Air Corps and, in addition,
- a re-organised Reserve with enhanced capabilities,

as envisaged in the White Paper on Defence – 10,500 Permanent Defence Force personnel - flexible, interoperable, well trained, with capabilities appropriate to the defence and security environment.

The pay, allowances and pension costs of the Defence Forces and the pay of civilians employed with the Defence Forces account for the bulk of expenditure. As military equipment is regarded as intermediate goods under the European System of Accounts, major items which on another Vote would be classified as capital are classified as current on the Defence Vote. The Defence Forces provide significant services for other organisations including Revenue and the Garda. For security reasons, opportunities for outsourcing are limited but are examined on an ongoing basis.

The Defence property portfolio consists of a diverse range of facilities from conventional military barracks to forts, camps, dwelling houses and land (which is mainly used for training purposes). The principal assets are 24 permanently occupied barracks. The modernisation process in Defence identified that the dispersal of personnel over an extended number of locations is a major impediment to essential collective training and imposes increased and unnecessary overheads on the Defence Forces in terms of barrack management, administration, maintenance and security. The consolidation of the Defence Forces formations into a smaller number of locations is a key objective of the White Paper on Defence. A total of ten barracks have been closed over the past 10 years.

In addition to the occupied barracks, Defence also administers 39 State owned and 37 rented properties, mainly for use by the RDF. This is a reduction from 48 and 210 at the time of the White Paper. Defence also has a portfolio of 30,000 acres - mainly Curragh land, Glen of Imaal and Kilworth Camp - which are used for military training.

The property portfolio also includes a total of 150 married quarters, mainly within the Curragh Camp. The policy is that these should be discontinued in a managed and orderly way. The stock of quarters has been reduced by over 300 units in the past 10 years. The rent charged for married quarters was last reviewed in 2004 when new index linked charges were introduced. The occupancy of married quarters includes 47 overholders (army personnel who do not vacate their quarters following their discharge) who are charged the standard rent plus 10%. The problem of overholding and the level of rents charged are under review by the Department. It is expected that a further 20 unit, including 12 overholders, will be removed from the portfolio in 2009.

Compensation for hearing loss was a major issue in recent years. The total number of hearing loss cases registered to 30 September 2008 was 16,798. 15,949 hearing loss claims were finalised at a total cost of €287.6m, including plaintiffs legal costs of €99.9m. The estimated cost of outstanding hearingloss claims and legal costs is €8m.

The overall impression conveyed by the Defence Forces following the modernisation of recent years is of a more efficient, well equipped organisation albeit one which would benefit from some further consolidation.

Summary outturn tables are attached.

## PART A: Administrative Budget Proposals

### Special Group on Public Service Numbers and Expenditure Programmes Department of Defence

The authorised staffing level for the Department of the Defence is **438** and the numbers serving in the Department at present are 409. The department is divided into roughly 14 areas, including Agencies to whom it provides some staff, as follows:

	<b>Main Functional Area</b>	<b>Approx number of staff at PO and higher level</b>	<b>Approx total number of other staff</b>
A	Personnel Policy and Support (Defence Forces & civilian employees)	1.8	42.15
B	Legislation & Litigation	1.3	18
C	Infrastructure Policy and Estate Management	1	18.6
D	Facilities Management	0	22.73
E	Procurement	0.8	6.5
F	Corporate Services	2.3	71.13
G	Finance	2	117.2*
H	Policy & Evaluation	5.3	29.4
I	Internal Audit (Defence Forces & Department)	0	13.5
J	MAC	3	1
K	Minister's Offices	0	12
L	Minister's Advisers	2	2
M	Secondments	0	7
N	Agencies – Civil Defence Board, Coiste an Asgard, Ombudsman for Defence Forces	1	27.6

\* The relatively large size of this function is accounted for by the extensive range of Defence Force activities both at home and abroad.

The cut from the Defence Administrative Budget as part of the recent overall €35 million cuts in Current expenditure was €437,000. The 4% reduction in pay expenditure would amount to a reduction of 16 staff based on existing numbers. Any reduction in the Defence Force numbers, could, depending on extent, result in savings

being realised in the Administrative Support areas of the Department. (e.g. Corporate Services, Finance etc).

As part of the Department's ongoing management review process, an external evaluation is currently being carried out on the staffing and operation of the Defence Finance function located in Renmore, Galway.

## **PART B: Programme Proposals**

The Army is structured into three all-arms brigades, consisting of combat, combat support and combat service support elements. Each brigade is designated a territorial area of responsibility, specific garrison locations and a recruitment area. The Defence Forces' Training Centre (DFTC) and Defence Forces' Logistics Base at the Curragh Camp support the training and logistics functions for the Permanent and the Reserve Defence Force.

The Naval Service, based in Haulbowline, Co. Cork, has a flotilla of eight ships, a headquarters, an operations command, a logistical support command and a Naval Service College. The flotilla consists of a helicopter patrol vessel squadron, large patrol vessel squadron and an offshore patrol vessel squadron. The support command is responsible for personnel and all logistical, engineering, and maintenance functions.

