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DÍOSPÓIREACHTAÍ PARLAIMINTE
PARLIAMENTARY DEBATES

DÁIL ÉIREANN

TUAIRISC OIFIGIÚIL—*Neamhcheartaithe*
(OFFICIAL REPORT—*Unrevised*)

Friday, 5 March 2004.

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DÁIL ÉIREANN

Dé hAoine, 5 Márta 2004.
Friday, 5 March 2004.

Chuaigh an Leas-Cheann Comhairle i gceannas ar 10:30 a.m.

Paidir.
Prayer.

An Bord Bia (Amendment) Bill 2003 [Seanad]: Second Stage (Resumed).

Question again proposed: "That the Bill be now read a Second Time."

Mr. M. Moynihan: This Bill emanates from the report of the independent Estimates review committee to the Minister for Finance in November 2002, which recommended that action should be taken to amalgamate Bord Bia and Bord Glas. The committee indicated the separate existence of these two bodies was an unnecessary duplication of resources in promoting and marketing exports.

Bord Bia is responsible for food, drink and livestock exports, while Enterprise Ireland has responsibility for indigenous exports, generally, excluding food, drink and livestock. The committee proposed that savings be achieved in the short term by closer co-operation between the bodies and Bord Glas. In the long term, however, it recommended that the functions of these bodies be integrated under a single agency to achieve greater efficiencies in promoting Irish produce.

This Bill provides for such an amalgamation. Bord Bia, the Irish Food Board, was put on a statutory footing by an Act of the Oireachtas on 1 December 1994. It brought together the former CBF, the Irish Livestock and Meat Board as well as the food promotion activities of the Irish Trade Board, now part of Enterprise Ireland. It assumed responsibility for the export promotion of eligible horticulture from Bord Glas and the Irish Horticultural Development Board.

The role of Bord Bia is to act as a link between the Irish food and drink suppliers and existing and potential customers. Its objective is to develop export markets for Irish food and drinks companies, to bring the taste of Irish foods to more tables worldwide. Bord Bia has an extensive and in-depth knowledge of the food and drinks industry, which it is happy to share. It can provide interested parties with details of export production, quality standards, health regulations and controls and new developments in the

industry. Bord Bia can act as a bridge to put parties in touch with companies appropriate to their areas of interest.

Food is one of the most important indigenous industries in Ireland. Irish producers have excellent markets throughout the world based on the standards in place which need to be maintained and further expanded. Irish multinational food producers are sufficiently viable to meet those standards and operate commercially. However, there is some concern throughout the country over the "cottage industry" in food. Many people who travel to continental Europe report that the regulations that apply to the Irish cottage industries are more strictly adhered to than on any part of the continent. Over the past ten to 15 years there was certainly need for regulations to ensure we had quality products. We have excellent quality products. Whether it is Cork, Connemara or anywhere else, a cottage industry exists that is second to none and small food businesses have flourished in the production of their own niche markets.

Perhaps it is time the regulations that apply to these small indigenous cottage food industries were reviewed. In many parts of the continent, food stands may be seen in the village centres every morning and they do not appear to adhere to any regulations. If this situation were to be replicated in Ireland, traders would be swamped with regulations across the board. This matter should be looked at, as we discuss this Bill, to ensure maximum support and encouragement is given to the many cottage industries here, which are a great source of employment. In times of difficulty as regards farm incomes such industries provide added value at the farm gate. As people desert the land in droves and opt for alternative employment, perhaps Teagasc and the bodies that encourage the young to take up farming, should also emphasise the opportunities in the cottage food industries as regards added value. I recommend that this should be examined closely.

Over the years and especially since the foundation of the co-operative movement, dairy and other co-ops became the primary producers of food in Ireland. Now, when PLCs are taking over these co-ops, this is something that should be looked at — in regard to the amalgamation of co-ops. In parts of the country where some of the smaller co-ops have flourished and kept their independence, they still provide and maintain healthy balance sheets. There are reports which recommend more co-op amalgamations into larger groups, particularly in the dairy processing industry. I am not convinced this is the right way forward. This should be examined more closely to ensure that the independence of smaller co-ops is maintained.

There are three small co-operative movements in my area, the Duhallow region of Cork, Newmarket, North Cork and Boherbue. Each of them is doing well with their independent outlook and they are marketing their produce

[Mr. M. Moynihan.]

successfully. There are more independent co-ops in south-west Cork that are doing well. Perhaps we should examine that issue closely before we amalgamate all co-operatives into larger public limited companies. With the post-Fischler and mid-term review proposals and the implementation of decoupling, now is the time to ensure that the quality of farm produce improves considerably. The money will be made in producing top-quality food. As much encouragement as possible should be given by the Department of Agriculture and Food and organisations such as Bord Bia to ensure that we have top-of-the-range food. Years ago, there was a massive initiative to encourage people to buy and eat Irish. Parts of the catering industry are using imports instead of our own native food. We should try to encourage people — and they should also empower themselves — to ensure that we buy Irish and support indigenous industries.

Food is one of the strongest and most important industries in this country. As a people, as individuals, and as Members of the Oireachtas, we must try to encourage as much Irish produce as possible to be eaten wherever possible. There is no substitute for the food that we produce, and though the regulations are strict on cottage industries, perhaps the Department or Minister might consider those issues. The Bill is intended to improve market intelligence for the industry; develop horticulture quality systems in line with customer demands and business management training programmes for the industry; improve its marketing in home and foreign markets, liaison and interaction with all sections of the industry, and co-operation with the producer, wholesaler, retailer and the industry's service sector; and promote and increase investment in the food and horticultural industries and consumption, not just in Ireland but across the world. We have much to be proud of in our food and drinks industry, and I welcome the Bill as a move towards ensuring that we are competitive in our industry.

Mr. Ó Fearghail: I thank Deputy Moynihan for sharing time. I am pleased to have the opportunity to contribute to the debate on the Bill, the principal provision of which is the amalgamation of Bord Glas with Bord Bia. I acknowledge the valuable work that has been done by Bord Glas since its establishment in nurturing the horticultural sector and recognise the special contribution of a Member of this House, Deputy Kirk, in his role as the first Minister responsible for horticulture. The industry has come a long way since 1989 and 1990, and in recent years we have witnessed the growing importance of the amenity horticulture sector. Edible horticulture exports were worth €180 million to the economy last year.

However, we must accept that the industry faces constant challenges in the areas of cost and competitiveness, so it is opportune to subsume

Bord Glas into the larger body that is Bord Bia. Changes of this nature will always give rise to concerns, but I am satisfied that, given the level of consultation that has taken place and, specifically, the fact that the Bill provides for a sub-board for horticulture as exists for other sectors, that the dynamic of Bord Glas will not be lost in the new arrangement. It is also essential, however, that in the aftermath of the amalgamation, the level of support to the industry is at least maintained at its current level.

As other Deputies have said, important work is being done by Bord Bia. While primary responsibility for marketing Irish produce rests with the food industry itself, Bord Bia plays a leading role in developing and securing export markets. When we consider that the accumulated value of Irish food and drink exports amounted to €6.665 billion last year, as referred to by Deputy Michael Moynihan, we must accept the importance of that truly indigenous industry. Unfortunately, it has become popular in certain quarters to talk down the importance of the agri-food sector to the economy in recent times, but the public demonstrated its understanding of its significance with its magnificent and patriotic response to the 2001 foot and mouth crisis.

Statistics for the agri-food and drink sector are impressive. A total of 680 companies employ more than 50,000 in the sector, representing 20% of the country's manufacturing employment and twice that of the chemical and pharmaceutical sector which is often referred to very favourably. If one adds that figure to the 114,000 people in the primary agricultural sector, there are 165,000, or 9.5% of the total, employed in the country. Food and drink products make up 55% of exports. The agri-food sector accounted for nearly 8.5% of gross domestic product last year, and 22% of Irish consumer spending, or €13.3 billion, was on food and drink products.

Bord Bia states that its central mission is to deliver effective and innovative market development for the food and drink sector, so it is sensible that horticulture should be fully integrated into its remit. The food and drink export market has suffered in recent years as a result of reduced international demand and adverse exchange rates. In 2002, for example, the loss of exchange rate competitiveness was frightening, with the euro appreciating 41% against the dollar and more than 15% against sterling. The situation improved significantly in 2003, and the prospects for global trade in 2004 are good.

However, the marketplace is continually changing, and perhaps the greatest change revolves around consumer habits, with a greater emphasis than ever on convenience foods and the types of speciality foods to which Deputy Moynihan referred. The continued success of the food and drink sector in home and foreign markets depends on its capacity to innovate, adapt and change to meet the vagaries of consumer demand. Simply responding to

changing demand is not likely to be sufficient in future. Instead, the sector must anticipate potential market developments.

Executives of Bord Bia recently attended a meeting of the Joint Oireachtas Committee on Agriculture and Food to set out their stall regarding their future marketing strategies for beef, and in an impressive presentation they stated that the board would concentrate its resources on three conditions which they considered key to the success of the industry. First, the board intends to support the industry in extending its market reach through the re-establishment of international market access and building new business within the newly enlarged European Union. Interestingly, the second stated objective is to improve the industry's position in established markets by targeting the highest-returning consumer segments. Third, the board proposes to establish a sustainable brand image for Irish beef to secure its long-term position with consumers and achieve a premium for producers.

It must be acknowledged that the board, working with the industry, has succeeded in maintaining a stable market share for lamb. Some 35% of our sheepmeat output is consumed at home, while nearly 75% of export sales are to France. There is clearly an ongoing need to target the important French market with promotional campaigns, and I am sure that that will be done successfully. There is also a need to support and promote the pigmeat sector which has experienced difficulties in recent years. There was a decline of 6% in pigmeat prices across Europe last year, yet this country achieved €250 million of export sales.

It would be wrong to refer to the meat trade without referring, as Deputy Michael Moynihan did, to the growing impact of imported beef, chicken and pigmeat on the home market. That is of major concern to producers who regularly bring it to our attention. The development might also be of some concern to consumers. Are they fully aware of the fact that the filet of beef put before them in a hotel or restaurant may not originate from a Mullingar heifer but have winged its way from the southern hemisphere? Producers of Irish meat and beef products may well have good reason to be concerned at the extent to which the home market has been penetrated by imports, and not least at the extent to which imported meats are used by the catering industry.

That is why the Féile Bia initiative of Bord Bia must be welcomed and encouraged. Féile Bia aims to enrol hotels and restaurants in a programme that guarantees traceability and quality assurance to the consumer. The programme is working well and I encourage all restaurants and hotels to participate in the programme. I commend Bord Bia on developing the scheme further to provide for the identification of the origin of all food products being sold in participating outlets. Moreover, the plan to put a comprehensive auditing system in

place is also to be welcomed. Bord Bia reports strong growth in sales in the speciality food sector in the home and British markets. Most of the companies operating in the area are small, but their potential is considerable, and they deserve to be supported and encouraged.

The establishment of the TASTE Council has helped enormously. There is a complementarity between our successful tourism industry and our capacity to establish new markets for speciality foods. Most visitors to this country are highly impressed by the quality of the fare available in pubs, restaurants and hotels. We have reason to be proud of the high standards that prevail. The indications for the dairy export sector are good for the current year, with an increase of 5% to €1.6 billion having been achieved in 2003.

I wish to refer briefly to the mushroom industry, which is facing a particular challenge in the expanding European Union. Mushrooms are our main horticultural export product. A total of 75% of production is sold into the British market. Competition in that market is fierce and continued pressure is likely to face our producers from low cost Polish producers. This sector requires the ongoing support and attention of Bord Bia.

I compliment all those involved in bringing forward this straightforward legislation. It takes on board the interests of all stakeholders and follows a long period of consultation. It will help ensure that we have a more co-ordinated and integrated marketing approach for our important food products both at home and abroad. I commend the Bill to the House.

Mr. Sargent: Tá áthas orm deis a fháil labhairt ar an mBille seo. Is cúis bhróin dom go bhfuil, taobh thiar den Bhille, an plean An Bord Glas a chur ar ceall go h-éifeachtach agus An Bord Bia a bheith mar an t-aonad amháin a bheidh ag plé le chúrsaí glasraí go mórmhór.

As a spokesperson on agriculture and a Deputy representing north County Dublin, I am aware of the untapped potential for field crop production throughout the country. There is a tradition of such production in north County Dublin. There is excellent soil around Rush and the area I represent but it is not unlike many areas of the country. However, there does not appear to be a tradition, or it might be a lost tradition, of field crop production in many other parts of the country. There is huge untapped potential.

That has not been helped by the paucity of farmers' markets in this country compared with other EU states. A survey by Bord Glas received coverage in *The Irish Times* less than a year ago under the title, "Dublin leads the field in vegetable farming". While the report appears to indicate that Dublin is amazingly unusual in that regard, all it really indicates is that the country is doing so badly in exploiting the potential of horticulture that Dublin is leading the field even though it is smaller than many other counties. The survey found that Dublin growers account

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for 41% of field vegetable production in the State and 50% of the total farm gate value. It excluded potato production but despite that these are amazing figures. They indicate enormous untapped potential throughout the rest of the country.

The survey indicated that the estimated farm gate value of field crops in 2001 was €43.9 million and that this represented a 6% increase in the total farm gate value since 1999. As the business has become more specialised there has been a 22% decrease in the number of growers to 294, a worrying trend, and 889 people are employed on farms, a 14% decrease since 1999. According to the report: "The decrease in the number of growers producing field vegetables, coupled with the relatively static area under production, is evidence of a greater degree of specialisation and scale within the field vegetable sector." That indicates a number of trends which we must examine closely. Specialisation in itself indicates a loss of connection between the grower and the consumer. When a producer is specialising to fulfil contracts with customers such as large supermarkets, he or she is less able to focus on the needs of the consumer. It leaves growers in a vulnerable position.

We have seen the figures for farm gate value but many farmers have not seen a rise in prices even though the consumer has. It is a most frustrating business for the grower. Growers tell me from time to time, and I do not know if this is a considered view or they are just having a bad day, that they do not see themselves continuing in the business for much longer because it is too difficult and the return is small. They foresee even more difficult times ahead. It is sad to hear them speak like that, particularly when one considers another survey by Bord Glas which indicates that vegetable field crop production is larger than sheep, pigs, poultry and cereal production. The report would be of interest to Deputy Ó Fearghail who spoke about pig meat production.

According to the report, only beef and dairying generate a greater value in primary production terms. In 2001, the field crop sector was valued at €369 million at farm gate level, according to Michael Maloney, chief executive of Bord Glas, and at retail level on the fresh produce side alone, sales of fruit, vegetables and potatoes are valued at €738 million annually and, as a category, retail spending on fruit, vegetables and potatoes is second only to dairy produce at €855 million.

The interesting aspect of the survey is that it indicates that the Irish consumer spends more each year on fruit, vegetables and potatoes than on fresh meat, frozen foods or any other category of groceries. From the health point of view, that is an encouraging statistic. However, it also adds to the frustration of many growers. When they read about the consumer spending so much money on their produce, they wonder why they do not get a greater cut of the financial return.

CSO figures indicate that over the past seven years the price of groceries has increased by 26% but there has been virtually no increase in the return to the producer. Therein lies the cause of enormous frustration and, effectively, an Armageddon type meltdown for the horticulture sector.

It is vital that the Government deals with this. However, there does not appear to be a willingness to take action other than, in this case, to combine Bord Glas with Bord Bia. Bord Bia is a marketing agency focused on exports and the value of exports. Unless it is radically restructured, and there is no evidence of that yet, it will not deal with re-establishing the connection between the producer and the consumer. That is necessary if farmers are to find out what the consumer needs and how they can best serve those needs, thereby securing the best return for their produce from a business point of view. There is huge potential and we must convey that message.

Down the years local authorities have had an important but often overlooked role regarding the provision of local market areas in towns and villages. A farmers' market will open 11 o'clock this weekend in Malahide and one opened a few months ago in Castlebellingham in County Louth. Markets exist also in Cork, around Dublin and in other areas around the country but these are the exception rather than the rule which is in contrast to other countries. Anybody who visits France, Germany or other continental countries will see the local market is a normal part of life in villages.

There have been many references to Napoleon in recent weeks, generally associated with the Minister for Transport, Deputy Brennan. However, I want to show Napoleon in a good light.

Mr. Treacy: Napoleon and he have a great deal in common.

Mr. Sargent: When Napoleon Bonaparte was the top dog in France, he required that the mayor of each local town or village should determine where there should be a market and on what day it should be open. That became the rule for the area. We need to get each local authority to take on that job of organising markets for our towns and villages. They must determine where a market can be held. It is important to realise that wherever markets exist, they boost the retail business of established shop owners by bringing an attractive and vibrant retail environment into an area. They often add to the shopping experience for retailers and consumers.

Local authorities and the Departments of Agriculture and Food and the Environment, Heritage and Local Government need to work together to re-establish a tradition which was part of this country but which has been lost. Farmers are the poorer for that because they have no

alternative for their produce other than the major supermarkets.

The remit of Bord Bia is closely connected to exports, and understandably it is focused on the export sector. I have just read an article covering an interview with Mr. Michael Duffy of Bord Bia in January of this year. He says the challenge for the Irish food industry is to compete successfully in this more open and competitive marketplace and that this will be the greatest challenge facing it in its history. He also says the industry's success will determine the nature and future sales of Irish agricultural produce which were previously maintained by the coupling of EU payments. He was responding there to the challenge of decoupling but completely overlooked an aspect of the food industry on which work needs to be done — the re-establishment of the connection between the producer and the consumer.

That connection has been increasingly lost as we have become part of a more globalised and open economy. However, food is not like software or car components which can be shipped around the world without a deterioration in the quality of the product. From both a health and macrobiotic point of view, food is something which benefits from a local production to meet local needs policy. When the producer knows what the consumer wants he can respond and adjust more quickly to market changes.

I urge the Minister to ensure that this Bill opens up the type of reform needed in the Department of Agriculture and Food. The current focus and reliance on exports is a recipe for further flight from the land, I visited Leitrim recently where, whether one reads the *Leitrim Observer* or talks to farmers, the thinking of those involved in agriculture is that in due course Leitrim will only be able to support two farms. Everybody is wondering who the last two farmers will be in the new environment of total decoupling and globalised food marketing. This situation is replicated around the country where many farmers feel they are at the end of their time as farmers. This is a sad indictment on this Government and others which have seen a flight from the land over decades.

In my area the glasshouse sector sees not just the influence of the open and global market on food marketing but also a rise in energy prices. Much of the sector relies on gas yet the potential for methane from anaerobic digestion through slurry etc. is quite untapped except in Camphill and a few other exceptional areas around the country where farmers have had the initiative to group together to establish something which is seen almost as a curiosity and is featured on "Ear to the Ground" occasionally as a way of doing things. This issue does not seem to feature when major statements come from the Department saying we must set a target of so much methane and anaerobic digestion to meet our needs. Whether we are talking about the nitrates directive or creation of energy it is a win win situation. The issue needs to be addressed but it

does not appear to be at the forefront of the Department's agenda.

It would be well worth while to consider how energy costs and prices will rise in the future due to scarcity. We should consider this not on the basis of taxation or other influences but simply on the basis of the energy being unavailable. A considerable part of the price of food depends on the price of energy. Therefore, the more we can put in place local food production safety net parallel economy systems, the more likely we are to survive the type of energy price hikes which will form part of international geopolitics in the future. The less we support our local producers in terms of farmers' markets and the re-establishment of the connection between consumer and producer, the more we will have to rely on the importation of food which would bring with it the added cost of transport. Whereas we might buy cheap tomatoes from Holland or further afield, the transport costs of that produce will grow as energy costs grow. If the tomato growers of north County Dublin have to shut up shop and sell off their land and concrete over it, as has happened in many cases, we will have no choice but to buy more expensive food as local produce will not be available. This is not just a prediction. It is clear that this is the way things are going and I hope the Government can see the pattern unfolding.

