



**Mary Coughlan Minister for Social and Family Affairs
confirms she will contest
European Commission action on post offices**

Mary Coughlan Minister for Social and Family Affairs today reaffirmed her commitment to supporting the network of post offices as the European Commission announced it intends to take Ireland to the European Court of Justice over the payment of social welfare through post offices.

The European Commission announced its decision to act against Ireland and seven other countries claiming it was acting to enforce EU law on public procurement.

The dispute between the Department of Social and Family Affairs and the EU centres on the government's decision to renew the Department's contract with An Post in 1999 for the delivery of social welfare payments.

“Earlier this year I was in dispute with the European Commission, who in turn have now referred this issue to the European Court of Justice for a final and binding decision. I have already taken legal advice on this issue, and intend to continue to support our network of post offices, and can assure the public that my Department will continue to enable payments through the post office network.

”Post offices around the country provide a valuable service in paying out hundreds of thousands of social welfare payments every week. I believe that the European Commission is wrong in its opinion, and I will continue to fully contest this case, “said Minister Coughlan.

An Post has provided payments delivery services to the Department for many years. These arrangements were formalised in 1992, were renewed four years later to run to the end of 1999 and subsequently



complaints were made to the European Commission under EU procurement law.

Ends
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