The Air Corps, based at Casement Aerodrome, Baldonnel, consists of a headquarters, two operational wings, two support wings, an Air Corps Training College, and a Communication and Information Services Squadron. The operational wings consist of a training/light strike squadron; helicopter squadrons; a maritime squadron; a transport squadron and a fixed wing reconnaissance squadron. The support wings are tasked with specialist maintenance of the aircraft fleet.

The Defence Forces have undergone an extensive programme of reform in recent years. This has seen the strength of the Permanent Defence Force reduce from approximately 12,750 in 1996 to the current authorised strength of 10,500. During the same period, six barracks were closed and a further four barracks in the Border area, closed in January 2009.

## **Possible areas for savings 2010 onwards**

### **Overall Current Provision**

The 1994 Price Waterhouse Review of the Defence Forces, presented to the chairman of the Efficiency Audit Group in July 1994, considered that a ratio of 70:30 of pay to non-pay funding was appropriate for a light infantry based Defence Force and efforts have been made to follow this recommendation. In recent years, additional resources have enabled many Defence priority requirements to be met, leading the focus of the Department of Defence and the Defence Forces on to the next highest priority. In that context, it might be considered that much of the priority equipment required by the Defence Forces has been acquired and that little damage would be caused by reverting to an 80:20 ratio for a few years.

However, there are several constraints which must be considered. Firstly, there is a large element of expenditure on consumables including fuel and ammunition which is difficult to avoid while still having a functioning force. Next, the most expensive acquisition, the replacement of vessels has been left until nearly last. Even if acquired on the basis of one at a time, purchases of vessels would absorb a very large proportion of the non-pay provision. **Vessels are paid for over a three year construction period and the cost of each vessel (three are targeted for replacement) is in the €50-70m range.**

Finally, defence activity inevitably involves a certain element of risk which, if not properly managed, can have serious consequences. Military risk is best managed through proper training and equipment and thorough risk assessment. Management risk is best managed through modern personnel policies. The modernisation of the human resource function in the Defence Forces in recent years, including the establishment of the Defence Ombudsman, has resulted in a reduction in HR management risk. Attempted savings impairing IR management capacity could result in increased expenditure arising from IR related compensation.

Bearing in mind these constraints, the increasing cost of pensions as well as the fact that the Defence Vote has already been cut significantly, it is considered that an across the board cut substantially less than the amount that would bring the ratio to 80:20 should be targeted. **A cut of €20m p.a. is proposed.** This would allow the Department of Defence discretion as to where the cut should be applied. There is also a need to question a number of expenditures set out below and in the body of the document and explore the capacity for efficiency savings and capital receipts from property sales.

### **Specific areas for attention**

#### **Chad**

Ireland currently pays all its own costs arising from its participation in EUFOR Chad/RCA together with a contribution to the common costs of the mission. The total annual costs are of the order of €55m. The Government recently approved Ireland's participation in a follow-on force which will be a UN-led operation. Under this arrangement, the UN will take over the direct supply of certain goods and services currently paid for from the Defence vote, mainly in relation to food, water, fuel and logistics. In addition, the UN will reimburse Ireland in respect of certain troop and equipment costs. It is estimated that UN reimbursement of these particular costs will

be in the region of some €8.5 million per annum, while the related cost to the Defence Vote amounts to some €16.2 million.

In the context of the Government decision to extend this mission to March 2010, at this Department's urging, the Minister for Defence undertook to indicate to the UN the possibility that the state of the public finances may not permit the extension of Ireland's participation in the mission beyond that date. He also agreed to provide a report setting out the costs associated with, on the one hand, continuation of Ireland's participation in the mission for a further 12 month period starting March 2010 and on the other hand, termination of Ireland's participation with effect from March, 2010.

**Any Chad UN Appropriations-in-Aid that may arise after the end of 2009 should be brought to account so as to give rise to a further downward adjustment in the net Defence Vote.**

### **Defence Property**

The C&AG reviewed the management of Defence property in 1999 and found several deficiencies in suitability for purpose as well as management and information systems. The report quoted a striking finding of a 1994 survey which found that property management at that time was the ninth highest user of military manpower, using more time than maintenance of equipment, internal security operations and transport, so the potential for economies in the property area was very high.

Government decision S180/20/10/0142 of 29 February, 2000, which approved the White Paper on Defence, recognised the need to match incentives for the Defence Forces with planned re-equipment. The decision approved "the allocation of 100% .... of the revenue arising from the sale of property surplus to military requirements for investment in equipment and infrastructure for the Defence Forces". The decision was appropriate at a time when the Defence Forces were suffering from the aftermath of prolonged underinvestment and resources were available, but the approach is not appropriate at a time of retrenchment. Since 1996, six barracks were closed and a further four barracks in the Border area closed in January 2009. The operational savings generated are taken into account in the overall €20m proposed above. **There is potential for further consolidation of the Defence Forces and the achievement of further savings on current expenditure as well as receipts from property sales.**

Subhead B Permanent Defence Forces Pay	Pay €m		Non-Pay €m	
	Estimate	Outturn	Estimate	Outturn
2007	460.194	454.685	-	-
2008	485.677	479.135	-	-
2009	478.000	-	-	-