Although we are talking about Bord Bia, agriculture must be broader than just a food producing sector and must also produce energy. Not only is the country falling down badly in regard to realising the potential of renewable energy through agriculture, it does not realise the potential of the organic sector, which is being outstripped by other countries. We see the frustration of groups, of which I am sure the Minister of State is aware from reading the *Western Organic Producer* every month.

Mr. Treacy: Yes.

Mr. Sargent: They are crying out for a national organic symbol. There is no point in replying that we cannot figure that out because there are three certification bodies. We had a buy Irish symbol which did not relate to one manufacturer only. In effect, it is a national symbol under which all certified organic produce can be sold, which is needed if marketing in the organic sector is to be successful. This sector needs aggressive marketing because it is up against it from other countries.

In eastern Europe, Poland currently has more farmland free from pesticides than most countries in Europe. Hungary already sells 95% of its organic output abroad and its exports are growing at a staggering 20% per year. Bulgaria is getting in on the act, as is Romania. We are not just talking about EU countries, but others in eastern Europe. Some 10% of Austria's agricultural output is organic. It has been predicted that a considerable amount of Austria will be GMO-

[Mr. Sargent.]
 free because the buffer zones around organic farms cannot grow GM crops, so in effect, it will be a GMO-free country. However, the Government has voted for the importation of GM sweetcorn to the EU, even though there has not been any testing in regard to human health. The Government is failing in its responsibilities. The Bill is an opportunity to highlight that, but I hope also an opportunity to see the potential which the Government has not realised.

Mr. J. Breen: I am pleased to speak on this important Bill in regard to the amalgamation of Bord Bia and Bord Glas. As one of our major industries, farming is important to the country and every effort must be made to preserve and enhance it. The agrifood industry plays a vital role in our economy and is part of Irish culture. Incentives must be introduced to stop the flight from the land and make farming an attractive career for those lucky enough to be in a position to take up the opportunity. We must do all we can to ensure farmers have a viable income. We must also make farming an attractive and feasible career for young people to entice them to make the most of their heritage, while enjoying a lifestyle comparable to those in urban industry.

Major threats to the industry, as well as modernisation techniques, appear all the time. While some are dealt with through the imposition of stringent measures, others such as the nitrates directive are placing enormous burdens on farmers in some areas in regard to compliance.

Threats to the live export market should not be allowed from any person or organisation who wishes to interfere with it or stop it. Live exports form the basis of many farmers' livelihoods and are a vital component of some farmers' income. If this industry were to be suspended, we would be faced with a major crisis for many top farmers. A business which had been viable for years, not to mention a tradition, would effectively become history. Many farmers would be forced out of business and into early retirement.

Different initiatives emerge from time to time and organic farming appears to be an attractive option. Many of our farming methods have been organic in nature throughout the years, but in my county of Clare this is not always a practical option as only a small number of farmers are involved. Few places are available for the selling of cattle and the cost involved is prohibitive. Rogue traders must be rooted out as they damage the farming community considerably.

Steps have been taken in recent years to label produce accurately, which is a positive thing for the industry in this country. It even crosses over into the promotion of Ireland to foreign investors and governments. Bord Bia has several offices throughout Europe and with its expertise and marketing knowledge there is surely a market for more Irish produce on mainland Europe, one that can entice the small farmer as well as the large players to put some of their eggs in the European

basket. The lambs produced here are second to none and our beef is world class. In a time of health-related scares, it is important to be able to stand over the quality and standard of Irish meat. However, it saddens me to hear from different sources that sirloin and fillet steaks served in some of our top hotels are not of Irish origin but are imported. In a beef-producing country we should be in a position to supply the service industry with our country's produce at a competitive rate.

There may be parallels with the issue of horticultural production here, which was raised previously in the Dáil. As a farming country we are producing the goods, but our marketing strategies do not appear to be effective enough to attract large supermarkets and top hotels to buy Irish, although they are happy to set up and sell to us.

It will come as no surprise to state that there are trying times ahead for the farming sector with the accession of ten new countries to the EU, but we should be prepared for that challenge and not be like a rabbit caught in the headlights. Let us be proactive not reactive in regard to farming. The Bill is a positive step and I congratulate the Minister on the consultation process involved prior to its launch and for the setting up of a dedicated horticultural subsidiary board.

Farming is an Irish way of life; it is steeped in tradition and family history. It is too important to be allowed to decline in economic importance. It is time to re-focus on its potential and to pool the resources of Bord Bia and Bord Glas to maximise the benefits for the farming community. I wish the new board well and pledge my support to its forthcoming initiatives. I am confident it will use its marketing expertise at home and abroad.

Mr. N. O'Keefe: Having heard the remarks of Deputy James Breen from the Banner county about An Bord Pleanála and planning permissions I am sure west Clare is safe in his hands.

I thank the Minister of State, Deputy Treacy, and congratulate him on his good work in the Department of Agriculture and Food. I am not a man who stands back from any matter and I consider that the Bill is shy of the real issue. It does not go anywhere near what is needed to develop the Irish food industry in terms of either development, promotion or marketing.

Why have we not had the foresight to incorporate all food agencies into one statutory body? There are not so many involved as to make this a difficult proposition. Teagasc has a food division. SFADCo comes from Deputy Breen's area and he may not like to tie it up elsewhere. Enterprise Ireland has a major input in regard to grants and the growth of the industry and CERT is involved with FÁS in training for the catering industry.

Reference was made in the Minister's speech to the Department of Communications, Marine and Natural Resources. The marine makes an

important contribution to the food industry. The Minister proposed to update the nominating function of the Minister for Enterprise, Trade and Employment and suppress for the present the nominating function of the Minister for Communications, Marine and Natural Resources, as seafood marketing has not yet transferred to Bord Bia. When are we going to get our act together as regards food? I have a farm and a primary production site and am involved in all facets of farming, including dairy, beef and pig farming, and I can never understand why there is such a lack of commitment on the part of people in agriculture and in Government to get our act together.

The Irish Dairy Board, previously known as An Bord Bainne, has been criticised by many. It is led by Noel Cawley. Why do we not have a link with that organisation? I read an article in the *Irish Farmers' Journal* yesterday in which Joe Rae, a former president of the IFA and well-known farmer very much to the fore in Irish agriculture, quoted the chief executive of Dairygold regarding the cheese market in the United Kingdom. He asked why we cannot all market under the umbrella of the Irish Dairy Board rather than having other types of links. If we do not go down this route we will only be dealing in half measures. Horticulture is going through a very difficult time because of our climate and many other factors. I know we have garden centres and major housing developments, to which Deputy James Breen referred.

To date, Bord Bia has done a good job in a very restrictive way. I compliment Michael Duffy, who has been an outstanding chief executive and a great diplomat on behalf of Ireland for the Irish food industry across the world. It would not be right if I did not compliment my neighbour, Aidan Cotter, who is now director of operations in Bord Bia. He worked abroad and did a great job. However, it is easy to promote when markets are good, as is the case in the beef market at present. It is progressing in terms of price and we will not have enough beef to supply the markets. Why could we not have found these markets three, four, five or six years ago, when the overall market was depressed?

For some time I have been arguing at party meetings and elsewhere about the country of origin. An article entitled Conditions for EU food production in the *Irish Farmers' Journal* on 28 February 2004 stated: "BSE in the US, Avian Flu in Thailand and the US and a refusal on the part of McDonalds, the hamburger chain, to use South American beef because of lack traceability." I have been told that the traceability of all the products coming in was so good that there was no problem. McDonald's is one of the largest franchises in the world and it has refused to take Brazilian beef because of problems of traceability. There is no point in telling me that the aforementioned countries have no statutory measures to protect their beef and chicken industries. In Brazil, the average salary received

by a beef industry worker on the factory floor is €100 per month. It is not so long ago since Dunnes Stores was boycotted for buying grapes from South Africa where workers were treated so badly under the apartheid regime. However, we are eating beef in Ireland that was also produced by slave labour and nothing is being done about it.

Traceability is very important. The front page of yesterday's *Irish Farmers Journal* referred to a row between the Department of Agriculture and Food and a Cork farmer regarding the Department's special investigation unit. Why does the Department not investigate what is coming through our ports? Why does it not examine Thai chicken, Korean chicken and products from Indonesia and Brazil, and compare them with the produce of Irish farmers? Irish farmers are not doing what producers in these countries are doing and they are not using the same feedstuffs. We have learned a lesson from what happened regarding Far-Eastern chicken. Were it not for *The Sunday Times* we would not know about the Kerry Group being hit by the ban on Thai chicken imports. It is the largest importer in the country, thus affecting Irish farmers. The Government will have to decide whether it is supporting big business or our farmers.

Telling me that the countries in question export to European and North American standards does not mean anything. In Ireland the way we develop our business and production is enshrined in law whereas that is not the case in the other countries. If there are 40 chicken growers, 40 beef growers and ten manufacturers and one falls out of line the whole system goes haywire. It is about time we addressed this.

This House, which makes the laws of the land, should ensure that the country of origin is specified on products. What is wrong with listing the country in which a product originated? The Irish consumer is being conned at an unprecedented rate. The Danes produce 1 million tonnes of pig meat in their slaughter houses. We slaughter pigs and produce 250,000 tonnes of meat. There are no significant imports of chicken into Denmark. They have about 7 million people, their dairy quota is the equivalent of ours but there are no significant imports into the country. Denmark exports on a massive scale. It imports 40,000 tonnes of whole pig meat and about 20 tonnes of pig fat. I am a pig producer and I know we produce 250,000 tonnes of pig meat and import over 50,000 tonnes. Will the Minister of State tell me how this can be justified?

It is about time somebody did something about the problem. I have two packets of rashers here, one of which is produced by Denny in Shillelagh. I would like to know the origin of this meat.

An Leas-Cheann Comhairle: It is not in order to display items.

Mr. N. O'Keefe: I am defending the national economy.

An Leas-Cheann Comhairle: It is not in order to display items in the Chamber.

Mr. N. O’Keeffe: I understand the plant in Shillelagh is full of imported bacon products, yet the packaging refers to Bord Bia. I am paying a levy to Bord Bia. Am I paying it to import products? Farmers are on their knees and the Rip Van Winkle attitude to agriculture in Ireland must change. Subscribers to the Féile Bia issue provide customers with the following information:

Thank you for dining at this restaurant. We are committed to the Féile Bia charter, and use products from recognised Quality Assurance Schemes. Féile Bia — a celebration of quality food. Please call again.

However, this does not state where the products come from. I did call again but I probably did not stay.

The own-label phenomenon in every shop is a new con job. It does not mean a thing to me or to the vast majority of housewives. We now have many supermarket chains, including Lidl, Aldi and Tesco, all of which are looking for a market share. Walmart is the largest in the world. It is about time the European Union had a directive pertaining to the own-label phenomenon. There is no point in the Minister of State smiling up at me — he should take this issue more seriously because he is in charge.

I could start up a consumer food business, get a grant from Enterprise Ireland and obtain all the foods from abroad regardless of the existence of Irish farmers and producers. Every country has its own patriotic sentiments. We are importing while the Danes are exporting and therefore there is a problem. Irish farmers are paying Bord Bia levies. For what? It is about time the farmers and the IFA examined where our levies are going. I am a substantial payer of levies to Bord Bia. Let us be straight about the fact that this cannot continue. I am telling the truth about this.

The food industry is worth between €6 billion and €10 billion. I do not know exactly because it is hard to quantify on the basis of its many different elements, but it is a significant industry in the country. For what are farmers paying statutory levies? Is it so that advantage can be taken of them?

Farmers are being treated like peasants. I am a farmer and I know what is happening. What will happen in the future? We will have no sugar beet industry, no pig industry and no chicken industry — this is nearly gone anyway — and we will have a few ranch or dairy farmers. We are proud of this and boast about it in the mid-term review. We think it is great that the country is regressing to the time of the Firbolg and Tuatha Dé Danann. It is about time someone stood up for Irish farmers and Irish agriculture.

The Minister is responsible for Bord Bia. I do not know whether he receives delegations from Bord Bia or whether his officials get in touch with

the board. I am not finding fault with the officials. Some of the finest officials in Ireland — practically all of them — work in the Department of Agriculture and Food. I was very proud to work with them and they are as bright a people as one will find in any part of the land. The board of Bord Bia is predominantly represented by big business interests. It should have a consumer chairman, preferably a woman. The ex-Secretary General of the Department of Agriculture and Food is on Bord Bia and on the board of Kerry Foods. That is an unethical contradiction that should be corrected. There is work to be done. The problem is that we have no agricultural debates in this House of the kind we used to have, where we can express our views. Agriculture is part of rural Ireland and in the early years of the State it dominated debate here.

I was surprised to read Tony O’Reilly’s views on globalisation in yesterday’s *Irish Independent* which states:

Against that backdrop, Sir Anthony O’Reilly’s call for a serious rethink and slowdown of the globalisation process takes on a fresh urgency. Yet there is an even more immediate competitiveness challenge which, in its own way, fits into the debate about globalisation and its threats.

I may have taken that out of context. I am proud that we are in the European Union and I have always supported the Union but farmers are not getting their fair share of benefits from it. We are not protecting ourselves. It is a two-speed Europe, whether we like it or not. Mr. John Hume, MEP expressed that sentiment in the Seanad last Wednesday when he said that three or four countries will decide the future of Europe: Britain under Tony Blair, who is the new Maggie Thatcher, and whoever succeeds him; France under Jacques Chirac, a very influential and able man; Germany and Gerhard Schroeder who is clinging to his leadership there, and Italy will probably get involved. They will decide our future. When a committed European like Mr. John Hume expresses that view we should heed his message.

The Taoiseach will preside over the greatest enlargement of the Community since its foundation. We are not protecting ourselves from the problem posed by the Pacific Rim. We do not need to import from those countries who do not have legislation to protect their industry. They have standards which are not enshrined in law. Can the Minister of State devote five minutes to explaining why we cannot have the country of origin marked on our products? Is it because Kepak wants to mix its beef with French or Scottish beef or Goodman wants to do something else? We have had enough of that behaviour. Let us put the country of origin on our products and protect the farmer-producer and consumer. The country of origin is the secret to saving our food industry and protecting our farmers from exploitation. I have another packet of rashers,

Galtee, which does not carry any reference to Bord Bia because the company imports so much.

An Leas-Cheann Comhairle: I remind the Deputy it is not in order to display products in the House.

Mr. N. O’Keeffe: They are very good for grilling. I am a member of the company’s management committee and I am fed up with this. The company receives grant aid from Enterprise Ireland and scales down the purchase of local pigs in favour of imports. The Minister of State is in charge. Let him make a name for himself and be the Donogh O’Malley of agriculture by making an order tomorrow that the country of origin must be identified on the package, and forget about big business. He should put a board in charge of Bord Bia and support Michael Duffy who would have no vested interests. There is a vested interest at work here, no country should be ashamed of putting its name on its food products, whether a pound of butter, bacon or sausages. When I pick up items in the shops in Dublin I see that it happens in other countries. There is a message coming through loud and clear which I could not repeat, from Matt Dempsey, one of the most influential agricultural journalists in the country, a man well-recognised for his ability. The Minister of State has probably shared many platforms with him during his two years in the Department of Agriculture and Food. He has been fighting tooth and nail for some time for identifying the country of origin. I do not understand why an Irish Government, led by Fianna Fáil, would shy away from its responsibility to protect the consumer and the producer on such an important issue.

I would also like to know why the Minister of State did not develop a national food agency because he tells us we export 90% of our produce. If we want a successful food industry we should have a national agency to deal with it and maybe have a link into it. There is no problem legislating to incorporate the private sector into a State sector. I refer specifically to the Irish Dairy Board in light of Joe Rea’s comments yesterday. This Bill does not go the distance to solve the problems of our food industry of which I have given several examples. Our farmers must produce food to compete with food coming into the country where there is no legislation to protect them. Irish farmers are disciplined and there are no rogues among them; their herds have a good disease-free status. Most of the diseases in the country come from imported stock. There is more supervision and argument with farmers at farm level than at the point of entry in our ports. I am told that one could bring an elephant into the country and he would not be seen until he put his head up somewhere but if I had a bullock with no tag and he strayed, half of the Department’s squad would come after him. That is the truth.

Mr. Kehoe: The Minister of State himself would be down too.

Mr. N. O’Keeffe: The Minister of State would not come down. Why not have a standard? *The Sunday Times* on 1 February informed us about the avian flu among Thai chicken. We know what happened the chicken in Thailand, Korea and Indonesia and about the recycling and the kind of feedstuff they got. For the first time, the most conservative body in the world, the WHO came to the forefront in trying to explain the seriousness of this flu.

I see here Deputy Upton who is a microbiologist and one of the most qualified people in the country.

Mr. Treacy: She is an outstanding woman.

Acting Chairman (Cecilia Keaveney): The Deputy must conclude.

Mr. Kehoe: The Chair should give him another minute or two.

Mr. N. O’Keeffe: On her return from a conference in Denmark about animal disease Dr. Upton came to meet me in the Higher Education Authority and although I did not know anything about her politics or background, I was most impressed with the interview and information she gave me which was not the real issue on the day. Many of the things she told me about animal disease and the food industry stand out in my mind six years later.

I ask the Minister of State to explain why we cannot have the country of origin on our labels, to tell me how the levies are going and what is will do about them. Can he explain also why he backed away from creating a national food agency to develop an Irish food industry for the future, based on the looming crisis of the two-speed Europe.

Mr. Kehoe: It would be great to hear Deputy Ned O’Keeffe giving the agricultural speech at the Fianna Fáil Ard-Fheis this weekend to maybe 3,000 or 4,000 people. He might tell some of the home truths and say what the Minister should be doing.

Like Deputy O’Keeffe, I have some doubts about this Bill and many aspects need to be questioned. I hope that Bord Glas is not lost in the merger with Bord Bia and that, in two years’ time, it remains as important as it has been up to now. When introducing the Bill to establish Bord Glas as a statutory body, the then Minister of State, Deputy Kirk, said: “The Government believes that the much needed development of our horticultural industry can be achieved only if responsibility for the development is put in the hands of a body with specific overall responsibility to carry out the task.” It is more important now than in the past that Bord Glas does not lose the recognition it has.

[Mr. Kehoe.]

As with many mergers, many promises are made as to how the business of Bord Glas and Bord Bia will be carried out. I hope these promises are not just made to keep the Opposition happy when introducing the Bill and will be kept. I welcome the decentralisation of Bord Glas and Bord Bia to Enniscorthy. As Members will be aware, Wexford in the sunny south-east is an agricultural county with a significant horticultural sector. Enniscorthy will be a fine home for the boards.

The food and drink industry has been important to us for many years. Agriculture was traditionally the cornerstone of our economy. Coming from a farming background, I understand the importance of agriculture. Work on farms, or in co-operatives or suppliers has created many jobs. It is sad that level of employment is slowly dropping. As Deputy Ned O'Keeffe and other speakers have said, younger people are afraid to farm because they see the decline in agriculture. Bord Glas and Bord Bia are important boards for the future development of agriculture.

In recent years there has been much discussion about the need for healthy eating habits. Bord Glas plays an important role in promoting our fresh fruit and vegetables. We have been warned about obesity and told how important it is to eat vegetables such as cabbage, carrots, etc. The level of obesity has increased by 67% between 1990 and 2000. More than 20% of men and 16% of women are now obese. It is now even more important to encourage healthy eating habits. When the new board is formed, I hope it will extend the campaign to get people to eat fruit and vegetables, especially those produced here.

