

FULL LOCAL FIVE DAY WEATHER FORECAST: Inside

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Ireland faces political stalemate in election planned for next month

Dublin.—Ireland could become the latest euro zone country to face political deadlock in an election expected next month that risks delivering an inconclusive verdict and leaving Prime Minister Enda Kenny's coalition short of an overall majority.

Despite boasting Europe's fastest-growing economy and a lead in opinion polls, Kenny's Fine Gael will almost certainly need the support of junior partner Labour to gain re-election - and the pair remain a few percentage points light.

Similar to recent elections in Spain and Portugal that led to no clear victor, unnerving some investors, Irish voters are weighing the impact of an unpopular EU/IMF austerity

programme against the start of economic recovery. As the euro zone slowly emerges from its debt crisis with the help of massive stimulus from the European Central Bank, a wave of political uncertainty that could slow economic reforms adds to a list of problems that include rising euro-scepticism, the migrant crisis and heightened security fears.

Deadlock in Dublin could also put one of Europe's biggest bank flotations since the financial crisis on hold - of state-owned Allied Irish Banks. And analysts say it could slow crucial decision-making if a government were not in place by the time neighbour and trade partner Britain voted on EU membership.



King Felipe with socialist leader, Pedro Sanchez, Pablo Iglesias of Podemos, and Mariano Rajoy of the Partido Popular.

ALL THE KING'S MEN

● But Partido Popular appears to be in **Checkmate** as Spanish Socialist Party and Podemos seek an alliance

which will dethrone Mariano Rajoy as Prime Minister.

● King concludes his round of talks with key

political leaders after **stalemate** in the general election last month.

● Communists also ready to join coalition.

PROSPECTS of a left-wing coalition government in Spain came closer yesterday as the Socialists and anti-austerity Podemos agreed to seek a deal to break a two-month political deadlock caused by an inconclusive parliamentary

election. Such a combination remains uncertain but, after the leaders of both parties met King Felipe, it appeared far more likely than a centre-right/centre-left coalition proposed by acting Prime Minister Mariano Rajoy, who won the 20 Dec. ballot.

"Spain can't afford to wait for Rajoy," Podemos leader Pablo Iglesias told a news conference after the meeting. "We will talk of governments, teams and tasks (with the Socialists) and we will not debate with any red line".

Balearic government wants new tax status to help businesses stay open in the winter

● Moves to give firms fiscal incentives so that they do not close in low season: **Page 7**