#### END OF YEAR STRENGTHS

	Officers	NCOs, Privates & Cadets	Total	Nurses	Wastage	
					General Service Average Monthly	Officers Annual
2008	1,378	9,030	10,408	22	45	50
2007	1,345	9,089	10,434	24	46	53
2006	1,396	8,974	10,370	27	46	54
2005	1,349	9,097	10,446	28	44	54
2004	1,335	9,216	10,551	30	47	37
2003	1,303	9,195	10,498	34	47	42

#### Strength as at 31/12//2008

	<u>Total</u>	<u>Officers</u>	<u>NCOs</u>	<u>Privates</u>	<u>Cadets</u>
Army	8,506	1,071	2,970	4,394	71
Navy	1,077	160	495	402	13
Air Corps	845	147	380	291	14
<b>Total</b>	<b>10,408</b>	<b>1,378</b>	<b>3,845</b>	<b>5,087</b>	<b>98</b>

[In addition, 22 Nurses and 19 Chaplains are attached to the Defence Forces]

Subhead C Permanent Defence Forces Allowances	Pay €m		Non-Pay €m	
	Estimate	Outturn	Estimate	Outturn
2007	46.416	43.206	10.372	10.848
2008	46.064	45.626	12.702	14.607
2009	45.537	-	11.829	-

The allowances are as follows:

Children's allowance which is only payable to pre 1979 personnel.

Subsistence allowances

Uniform allowances

Border duty allowance

Security duty allowance payable to personnel, other than those in border areas, for security duties where the duties commence or finish outside normal working hours.

Overseas allowance payable to all personnel while serving overseas.

Miscellaneous allowances including Army Ranger Wing, Instructors, Grooms, Diving and Foreign Language.

In regard to the provision for overseas allowances, at 1st October, 2008, there were 746 Defence Forces personnel serving in 11 different missions throughout the world, mainly in EUFOR Chad. On the 1st October, 2008, the number of Defence Personnel deployed on the EUFOR Chad/RCA mission was 409, with an additional 234 Defence personnel deployed on the KFOR (Kosovo) mission.

The overseas allowance is non-taxable. Given that allowances were increased by 5% by the Minister for Finance from September 2008, savings are more likely to be achievable by taxing existing allowances rather than reducing (but this would require similar treatment for Foreign Affairs Allowances, which are also non-taxable).

Subhead D Reserve Forces Pay etc	Pay €m		Non-Pay €m	
	Estimate	Outturn	Estimate	Outturn
2007	8.978	7.512	3.563	1.327
2008	8.214	7.996	2.245	1.142
2009	7.135	-	1.865	-

The White Paper proposed fundamental changes for the Reserve Defence Force. The new and revitalised Reserve was to be organised and equipped on a similar basis to the PDF with a view to developing the interoperability necessary to train and conduct operations jointly. The Army Reserve is organised into integrated and non-integrated elements. In total, there are nine reserve infantry battalions and eighteen combat support and combat service support units, with three air defence batteries. A reserve brigade headquarters is also established in each PDF brigade area. The actual numbers are just over 8,000 for the Army reserve and just over 300 for the Naval Reserve.

A new training regime sets out targets for all units, provides for assessment of training, and focuses on developing individual skills and unit capability.

The Chief of Staff's Annual Plan for the Defence Forces provides strategic direction with the training strategy captured in the Annual Training Directive.

A revised gratuity structure for the Reserve Defence Forces was sanctioned in January 2008 because the real value of the gratuity had declined significantly over time and to help attract and retain member. The increase was linked to an increase in the level of attendance and training duties required.

**In the current context, the question arises as to whether the cost of the RDF (2009 provision €10m) can be reduced. Indeed, the real question is the more fundamental one as to whether the continued existence of the RDF can be afforded at all.**

<b>Subhead E</b> Chaplains. Clergy pay	<b>Pay</b> €m		<b>Non-Pay</b> €m	
	<b>Estimate</b>	<b>Outturn</b>	<b>Estimate</b>	<b>Outturn</b>
<b>2007</b>	1.260	1.375	-	-
<b>2008</b>	1.308	1.322	-	-
<b>2009</b>	1.295	-	-	-

This subhead provides for the pay and allowances of an average of 19 Chaplains and officiating Clergymen and their substitutes.

<b>Subhead F</b> Civilians attached to units pay	<b>Pay</b> €m		<b>Non-Pay</b> €m	
	<b>Estimate</b>	<b>Outturn</b>	<b>Estimate</b>	<b>Outturn</b>
<b>2007</b>	36.040	33.766	4.306	4.995
<b>2008</b>	35.096	35.344	5.206	4.810
<b>2009</b>	34.758	-	5.142	-

Civilian Employees:

Craftsmen	309
General Operatives (and analogues)	281
Clerks/Typists	78
Storekeepers	73
Catering	8
Misc. (incl. Professional & Specialised staff)	<u>80</u>
Total =	829

<b>Subhead G</b> Defensive Equipment	<b>Pay</b> €m		<b>Non-Pay</b> €m	
	<b>Estimate</b>	<b>Outturn</b>	<b>Estimate</b>	<b>Outturn</b>
<b>2007</b>	-	-	40.955	43.005
<b>2008</b>	-	-	42.815	45.292
<b>2009</b>	-	-	37.000	-

Defensive equipment includes the standard ammunition requirements for the various weapons held by the Defence Forces and the varied military equipment requirements for the Defence Forces. A substantial proportion of Subhead G is committed each year in order to replace consumed stocks of ammunition and in order to have sufficient holdings of training ammunition for the Defence Forces as a whole. A range of major equipment items including armoured personnel carriers have been acquired in recent years and, with the exception of the major ship replacement programme, the Defence Forces can now be regarded as well equipped for the tasks to which they are assigned.