It is sad that many vegetables for sale in supermarkets are imported. There is no need for this as there are many good Irish producers, including many in my county of Wexford. It is shameful that supermarkets in Wexford are selling imported vegetables that are also being grown two or three miles away. In the late 1990s, I was on a Macra na Feirme exchange to Thessaloniki in Greece where we brought a range of Irish food and drink. About 15 or 16 other countries participated in the exchange and they were most impressed with the range of fine food we produce, including salmon, vegetables and meat. We do not give sufficient emphasis at home to the fine food we produce.

It is wonderful to go to other countries and see Irish food displayed for sale. It is possible to see Galtee rashers and other meat on sale in America, England and in other places. It gives me a sense of pride to be from Ireland when I see such Irish food in other countries. There is great energy and enthusiasm about Bord Glas, which has a great sense of what it wants to do. I hope this will continue.

I was disappointed by the decision of Teagasc to close its food research station in Clonroche in County Wexford where much research was carried out over the past 30 or 40 years into

produce such as strawberries, raspberries, teaberries, blackberries, etc. Yesterday when talking about the Teagasc facilities to be closed, the Minister said that no research had been carried out in the Clonroche station in recent years. An important Teagasc funded five year research study on varieties of strawberries was stopped after one year and transferred elsewhere. It is not possible to start a research programme on fruit in one place and transfer it to another county or even to another part of the county. I attended horticultural college for three years and know exactly what I am talking about.

The Teagasc research station in Clonroche actively carried out trials over many years with considerable success. Many horticultural students were employed there through FÁS. It will no longer be able to give young people the opportunity to enter the horticultural industry. I started by doing a course in Clonroche, went on to Kildalton Agricultural College and continued horticultural studies in England. The Teagasc functions have been decentralised with some going to Kilkenny, Johnstown in County Wexford and Oakpark in County Carlow. The loss of the Teagasc beekeeping work from the station is also very sad. It is a shame that the facility has been sold lock, stock and barrel. It was an important part of the community in the Clonroche, New Ross and Enniscorthy areas for many years.

Deputy Ned O'Keeffe referred to the country of origin stamp on beef, a matter about which I feel strongly. Butchers in Wexford, Dublin and elsewhere claim that they supply Irish beef, but that is not the case. These individuals get their beef from other countries. Many of them supply hotels and restaurants and a large numbers of them do not want to sign up to the Féile Bia scheme because they can obtain beef that is much cheaper than Irish beef. They should be penalised for not signing up to the scheme. We should be proud of the beef produced in this country. Traceability is extremely important. An onus should be placed on hotels and restaurants to the effect that a percentage of the meat they use should be of Irish origin. Perhaps the Minister will comment on whether the new board will be able to take action in this regard.

Are people employed to check whether hotels or restaurants which display the Féile Bia certificate use Irish beef? I feel strongly about this matter. Ireland produces some of the best beef in the world, a fact of which I am proud.

Other speakers referred to the difference between farm gate and supermarket prices for meat and vegetables. The IFA in Enniscorthy is trying to establish a country market and is seeking a location for it in the town. Farmers would be able to sell their produce direct to customers at such a market. The Minister of State will probably have seen the survey carried out some weeks ago by Deputy Timmins, details of which appeared on our website, www.ripoff.ie. Deputy Timmins went to a supermarket and bought a range of groceries, vegetables and meat

and then carried out a comparison in terms of the amount farmers get as opposed to that obtained by supermarkets. He discovered a major difference, in monetary terms, between what supermarkets charge and what farmers get for their produce. As Deputy Sargent stated, that is why farm markets are far more prevalent now than in the past. Farmers have discovered that they are not paid the full amount due to them for their produce.

I hope that Bord Bia and Bord Glas will not lose their identities when they are amalgamated. Bord Glas is an important entity. The horticultural industry is vital to our economy and I hope it will not be lost. During the debate in the Seanad it was suggested that Bord Iascaigh Mhara should be incorporated into the new Bord Bia. I am not fully *au fait* with the process in bringing boards together. Such boards are established to do a particular job and they should be allowed to do it. Bord Glas and Bord Bia have representatives in other countries who play an important role in terms of advertising the great food produced in Ireland.

I hope the Minister can bring about a return of confidence in the areas of horticulture and agriculture. Many young people are not interested in taking up a career in either sector because they believe they will be tied to their farm or whatever seven days a week for 15 or 16 hours a day. These people know that someone can work from nine to five and earn as much money as they would on a farm. I come from an agricultural background and there is a great sense of pride to be had from realising what can be achieved on a farm in terms of growing vegetables, rearing cattle etc. One sees nature at work on a farm. We should use that fact to encourage young people to remain in farming. They no longer wish to do so because they cannot obtain the price for their produce that they rightly deserve. In light of Deputy Timmins's survey regarding supermarket prices versus farm gate prices, it is no wonder young people do not want to remain in agriculture.

I ask the Minister to ensure that Bord Glas and Bord Bia do not lose their identities when the new board is established and that the great work they are doing at present is continued. Bord Bia is doing a fine job in promoting Irish beef and I ask that it continues to do so.

Mr. P. Breen: I welcome the opportunity to contribute to the debate on this important Bill. We are all familiar with the saying that one cannot shove a round peg into a square hole, but that is what we are witnessing with the amalgamation of Bord Bia and Bord Glas. We oppose the amalgamation because we believe that Bord Glas, with a budget of only €4 million per year, will be severely limited in its ability to represent the horticulture industry, which is undergoing a difficult period at present. Amalgamating Bord Glas with the larger Bord Bia, with an annual budget of over €20 million,

will place the former in extreme danger of losing its identity and having its agenda dictated by individuals who are not concerned with horticulture.

I acknowledge the great work Bord Bia does on behalf of the Irish food and drinks industry on the world market. It is represented at every food fair in Europe and throughout the world. However, Bord Glas can stand alone and do a better job to promote the declining produce market in Ireland which is faced with ever-increasing competition from other countries such as Poland and Holland, which produce mushrooms, and Spain and Israel, which are encroaching on Ireland's share of the potato market.

Bord Bia and Bord Glas have different identities and serve different areas of the agriculture industry, and have done so well during the past ten years. Bord Glas is concerned with a niche area of food development and I was delighted it won the best e-government website award for 2003. Over 260 websites were rigorously examined but Bord Glas's came out on top, which is an indication of the professional job done by the company. The board is to be congratulated on that award.

The horticulture industry is divided into two main concerns, namely, the production of fruit and vegetables and the growing of flowers, shrubs and trees. In terms of sheer gross agricultural commodity output, the industry is located third behind cattle and milk production. Bord Glas should be commended on the way it has promoted the horticulture industry and developed it into a strong market valued at €2.3 billion, with produce accounting for €1.9 billion. It has also done well in picking up the trends in the food market. In its most recent annual report it highlighted the immense changes the horticulture industry will face during the next decade. The habits of Irish consumers are changing and the tendency is to eat out more often or to order more take-away foods. There has also been an increase in demand for prepared organic food.

Members will recall that the Mid-Western Health Board recently objected to an application by an international fast food chain for a fast food outlet in Ennis. As everybody knows, every town and village has been taken over by the fast food culture and the board objected to the type of food served by the chain in question. It would be more appropriate, however, if health boards were to persuade these food chains to sell fruit, as this would promote awareness of fruit as a healthy diet. I heard on the news this morning that the chain in question has decided to introduce vegetables and low calorie options on its menu and phase out super-sized portions, which is a welcome development.

I was also delighted to learn yesterday that the Irish food and drinks industry has acknowledged that it has a major role to play in tackling the

[Mr. P. Breen.]

increasing prevalence of obesity, a worrying trend which needs to be addressed. Promoting Irish produced fruit and vegetables on television and in newspapers is important for the international and home markets. We have all seen advertisements promoted by the soft drinks companies using major sports stars to sell their products. These influence the type of diet our children choose. When a new board is established, it will be important that it promotes the value to our diet of fruit and vegetables.

Next week, the Minister for Health and Children will announce the composition of a new task force to deal with obesity. I welcome this group and hope the necessary finance will be made available to it.

Traditional staple Irish diet such as potatoes and vegetables face intense competition from non-traditional foods such as rice and pasta. While these commodities have health benefits, they are imported and, therefore, affect domestic production of foods such as potatoes. Foreign imports of vegetables, including cabbage from the Netherlands, carrots from Spain and potatoes from Israel, also present problems.

I was delighted that my colleagues on Clare County Council's strategic policy committee on the environment decided to abolish by-laws, part of the casual trading laws adopted by the council in 1998, which made vendors of vegetables liable to fines of up to €1,275 for selling unwashed vegetables or failing to trim greens. It is a general belief that consumers prefer vegetables with earth on them to washed vegetables because they look much fresher and many housewives now prefer to buy vegetables in markets rather than in supermarkets. As Deputies Kehoe and Sargent pointed out, the profit margins of producers are much higher if no middle man is involved and the consumer gets better value for money.

Fruit and vegetable markets in County Clare continue to thrive and have a long tradition. Many towns have market streets or squares and the Friday and Saturday market in the county town of Ennis is always buzzing as housewives and other consumers buy fresh vegetables.

I commend EIRÍ Corca Baiscinn in Kilkee for its efforts to try to bring back traditional farmers' markets. Last year, it successfully introduced a market in the square in Kilrush in west Clare, which has attracted local producers to the town to sell their produce directly to consumers. This is a welcome trend which is also emerging in other areas.

As Deputies will be aware, potato yields in 2003 were exceptional due to favourable weather conditions. There are about 832 commercial growers here but, as with all industries, the market has its ups and downs, with prices falling when the market is flooded with potatoes. I note that growers are being advised by Bord Glas to reduce production by 15% to realign supply. In many cases, potatoes are being fed to livestock and large stocks remain in cold storage.

It is sad that the market for potato chips and wedges is being supplied by potato imports when we have an abundant supply here. I read recently, however, that a group of farmers in Ballymoney in County Antrim — the Minister of State may be aware of this development — bought out a large plant manufacturing potato chips. It is hoped the plant will use Irish potatoes in its production process and bring some relief to the potato sector. I hope similar developments will take place around the country, thus improving the position of potato growers. It is also important that supermarkets choose Irish products for their consumers on the basis of quality, a key factor which Irish growers can offer, and price.

I will now address the unacceptable circumstances facing mushroom growers, of which the Minister of State will be aware. There are approximately 400 mushroom growers here, with the industry centred mainly in counties Cavan, Monaghan, Kildare, Wexford, Tipperary, Roscommon, Mayo and Donegal. Last year, the Irish Mushroom Growers Association ran a major promotional campaign to highlight the benefits of eating more mushrooms. It was launched by the then Miss Ireland who later went on to even greater things.

The mushroom business is under severe pressure. While 80% of households eat mushrooms and spend an average of €26 on the product each year, growers receive little benefit. During a recent visit to one of about four mushroom growers in County Clare, I was astonished to see the amount of hard work involved in mushroom production. The grower in question employs his sons and 22 others in his unit, which consists of 15 tunnels, a pack house and a large refrigeration unit. He incurs significant costs and were it not for the quantities of mushrooms he and other growers sell directly to supermarkets and local shops on the domestic market, they would have gone out of business long ago.

More than 70% of production is destined for the export market to Britain which is controlled by two major companies. Most of the growers are concerned about the manner in which mushrooms are graded by these companies. Sometimes as much as half their produce is not graded and is returned to them, which means they must try to find another market to dispose of their mushrooms. This is wrong and I call on the Minister to establish an independent grading system for mushrooms to ensure proper grading and acceptable prices for growers. The mushroom business is difficult and costly and many growers face financial ruin unless the Government acts quickly. Moreover, it is virtually impossible for producers to get out of the industry because of their current financial commitments.

Although the Minister established a mushroom industry task force last year, more action is required to protect growers and ensure they receive a fair price and have access to a proper

grading system. I hope the task force will report to the Minister in the near future in order that we can deal with the crisis facing the industry. An illustration of its volatile nature, is that last January heavy snows in Poland, a leading producer of mushrooms, led to the price of mushroom seed here rocketing. Such volatility pressurises growers, who already face difficulties trying to secure new business. The sterling-euro exchange rate and Internet auctioning by multiples place small producers under further pressure.

Farmers in general face major challenges arising from the accession to the European Union in May of ten new member states, many of which are largely dependent on agriculture. Fear and uncertainty are widespread among the farming community. West Clare, from where I come, has experienced significant erosion of the number of young farmers, many of whom are leaving the land because they see no future in farming.

We should be trying to protect these farmers. Many young dairy farmers who attend my clinics say their temporary quotas are very low and that they will be selling milk from now to next April for almost nothing. The problem is further compounded by the nitrate directives and slurry storage. I hope the new committee, in conjunction with Teagasc, will put forward sensible proposals to deal with the problem of slurry on our land and that the Minister for Agriculture and Food, Deputy Walsh, will negotiate with the EU a good package to ease the proposed restrictions.

I would like to refer briefly to the live export of cattle to international markets. The IFA has organised a meeting in Ennis on Monday next to discuss the issue of animal welfare during long distance travel. Live cattle exports are important to the beef industry in Ireland in the context of maintaining essential cattle prices. I, like many of my colleagues, including some on the Government benches, are anxious that cattle be transported to overseas markets in supervised and humane conditions. Having spoken to many people about this, it is my understanding that current arrangements governing the transit of cattle are good. While those who raise concerns in this area mean well, it is important such exports are not interrupted.

Bord Bia and Bord Glas come from different traditions. Bord Bia deals with the drinks industry, cattle, lamb, sheep and pig products and Bord Glas traditionally deals with small farmers involved in the production of trees, shrubs and flowers. Bord Bia's finances are dependent upon levies paid to it by producers while Bord Glas receives its funding from Government. What will this amalgamation mean to the producers who have traditionally worked for Bord Glas? The following illustrates the different focuses of the two organisations: Bord Bia deals with large producers and their markets and Bord Glas deals with small producers and their markets.

The type of product promoted by the two organisations comes from producers working on different scales and with different concerns. Bord Bia does not focus on products with which Bord Glas deals. Bord Bia is in a market on the brink of overflowing while Bord Glas stands on the threshold of a growing market. With increased demand for its products and other healthier foods, Bord Glas needs a strong independent voice to pitch its products. It needs to be able to stand on its own and to address the issues facing it in the future. There are many issues with which Irish agriculture and horticulture will be faced in the future, not least the addition of ten new countries traditionally dependent on agriculture into the EU. The Bill provides no guarantee that Bord Glas will be allowed independence in terms of preparing to face these issues. There are no guidelines for its board members and staff in terms of their role in Bord Bia.

The Bill includes measures to ensure Bord Glas will have a place in Bord Bia. I welcome the stipulation that membership of the board will include at least two people with horticultural experience. However, one must be concerned about whether that is sufficient and with the dangers this merger can bring about. I do not believe there is a need to amalgamate the two boards. The Bill states there will be no significant financial implications in doing so. Why then are we shaking up a good and proven organisation like Bord Glas?

I welcome the announcement yesterday by the Minister for the Environment, Heritage and Local Government regarding the easing of planning restrictions for one-off housing in rural areas. It is a step in the right direction. I hope we are beginning the process of easing housing restrictions. I would like to know how the Minister intends proceeding in this regard? Will he engage in discussions with senior planners regarding changes to county development plans? I hope the process commences immediately so that we can build up rural areas which have been eroded down through the years.

I thank the House for the opportunity to speak on this Bill.

Mr. S. Ryan: I welcome the opportunity to contribute to the Second Stage debate on this Bill. I live in north county Dublin, an area with a great tradition, given its soil and climate, to facilitate the growth of horticultural produce and to meet the demands of the people of the greater Dublin area.

I have grave concerns about this Bill which proposes to amalgamate Bord Glas with Bord Bia. The Minister's contribution on this Bill when compared with what was said during the debate on the establishment of Bord Glas indicates a complete change in attitude by the Department of Agriculture and Food and the Minister. The general functions of the new board shall be to develop, promote, facilitate, encourage, co-

[Mr. S. Ryan.]

ordinate and assist the production, marketing and consumption of horticultural products.

I have spoken to those involved in the horticulture industry and they are mystified and deeply concerned about the implications of the amalgamation. It has been acknowledged that Bord Glas has done an excellent job in difficult times. It does not make sense to amalgamate Bord Glas, which deals with amenity horticulture, with Bord Bia which deals with products such as butter, steak and pizza.

My colleague, Deputy Upton, made an excellent contribution to this debate. I have no doubt that this amalgamation is based on financial considerations. It is a proposal drawn up by the so-called three wise men. The Minister for Agriculture and Food, Deputy Walsh, gives the impression he fights the cause of Irish farmers and horticulturists in the EU. Yet, it appears he was unable to stand up to the three wise men and their recommendations. That does not say much for the Minister and his commitment to Irish farmers and horticulturists.

Horticulture has been, for many years, the Cinderella of the agricultural business. It has been used as a sop. In the context of Bord Glas, there was a belief that the people on the ground felt that progress was being made but there is now a fear in terms of where we are going.

Obesity is very much an issue. It is a complex issue which needs to be addressed through education as well as exercise, but fruit and vegetables have an important role to play in terms of a proper diet. I am talking about high quality products that we can produce here. In the context of the various bodies set up by legislators, we have a role to play in curbing obesity and as we try to meet ongoing demands that issue will have to be addressed.

I asked earlier why we were amalgamating the boards when there is no doubt that there is a whole range of boards and agencies dealing with food. We now have another Bill and more boards are being set up but it will not be in the interests of consumer or growers.

Various contributions were made in regard to labelling. If we are to protect the people on the land, whether those in farming or horticulture, it is vitally important that we try to assist them because they are trying to ensure there is a future for those industries. The labelling aspect has to be addressed and the country of origin must be part and parcel of that process. That is essential to protect home produce and guarantee quality. That is what we are talking about and what we demand. I referred earlier to obesity and it is important in that context that the ingredients contained in food is identified in a more positive way. That area has to be examined.

In the context of Teagasc and the future of those involved in horticulture, the sale of Corduff, in my constituency, was a disaster for farmers and growers. This was a centre for training and education where courses for farmers

were made available, but what was done with it? It was decided, solely on the basis of finance, to close the centre despite the fact that it had all the amenities and the potential to be extended — I understand there are another two acres which could have been availed of as part of the overall reorganisation, if that is what one would call it. The growers are now very much inconvenienced and this closure has not been to their benefit. It is proposed that these services will be transferred to Kinsealy. One could say that is only an extra seven miles, but that would be all right if the facilities were available there.

In examining that transfer we also have to consider the sale of the headquarters in Sandymount, and this gets back to what we have been saying about decentralisation and the move to Oakpark, where 90 people out of a staff of 100 have indicated they will not move. Ten out of the 100 are willing to go to Oakpark. After selling Sandymount and Corduff, we now have the problem of where to put the 90 staff from Sandymount. If 90% of the staff are not willing to move from Sandymount to Oakpark, that does not say much for the future of the Government's decentralisation programme.

What did they do then? They had to provide accommodation in Kinsealy for the 90 staff from Sandymount. The area that was used for experimentation on mushrooms is now being utilised to accommodate the staff. Over €100,000 will have to be spent to accommodate the transfer of staff and at the same time we are being told the growers from north Dublin who used to go to Corduff now have to go to Kinsealy. That shows a lack of planning and commitment to the horticulture industry. The work involving experiments on mushrooms now has to be transferred to Belfast at a cost of over €100,000 this year. That is totally unacceptable. It is bad planning. I want a commitment from the Minister that this experimentation work which has been transferred to Belfast will be carried out here.