Major equipment items for the Air Corps and Naval Service are procured from Subhead H (Air Corps) and Subhead J (Naval Service).

Subhead H Air Corps – Equipment & Exps	Pay €m		Non-Pay €m	
	Estimate	Outturn	Estimate	Outturn
2007	-	-	39.125	42.254
2008	-	-	39.947	40.580
2009	-	-	22.300	-

The Air Corps, based at Casement Aerodrome, Baldonnel, consists of a headquarters, two operational wings, two support wings, an Air Corps Training College, and a Communication and Information Services Squadron. The operational wings consist of a training/light strike squadron; helicopter squadrons; a maritime squadron; a transport squadron and a fixed wing reconnaissance squadron. The support wings are tasked with specialist maintenance of the aircraft fleet.

The outputs of the Air Corps include the Ministerial Air Transport Services (MATS), Air Ambulance Services, Garda Air Support Unit and Maritime Patrols. MATS is provided as a service to the Government and it is often the subject of media comment. **While the Defence Forces of most countries provide a similar service, it is an area worthy of detailed examination with a view to determining if the service can be provided on a more cost effective basis.**

<u>Helicopter</u>	No.	Usage
EC 135 T2	1	Dedicated to the Garda Air Support Unit and used on Garda operations only.
EC 135 P2	3	Two used for pilot training and one dedicated to the Garda Air Support Unit and used on Garda operations only.
AW 139's	5	General purpose military operational and training. (sixth helicopter will be delivered shortly)
<b><u>Fixed Wing</u></b>		
Gulfstream IV	1	Dedicated to the Ministerial Air Transport Service.
Learjet 45	1	Dedicated to the Ministerial Air Transport Service.
Beechcraft	1	Primary role of this aircraft is pilot conversion to twin-engined flying. It is also used for MATS and as an air ambulance.
CASA	2	Maritime patrols, fishery protection and the reporting of inshore pollution. In the course of fishery protection patrols the CASA can be used from time to time in support of the Customs National Drug Team at the request of the latter body.
Cessna	5	Provides support to Army and Garda operations and can undertake Inland Fishery Protection at the behest of Fisheries Boards.
Pilatus PC9	8	These replaced the Marchettis and they provide basic flight training for Cadets. Capable of being armed giving a limited defensive capability.
Defender	1	Dedicated to the Garda Air Support Unit and used on Garda operations only.

<b>Subhead I</b> Military Transport	<b>Pay</b> €m		<b>Non-Pay</b> €m	
	<b>Estimate</b>	<b>Outturn</b>	<b>Estimate</b>	<b>Outturn</b>
<b>2007</b>	-	-	11.530	15.924
<b>2008</b>	-	-	19.772	17.583
<b>2009</b>	-	-	19.772	-

Expenditure under this subhead is in respect of purchase and maintenance of vehicles tools, equipment and fuel.

<b>Subhead J</b> Naval Service - Equipment & Exps	<b>Pay</b> €m		<b>Non-Pay</b> €m	
	<b>Estimate</b>	<b>Outturn</b>	<b>Estimate</b>	<b>Outturn</b>
<b>2007</b>	-	-	13.330	13.495
<b>2008</b>	-	-	14.610	16.018
<b>2009</b>	-	-	19.410	-

Expenditure under this subhead is in respect of purchase, maintenance and upgrade of vessels, tools, equipment and fuel. As pointed out above, the cost of a vessel is in the €50-70m range.

<b>Subhead K</b> Barrack Exps & Engineering Eq	<b>Pay</b> €m		<b>Non-Pay</b> €m	
	<b>Estimate</b>	<b>Outturn</b>	<b>Estimate</b>	<b>Outturn</b>
<b>2007</b>	-	-	17.949	17.830
<b>2008</b>	-	-	19.826	20.890
<b>2009</b>	-	-	20.870	-

This subhead covers the cost of utilities, furniture, bedding, and engineering equipment.

<b>Subhead L</b> Buildings	<b>Pay</b> €m		<b>Non-Pay</b> €m	
	<b>Estimate</b>	<b>Outturn</b>	<b>Estimate</b>	<b>Outturn</b>
<b>2007</b>	-	-	14.646	12.554
<b>2008</b>	-	-	14.954	11.203
<b>2009</b>	-	-	13.700	-

The provision in this subhead covers the non-pay cost of repairs, renewal and maintenance of defence force buildings.

<b>Subhead M</b> Ordnance, Clothing & Catering	<b>Pay</b> <b>€m</b>		<b>Non-Pay</b> <b>€m</b>	
	<b>Estimate</b>	<b>Outturn</b>	<b>Estimate</b>	<b>Outturn</b>
<b>2007</b>	-	-	18.679	23.501
<b>2008</b>	-	-	23.646	27.615
<b>2009</b>	-	-	29.100	-

This subhead provides for the cost of ongoing provision of ordnance, uniforms and catering as well as specialised provision in respect of special deployments such as the Nordic battle group and Chad.

As part of the effort to remove soldiers from non-specialised catering duties in Defence Forces catering centres and reassign them to operational duties. These duties are then contracted out to civilian catering firms. Front of house catering contracts are currently awarded for 14 locations.

<b>Subhead N</b> Communications & IT	<b>Pay</b> <b>€m</b>		<b>Non-Pay</b> <b>€m</b>	
	<b>Estimate</b>	<b>Outturn</b>	<b>Estimate</b>	<b>Outturn</b>
<b>2007</b>	-	-	7.162	8.152
<b>2008</b>	-	-	8.312	8.228
<b>2009</b>	-	-	7.151	-

This subhead provides for the cost of computer and signaling equipment and telecommunications services.

<b>Subhead O</b> Military Training	<b>Pay</b> <b>€m</b>		<b>Non-Pay</b> <b>€m</b>	
	<b>Estimate</b>	<b>Outturn</b>	<b>Estimate</b>	<b>Outturn</b>
<b>2007</b>	-	-	3.731	3.010
<b>2008</b>	-	-	3.809	3.749
<b>2009</b>	-	-	3.809	-

Since the White Paper was published in 2000 the Defence Forces have overhauled the induction-training regime at both recruit and cadet entry level. Officer and NCO training has been extensively revised to ensure it is aligned with the most modern international military best practice. Officer and NCO career advancement courses now have academic accreditation at each appropriate level in the National Framework of Qualifications.

The Defence Forces continue to chart a way forward for the development of doctrine, training management and training structures and methodologies that will best serve the future needs of the organisation. These include induction, continuation and collective training, infrastructure and resources, electronic simulation systems and technological complexity.

<b>Subhead P</b> Travel & Freight Expenses	<b>Pay</b> <b>€m</b>		<b>Non-Pay</b> <b>€m</b>	
	<b>Estimate</b>	<b>Outturn</b>	<b>Estimate</b>	<b>Outturn</b>
<b>2007</b>	-	-	4.941	5.382
<b>2008</b>	-	-	23.899	16.939
<b>2009</b>	-	-	8.069	-

Expenditure from this subhead goes through peaks and troughs depending on the scale of deployments abroad in any particular year.

<b>Subhead Q</b> Medical Expenses	<b>Pay</b> <b>€m</b>		<b>Non-Pay</b> <b>€m</b>	
	<b>Estimate</b>	<b>Outturn</b>	<b>Estimate</b>	<b>Outturn</b>
<b>2007</b>	-	-	3.230	3.636
<b>2008</b>	-	-	4.298	4.065
<b>2009</b>	-	-	3.500	-

In addition to the additional procurement of equipment and consumables (drugs & dressings, etc) associated with the Chad troop deployment substantial additional costs are associated with the medical cover being provided for personnel deployed to the Nordic Battle Group and serving with the Chad mission.

<b>Subhead R</b> Lands	<b>Pay</b> <b>€m</b>		<b>Non-Pay</b> <b>€m</b>	
	<b>Estimate</b>	<b>Outturn</b>	<b>Estimate</b>	<b>Outturn</b>
<b>2007</b>	-	-	1.165	1.233
<b>2008</b>	-	-	1.189	1.408
<b>2009</b>	-	-	1.189	-

This provision covers the cost of rent in respect of land and buildings leased by the Defence Forces.

In 2003 the Government decided that lands at Gormanston Camp, Co. Meath; Magee Barracks, Co. Kildare; the Camp Field, Collins Barracks, Cork; and St. Bricin's Hospital, Dublin 7 would be among State lands made available under the Sustaining Progress Affordable Housing Initiative.

<b>Subhead S</b> Equitation	<b>Pay</b> <b>€m</b>		<b>Non-Pay</b> <b>€m</b>	
	<b>Estimate</b>	<b>Outturn</b>	<b>Estimate</b>	<b>Outturn</b>
<b>2007</b>	-	-	.998	.966
<b>2008</b>	-	-	1.019	1.071
<b>2009</b>	-	-	1.019	-

The current personnel strength is 29 which includes 5 riding officers. (Showjumping / Event Horses: 43).

**It is quite unclear what tangible benefits derive from the army's involvement in international equestrian events. Accordingly, a thorough examination of the value of the continuation of this function should be initiated immediately.**

Subhead T Compensation	Pay €m		Non-Pay €m	
	Estimate	Outturn	Estimate	Outturn
2007	-	-	7.638	4.678
2008	-	-	6.278	6.285
2009	-	-	5.800	-

This subhead covers the cost of compensation for damage or injury in cases of accidents in which Army vehicles are involved, as well as compensation in cases where personnel are killed or injured during training, etc., including compensation for personal injuries to members of the Army Reserve and Naval Service Reserve.