The situation has changed in regard to small growers, there is no use saying it has not, and it will not get any better. The big supermarkets are dictating what consumers want and what they will demand in the future. There are small growers who would not be in a position to meet those demands but who can supply excellent products. Facilitating small growers to sell their produce direct to consumers at markets should also be examined. Oil prices are still an issue for glasshouse growers. I hope that our EU competitors will be operating by the same guidelines and that there will be no subsidisation for growers in, say, Holland. At the same time, every effort and support should be available to enable traditional suppliers to be in a position to meet market demands in the greater Dublin area and the rest of the country. There should be further development of niche markets in vegetables such as tomatoes and potatoes with a view to exports. The market offers possibilities. Members have raised concerns about the

mushroom industry and I too have concerns of other EU competitors undermining the mushroom market which has done well in recent years. On the basis of what has been outlined in this Bill, I am not convinced that the amalgamation of Bord Glas and Bord Bia will be in the interests of consumers and growers.

There is a lack of planning by Teagasc in the closure of some of its offices, which I previously noted with the closure of its Corduff offices. People have deep concerns about the closure plans. There has been a campaign against the proposed closure of the Teagasc station at Ballinamore. It is fine for the Minister for Agriculture and Food to say he has no responsibility for Teagasc. However, the Minister has a responsibility to resolve this issue. There is a perception that Teagasc has turned its back on the most disadvantaged areas in the country. The 2002 grass yields, obtained in a standardised measurement system for different centres, including Ballinamore and Ballyhaise, published in the *Irish Farmers' Journal* leave no doubt on this issue. Every farmer struggling with soils and climate conditions on high grounds like those in Ballinamore knows this. I received a report from the Leitrim action committee which claims that the Ballyhaise farm yield is near average for the country, which may surprise people who use the Moorepark farmland. Ballyhaise is actually nearer to Sollihead as a farm resource. In the 2002 grass yield table, it even outyielded Sollihead. One must also consider the type of climate and soil in the Ballinamore area. The action committee is not aware of any region research probes in place in Teagasc. The pretence of this has been uncovered and can now be seen as a charade to hoodwink farmers in disadvantaged areas to support dairy level funding. The sad consequence of this failure is that when Teagasc comes to apply new technologies to problem areas, it will have no local knowledge of the very problems these technologies can solve. For example, in areas such as Ballinamore, normal rye grass does not survive long because of early spring frosts.

The case has been made for the retention of Ballinamore's Teagasc station but a decision has already been made. However, the people have also spoken on the implications of the closure of the station. The Minister of State, Deputy Treacy, and the Minister for Agriculture and Food should use their positions to have this issue resolved amicably so as to ensure a united approach to the future of farming rather than having all parties at each other's throats. We have won important battles on Europe but now it is time to be united on this matter. I appeal to the Minister of State to resolve this issue.

Mr. Durkan: I too acknowledge the dispute in Ballinamore where local farming interests are concerned by the proposed closure of the Teagasc station. This is not a unique incident as it has been happening elsewhere for the last 12 months.

It is the result of the slow strangulation by Government of the research and development wing of the agricultural and horticultural sector. The attempts by the Government to explain away and minimise the Ballinamore situation, are one more step in its plan to eliminate the important element of research and development in the food producing sector. It also eliminates the role fulfilled and encouragement given by Teagasc in the past. As the Minister of State is well-versed on the subject, I hope he will take into account the damage that will be done in the event of a further repetition of the Ballinamore situation. The numbers employed in such stations are small but areas such as Ballinamore depend on the influence of having a testing station. Ballinamore is certainly not in the prime lands of the countryside but having the influence of a local testing station is crucial, particularly for local people.

I wish to register my concern about the proposals in this legislation that will see the merging of Bord Glas and Bord Bia. I congratulate Deputy Ned O'Keefe for speaking out in the forthright manner in which he did earlier. Coming with a considerable knowledge——

Mr. Treacy: The last time he did that he got no congratulations.

Mr. Durkan: ——of both inside and outside the Department of Agriculture and Food, he is to be lauded for the manner in which he spoke out. He recognised that the Government, of which he is a supporter, is doing nothing to support what was once a basic and fundamental industry — the food producing industry. Anyone who has studied the food producing sector over the past number of years will note the negative developments that have resulted in a diminution of the sector's influence, particularly on world markets.

Going back to what Deputy Ned O'Keefe was saying, there was a time that we Irish could boast about the place of origin of all our food. Our food was sent worldwide with a proud label on it. Irish foodstuff still goes abroad with a proud label, for example, Kerrygold and many other dairy products. However, we keep whingeing and whining about competition, the changing marketplace and new entrants to the market. We do nothing to improve our position by investing further in research, development, marketing techniques and singling out products that of themselves can achieve a standard in the international market that will further benefit the economy.

In so far as this sector is concerned, there appears to be a death wish on the part of Government. It seems to be withdrawing from the scene. Deputy Ned O'Keefe appeared to underline this by indicating that the Government seems to allow the downward trend to continue without interruption. The only action that has taken place in recent times is the fundamental

[Mr. Durkan.]

review with the aim of introducing an integrated plan for agriculture in the future. It is about seven years too late.. Much damage has been done. I have spent a great deal of time tabling parliamentary questions to extract information on food imports into this country from the EU — with which I have no problem — and non-EU countries. Both Deputy Ned O’Keeffe and Deputy Timmins dealt with this at length. We must be clear that, if we are in the business, we must compete on a number of grounds such as quality, traceability and price. It is up to us after that.

I heard a gentleman from An Taisce on “Morning Ireland” talking about how all payments now come from Brussels. I hope Government has not fallen victim to that kind of indoctrination. If it has, the situation is much more serious than we think. Once any industry falls into the hands of bureaucrats, one can forget about it. The gentleman from An Taisce thought that the job of the agricultural sector and the rural community was to keep the countryside looking well for people like him to enjoy. That is not what it is about. This is an area where we can employ people and in which people have been productively employed. It is a resource that we need to continue to work on and support, not only for our own population but to ensure we can produce for international markets. For any country with a climate like Ireland’s to allow itself to slip in that area is a disaster.

A number of years ago I heard one commentator on agriculture refer to the need for a major review of the sector which would take us into the 21st century in terms of what we produced, how we produced, prepared and marketed food, and how we should change to meet the requirements of today’s world with oven-ready products ready for the table as opposed to just for storage. I presume the current review will incorporate all that. If it does not, another problem will arise. What concerns me most about the agricultural and horticultural sectors is that costs are increasing in this country at an alarming rate. We keep asking how the costs can increase so dramatically despite an allegedly low inflation rate. I can never understand how we can have such low inflation and at the same time price ourselves out of markets everywhere. In this type of situation, what happens is that, in the beginning, producers become somewhat less competitive. Suddenly they come to a juncture where competition is too great. Unfortunately, we are now heading in that direction. We became a little uncompetitive a few years ago. We are now seriously uncompetitive, not only in the sector under discussion but also in a number of other areas. I do not see any initiative being taken by the Minister for Agriculture and Food, Deputy Walsh, to address the issue.

Will this new joint board have teeth and be effective? Will it be able to provide adequate time and resources towards pursuing the objects

of research and development and selling and marketing the product? I do not know. Other speakers have no confidence in it and I agree with them. Once the purpose of the exercise is to save money, there is little hope for the future.

Years ago we set great store in spending money on marketing, research and development and producing products that could compete worldwide. I recall visiting the World Food Fair in Anuga, Germany, in 1988. I remember various Irish producers there. Mr. Goodman had a stand under the UK flag at that time. What impressed most was that countries such as Argentina, Italy and Brazil — whether in the beef or dairy industry — were well-advanced and marketing aggressively. They had both volume and quality as well as consistency.

Up to then I used to think, in my innocence, that because of our particular climate in Ireland and ability to produce quality food, we held all the cards and were playing them to the best advantage. I then realised that was not the case and that there were others in the market as well. In many cases they were larger than we were, put more resources into the effort and had the ability to go further in terms of marketing. As some of these competitors were from non-island nations, they could, with beneficial consequences for themselves, gain access to markets much more quickly than the Irish could.

I do not know whether Irish efforts over recent years in terms of quality and traceability have improved the position. I have this sinking feeling, however, that the Government and the Department of Agriculture and Food in particular have thrown in the towel. They have accepted the suggestion from other parts of Government that this is now a high-wage, sophisticated economy with technology present everywhere. We have electronic voting in the Dáil and will soon have it installed throughout the country without any concerns about the expenditure involved. We are sophisticated and slick. My only response is that slickness has come a cropper many times in the past. Let us not run away with the notion that, now we are slick, we are all-conquering and all-powerful. We are not.

I am not certain the proposal the Minister is bringing before the House to merge the two elements in the food sector will work. If it is intended to allow part of one sector to disappear and concentrate on another area, it will not work. The horticultural sector is growing rapidly. It should be very easy, as we have an ideal climate for it. We have garden and greenhouse centres all over the country. Every town and village has one. I even do a little dabbling in that area myself from time to time. It is something for which we have a natural ability because of our climate. I wonder whether that is generally recognised. We must remember about horticulture generally that it can be eco-friendly, financially rewarding and pleasing to the eye — beneficial in every way to those involved. I urge the Minister to keep an eye on it.

Before I conclude, I would like to refer to something mentioned by other speakers. As Members will know, a great bone of contention in recent years has been people's inability to obtain planning permission to live in their own countryside. Immediately before the great bringing together of that group which gathers once a year for the Fianna Fáil Ard-Fheis, whom we wish well over the weekend——

Mr. Treacy: If the Deputy wishes to come as a delegate, we can accommodate him.

Mr. Durkan: I have no intention of allowing myself to be encompassed in that group. If what I heard on "Morning Ireland" today is correct, what we have heard in the last few days regarding planning matters in rural Ireland is a total sham. There was no intention of improving the situation and neither is there any now. The situation appears worse than before and all the Government was doing was creating the situation. Having coddled the people of the country for the last ten or 12 years, it is now turning on those at its Ard-Fheis by giving the impression that it had suddenly come to their rescue and would allow them to live in their own place at some time in the future.

Mr. Treacy: In my own place.

Mr. Durkan: Nothing could be further from the truth and the Minister of State knows as well as I that his party's delegates — God love the poor creatures — will be at that Ard-Fheis for the whole weekend, where they will be told again and again by two of his ministerial colleagues, who have been very loquacious in the area over the last few years, that they have at last been saved and that redemption is at hand. That is all nonsense, since nothing is changing. There has been an alleged change in guidelines, but An Taisce came forward this morning and reassured everyone that nothing would change. Of the appeals which An Taisce brings to An Bord Pleanála, 98% end in refusals. I had a case a few weeks ago——

Mr. Treacy: I hope the Deputy will be making the same speech next year.

An Leas-Cheann Comhairle: Deputy Durkan is going into too much detail.

Mr. Durkan: This is apropos of the legislation.

An Leas-Cheann Comhairle: The Deputy should relate what he is saying to the Bill.

Mr. Durkan: I assure the Leas-Cheann Comhairle that it is closely related to the Bill, as he will see in a moment. The person in question made a horticultural proposal concerning less than an acre of land. He envisaged glasshouses and tunnels, for which he sought planning permission. He had a house too. However, the

authorities said that it was inconsistent with the type of development that one could allow in such an area, though it was agriculturally zoned. I do not know what the local authority was talking about. The man was refused planning permission. He had proposed to grow tomatoes and all the usual greenhouse vegetables, as well as poultry. He had been doing that since he was a child. He was born in rural Ireland and, having temporarily been away, wished to continue to live there. However, the great bureaucrats came on the scene and said that it was not for him, since the horticultural activity which he proposed to carry on was inconsistent with the area, which was within 200 m or 300 m of an urban settlement. They told him to settle down and forget his nonsense about growing vegetables and keeping poultry.

That is what is being said by the Minister and his colleagues to the unfortunate innocents whom they are bringing to the Ard-Fheis to lead astray. Previously they led the country astray and the Leas-Cheann Comhairle, as a compassionate and caring man, will understand my perspective. They have coddled the people of the country — the multitudes outside — and now they have finally turned on their own and are about to cod them too. That is deplorable, and I know the Leas-Cheann Comhairle will feel as sorry for them as I do. I also know that the Minister of State sitting opposite knows that what I am saying is true, and that is the saddest part.

An Leas-Cheann Comhairle: The Chair has no feelings one way or the other.

Mr. Durkan: That is just as well, since if he had such feelings, he would burst into tears. I was very close to that myself when I saw what was happening this morning.

The points raised by several other speakers are valid and should be borne in mind by the Minister. The whole question of the future of food and food products in this country must be measured against the competition that we face from importers. When one tables questions inquiring about this, one gets bland answers about our being in the European Union and having to accept competition. That is not the question. All we want is to be able to monitor such developments so we can measure the growth in imports and determine whether exports are keeping pace; it is as simple as that.

I am not happy with the proposal or with many other things that have emanated from the Minister's Department. I hope that redemption will come for the poor victims of such policies in recent years. I wish those at the Ard-Fheis every success, but I beg the Minister of State not to do to them what he has done to the rest of the country.

Minister of State at the Department of Agriculture and Food (Mr. Treacy): Is onóir mhór dom an seans a bheith agam freastal ar an

[Mr. Treacy.]

díospóireacht seo chun freagra a thabhairt ar son an Rialtais, na Roinne agus an Aire Talmhaíochta, Bia agus Foraoiseachta. Tá muid ag plé an Bhille um an mBord Bia (Leasú) 2003. Tá muid ag aontú An Bord Glas agus An Bord Bia chun eagrais nua cothrom a chruthú le freastal ar sheirbhísí bia agus thalmhaíocht na tíre.

I thank Deputies, particularly those whose contributions were positive. The Bill is well balanced to ensure the continued development of the Irish food and horticulture sectors. It ensures that future promotional actions at home and abroad will be fully synchronised to provide the best service for the producers, consumers and taxpayers of this country. Combining the expertise of Bord Glas and Bord Bia will make them even more effective in facing new challenges. In the words of the Irish proverb, ní neart go cur le chéile. Both organisations have performed exceptionally well, owing in no small measure to the calibre of the staff involved, and the respective staffs will also benefit from broader possibilities under the merger. I will now deal with the issues raised by the various Deputies.

Several Deputies expressed concerns that the identity of the horticulture sector would be submerged in the new body. The legislation as drafted will ensure that horticultural development will not be diluted. The two organisations have similar marketing and promotional remits, and the functions of Bord Glas regarding horticultural production are carried over directly into the new organisation. By providing for horticultural representation on the main board, and by the establishment of a statutory subsidiary board for horticulture, we are clearly guaranteeing full parity of esteem within the new strengthened organisation. It should also be acknowledged by the House that, over the years since the formation of Bord Bia, it has had responsibility for exports of all horticultural activity, meaning that there has been a dovetailing and duplicating of operations, which are now being synchronised.

Many Deputies referred to the question of healthy living and the role of Bord Glas in promoting that concept. Both agencies, Bord Bia and Bord Glas, have comprehensive

1 o'clock programmes in place to promote the virtues of good nutrition and healthy eating habits. There has been much debate recently about the rise in the level of obesity in the western world. Figures point to a marked increase in the prevalence of obesity among Irish people. This is strongly influenced by a number of lifestyle changes, not least of which is the lack of daily physical activity. Perhaps Members of the House are also victims of this. While people are not necessarily eating more, they might not be eating a balanced diet and are not burning off energy. This leads to a change in body energy stores and weight gain. My colleague, the Minister for Health and Children, Deputy

Martin, will shortly publish a strategy on this complex and important issue.

With regard to further amalgamation in food promotion, Deputies will recall that the expert group on the food industry, whose work led to the establishment of Bord Bia with a remit across the dairy, meat, consumer and speciality foods sectors, recommended a single food promotion agency. I am on record as favouring maximum coherence in the activities of State agencies in promoting food products, particularly overseas. Formal co-operation agreements are in place between Bord Bia and BIM and also between Bord Bia and Enterprise Ireland. The Bord Bia-Enterprise Ireland inter-agency agreement covers co-operation on the full range of activities of both of agencies and is particularly useful for Ireland on the US market.

Deputy Ferris mentioned support for the organic sector. In November 2000, an organic development committee was established to recommend a coherent strategy to achieve expansion in the production, processing and marketing of Irish organic produce and to secure an increased share of both the growing national and export markets. The committee presented its report in April 2002 and I have established a national steering group to oversee the implementation of its recommendations. A key aspect of our approach is to promote the acceptance of organic farming as part of mainstream agriculture. It is not in anyone's interests to play one off against the other. Much of the strength of the organic sector derives from the high principles and philosophy of its practitioners, with the result that consumers have a high degree of confidence in their produce. That reputation for integrity must be defended at all costs.

However, the organic sector will grow substantially only when the most go-ahead and innovative farmers are prepared to consider it as a commercial opportunity, worth the effort in meeting the exacting standards demanded. I have involved a range of stakeholders in policy development. Organic farmers and processors are represented, as are mainstream farming organisations, the food processing and retail sectors, consumer representatives and the Food Safety Authority of Ireland. The organic market development group, which has overall responsibility for developing a national marketing strategy for organic food, is chaired by Bord Bia.

Deputies have referred to the emergence of farmers' markets. Bord Bia's useful web-based guide identifies the benefits of these markets to producers, consumers and local economies, lists their locations and trading days, offers clear advice on what makes for a successful market and outlines the benefits and expansion opportunities in farmers' markets. I support these initiatives. With regard to making specific reference to the exclusion of genetically modified crops from the scope of this Bill, to prevent the promotion of

GM foods, this legislation is not the appropriate vehicle for making general policy on this matter.

Deputy Timmins asked about the need for subsidiary companies. This is an enabling provision to facilitate legal compliance with the requirements of certain food quality assurance schemes. Separate certification and inspection bodies to ensure third party verification of standards are required as a prerequisite to the achievement of the highest standard, EN 45011.

Some Deputies suggested including specific gender requirements in terms of numbers on the subsidiary board for horticulture. The Bill's formulation on gender balance is appropriate. I hope to see a proactive approach by the nominating bodies to gender balance issues. The problem for the Government is that nominating bodies do not seem to consider the gender balance. I am, however, reluctant to make this legislation more restrictive and prescriptive than similar legislation in other areas.

Deputy Timmins asked about the number of responses the Department received from the 34 organisations, including institutions, representative of the horticulture sector which were asked to submit their views. There were 20 responses from the different organisations and their areas of concern have been addressed in this Bill. Deputy Crawford asked about the enabling provisions to amend the system by which the export levy is collected. Deputy O'Keeffe also referred to this. This Bill simply provides that alternative means of payment may be put in place without the need for further primary legislation. The current system of payment, which is the only means of payment and which has some merit, is by means of stamps purchased in advance. Any regulations made under this provision would be laid before both Houses of the Oireachtas.

Deputy Sargent spoke about north County Dublin as a major horticulture producing area. I accept that. It has huge advantages, such as deep and warm soil, good climate, seasonal rainfall and a massive and growing consumer market in the capital. Long may that continue. In counties Louth, Meath, Kildare, Carlow, Kilkenny, Wexford, Waterford, Cork and Tipperary the soil and climatic conditions and the topography lend themselves to the development of horticultural and tillage production, as distinct from other parts of the country. We must compare like with like and bear in mind marketing opportunities, low cost access to markets and consumer demand. We must be realistic.

There has been a major change in the demographics and consumer habits in this country. The small corner shops and general stores have been replaced by massive multiple retailers and some independent medium to large stores. The small corner shop is largely confined to larger towns and motor fuel stations. That is a major change which leads to changes in production. We must take that into account.

Deputy James Breen referred to exports. We must realise the importance of agriculture, the

food and drinks industries and horticulture to this country. Contributors to this debate have said they are in decline, but I do not accept that. They were never better in terms of volume of production, efficiency and cash value. There are more employment opportunities and greater opportunities for people to secure a financial return for their skills and abilities than ever before. The value of food, drink and horticulture exports is €7 billion per annum and that is growing. We decided it was better to proceed, on the basis of the track record of the two boards and in view of the opportunities in the global market, with a strengthened organisation.