The importance of risk management for the Defence Forces is starkly illustrated by the Army hearing loss cases. The total number of hearing loss cases registered to 30 September 2008 was 16,798. 15,949 hearing loss claims were finalised at a total cost of €287.6m, including plaintiffs legal costs of €99m. Claims for hearing loss received after July 2002 are generally being contested on basis of Statute of Limitations. The estimated cost of outstanding hearing loss claims and legal costs is €8m.

Subhead U Miscellaneous Expenditure	Pay €m		Non-Pay €m	
	Estimate	Outturn	Estimate	Outturn
2007	.416	.192	3.175	3.338
2008	.325	.269	3.445	5.194
2009	.322	-	3.368	-

This subhead covers the cost of expenditure on advertising, the Defence Forces Canteen Board, and the office of the Ombudsman for the Defence Forces.

Subhead V EU Security & Defence Costs	Pay €m		Non-Pay €m	
	Estimate	Outturn	Estimate	Outturn
2007	-	-	1.258	1.339
2008	-	-	1.584	1.758

<b>2009</b>	-	-	2.200	-
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This subhead covers costs arising directly from Ireland's participation in the E.U.'s European Security and Defence Policy including common costs related to EU missions and Ireland's contribution to the European Defence Agency.

<b>Subhead W</b> Civil Defence Board (G-in-A)	<b>Pay</b> <b>€m</b>		<b>Non-Pay</b> <b>€m</b>	
	<b>Estimate</b>	<b>Outturn</b>	<b>Estimate</b>	<b>Outturn</b>
<b>2007</b>	1.235	1.198	4.864	4.901
<b>2008</b>	1.350	1.221	4.898	5.027
<b>2009</b>	1.337	-	4.911	-

This subhead provides for a grant-in-aid of €6.248min 2009 to the Civil Defence Board.

<b>Income and Expenditure for Civil Defence Board</b>			
	2007 Estimate €'000	2007 Outturn €'000	2008 Estimate €'000
<i>Expenditure:</i>			
<b>Grants to Local Authorities</b>	3,118	3,137	3,180
<b>Purchases and expenses</b>	965	983	983
<b>Training, Comp &amp; Exercises, competitions, Administration</b>	500	418	480
<b>Total</b>	<b>6,099</b>	<b>5,981</b>	<b>6,248</b>
<i>Income:</i>			
<b>Grant-in-Aid</b>	6,099	6,099	6,248
<b>2006 Surplus</b>	82	81	
<b>2007 Surplus</b>		(199)	199
	<b><u>6,181</u></b>	<b><u>5,981</u></b>	<b><u>6,447</u></b>

At 1 September, 2008 the staffing complement of the Civil Defence Board was 27.6 whole time equivalent employees. The Civil Defence organisation was originally designed to undertake non-combatant activities and measures to deal with the effects of an attack on the state or of hazards such as from radioactive fallout, biological or chemical warfare. With the enactment of the Civil Defence Act 2002, the Civil Defence Board assumed responsibility for Civil Defence at national level.

The organisation consists of approximately 6,000 members who voluntarily make themselves available in their spare time. Much of this time is devoted to attending classes to train for the contingencies mentioned above. The skills acquired include

First Aid, Search and Rescue, Fire Fighting, Boating Techniques, Radiation Monitoring, Radio Communications and Welfare Provision.

Local Authorities are responsible for delivering Civil Defence services at a local level through the Civil Defence Officer, a full time employee of the authority. This process is facilitated by each Local Authority through the provision of infrastructure such as office premises, meeting/training centres and facilities for storing vehicles and equipment. The Civil Defence Board covers 70% of approved non-capital expenditure and the Local Authority funds the remaining 30%. The grant-in-aid covers the recoupment to local authorities of 70% of their expenditure on Civil Defence. It also covers the salaries of the executive and other administration costs and the cost of Civil Defence stores, equipment and exercises. Given the extent of the organisation and the worthwhile nature of the services it provides, no cut is proposed here.

<b>Subhead X</b> Irish Red Cross (G-in-A)	<b>Pay</b> <b>€m</b>		<b>Non-Pay</b> <b>€m</b>	
	<b>Estimate</b>	<b>Outturn</b>	<b>Estimate</b>	<b>Outturn</b>
<b>2007</b>	-	-	.931	.931
<b>2008</b>	-	-	.951	.951
<b>2009</b>	-	-	.951	-

The Irish Red Cross works both at home in Ireland and in countries overseas which have been damaged by wars or natural disasters. The Irish Red Cross is part of the largest global network of voluntary humanitarian action in the world - the International Red Cross and Red Crescent Movement which has a national organisation in nearly every country in the world. The Society is supported by a grant-in-aid from the Department of Defence. Provision is made in the grant-in-aid each year for the Government's Annual Contribution to the International Committee of the Red Cross. €130,000 has been contributed each year from 2002 to 2008. No cut is proposed here.