Deputy Ned O'Keeffe made a wide-ranging contribution. He showed us a number of product samples and spoke about the country of origin. We established a major group during the past two years to consider this issue. The group could not get agreement between the farming organisations, the processors and the marketing organisations on making a clear recommendation regarding country of origin. Until an agreement can be secured, the advice available to us is that it may be detrimental to Irish marketing if we insist on that position. We have established a sub-group of the main group to try to draft a conclusive recommendation so we can hang a single flag for Ireland on all products leaving this country for sale on global markets.

I agree with Deputy O'Keeffe's remarks regarding Kerrygold. Kerrygold is a major brand name for Ireland. It is a brand product and the green label gives it the Irish flavour without the distinctive label of Ireland as the country of origin.

Deputy O'Keeffe referred to the situation pertaining to the Irish Dairy Board. In the past it was Bord Baine but, under State aid rules when we joined the European Union in 1973, we were obliged to change it and it became a non-State aided private company operating in a commercial global marketplace within European Union rules. It has been a major success since.

The Deputy also referred to the own-label situation. This is based on providing transparency and an assurance for the consumer from the multiples that the product being sold is from a clearly identified location. It is important and has worked well and it is to be hoped that we can capitalise on it and develop it further in the future.

Deputy Kehoe said agriculture was in decline. I cannot understand why Members of Parliament or the farming organisations say agriculture is in decline. All over the world the numbers involved in agriculture are fewer. This situation is not unique to Ireland. In the United States, New Zealand, Australia, the United Kingdom, Europe, etc. the same situation prevails. In a global economy with newer sectors and streams of opportunity, the situation is bound to change. Mechanisation, technology and other advances all have a major influence. People have fewer

[Mr. Treacy.]
working hours and shorter working days and weeks—

Mr. Timmins: And less income in recent years.

Mr. Treacy: I do not accept that. Some people in farming in Ireland make more money today than ever before.

Mr. Timmins: Very few.

Mr. Treacy: If we want to live in utopia, put a steel wall around the country and say we will produce and consume our own, we will have a 90% surplus of agricultural produce in the country. That would be a crazy way to run this island. We need a situation where we have access to the European Union market. The Fianna Fáil party led this country into the Union in the 1970s and negotiated from the 1960s through the 1970s to change everything. Prior to joining the European Union in 1973, we exported 75% of all our produce to the United Kingdom. Since then we have quadrupled our exports to the UK but these now only form 24% of the total volume of our exports. This demonstrates the distance we have travelled, the production capacity we have achieved, the number of people involved in a productive capacity, the number of jobs created and the great opportunities in the industry. We need optimism and assurances from everybody involved in the agriculture and food sector that they will remain positive and recognise this achievement.

Let us look at our international performance. The Kerry Group is probably one of the leading food companies in the world on the global stage. Glanbia, Green Isle, Anglo Irish, Dawn and Bailey's are companies which export and operate throughout the world. We should be proud of them and recognise that they have played a huge role and have been flagship companies for Ireland.

Féile Bia was denigrated in the discussion. Féile Bia gives an important assurance to the consumer that the product on the table is quality assured and traceable to the producer. Bord Bia has a clear auditing system to ensure that we have that guarantee.

People referred to the importation of food into the country. We live in a global marketplace. We open markets across Europe and the world and are part of a World Trade Organisation situation and must, therefore, accept that a certain amount of products will come into our country. I did some research into the reason other food products are imported here, whether beef, chicken or whatever. They come because we have a good economy and people want a choice.

More particularly, they come because suppliers are able to get a guaranteed price on the product for a 12 month period and can do their planning and accounts, know their profits and conduct their business. We cannot get that on the market

here. In our flexible market, when the price rises, the purchasers are charged a higher price but when the price goes down, the purchasers are charged the same price. The people here involved in production, supply and procurement will have to look forward and give this same 12 month guarantee on prices. This is the only way forward.

Working together as a nation we must accept our responsibilities and try to reduce competition. We can never eliminate competition because it is always good to have some. It would be a serious matter to be in a position where competition was eliminated. However, we must ensure that we work together to provide stability in the market by giving continuity of price over a 12 month period and taking the ups and downs and flexibilities of the market to ensure trade and business can compete.

I am delighted Deputy Timmins is present. He carried out a wonderful survey on *www.ripoff.ie*. His survey did not take account of processing costs or the difference between wholesale and retail prices. He took base price production and took no account of processing costs, staff costs, overheads or insurance. Who is supposed to be responsible for those margins or who should pay the staff?

Mr. Timmins: My survey was on farm gate retail prices.

Mr. Treacy: It is easy to create confusion for consumers.

Mr. Treacy: The Minister of State is defending the supermarkets.

Mr. Treacy: I am not defending them. I would like the Deputy's website to be accurate and not to confuse the people.

Mr. Timmins: The survey asked whether farmers are getting fair prices.

Mr. Treacy: I hoped to respond to the various issues raised by Deputies but have run out of time. Bord Glas was founded in 1990. Opposition parties said then we were creating a quango which would make no contribution to the country. Bord Bia was founded in 1994. A review of both organisations carried out in 1998 recommended the two organisations should be amalgamated in five years' time. The five years ended on 31 December 2003. For the Estimates of 2003, the three wise men looked at all State agencies, examined the review and recommended that the amalgamation proceed. This legislation is a result of those recommendations.

Mr. Timmins: They also recommended us to stop culling full herds for BSE but that is not being done.

Mr. Treacy: The interests of concerned stakeholders, staff, the horticultural sector, including amenity, are adequately safeguarded

within the proposed new strengthened organisation. Maximising the potential of the food and horticultural sectors in a competitive environment will not be easy and will require clear vision and the joint commitment of all stakeholders. Bringing together the expertise and professionalism of Bord Glas and Bord Bia offers better long-term prospects for the promotion of this key indigenous economic sector which is based on renewable natural resources, a unique landscape and a committed capacity to deliver what the consumer wants with greater integrated promotion, development and marketing programmes in the exciting years ahead. I commend the Bill to the House and look forward to dealing with specific issues on Committee and Report Stages. I thank all the Deputies who contributed to the debate.

Question put.

An Leas-Cheann Comhairle: In accordance with the Order of the Dáil yesterday, the division is postponed until immediately after the Order of Business on Tuesday, 9 March 2003.

Commissions of Investigation Bill 2003: Second Stage (Resumed).

Question again proposed: "That the Bill be now read a Second Time."

Mr. Dennehy: I will refer briefly to two matters I raised previously. Eminent people who are willing to serve the State as members of any commission should not have to suffer personal abuse from politicians or any other source about their appointments or results of their examination. To have to suffer insults such as being described as party hacks will discourage many suitably qualified people from accepting an invitation to serve on commissions.

Another route by which commission members are regularly sourced is the *ex officio* route, such as the Clerk of the Dáil or Seanad. It is unacceptable that aspersions should be cast on their appointment or integrity. Such comments are usually aimed at Government appointments and the intention is to suggest that the commission member is somewhat biased towards or in favour of the Government.

If we continue to question people's integrity, we will find it difficult to get them to serve in the areas in which they are needed.

I also have some concern about naming inquiries after the individual most closely associated with them. The same is true of reports, be it the Hanly report or any other. It puts people in the spotlight, which in many cases is not what they would wish. People should not have to suffer criticism because they are doing a job for the State.

The intention behind sections 9 and 10 is that, in future, we will have a less adversarial route to travel by taking the big legal team off the pitch

as much as possible and allowing the work to continue in private. The following section deals with the matter of redress in cases where people feel they have been wronged.

I am concerned that the legal profession may try to find a route around this Bill to ensure that there is a full team at all times, given the level of potential earnings involved. I encourage the Minister to ensure that the Bill is watertight in terms of such a challenge to ensure that the State's money is saved.

I commend the Bill to the House. It is badly needed and, as I mentioned previously, the delay in bringing it forward was caused by the nonsense we get during the Order of Business every week. We should get on with the job.

Mr. Murphy: Spending on tribunals of inquiry will continue to rise this year, mainly due to a steep increase in the allocation to the Moriarty tribunal. Its allocation will increase by a staggering 182% to more than €10 million.

The Estimates for the Taoiseach's Department show that €250,000 will be allocated to the McCracken tribunal, which is investigating the Dunnes Stores payments. This allocation is merely a contingency for unclaimed legal and other fees.

The allocation to the Mahon tribunal, formerly chaired by Mr. Justice Flood, is €12 million. The cost of this tribunal, which is the longest running and most expensive one in the history of the State, has risen to in excess of €30 million. The costs include legal fees and administrative costs, but not the legal fees for parties represented at the tribunal. Two barristers employed on it have already earned more than €2 million and another barrister has earned almost €1 million. Bills totalling more than €20 million have already been submitted by witnesses who appeared during the first five years of the tribunal. Future demands for an additional €20 million are expected from parties who have not yet furnished bills.

The former Fianna Fáil Minister, Mr. Ray Burke, whom the tribunal has implicated in corrupt payments, is to take legal proceedings this year seeking paying of his legal bill of €10.5 million. Any attempt to withhold legal costs from Mr. Burke, or other figures who may have hindered the work of the tribunal, will probably be stiffly resisted.

On the positive side, the tribunal's investigation into planning corruption has resulted in significant payments to the Revenue Commissioners. Last year the Minister for Finance, Deputy McCreevy, stated that the Revenue Commissioners and the Criminal Assets Bureau had so far recovered in excess of €35 million in payments related to under payments of tax as a result of the investigations of the Flood-Mahon tribunal.

The amount of money earned by the legal profession on tribunals of inquiry is substantial. The Flood-Mahon tribunal has completed five of 20 modules, which suggests that it may last a

[Mr. Murphy.] further 15 years. To date, the Morris tribunal into Garda corruption in Donegal has cost €2.84 million and the Barr tribunal investigating the Abbeylara killing has cost €1.72 million. These are only preliminary figures and the future liability of legal costs for the latter two tribunals cannot be determined at this stage as nobody knows how long they will last.

There is a great deal of concern about the tribunal system which is costing the taxpayer a fortune without achieving much. Nobody questions the need for tribunals, but there must be a better way of doing the job. Figures released by the Department of the Taoiseach revealed that the total cost of the Barron inquiry to date, is almost €2.6 million with an additional €600,000 allocated for other costs. This inquiry did not take the form of other tribunals. Mr. Justice Barron conducted private interviews with people he believed could aid him in his inquiry. Among others, these included expert witnesses, former Government members, victims of the atrocity and eye witnesses. The cost of the investigative work and the daily rate paid to lawyers in this case appears to be less than was paid for other inquiries. The cost, however, will continue to mount. Solicitors have yet to be paid for the work on the re-opening of inquests and the work they are currently carrying out in support of parties appearing before the Oireachtas sub-committee, which I understand will report to Government shortly. Its report could recommend a tribunal of inquiry to investigate the events of 1974.

The legislation appears to do little more than put on a statutory footing investigations, such as the one carried out by Mr. Justice Barron. This is an improvement due to costs being reduced, but the possibility of a tribunal still exists, which, in essence, may only add another layer to the several existing layers and delays in the inquiry-tribunal system. We all hope the legislation will lead to more cost-effective results.

The Bill contains fundamental flaws, which the Minister should address. The purpose of inquiries is to allay public concern. In order to do this, inquiries must have complete independence. The problem with the legislation is that it sidelines the Oireachtas. It is given no role other than making the original audit for an inquiry. In every other respect, the power of the Minister is paramount. Although previous speakers have referred to this point, it is worth emphasising the extent of the power that will be given to individual Ministers if the Bill is passed without amendment in this regard.

The Minister, with the approval of the Minister for Finance, can establish a commission of investigation by order. The Minister will have overall responsibility for the workings of the commission. The terms of reference will be set by the Minister. Costs and time frames are to be determined by the Minister. The Minister can amend the terms of reference without recourse to the Oireachtas. The Minister appoints members

of the commission. Reports, in final, draft and interim form must be submitted to the Minister, who publishes the report. The Government will have power to terminate a commission at any stage.

The Minister's proposed role in the legislation is a cause for concern. Raymond Bradley commented——

Mr. McDowell: I want to clarify that I am not the Minister for the purposes of this legislation, it could be any Minister.

Mr. Murphy: I agree. What I said is that the legislation confers responsibility on a Minister and if an inquiry falls within his or her jurisdiction he or she has total power to initiate, monitor, change its terms of reference or abolish it if it does not go entirely his or her way. An article by Raymond Bradley in *The Irish Times* of 17 October 2003 states:

After years of inquiries and tribunals, Irish people are still waiting for a proper, impartial and effective investigation process to ensure that terrible events of the past are not relived in the future. Many of these events arose from the failure of State institutions to safeguard citizens' personal rights.

As the Laffoy episode has shown, Governments and their Departments often have different agendas for public investigations, usually financial considerations. The Department of Education and Science had a role in the Laffoy Commission and was under investigation.

The fact that the Department was then involved in altering the investigative process after the Commission had started would have resulted in a report that would certainly have been fatally flawed, and possibly subject to a legal challenge.

Miss Justice Laffoy's regrettable resignation was hardly surprising. The Government's intention to alter her mandate after the Commission had already begun its work, left Justice Laffoy with no alternative but to resign.

The truth of the matter is that Government Departments can have a vested interest in the comprehensiveness and effectiveness of the investigative process because in many instances it is these entities who are the subject of the investigation.

And the reality in Ireland is that the establishment of all investigative processes, including the Laffoy Commission, requires the victims to negotiate the terms of reference for their inquiry with a Government Department, which in turn becomes the subject of the investigation itself.

These negotiations are never a meeting of equals. The victims very often represent the most afflicted groups in society, such as those affected by institutional or clerical abuse.

These people have little or no direct experience of Departmental procedures, and find it difficult to adequately represent their own interests.

Some groups also do not possess the political knowledge or force required to achieve proper investigative entitlements.

As a result these victims are highly disadvantaged during negotiations with State entities and the dice are loaded against them.

In order to achieve a proper investigative forum for each of the numerous, major catastrophes affecting Irish citizens, the main principle must be to achieve equality of bargaining power, and respect for the position of persons afflicted.

This will never be achieved when the victims are negotiating with a vested interest, such as the Department or Minister that may be investigated. The article also states: "The appearance of impartiality must be maintained in all investigative-type forums."

The provisions in this Bill, which take powers from the Oireachtas and give them to the Minister, are a recipe for a repeat of the Laffoy episode. Section 3 allows the Minister, with the approval of the Minister for Finance, to establish an investigative committee solely by order. Section 4 allows the Minister to set the terms of reference without consulting the Oireachtas. Therefore, everything is in the hands of the Minister. This is no way to gain public confidence or support from the Opposition. The Oireachtas must establish the commission of investigation and set out its terms of reference, and the chairman of the commission must be answerable to a committee of the House.

The Bill could be improved greatly by transferring the powers given to the Minister back to the Oireachtas. Fine Gael appreciates the difficulty the Minister had in other areas: the balancing act between trying to devise an effective and cost-efficient system and, at the same time, protecting the rights of individuals as guaranteed by the Constitution. These considerations mean the Minister has had to give rights of attendance, representation and cross-examination.

Section 10 states that the commission must sit in public when a witness makes such a request or where fair procedures would require this. This is unfortunate because it could reintroduce into the process the public aspect to the inquiry, and this could result in the reintroduction of legal teams again at huge cost.

The right of a person, as protected in the Constitution, may prevent this system from being as effective as the Minister and the public would wish. The public accept and know from experience that the only successful public inquiry was the DIRT inquiry, which was carried out by an Oireachtas committee. Subsequent to this, the Committee on Justice, Equality, Defence and Women's Rights began an inquiry into the

Abbeylara incident, but the courts put an end to it because of constitutional restraints.

Most inquiries should be held by Oireachtas committees where possible and the parliamentary system should be set up to deal with this. There is much precedent for this in other jurisdictions. In this context, the Committee on the Constitution should consider this matter to see if changes can be made to the Constitution that would respect the rights of the individual while bearing in mind the good of the community and address the concerns of many citizens who want proper investigations and commissions that do not cost the taxpayer a fortune.

Despite the good intentions of this Bill, it is unlikely, because of the constitutional restraints, to be successful in establishing a system of inquiry that would equal a parliamentary one. This may be the best available option without a constitutional review but to make it the best available the Minister must accept amendments that restore the balance in favour of the Oireachtas. Having said this, the best solution is to avoid, if at all possible, the need for inquiries or commissions. It was constantly said that if questions were answered properly in the Dáil there would have been no need for the infamous beef tribunal. Every effort must be made to reform the Oireachtas to allow as much probing power as possible. The role of the committees must be expanded.

The question of setting up independent boards that save Ministers being questioned on a varying and increasing range of issues must be addressed. A Minister must be answerable to the Dáil for the actions of a board he has set up and to which he has made appointments. There is no doubt that if these changes were made the need for inquiries or commissions would be lessened.

Continuous scrutiny and early detection of problems would deal with many issues that would otherwise end up in a commission. Having said this, the general aim of the Bill must be welcomed, if only as an interim step in trying to find the correct formula for carrying out inquiries.

Mr. Kelleher: I welcome the opportunity to speak on this Bill, which is very timely given what is happening in other parts of the city. There is no doubt that the public is very concerned. I do not wish to cast aspersions on any ongoing tribunal in saying that cynicism is creeping into the public attitude to tribunals, particularly because of the cost of payments made to the legal profession and third party costs. If one adds up the tribunal costs to date, one will find that almost €100 million has been spent on them. It is possible that hundreds of millions of euro more will be spent on costs associated with third parties attending the tribunals. Therefore, we must welcome the provisions in this Bill, which is trying to establish a streamlined position in which we can have commissions of inquiry that will allay the concerns of the public.

[Mr. Kelleher.]

I also welcome the fact that we have not changed the Tribunals of Inquiry (Evidence) Act. That Act remains and can be used if the Commissions of Investigation Act does not facilitate an investigation which can be referred to a tribunal of inquiry. That provision is necessary if there is great public concern about an issue on which we must determine facts, reach conclusions and implement recommendations. This Bill has set out to streamline this process and bring about a more effective and efficient way of inquiring into issues of grave public concern.

In recent years tribunals have caused concern because they do not issue enough reports with recommendations and there are suggestions that some may run for another ten or 15 years. The public deserves a more speedy form of investigation, no matter how complex the issue the tribunal investigates. Tribunals are often set up in a politically charged climate and the terms of reference are set by this House but that creates a difficulty because the Opposition may set terms of reference too tightly, alleging that there is some form of cover-up. However, with broad terms of reference tribunals can roll on for many years without coming to any conclusion in a reasonable period. We need to set terms of reference on which everyone can agree without political charges being made at a later date if they are not broad enough to encompass almost every aspect of the issue raised.

This Bill tries to address the adversarial effect of tribunals by holding hearings in private, in a less adversarial manner. If the first commission established under this legislation runs smoothly and effectively that will encourage co-operation in the future and forestall the development of an adversarial mode even under the terms of the Act.

Some people propose televising tribunals but they exist to establish facts on issues of public concern. If tribunals are televised the process could become an entertainment, with a great deal of posturing and the editing could affect the public perception of the running of a tribunal. If tribunals are to be televised certain issues must be clarified first, such as whether broadcasters would have editing rights or have to report the full tribunal because the editing process could be used in a political way. I urge that we do not televise tribunals of inquiry.

Some Members have noted the provision that the members of a commission will be appointed by the specified Minister and that staff with relevant expertise may also be appointed to assist the commission. They have also noted that commissions will be required to establish or adopt rules and procedures and the primary focus will be on seeking and facilitating the voluntary co-operation of witnesses.

For the Bill to function its independence must be sacrosanct. If a Minister investigating an issue that falls within his or her remit, appoints a commission before which he or she might appear,

that could undermine the independence of the commission. Is there some other mechanism for appointing the commission such that in the event of a Department being investigated for whatever reason by a commission, some other body would appoint the commissioners? The Minister is doing this to streamline the process and to ensure that there are tight controls so the terms of reference are set as to ensure there is a focused investigation guideline set down. However, if the public is to have confidence in this new format of investigation he should perhaps look at this point again.

In general this Bill is very welcome. It will work only if there is co-operation from witnesses called before a commission of investigation, something that has not happened at many tribunals. Witnesses have used every tactic possible to ensure almost no co-operation with the tribunals. That undermines the public's confidence in how tribunals work, with people regularly going to the High Court trying to stall the tribunals. I hope that in the various sections the powers will hold up if challenged in the courts to ensure that people will co-operate and that there are no loopholes through which they can escape the order to attend.

We must streamline the present process for establishing facts on issues of public concern. In recent years tribunals have lost the public's confidence because they have been so many, so expensive, and so lacking in focus due to their wide terms of reference. This Bill must take into account that the terms of reference should be tight. The terms of reference are set by Government order, with the approval of the Oireachtas. It would be important to have a cross-party consensus in setting terms of reference as well. Politicians of all hues say when an allegation is made at a tribunal, that it is for the tribunal to investigate it but the allegations often come into this House. Opposition Members have on many occasions used the tribunals for political reasons. That undermines the integrity of the tribunal which is set up statutorily by the Oireachtas to investigate something and that is where it should stay until the tribunal has reported and established the facts of the matter into which it is inquiring.

Everybody in the House welcomes this Bill which tries to streamline and reduce the costs of the tribunal process. People on the street regard members of the legal profession involved in the tribunals as obscene when they see the large sums paid to them. That too has done untold damage to the integrity of the tribunal system and is why we are discussing this Bill today.

We must consider how to address the issue of appointing the commission because no doubt if a commission is established, the Opposition will automatically claim that the Minister has set it up, appointed the members and set the terms of reference and the public cannot have confidence in it if it is not seen to be fully independent. Oireachtas committees do have a role to play in

investigating issues of public concern that warrant some investigation. Certain constitutional issues must be addressed first. Given the nature of politicians we could arrive at a point where every committee was investigating something because each would like to be seen as the committee of investigation on some issue. It would be necessary to establish a committee of this House that would review the issue and then allow the committee proceed with the investigation. If it were up to the committees themselves, every committee would have an investigation ongoing, simply because it is in the nature of the politician to maximise publicity. This may not be in the public's interest but in the politician's interest. If we are to establish a system whereby committees have powers of compellability and if a change to the Constitution is required on foot of the High Court decision in the *Abbeylara* case, we should establish an independent group of Members of this House and others to consider a request by a committee to investigate a matter and give permission if an investigation is warranted.

I thank the Minister for presenting the Bill to the House and outlining its detail. I hope it stands up to any challenges that might arise. The purpose is to serve the public interest and ensure we have a streamlined system of investigation. While I commend the broad thrust of the Bill, the Minister might address some of the matters I have highlighted concerning the independence and appointment of the commissioners. There may be a problem if a Department were being investigated and its Minister had to appear before a commission he or she had appointed. I commend the Bill and look forward to its passage.

Mr. Timmins: Deputy Kelleher makes considerable sense and has raised some valid concerns. It is good to see a Government Deputy being very objective and not simply trotting out a partisan line. I generally welcome the broad thrust of the Bill. The confidence of the public has been affected by the cost and duration of tribunals. I recall that the Government was dragged kicking and screaming into agreeing to establish the Flood tribunal. While Government spokespersons often claim it established the tribunal, it was set up by the Houses of the Oireachtas. While I had expected it to conclude within a year, the Mahon tribunal will soon be running longer than "Glenroe" or "The Riordans" and may get to rival "Coronation Street". If it were possible to copyright the tribunals, they could be turned into a bestseller in time and it might be possible to recover the money spent, if I can be light hearted about it.

Some speakers have spoken about a potential expanded role for Oireachtas committees. The Committee of Public Accounts does an excellent job. We have much for which to thank the former Deputy, the late Jim Mitchell, for the money that committee recovered. Unfortunately the public were not as gracious in their appreciation.

I became a member of the Oireachtas Committee on Justice, Equality, Defence and Women's Rights towards the end of the last Dáil when the sub-committee to investigate events at *Abbeylara* was established. I felt somewhat uneasy about that sub-committee. Despite what some Members say, it is not the role of the Oireachtas to turn us into a house of investigators like Colombo or Elliot Ness. Our role is to scrutinise legislation and keep a check on Departments. I agree with Deputy Kelleher that we could have every committee involved in sensational investigations, carrying out witch-hunts and bringing people in. Some of the questions put, especially during the *Abbeylara* inquiry, would make one cringe. Those with any knowledge of what happened would regard some of the questions as completely off the mark and may have put witnesses at an unfair advantage.

While there has been some very colourful language at the tribunals, nothing seems to shock us any more. This may be due to the media reporting. What we read in the Sunday newspapers seems to be like the song about the ten green bottles hanging on the wall. One is punch drunk on reaching the third paragraph because this has been seen so many times before.

There appears to be a passive acceptance of corruption in this country. I understand a local radio station carried out a survey in recent days showing that about one in five people would be willing to make a corrupt payment to get planning permission. I do not know whether this shows that 20% of us are corrupt or that we have very difficult planning laws. Like many others eight or nine years ago, I believed that much of what we were hearing was no more than unsubstantiated rumour. However, much of it was true. I have no doubt that some corrupt politicians still exist just as there are corrupt members of any organisation or facet of society. However, politicians should be above reproach and seen to be so, as we deal with money and should have the trust of the public.

When a politician is found to be corrupt there is an expectation that we are all corrupt. I have a theory in this regard. I believe that when the corrupt politician is making his or her hit off the person handing over the money, he or she creates the impression that he or she has to get the money to pay other politicians or officials. This is why those making the payments believe corruption is so widespread, but this is not so.

One of the downsides of the tribunals is that they have allowed some people to circulate rumours and bad-mouth politicians and people in society at large. There is nothing the public like more than a bad story about someone that they can relay to others. While I cannot comment about other places, in my county of Wicklow I could spend all week denying rumours I hear about myself or others. I expend considerable negative energy doing things I should not be doing.

It is very difficult to put a stop to this, as in the first instance the person making the corrupt

[Mr. Timmins.]

payment is guilty. How can we get to the bottom of this? Garda inquiries and Oireachtas inquiries have been shown to be relatively ineffective. While the tribunals are costly, slow and painstaking, they have been relatively effective. While it is not addressed in this Bill, the Minister has referred to extending the role of the Criminal Assets Bureau so that it is more pro-active. It can be taken that those with money for which they cannot account got that money by unfair means and certainly did not pay tax on it. We need to hit these people in the pocket.

It is very difficult to get someone to come forward with *prima facie* evidence or information that a person is corrupt. A few weeks ago I spoke about having an amnesty. I am somewhat uneasy about amnesties as they had a bad reputation in the past. There are many people who gave payments to officials or politicians to do something in the belief that this was the only way to get it done.

These people do not believe they have done anything wrong and they will not come forward with information because they are afraid they will be targeted. The Bill refers to
2 o'clock privacy. I do not know if it would be possible to extend to those to whom I refer an amnesty of some kind or some sort of anonymity or privacy which would provide them with protection if they come forward with evidence that leads to the seizure of assets or the prosecution of politicians or officials. It is easy to suggest such mechanisms but I do not know whether they would be easy to operate. Until such time as they are put in place, however, there will always be a whiff of corruption. It is sad that those who are corrupt are the very ones who surf on the wave of an outcry and make accusations about others.

A previous speaker referred to the delay with the Bill. Perhaps the Minister made a claim, be it right or wrong, that the Opposition had not cooperated in terms of facilitating the introduction of the Bill.

Mr. McDowell: I said that if we spent less time on the Order of Business every day, this Bill would have been dealt with months ago.

Mr. Durkan: On a point of order, if the Minister was available more regularly we would have dealt with it months ago.

Acting Chairman (Mr. Carey): That is not a point of order.

Mr. Durkan: It is a point of order. The Minister should not have interjected in the first instance.

Mr. Timmins: Given that the Taoiseach is not present, I do not believe I can share the Minister's criticism of him as the person in control, for making the Order of Business long and drawn out. I am doing for the Taoiseach what the Taoiseach did for the Minister one morning

when he defended him from an attack by Deputy Rabbitte.

I welcome the concept of the Bill. However, I would like to see included a mechanism for capping legal fees. Someone informed me in the past that a senior counsel will not get out of bed in the morning for less than €10,000. I intend no reflection on the Minister but that comment was made by a person in the legal profession whose views I respect.

Mr. Durkan: A top model would make that kind of money.

Mr. Timmins: Charging high fees has knock-on effects. Many professions, not just the legal profession, have increased their fees in recent years.

Mr. McDowell: I thank the Deputy for reminding me of the sacrifices I make.

Mr. Timmins: One can only spend so much money in one lifetime.

Mr. Durkan: We worry about the Minister on a daily basis.

Mr. Timmins: I hope a consensus can be achieved in the House regarding how the commission should evolve. Deputy Kelleher raised an important point, namely, the concept of the Minister appointing the commission. I am not one of those who wants to establish 100 boards similar to An Bord Pleanála or Bord Fáilte and take power away from the Oireachtas. We are elected by and accountable to the people. If we say we cannot trust ourselves, it will be a sad day. Who will watch the watchdog? Many claims and accusations are made across the floor of the House. These are often unfair, unjustified and lack balance. The Minister's appointing the commission would be open to claims of prejudice. If one casts one's mind back a number of years to particular Administrations and the Ministers who held power in them, it is difficult to imagine them appointing commissions of inquiry into aspects of certain matters. I will not mention names but I do not believe such commissions would have been established. If they had, the riding instructions for their chairmen would lag far behind those given to some of the jockeys riding at Punchestown during the first week in April.

I commend the Minister for introducing the Bill, albeit it nine months after its publication. I hope on Committee Stage the various issues raised by Members will be taken on board. We often state that we are not all involved in corruption but we are all tarnished by accusations of corruption. People have lost respect for politicians and believe they can treat politicians like doormats. We should not accept such treatment. The vast majority of politicians from all political parties are honest, hard-working, decent people who make sacrifices of a kind

which many commentators in the Press Gallery and members of the general public will never understand. It is important to stand up for our profession because at the end of the day someone must take responsibility and do the job with which we are charged. Despite newspaper headlines about politicians' wages and expenses, the vast majority of people, even those in humble jobs, who gain election to the Houses lose our financially. One incurs unusual expenses of a kind that one never imagined before being elected.

Money is not everything. However, I do not believe that any sum of money would compensate people for the hours they spend here and the efforts they make. I wish the Minister well with the Bill.

Dr. Devins: I am delighted to have the opportunity to contribute to the debate on this welcome legislation, namely, the Commissions of Investigation Bill 2003. We live in an era dominated by tribunals. At present, the news is dominated by the workings of some of those tribunals.

All of the tribunals were established to inquire into aspects of life in Ireland, some from the immediate past and others which date back much further. They were set up because of high public concern about various matters. It is right and proper that they exist. Aspects of life, political and social, have emerged that have shocked and amazed everyone. In that regard, the work of the various tribunals has been welcome. However, it has also become apparent that, at times, the progress of some tribunals has become slow and has proved extremely expensive. Recent estimates that some of the tribunals may take many more years to reach conclusions have been greeted with amazement and shock.

With this slow rate of progress, allied to rising costs, which, in one or two instances, have hit very high levels, it is no wonder that there is a growing sense of resignation among members of the general public. This resignation is, in some cases, developing into a sense of anger. This anger has many sources. In the first instance, there is anger at revelations about conduct that is unacceptable, be it at a social, political or professional level. I do not wish to discuss any particular tribunal, especially those that are currently sitting. Suffice it to say, however, that many people are upset at some of the news that has emanated from these tribunals.

There is also anger about the cost of tribunals. It is perceived that a small number of lawyers are earning disproportionate amounts of money from the workings of some of the tribunals. A considerable amount of this money is being earned from the public purse. When other demands on the public finances — such as those relating to health, education and social welfare — are considered, it is easy to understand how public anger and, in some cases, antipathy is developing in respect of the long, drawn out workings of the tribunals.

People are also angry about the length of time some tribunals are taking to reach their conclusions. Six months or even one year might be a reasonable period for a tribunal of inquiry to reach a conclusion. However, where it is forecast that it may be many years before a tribunal will be able to publish its findings, a sense of weariness develops among members of the public.

I reiterate that I do not intend what I have said to be a criticism of any specific tribunal. Each tribunal was established by the Oireachtas with a specific mandate and it is important for public confidence in all aspects of life that all of them reach their conclusions. However, as an increasing number of tribunals have become bogged down in legal arguments, the reason for their establishment has tended to get lost and the need for alternative or supplementary methods of investigation of matters of public concern has arisen. That is why I welcome the Bill. I particularly welcome the fact that under the establishment order, there must be statements referring to timescale and costs when any such commission is proposed to be established.

There are two areas in respect of which there is growing concern among members of the public. If details are given at the commencement of a commission regarding how long it is proposed that its deliberations will take and how much they will cost, the public will be reassured that the work of each commission will be carried out in an effective and speedy manner.

I also welcome the fact that the proposed commissions will focus, in the first instance, on seeking and facilitating the voluntary co-operation of witnesses. In that regard, the fact that evidence will, in the main, be received in private should be of considerable assistance. In the event that such voluntary co-operation is not forthcoming from witnesses, however, the commission will have power to compel a witness to furnish evidence and that is welcome. It is all too easy to envisage circumstances in which a potential witness may not be willing to co-operate with the commission or may take steps to hinder or obstruct its workings. The availability of penalty provisions when a person is found to have hindered the work of a commission is welcome and should help clarify the mind of any person so disposed.

It is not inconceivable that inaccurate or malicious evidence may be given to a commission. The provision whereby a person named in evidence will have to be informed of such evidence is correct and proper in the cause of natural justice. It will then be open to such persons to give their side of the story if they so wish. Having all this done in private will, I hope, lead to a speedier resolution of a commission's work and put an end to the practice in some tribunals by which people go to the High Court to have their side of a story vindicated.

It is a perception that the workings of certain tribunals have proved to be a financial bonanza

[Dr. Devins.]

for certain members of the legal profession. The fact that the issue of costs must be addressed at the start of a commission is a worthwhile step in helping to address this thorny issue. While nobody denies the right of any individual to arrive at an estimation of the value of his or her work, a sense of proportion must be maintained, especially when costs are borne by the public. It is particularly worrying that certain people are reputed to have earned enormous sums of money during the proceedings of certain tribunals.

Likewise, I welcome the provision that before taking evidence, a commission will issue guidelines as to the limitations on the legal costs witnesses may recover. Each commission will be established to do a specific job, namely, to investigate and inquire into a specific matter of public concern. They are not intended to be a means by which people make large sums of money. This clear curtailment of excessive costs is, therefore, an aspect of the Bill which I particularly welcome.

The provision that any commission which exceeds its time limit — as may occur when unforeseen circumstances arise — must issue an interim report is a welcome step, as is the requirement that the a commission must respond to the relevant Minister should he or she request such an interim report.

Last night, I listened carefully to Deputy Jim O’Keeffe’s contribution, particularly his request that the Oireachtas be fully involved in commissions. The mechanism whereby a Minister responsible for a commission may only establish a commission on the authority of the Oireachtas and said Minister may request an interim report ensures that the Minister and, by extension, the Oireachtas, will take a hands-on approach, while, at the same time, allowing the commission to fulfil its brief efficiently and effectively.

I welcome the fact that reports of a commission’s findings will be sent, in advance of publication, to affected parties, who may request alterations if it is their belief that fair procedures have not been followed. This is proper and fair and will ensure that all those affected or involved in the process will be treated equally.

The Bill will be of enormous benefit in investigating matters of serious public concern without incurring high financial costs and will enable the findings of commissions to be presented to the relevant Minister in a speedy fashion. I thank the Minister for introducing the Bill and commend it to the House.

Mr. Rabbitte: The lessons of the years since the beef tribunal are that the Oireachtas has frequently had resort to tribunals of inquiry and other investigations at enormous cost and with mixed results; that there are, at the same time, matters of public interest which must be inquired into and should not be susceptible only to a cost benefit analysis; that there is no desirability or obligation that only one method of inquiry be

used; that alternatives to the conventional public inquiry under the 1921 Act are necessary; and that inquiry by parliamentary committee in certain circumstances is one such necessary alternative.

Unfortunately, this Bill seems to signal that the Minister and the Government are quietly resolved, for whatever reason, that there will never be another DIRT style inquiry by parliamentary committee, which shall not be one of the alternatives to the conventional tribunal of inquiry. The reason the Government, particularly the Minister, has decided to kill off inquiry by parliamentary committee is puzzling. The DIRT inquiry was an acknowledged success, while the mini-CTC inquiry would have been successfully concluded had it not been derailed by the Supreme Court decision on the Abbeylara inquiry.

The Minister knows better than I that the decision on Abbeylara did not forbid inquiry by parliamentary committee, except in the event that particular outcomes could arise. On reflection, most Members of the House would agree that Abbeylara was not appropriate to inquiry by politicians. However, just as this Bill acknowledges that in some instances public inquiry by tribunal under the 1921 Act will still be inevitable, similarly, instances will arise in which inquiry by parliamentary committee will not only be appropriate, but necessary for Dáil Éireann properly to discharge its duties.

The task of parliamentarians is often described as being to legislate. The late Mr. Justice Liam Hamilton described it in different terms in a ruling in the course of the beef tribunal, when he stated: “It is, *inter alia*, the duty of the Members of the Oireachtas to elect a Government, to legislate and to look diligently into every affair of Government. It is meant to be the eyes and the voice and to embody the wisdom and will of its constituents and to inform and be informed by them.” As we currently organise our affairs, we are not performing that duty.

As my colleague, Deputy Costello, stated yesterday in this debate, the Labour Party supports the thrust of the Bill, in so far as it goes. We would have very much welcomed its earlier introduction because its delay has been the main reason some crucially important matters have gone without necessary investigation. I refer, in particular, to the need to investigate serious allegations surrounding the handling of sexual abuse cases in the Diocese of Dublin.

The Minister has implied to groups and individuals who are deeply concerned about this issue that while this legislation is a major priority for him, the Opposition has in some way been tardy in enabling the legislation to come before the House. As the Minister knows, nothing could be further from the truth. He appears to be completely unaware of the transformation he has undergone since leaving the Opposition and joining Government. In opposition, the Minister asserted his right to question, advocate and

scrutinise measures which came before the House. Since entering Government, however, his view has been that the role of the Opposition is to automatically dispatch his Bills without query or scrutiny. He is genuinely completely unaware of the transformation which has befallen him.

Mr. McDowell: I am happy to debate any Bill with the Deputy, but the daily debates *ad nauseam* on the Order of Business, which waste an hour and a half, get my goat.

Mr. Durkan: The tedium must be terrible.

Mr. Rabbitte: I cannot call to mind any Deputy who raised issues on the Order of Business more frequently than Deputy McDowell when he was on this side of the House.

Mr. McDowell: The Deputy should check the record. I was in the Law Library most of the time.