<b>Subhead Y</b> Coiste an Asgard (G-in-A)	<b>Pay</b> <b>€m</b>		<b>Non-Pay</b> <b>€m</b>	
	<b>Estimate</b>	<b>Outturn</b>	<b>Estimate</b>	<b>Outturn</b>
<b>2007</b>	.451	.451	.428	.428
<b>2008</b>	.468	.468	.335	.335
<b>2009</b>	.464	-	.366	-

The brigantine "Asgard II", the replacement for the original Asgard, was designed specially for sail training purposes by the late Jack Tyrrell, built in Arklow, Co. Wicklow and commissioned there on 7th March, 1981. While "Asgard II" is owned by the State and the Minister for Defence is its registered owner, it is not a Naval Service vessel. It is managed by Coiste an Asgard, the committee first formed in 1968 which is now a company limited by guarantee. The Chairman of the company is the Minister for Defence and most of the other directors are experienced yachts people with a keen interest in sail training. Coiste an Asgard is also a founding

member of Sail Training International, the body which regulates sail training throughout the world.

The vessel sank last year off the coast of France and it is proposed not to salvage it but to build a replacement. It is understood that the terms of the insurance policy would allow the proceeds be credited to the Exchequer (with the question of building or otherwise procuring a replacement deferred to better times).

### **Vote 37 Army Pensions**

Improvements benefiting a limited proportion of pre 2004 personnel (targeted at personnel with lengthy service) have given rise to increased costs in recent years. While this effect will continue for some time, it will be offset in due course by lower costs arising from the later retirement date provided for under the New Entrants Scheme which is effective from 1 April 2004. Unfortunately, the lower costs are somewhat long-term. In the case of officers they will not begin to accrue until 2016 and not until 2025 in the case of enlisted personnel.

Details in respect of measurable outputs for 2007 under two programmes are set out below.

### On Island Security and Support

Apart from static guard type operations, the bulk of operations under this Programme are provided to other Departments/Agencies. Consequently, the extent of operations from year to year is demand-led.

- **Defence Forces ATCP Operations Conducted in 2007**

<i>Type of ATCP Operations</i>	<b>Number of Operations</b>
Cash in Transit (CIT) Escorts	2,291
Prisoner Escorts	100
Explosive Ordnance Disposal (EOD) call-outs	97
Explosive Escorts	35
Air Missions in support of ATCP	2,011
Public Building security <sup>1</sup>	365
Public Building patrols	730
Central Bank security guard	365
Central Bank Patrols	730
Portlaoise Prison security duties	730
Hospital guard <sup>2</sup>	4
Explosive production security guard	365
Shannon Airport security duties	304
Shannon Airport patrols	172
Visiting Ships	2
Power Installations <sup>3</sup>	366
Fuel Storage Facilities	9
NS Salmon Patrols	8
NS Guard Ship Duties	2
NS involvement in JTF Ops <sup>4</sup>	4
<i>Total</i>	<b>8,690</b>

- *While this table highlights ATCP outputs it is important to note that most of these outputs require personnel on stand-by 24/7 in order for them to be delivered when required.*
- *The level of contributions by the Banks was reviewed by officials of the IBF, the member Banks and the Department and a formal agreement was concluded and signed on 11 May, 2005 by the Minister and the IBF. The agreement, which is for a 5 year period, provides that the banks will pay the total actual costs incurred by the Defence Forces in the provision of cash escorts for the banks – approx €7m annually.*

<sup>1</sup> Government Buildings, Dublin.

<sup>2</sup> Guard on Portlaoise & Tullamore Hospitals during prisoner attendance.

<sup>3</sup> Guard on ESB installation in Ballyshannon.

<sup>4</sup> Operation Patrols conducted under the direction of The Ad Hoc Committee for Drugs Law Enforcement as established by the Criminal Justice Act 1996, Section 8.

- **Defence Forces Participation in Ceremonial Events 2007.**

Ceremonial Event	Number	Personnel
<b>Total</b>	<b>34</b>	<b>5,505</b>

- Band Engagements 2007.

Category	Total
<b>Total Engagements</b>	<b>515</b>

- **Naval Service Operations Conducted in 2007**

- *Fleet Patrol Days*

	<i>Planned</i>	<i>Achieved</i>
<i>Fleet Patrol Days</i>	<i>1,680</i>	<i>1,661</i>

- *NS Fishery Protection Activity Returns*

<i>Protection Activity</i>	<b>Sightings</b>	<b>Boardings</b>	<b>Warnings</b>	<b>Detentions</b>
<i>Total</i>	<b>2,559</b>	<b>1,846</b>	<b>76</b>	<b>18</b>

- *Naval Service Diving Section Operations*

	Operations	No. of Days
Total	95	68

- *NS Foreign Visits*

Unit	Dates	Destination
LE EITHNE	09 Jun-08 July 12 Sep – 19 Sep	Canada Bordeaux
LE ROISIN	14 Mar – 19 Mar	London
LE AOIFE	24 Jul – 20 Aug	Mediterranean
LE EMER	03 Jul – 12 Jul	Zeebrugge
LE CIARA	18 Jul – 24 Jul	Bilbao
LE AISLING	04 Jun – 24 <sup>th</sup> Jun	Baltic
LE NIAMH	04 Jun – 24 <sup>th</sup> Jun	Baltic
LE ORLA	24 May – 29 May	Rotterdam