Mr. Rabbitte: It is extraordinary that the Minister impatiently looks at his watch when we perform the task of questioning the Executive during one of the few opportunities we have to do so. I appreciate that he may see the world differently since entering Government. I also understand that business must be attended to and that the tight schedule of the House makes it difficult for Ministers to have legislation debated on the floor of the House. However, the Minister has been niggling about the Order of Business consistently recently and shown that he is completely oblivious of how he behaved in Opposition. He ought to be grateful this Bill is before the House today. If it was not for the fact that the Fianna Fáil Ard-Fheis is being held tonight, the Dáil would not be sitting today and would not have sat until 7 p.m. last night. It is fortuitous that the senior party in Government is facilitating the Minister with this opportunity.

As Deputy Costello said, we are anxious to facilitate the Minister on the passage of this Bill. However, that does not mean we will easily acquiesce if the Minister chooses to guillotine the debate. This matter requires careful consideration and debate, as much for what is not in it as for what is in it. In the time available to me I want to concentrate on what I see as a missed opportunity in the Bill to develop a further alternative method of investigation, namely, investigation by the Houses of the Oireachtas.

While listening to Deputy Kelleher on the monitor in my office I heard him make some points with which I agree. However, I must comment on his shock and horror that allegations made at Dublin Castle were being raised in this House and his belief that they ought to be left there. It is amazing that so few of the allegations made at Dublin Castle over the past seven years have surfaced in this House. That is remarkable. I pay tribute to the Taoiseach in many regards. However, as regards his foresight in setting up the

tribunal, in some instances he says it was he who set it up while in others he says it was the Oireachtas. However, let us give him credit, for it is the longest touch-kick in political history in terms of dealing with difficult issues. Regardless of what one thinks of the issues raised or their outcome — we do not know if there will be an outcome — the Taoiseach has taken them out of the political arena and insulated them in Dublin Castle. Deputy Kelleher must have had his tongue in his cheek when he said it was a pity such matters were finding their way onto the floor here. It is rare that they do.

Last week, I raised a question about Jackson Way. I have since received a communication from former Deputy Lawlor pointing out that he has no connection with Jackson Way. The point I was raising was, given the claim jump involved which, as I said at the time, one would not see in the Yukon in the 19th century, whether the Government and Minister for Justice, Equality and Law Reform, Deputy McDowell, will take action to ensure taxpayers' money is not paid over to that company. I would like also to refer to something Deputy Kelleher said, with which I agree. He is quite right to point out that the Minister is establishing commissions of investigation that are driven by Government or a Minister. That is not right. I am amazed that this Minister is doing so. One can only imagine, as Deputy Timmins said, what would have been the situation in the past if a Minister had had that authority; the circumstances in which he or she would have chosen to exercise it or not, the terms of reference drafted and so on.

I remember coming into the House to support an amendment tabled by my colleague, Deputy Gilmore, former Deputy Shatter and Deputy Quinn which sought to establish an inquiry into a certain matter now in the public domain at another venue. I was putting the case regarding the then Minister for the Environment and Local Government, former Deputy Flynn, and former Minister for Justice, Deputy Burke. One does not need to labour the point. We may not always have in the Minister's seat a man of the undoubted integrity and independence of mind as the present Minister. Given that the net point is accountability, does the Minister view this proposal as an adequate response to enforcing accountability when the Government appoints the commission and dictates its terms of reference? This is a serious flaw in a measure I am otherwise happy to support. The key issues are separation of powers and Government accountability to the Dáil. Clearly, the Oireachtas ought to have that role, not the Minister or the Government.

It is the job of this House to secure accountability in terms of public policy. We are obliged to scrutinise the operation and implementation of policy, something we are not equipped to do either in terms of resources or in terms of the law. Whatever about resources, we should not allow this legislation to glide through

[Mr. Rabbitte.]

the House without at least questioning why the Minister and the Government have chosen to ignore the need for reform in this area.

We all know from recent experiences that there are many areas of public life on which a searching light deserves to be shed. We have had many examples in recent years where vast amounts of public resources have been wasted while pressing needs go unanswered. We have had examples of secret deals and insider trading, made without any proper basis, that have committed the State to unimaginable exposure. We have had an approach to the development of infrastructure that has generated chaos around the country and cost multiples of what it cost in other countries.

Only yesterday we had an announcement by the Minister for the Environment, Heritage and Local Government of new so-called guidelines that are, whatever worthy cause they are ostensibly designed to pursue, wide open to abuse and could do untold environmental and infrastructural damage if not adequately debated and developed. We have had naked political electioneering masquerading as policy under the guise of decentralisation. We have also had the charade of electronic voting, an issue, if ever there was one, that demands thorough investigation here in the home of our parliamentary democracy.

We strongly believe that if the Dáil is to truly represent the interests of the people, it must be a place where accountability is delivered and maladministration leading to injustice can be investigated and rooted out. It must be a place where independent, tough and fair investigation finds a focus. There will always be room for adversarial politics, but there must also be a time when Members of the House are prepared to work together to uncover things that should not be hidden, as was visibly and manifestly done in the DIRT inquiry which has, since its conclusion, uncovered some €677 million for the taxpayer

I will repeat some of what my colleague Deputy Costello said in this regard. If we do not succeed in this debate in developing a major role for the Dáil in carrying out public inquiries, we will do it when in a position to do so. As a consequence of the Supreme Court judgments arising from the *Abbeylara* case and the knock-on effects of those judgments for the mini-CTC inquiry, it is clear that if parliamentary inquiries are to be effective, constitutional change is probably necessary.

In our published policy documents we have already proposed a constitutional amendment to confer a clear mandate on the Dáil to inquire into and report upon any exercise of the executive power of the State or on the administration of any of its public services. As a logical corollary, we have also proposed the establishment of a powerful new Oireachtas committee of investigations, oversight and petitions, bi-partisan in structure and chaired by a member of the Opposition. The role of that committee would be

to ensure consultation and collaboration between the Oireachtas and the Ombudsman; to receive parliamentary petitions from interested groups in the community seeking the redress of grievances connected with the public services and with public administration generally; to arrange investigation of issues of urgent public importance which demand detailed and thorough investigation of the sort that normally only a tribunal can satisfactorily deal with; and to supervise an office of parliamentary investigator.

We have not proposed a full-time and permanent office of parliamentary investigator. We envisage that persons with particular requisite skills would be appointed to this office from time to time on the basis of specific contracts to carry out specific investigations and to advise the committee supervising this matter. In this way, we believe the model we propose would ensure speedy and cost-effective investigation of issues giving rise to significant public concern. As we know already, the Comptroller and Auditor General carries out similar functions, albeit on a permanent basis. The parliamentary inspector we envisage, underpinned by law, would have powers to secure attendance, direct answers to questions, direct the disclosure and production of documents, secure evidence and make determinations where privilege is claimed over information or documents.

Yesterday's meeting of the Committee of Public Accounts, which was dealing with a matter of significant public interest, namely, the indemnity deal in respect of children in residential institutions, is a good example. The Comptroller and Auditor General says the bill ultimately could be as much as €1 billion. A deal was entered into that capped the liability of the religious congregations and left the taxpayer with unlimited exposure. We are now in a circumstance, some six months later, where the religious congregations have not yet assented to appear before the committee. The Attorney General's office has declined to come before the committee, perhaps because it thinks it might be examined on the legal advice it gave to the Government. That would not happen because I accept that is a matter between Government and the Attorney General, but there are other matters relating to the manner of conclusion of the deal in which the matters of the committee—

Mr. McDowell: They were rendered non-compellable by a Bill brought through by the Government of which the Deputy's party was a member.

Mr. Rabbitte: I am unaware of that but, if that is the case, we ought to examine it. I am not arguing in this instance for compellability in that there are matters connected with the formulation of that deal that do not relate to the legal advice given to Government and on which we would like

to examine the senior people in the Office of the Attorney General. The Minister raises an important point, however, and if he says it, I am sure he is correct.

Mr. McDowell: I protested about it at the time.

Mr. Rabbitte: Where an institution like the religious congregations chose not to recognise the oldest committee of the sovereign Parliament and appear before it, it is unconscionable that we are left without any instruments to cause them to come and be examined on a matter of such public interest and which has a scale of exposure for the taxpayer like few we have seen in the history of the State. In that respect we see parliamentary inspectors generally taking evidence in private, without legal and other representation by other parties, to submit written reports, the book of evidence, so to speak, on matters of established fact which could be used as the basis for further investigation, including tribunals.

On the other hand, such an inspection could not arrive at conclusions on disputed issues of fact. As the Minister has provided in this Bill, on the conclusion of an investigation, the investigator would prepare a written report, based on the evidence received, setting out the facts established in regard to the matters referred for investigation. In other words, the function of an investigator would be to undertake the preliminary investigation and, in so far as possible, establish the factual position. In many circumstances that would be sufficient. Where the investigator is unable to establish clear facts, however, the report of a parliamentary investigator would, if necessary, be followed by either a formal parliamentary inquiry or a tribunal of inquiry, as appropriate.

It would then be a matter for the parliamentary committee to consider the reports of the parliamentary investigator and to make recommendations as to whether a further inquiry was required. Among the options open would be a choice between Oireachtas or judicial inquiry. Remarkably, there is not a million miles between our proposition and what the Minister is advancing. The net difference, however, is that the Minister's system of investigation is Government-driven. It is not a matter for the Oireachtas except in so far as the Oireachtas approves the Minister's proposal, and since Government is normally elected in this House on the basis of a majority, the Oireachtas will approve it automatically. That is the major difference between what I advocate and what the Government is doing.

We need alternatives to the system of tribunals of inquiry as we have known it, and there ought to be a number of such alternatives. There are certain examples in company law which are helpful in terms of the role of inspectors and so on. The kind of commission the Minister is now establishing will make a contribution but I ask him to re-think the particular area where

initiation, terms of reference and membership of the commission are to be appointed and specified by the Minister. That is a weakness. Other than that, I am happy to support the Minister's measure.

Mr. Eamon Ryan: I am nervous following a speaker who has had such experience of various Dáil committee investigations in the past, and facing a Minister with an extensive legal background. As someone who has been a Member of the Oireachtas for only two years, I am a little shy about speaking on such weighty issues as to how we should investigate the affairs of State. I will attempt to do my best, however, and give my humble opinion on this Bill and also on the broader question about the way we carry out our role, not just as legislators but as investigators here.

I will start with the Order of Business, which the Minister raised in a comment on the last contribution. If the Minister finds the Order of Business frustrating and difficult to get through, I can assure him that for those of us on the Opposition back benches it is pure torture.

Mr. McDowell: Let us scrap it.

Mr. Eamon Ryan: It is a system which allows, to a certain extent, leaders of the Opposition parties to make the occasional point or raise an issue on the Order of Business but if a backbencher has a serious concern it is almost impossible to determine where it can be raised during the day. It is almost impossible to raise it on the Order of Business. In my experience from my time in this House, there is nothing more frustrating than the system whereby I ask the Taoiseach a question, the answer to which I know is on a piece of paper in front of him but which he knows he can get away with not answering. That is a particularly frustrating and difficult system. I encourage the Minister for Justice, Equality and Law Reform to act on his frustration and, together with his party, determine what can be done to change the current system because it does not serve anyone in this House particularly well.

An example of that arose on Tuesday when I had asked the Minister for Transport what was for me an important question on an issue which has some consequence for the development of our city, Dublin. It was to ask the Minister when the Government had decided to invest in the upgrade of the M50, which was reported in the newspapers in recent weeks. It is approximately a €500 million project which no doubt will go to public private contract.

Mr. McDowell: The Deputy should table a parliamentary question or raise it on the Adjournment.

Mr. Eamon Ryan: Perhaps the Minister will let me explain. I tabled a question to the Minister

[Mr. Eamon Ryan.]
for Transport to ask when the Government decided, as reported in the newspapers, to proceed with this project and I received a letter from the Minister for Transport stating that it is not his responsibility but that of the National Roads Authority. In other words, it is not a Government responsibility, which I find difficult to understand. I tried to raise a question on the Order of Business about the legislation under which this €500 million is being allocated but I was immediately stopped by the Ceann Comhairle and told that the matter was not relevant on the Order of Business because it did not relate to proposed legislation. This is a serious public issue about the way we are allocating money which no doubt will involve some very lucrative contracts, yet I cannot find out from the Government, in any way I know, whether it has come to a decision on the matter even though it is widely reported in the newspapers that it has come to such a decision. I would welcome a change in the Order of Business.

The first level of parliamentary investigation should be where I could ask a simple question, namely, whether the Government has decided to allocate €500 million to this particular project. To date I have not received an answer to that question. I agree with the Minister that we should start in our investigation on something as simple as how we can ask the Government about promised legislation or raise items on the Order of Business.

I am speaking mainly from my two years' experience here because, prior to that, I did not have experience in the various tribunals other than a passing interest as a member of the public. One of my positive experiences in the Dáil, and one of the things which perhaps is not much regarded outside of the House, is the work that can be done in Oireachtas committees. I am a member of both the Joint Committee on Communications, Marine and Natural Resources and the sub-committee that looked into broadband. In credit to all the members of the committee, they did useful investigative work in recent years. There were two particular matters the committee investigated, one following a "Prime Time" programme. The media must be brought into any debate on investigation in society. "Prime Time" is one of the few decent programmes that engages in desperately needed investigative journalism.

Following a "Prime Time" programme on the fish farming industry in the west of Ireland, the committee decided to investigate it further. Fish farmers, various State agencies and anglers' representatives involved were invited to attend the committee. The meeting lasted nine hours and all parties were asked to comment on what was said in the programme. However, a far more extensive presentation was given allowing all parties to hear the issues of concern. Some of these were sensitive and may involve criminal

investigations. In this nine hour meeting, the facts behind the issues and the opinions of those involved were put on the record. The significant benefit of this work was that it informed us as legislators in great detail of aspects of the fish farming industry. It allowed the media more access to the details of what the various parties felt about the matter. It also allowed the people and the various bodies in the industry to hear each other in a public forum. When an Oireachtas committee can work like this, it serves a useful function. However, it needs more support more with better research provisions and resources.

Following public controversy with the increase of fixed-line phone charges, the committee invited the telephone companies, the regulators and other bodies to attend a similar meeting. What was meant to be a two hour meeting, turned into a seven hour one. The work of the regulator was examined in detail. It was the regulator, rather than the companies, who was subjected to the greatest scrutiny. Our role as public representatives is to manage those public agencies that come under our remit. I find the committee system of investigation works well.

I recommend one simple change to the committee system to ensure its better working. I recommend that the chairmanships be divided up on the basis of party representation. It would lead to greater stature and interest in the leadership, management and development of committees if a chairmanship was seen as a position with responsibility by a party, be it in Opposition or Government. It would allow Members to prepare for ministerial roles — a future aspiration of us all — by giving them a minor role or control in the overall departmental brief, given that the committees are married to relevant Departments. This is one of the Dáil reforms I want to see. I understand it will be difficult for the Government to give up that bauble, as it is seen under current arrangements. The key to making the Oireachtas more relevant and work better is in the committees system. Ensuring political leadership in the committees will make this work.

Another change, which would be easy in this fast changing technological age, is to ensure that proceedings of the Houses and the committees are broadcast more regularly. There is no reason a channel cannot be available when the Dáil or committees sit to allow people to see the day's business. For example, someone in Connemara with an interest in fish farming could tune into a committee meeting on the matter. The Minister would be surprised how useful and beneficial such a service would be. Such a development would assist our role as investigators as well as legislators.

Mr. McDowell: It can easily be done through Internet broadcasting.

Mr. Eamon Ryan: Yes. Given that we already have the facilities——

Mr. Rabbitte: I wrote a paper on this topic five years ago which RTE undertook to contemplate. However, none of the recommendations were ever implemented. We should have a system like C-SPAN in the United States.

Mr. Eamon Ryan: I remember as an illegal immigrant in the United States when working nights in restaurants, one of the sad joys I had during the day was watching Congressional meetings as the minutiae of US society was investigated. It was a hugely educational and entertaining pastime. Maybe I am a political trainspotter in enjoying it but a significant number of Irish people would relish a similar service. It should be at the top of the agenda on Dáil reform as it would improve the standing of this House and the level of investigation conducted.

Mr. McDowell: We could call it “Open House”.

Mr. Eamon Ryan: I agree with Deputy Rabbitte’s earlier argument. If there is a concern about this Bill, it is about the initiation process of a commission inquiry. The Bill as currently arranged is coming from the Government with the approval of the Minister for Finance and that is of incredible significance in that ultimately like so much else in the running of our society it is the Minister for Finance who would have the “yea” or “nay” in its approval. I am keen to hear from the Minister whether he contends that the discussion on that process as to whether a Minister wants to initiate it would be open for public scrutiny, or would be public knowledge. I presume not, given the legislation regarding cabinet confidentiality. There could be no knowledge or understanding as to what sort of battle was going on or if there was a debate about a decision on whether we should set up a particular commission and that is the key failing in the Bill.

I welcome the broad principles and intent of the Bill. However, for it to establish this House as the initiator it has to be open to the members of the opposition or to the Dáil to initiate a commission. If the Government does not approve, then obviously it can be voted down in the House. It would be a difficult system to administer. We would want to avoid a situation where on every second day Deputies would clamour on the Order of Business for an inquiry on the lack of a hospital bed in some small village. It would have to be established in some way so that we would not have a Standing Order 31 of the day where we would have half a dozen people standing up on a matter of national interest seeking an inquiry in their local villages. I understand the Minister’s concern in not setting up a system that could be used in such a manner.

The Minister’s alternative proposal is that it is fundamentally decided within Cabinet by the very people who in a sense have probably most to gain from not having something exposed. What

interest will the Minister for Finance and his Department have in exposing certain issues? The nature of the business that will be exposed will more than likely involve the State and the operation of the Civil Service within the State will obviously be a corner part of that investigation. The likelihood of a Minister deciding to take that route is slim. The likelihood of the Minister for Finance approving it is even more slim and of the Cabinet agreeing to it is yet more slim. The Minister needs to consider an amendment on Committee Stage that will allow a motion from the House to initiate a commission of inquiry even if the final “yea” or “nay” would be held by a majority in the Dáil voting it through.

My other concern is about the nature of such a commission. The presumption that the group should not comprise politicians is regrettable. As politicians we are well placed to be neutral arbiters in an investigation in a particular area. I am not sure whether it is better to get experts to investigate their own particular field. Sometimes it is better if the investigation is carried out by people from a different background who do not have a particular understanding of the area or a career involvement. They tend to ask fundamental questions that an expert who has spent his or her life’s work in a given area might not see. Given the size of this country it is difficult to find an expert in a given field who will not have a close affinity at a high level with any of the people involved in a particular tribunal. It is difficult to get people close to an industry or particular area to investigate themselves. There is a strong case for political representatives taking on that role.

I do not know whether it will be possible under the legislation for politicians to be appointed as members of such a commission. I would not like to see that ruled out, however, because we tend to develop and evolve an expertise. One of the things we learn on committees is how to start asking questions, though perhaps not in the barristerial or quasi-judicial manner one sees in the High Court and elsewhere. One of things I have learned in the last two years is to have a nose for where the story is, what questions to ask and, on occasions, where the bodies lie. One does not find them most of the time, but at least on committees one learns how to work towards that objective.

I appreciate the Abbeylara case was an unfortunate one to fight in terms of the House’s ability to compel witnesses to come forward. With hindsight it probably was not appropriate. There are a large number of other areas, however, where it may be appropriate for a committee of this House — whether it is specially set up or a sub-committee of an existing Oireachtas committee — to have some ability to compel witnesses. This is particularly appropriate where the investigation may be focused on a subsidiary organ of or an organisation within the State. Significant powers are now being given to the energy regulator, ComReg, the Broadcasting

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Commission of Ireland and other such bodies, all of which I have dealings with as a member of the Joint Committee on Communications, Marine and Natural Resources.