- **Air Corps ATCA Operations Conducted in 2007**

<b>Activity</b>	<b>Missions</b>	<b>Flight Hours</b>
Ministerial Air Transport Service (MATS)	402	1,123
Air Ambulance	98	270
Garda Air Support Unit (GASU)	2,011	1,812
AC Maritime Patrols	235	1,425
<b>TOTAL</b>	<b>2,746</b>	<b>4,630</b>

<b>International Peace and Security</b>
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- Current policy (White Paper on Defence) is that up to 850 personnel may serve overseas at any one time.
- Defence Forces contribution to EU Headline Goal 2010<sup>5</sup>, status Jan 2008:

<b>UNIT</b>	<b>Due Date</b>	<b>Pers</b>	<b>Readiness<sup>6</sup></b>
Light Infantry Battalion	Active	750	H VH
<b>1 x Infantry Company Group</b>			
Field Artillery Battery	Active	80	H
Medium Transport Unit	Active	60	H
Medium Truck Pallet Cargo	Active	60	H
Special Operations Forces Unit	Active	40	VH
CIMIC <sup>7</sup> Group	Active	30	H
CIMIC Tactical Elements	Active	25	H
EOD/IEDD <sup>8</sup> Team	Active	5	H
Operations Liaison Reconnaissance Team	Active	10	VH
Military Provost Marshal Office	Active	10	H
Military Police Detachment	Active	10	H
Media Operations Unit	Active	6	H
Military Observation Team	Active	12	VH
CBRN <sup>9</sup> Decontamination Unit	Active	30	H
EOD/IEDD Team (CBRN)	Active	5	H
Logistics Battalion Headquarters	Active	50	H
Reconnaissance Unit	2009	80	VH
Infantry Brigade Headquarters	2010	150	M

- **Mission categories in respect of all Defence Forces overseas deployment in 2007:**

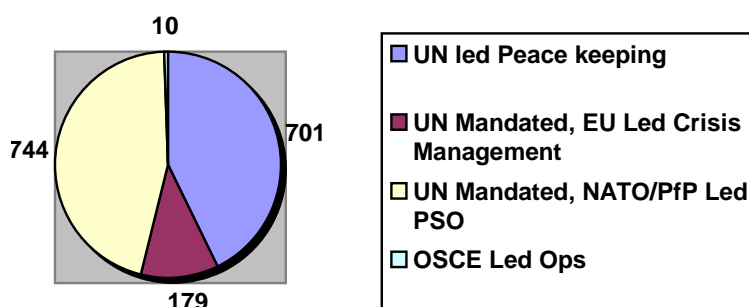
<sup>5</sup> The Table provides for many combinations of units up to a maximum commitment of 850.

<sup>6</sup> Readiness States are measured in Days: Very High 1-20, High 21-60; Medium 61-90 Days.

<sup>7</sup> CIMIC: Civil-Military Cooperation

<sup>8</sup> EOD/IEDD: Explosive Ordnance Disposal/Improvised Explosive Device & Disposal.

<sup>9</sup> CBRN: Chemical, Biological, Radiological and Nuclear.



- An aggregate of 1,634 personnel served overseas during 2007.
- Detailed breakdown of overseas strength during 2007:

Mission	01 Jan 2007	31 Dec 2007
<b>UNITED NATIONS LED PEACE KEEPING OPERATIONS</b>		
UNMIL (Liberia)	330	-
UNMIL FHQ	6	1
UNTSO (Middle East)	13	14
MINURSO (Western Sahara)	4	3
MONUC (Democratic Rep of Congo)	3	3
ONUCI (Cote d'Ivoire)	2	1
UNMIK (Kosovo)	4	4
UNIFIL	154	-
UNIFIL HQ (Lebanon)	6	7
UNNY (New York)	3	1
<b>TOTAL (UN)</b>	<b>525</b>	<b>34</b>
<b>EUROPEAN UNION LED CRISIS MANAGEMENT OPERATIONS</b>		
EUFOR (Bosnia & Herzegovina)	44	40
EU SP to OP ALTHEA (Belgium)	1	1
EUMM (The Balkans)	6	5
AMM (Aceh)	1	-
DITF (Sudan)	3	3
NORDIC BG	-	12
EU CHAD/CAR	-	17
EUMS (Brussels)	5	8
ESDP (Brussels)	4	4
<b>TOTAL (EU)</b>	<b>64</b>	<b>90</b>
<b>NATO/ PfP LED PEACE SUPPORT OPERATIONS</b>		
KFOR (Kosovo)	213	278
ISAF (Afghanistan)	7	7
NATO/ PfP Staff (Belgium)	3	3
<b>TOTAL NATO/PfP</b>	<b>223</b>	<b>288</b>
<b>OSCE LED OPERATIONS</b>		
OSCE	8	7
<b>TOTAL (OSCE)</b>	<b>8</b>	<b>7</b>
<b>TOTAL PERSONNEL OVERSEAS</b>	<b>820</b>	<b>419</b>