Some bodies are required by legislation to attend the committee. In other cases the powers to compel them to attend are much weaker. In the future it may be possible that the State or the Oireachtas will need to investigate in some detail the dealings of an outside, albeit statutory, body. If that were to prove difficult, there might be circumstances where witness compellability would be required. One could argue the Minister ultimately has the powers in that regard in terms of seeking answers from such boards. I have not been able to think of a particular instance where another DIRT-type inquiry might be needed. The example of the DIRT inquiry is a good one, however, and it is appropriate that this House should retain the ability to set up that type of investigation again. While not necessarily re-fighting the battle that was lost in the Abbeylara decision, I believe it is appropriate for the House to maintain that power.

I reiterate, public representatives can be good at this particular job, if we give ourselves this role. I recall watching some US congressional debates in the past. I still tune in to one of the American business channels, if Alan Greenspan or some other notable is on, for example, to get a feel for what is happening in the global economy. I often notice how good those public representatives are in the congressional hearings and committees and how their questioning is well-presented and focused. That is the direction this House should be taking with its committees, developing and honing expertise and asking questions on behalf of the members of the public. If we develop that skill it should be possible for us, on occasion, to provide special committees with powers of compellability. This would not arise in the ordinary everyday work we do, but as appropriate.

I welcome the introduction of this Bill which will allow future tribunals to operate in a more efficient and less expensive manner. I do not in any way share Deputy Kelleher's disappointment and cynicism about the work that has been done in the various tribunals. It comprises some of the most important work done in this State in my lifetime. To go back to what I said at the start, certain issues have enormous public importance. The biggest loss in my lifetime in this city has been the atrocious corrupt planning that has seen Dublin sprawl out in an unsustainable, unplanned manner. That will have a cost, not just in my lifetime but in that of my children, where we have to pay for the bad planning that was carried out. We will have to pay for the hours people spend in traffic because there are no schools close to where they live or because their jobs are such a distance away and no public transport is provided. That is the greatest ill that has been done by the State and the Government in my

lifetime to people in this city and around the country. It has been mirrored in other cities and towns. It is right to allocate as much resources as are necessary to investigate why such planning was allowed and try to ensure it never happens again. Even though it is cumbersome, the work being done on the tribunals is among the most important that can be done. I fully support it.

I hope the Minister will consider the points I have made about the initiation of commissions and that this will be debated in more detail on Committee Stage.

Ms Enright: I am broadly supportive of the establishment of commissions of inquiry. It must be accepted that the facility to hold tribunals or commissions of investigation is still needed. I understand concerns as regards the rising costs of holding such investigations and the vocal public disquiet, the legal fees paid and the length of time it is taking to reach conclusions. Unfortunately, it seems that we emphatically need such tribunals or commissions at this point.

Basic issues of natural justice are at play in this debate. The serious errors of the past — some distant and others more recent — require examination. The abdication of responsibility by those in control at different intervals also needs to be investigated. Most importantly, the failure to protect the most vulnerable people in this State when they needed such protection cannot go unchallenged, I will focus in particular on the Commission to Inquire into Child Abuse in which I have a particular interest. It was established on 23 May 2000 following an apology by the Taoiseach to the victims of past abuse. It was rightly acknowledged at the time that these victims deserved to have their stories heard. In the past they were forgotten by our society and abandoned in a shameful manner. The remit of this commission was to hear their stories, investigate the abuse of children in institutions and publish findings and recommendations on dealing with the effects of this abuse.

Many of the victims of past abuse and neglect have had shocking and distressing experiences. It was right and proper they be given the opportunity to tell their stories and show how society failed them in the past so that we can try to ensure this does not happen in the future. Many of these victims of abuse are approaching old age. The commission should now be at work hearing their cases. These people have much to teach us and future generations about the kind of State-sponsored barbarity that can exist in a society that fails to be vigilant and to protect the vulnerable. We need to hear their stories so this is not forgotten.

It is an indictment of the Minister for Education and Science and the Government that the Commission to Inquire into Child Abuse has heard so few cases since it was established and has been unable to progress further since last September. That is why this type of legislation is

3 o'clock

particularly welcome. The resignation of Ms Justice Laffoy, as she said, was a direct result of the failure of the Department of Education and Science to engage with her commission in a proper manner. It was the lowest point in the history of commissions of inquiry since their establishment. I make that point to illustrate the importance of our having the power to establish commissions or tribunals of inquiry or investigation. A society that fails to examine painful issues from the past such as those from the Commission to Inquire into Child Abuse is failing in its responsibility.

There are a few different issues regarding the proposed legislation that I would like to raise. I am concerned at the attempt in this legislation effectively to sideline the Houses of the Oireachtas, although the Minister would probably disagree. Under section 3, a Minister, with the approval of the Minister for Finance, can establish a commission of investigation by order. That order must then be laid before the Houses of the Oireachtas and requires the acceptance of each House before it comes into effect. Under section 4, the order establishing the commission may allow the Minister to set the terms of reference of the investigation without consulting either House of the Oireachtas. That is a significant and unwelcome aspect of the proposed legislation. It is clear that any commission of investigation must be independent of the Government. Not only must it be independent, it must be seen to be so.

To command the confidence of the public, especially taxpayers, a commission of investigation must be at arm's length from the Government. In that way it can fulfil its role without fear. The public must see that any commission is given the necessary independence and autonomy to fulfil its investigative role with no question mark over any future commission's impartiality. It is possible that such a commission could be investigating those who are part of or associated with the political world. Such a commission must be independent and seen to be so by the public. Unfortunately, sections 3 and 4 will not have that effect.

Fine Gael believes that the role of the Houses of the Oireachtas in bodies of this type must be reinstated. We believe that commissions of investigation should not only be established by the Houses of the Oireachtas but have their terms of reference set by them. Those terms of reference are critical to the workings of any investigative commission or inquiry. When set correctly, they can greatly assist the work of the investigation and the speed with which such an investigation can reach a conclusion. Terms of reference should not be set by the Minister.

In addition, Fine Gael believes that the chairman of each commission of investigation should be required to be answerable to the Houses of the Oireachtas or a committee of the Houses. It would be a positive step for the chairperson of a commission to meet and report

to a committee of the House. Those meetings would allow the chairperson of a commission to answer questions on the investigative process but not on the content or detail of its investigations. Had Ms Justice Laffoy had that opportunity, rather than spending two years writing to Ministers and the Department, she might have had some of her very legitimate concerns dealt with at that stage. Recently we have seen the great difficulties that were encountered by her commission, established to investigate matters of grave importance, when dealing with a Department. Ms Justice Laffoy, the former chairperson of the Commission to Inquire into Child Abuse, was left with little option but to resign following the unhelpful manner in which requests from her were dealt with by the Department of Education and Science.

It is also clear that there is an inherent conflict in having the Department of Education and Science as the sponsoring Department for this commission, as well as being under active investigation by it. That inherent conflict has been highlighted to an even greater extent in the third interim report of Ms Justice Laffoy. In her most trenchant criticism of the Department, Ms Justice Laffoy states:

The Committee is not satisfied that, since its establishment, it has received the level of co-operation which it is entitled to expect to receive from the Department of State which is its statutory sponsor. Moreover, it has experienced difficulty in securing compliance with its statutory requests and directions by the Department in its role as Respondent.

Ms Justice Laffoy was keenly aware of the conflict that existed in the dual role assumed by the Department of Education and Science. On the one hand, the Department was the sponsor for the work of the commission, involved in detail in setting it up and financing its work. On the other hand, the Department was the focus of the commission's investigative attention. That was a clear conflict of interest about which Ms Justice Laffoy was visibly concerned, especially as time went on and the obstruction of the Department became more and more evident to her and her inquiry.

On 29 January 2003, Ms Justice Laffoy wrote a paper to the Attorney General, entitled Position of Commission in relation to Government Review. The purpose of that paper was to set forth the considered position of the commission regarding the review announced by the Government into the remit of the inquiry. One of the key recommendations made by the commission to the Attorney General related to its independence. Ms Justice Laffoy wrote:

The Commission is concerned about public perception of the appropriateness of the Commission being reliant on the Department of Education and Science for its resources and that Department being the Commission's

[Ms Enright.]

communication channel to Government given that:

The Department's conduct over the past 60 years is being investigated by the Commission, and

The Department has a contractual arrangement with the religious orders which managed residential institutions in the past, which might be perceived as not being conducive to support for the Commission's investigation of the conduct of those orders, which the Commission is mandated to conduct.

Ms Justice Laffoy continued to suggest that the Government consider that the functions resting in the Department of Education and Science regarding the commission instead be given to another Department, with the exception, for similar reasons, of the Department of Health and Children or the Department of Justice, Equality and Law Reform.

Given those difficulties, it is hard to see how allowing a Minister to set the terms of reference for a commission is wise or welcome. Clearly, the Minister for Education and Science has political responsibility for his Department and the allocation of resources. From even a cursory reading of the third interim report of Ms Justice Laffoy, it is apparent that neither he nor his predecessor resourced the commission properly or enabled his own Department to respond to the commission's requests in a manner which indicated that he understood or appreciated the importance of the commission's work. I find it difficult to accept that the Department of Education and Science, or any other Department, should be in the position of setting the terms of reference for any future commission with responsibility to examine matters directly relating to that Department. It is a contradiction and, if we really want to get to the truth and this legislation is to have any teeth, we must ensure that that is not the case.

The Department of Education and Science was always going to be critical to the success or failure of the commission. Ms Justice Laffoy acknowledges from the outset that, for the commission to carry out its work in a "fair, proper, efficient and cost-effective" manner, it required the full engagement of the Department of Education and Science. However, that engagement was not forthcoming. Ms Justice Laffoy lists several specific concerns regarding the co-operation of the Department of Education and Science with the commission:

The Committee's principal area of concern ... relates to the manner in which the Department has complied with directions for discovery and production of documents.

She went on to say:

The Department, despite clear indications from the Committee that the prescribed form should be followed, has unilaterally omitted those averments from an affidavit of discovery sworn pursuant to a direction. This is not a state of affairs which the Committee finds acceptable.

Those are serious criticisms in which a commission established by the Government, with a senior member of the Judiciary as its chairperson, showed that it was being hampered and hindered in its investigation by a Department. It is difficult to think of a more serious charge being made against a Department. Those critical difficulties have meant that the Commission to Inquire into Child Abuse has heard only a fraction of the cases that it had hoped to deal with. The victims of past abuse are left with questions unanswered and their cases unheard.

The difficulties encountered by the Commission to Inquire into Child Abuse when dealing with the Department of Education and Science should serve as a caution to us when considering the Bill. Is it really appropriate to allow a Minister to set the terms of reference of future commissions of investigation rather than this House having the power to do so?

I also have concerns with regard to section 6(2) which effectively states that the terms of reference of a commission cannot be amended where to do so would prejudice the rights of any person who has co-operated or provided further information to it. That seems effectively to grant immunity from further and deeper investigation to those who assist a tribunal or commission, irrespective of what negative detail of their role later becomes available. To tie the hands of a commission in that way seems most peculiar.

Section 9(2)(b) is also unusual. It imposes a mandatory obligation on a commission to seek the voluntary co-operation of persons whose evidence is desired, and the commission must facilitate such co-operation. That section also warrants careful consideration. The practicality is again evident. We saw to it that Ms Justice Laffoy was given the powers that we thought necessary, yet a Department, as well as other people appearing before the commission, failed to facilitate it and grant such co-operation. To state that the commission can facilitate that is not as clear as it would at first appear. In practice, that section could turn out to be unduly onerous for the commission. An example would be whether the commission might be obliged to travel overseas to facilitate witnesses. If that were the case, the progress of future commissions could be impeded. That is the direct opposite of what the Minister is genuinely trying to achieve through the new legislation.

The costs of inquiries and commissions of investigation are frequently matters of public comment and criticism. In this legislation, the requirement that an estimated cost for any commission be prepared is an important step in

curbing excessive costs and reducing the burden on the taxpayer. Commissions of inquiry will always place a cost on the taxpayer, but that should be managed effectively to minimise costs where possible. It is strange that the first time the Government became really exercised over this issue was when it was investigating the treatment of people by the State and various religious institutions, and it became exercised about the attendant cost of that rather than the issue in general.

It was reported last Sunday that lawyers have received more than €100 million in fees from tribunals to date. Understandably, there is considerable public disquiet about this, a point made yesterday by my colleague, Deputy Jim O'Keeffe. In other areas projects must be advertised and tenders must be received and evaluated under the dual criteria of getting component work done for the State in a manner that is not wasteful of State resources. Perhaps the Minister would give consideration to adopting this type of methodology in this case.

I broadly support the legislation. When does the Minister intend to introduce legislation to reform all tribunals of inquiry legislation, which dates from the 1920s? Deputy Kelleher and Deputy Ryan spoke about the public's interest and wondered if it had waned. I believe it has waned and that is not surprising. The phrase "tribunal fatigue" is regularly used and that is understandable. However, people's interest will revive when the final reports are published. There have been leaks and a great deal of reporting on the tribunals and, in some ways, people have tried to manage information before the tribunals in such a way as to create tribunal fatigue before the tribunals report. That has an obvious effect in that people are familiar with the information before the judge makes recommendations.

The issues for the public, however, are the length of time and the huge costs. It appears to take us a long time to make a decision to hold a tribunal. Compare that with the Hutton inquiry in England. It was set up quickly and reported within a short time. If the same situation arose in this country, there would probably be a year or two of discussions before getting around to having an inquiry. That is a pity. If matters were dealt with speedily from the beginning, it would save time and money. There seems to be an assumption that the Bill will provide a solution to the problems of time delays and costs. I hope that will be the case but I am not convinced at this stage. If it is the solution, it will be helpful in terms of public perception.

The Bill deals with the conduct of commissions of investigation. There will be a chairperson and other members on the commission of investigation. In her report, Ms Justice Laffoy was strongly of the opinion that if her commission was allowed to operate through separate committees to investigate different areas — I believe she suggested four — it would speed

matters considerably. She believed she would then be able to complete her work within two years. Mr. Justice Ryan, in his report to the Attorney General, was of the opinion that this would not be a good idea because it was possible that the four different committees might come to different conclusions, which would not be appropriate. He said there should be one group of people in charge of investigating all areas. This issue is not dealt with sufficiently in the legislation. It must be decided upon. There has to be a definite position on whether this will be done through various committees or if there will always be just one committee. The same rules will have to apply to all commissions of investigation.

Section 31 deals with reports and section 32 deals with the right of a Minister to request interim reports. Consideration should be given to the issue of interim reports. Perhaps they should be obligatory after a certain period of time or after particular modules. It is envisaged that these commissions will not take as long as tribunals but if they are taking a long time, other people as well as the Minister, particularly Members of the Oireachtas, should be able to seek an interim report.

Mr. J. Higgins: This Bill is inadequate to meet the situation that exists in Irish society. Unfortunately, the ordinary citizen has serious concerns about how the financial, economic and political sections of the establishment behave. The Bill is supposed to provide for the establishment from time to time of commissions to investigate into and report on matters considered to be of significant public concern.

There is no doubt there are matters of significant public concern at present. The tribunals of inquiry currently sitting, the first of which was established in 1997, were set up to address public concern at that time about revelations of corruption in public life and the nature of the interaction between big business, developers, speculators and senior politicians at the interface of business and politics. I was a new Member of the House when I voted in autumn 1997 for the establishment of the first of these tribunals. I wholeheartedly welcome the revelations of corrupt practices which have been exposed through the work of the tribunals. Many of us who served on local authorities, and I served on Dublin County Council for a number of years, knew the extent of the corruption involving key councillors from the major conservative parties and developers and speculators. We smelt the corruption in the corridors of Dublin County Council but we could not prove it. Scandalously, I have no doubt that the leaders of those parties knew what their members were involved in but they accepted it. They did not move to stop it.

I welcome the fact that we now have a clearer picture of what happened and who was involved. However, the length of time it is taking the tribunals to get their work done and to get to the facts is now a source of serious public concern.

[Mr. J. Higgins.]

The costs of the tribunals are a source of scandal to ordinary taxpayers. The Minister for Justice, Equality and Law Reform in his remarks on Second Stage mentioned that the costs of the tribunals to date were a €100 million. What has happened is clear. The tribunals have been subverted from their initial and primary purpose, which was to ferret out the truth, flush corruption into the open and put the names of those responsible for it into the public domain. However, since then they have become the creatures of the lawyers.

In the early days, when the media spoke about millionaires at the tribunals, people assumed they were referring to the speculators and the people who are being investigated for having corrupted the political process and right wing politicians. If one now speaks of millionaires at tribunals, one is as likely to be speaking of the lawyers who have been made millionaires by the same tribunals. I remarked in the House some time ago, on the first revelation of the extent of the costs and fees commanded, that the tribunals were creating more millionaires than they were investigating. It is clear we are being held to ransom because this and previous Governments have refused to tackle the more privileged section of the legal profession regarding the fact it can demand any fees it wishes. It is no wonder that working people, PAYE taxpayers and people living on the margins look askance at what is happening in the tribunals. The situation is unsustainable and moves should have been made against it long ago.

We also see that those who have a great deal to lose, namely, those who fear the quick emergence of the truth, have taken to appearing in front of the tribunals with a virtual caravan of lawyers in tow. They spare no expense to delay and frustrate the work of the tribunals and, in particular, the pace at which they progress. The Government also has an agenda. There is no question but that the inordinate delay in the progress of the work and the issues suits the Government no end because it has minimised the political impact of the tribunal's horrific revelations.

Earlier in the first term of the Government, revelations of corruption touching colleagues of the Progressive Democrats in the Fianna Fáil party would send a *frisson* of nervousness through them. In some circumstances the *frisson* might even have developed into a shudder threatening the continuation of Government or even its fall. This would have been much more likely to happen had the revelations of corruption emerged quickly and succinctly because they would then have had the maximum impact.

Now, however, five or six years later, the Progressive Democrats Party has become much more sanguine about the goings-on of members of its partner in coalition. It would now take an earthquake to move the two parties apart. Apart from the revelations so far, the scandalous revelations of Mr. Gilmartin in recent days do not

appear to have sent even a slight shiver down the spines of the Progressive Democrats in this Government. It is clear it would take an earthquake to move them.

As we have seen from the Minister of State, considerations closer to home have taken over. For example, on budget day when the Tullamore races were taking place, he almost fell over himself in his rush to his constituency to announce decentralisation. Such immediate electoral considerations are much more to the front of the minds of the Progressive Democrats. I was never really under the illusion that they would act as watchdogs in the Government, but some credence might have been given to that at one stage.

Mr. Durkan: More like poodles.

Mr. J. Higgins: What this legislation proposes is inadequate from the point of view of ordinary working people and taxpayers. The members of the proposed commission of investigation will be the creatures of Ministers who will control the process from beginning to end. The commission is to be established by the Government but based on the proposals of a Minister with the approval of the Minister for Finance. The terms of reference of the commission are to be set by the Government or the Minister and the members of the commission will be appointed by the specified Minister. This is most unsatisfactory. What about a case where grave public concern exists about the carry-on of a specific Minister or Department? In no sense can this proposal be seen as an independent process which will give confidence to ordinary people that their concerns will be investigated. I have little confidence in it.

It is time we discussed new genuinely independent structures for the rapid investigation of scandals or issues of major concern that emerge, the members of which would be ordinary working people. Perhaps we need structures which involve the victims of some of the corruption that has taken place.

The working class people of my constituency of Dublin West, and many others, have suffered appallingly as a result of the corruption between business and politics over the past 30 years. On a daily basis, they live with the consequences of that corruption. It is clear from the planning and zoning that was done that the only consideration was the major profits with which developers and speculators could walk away. Working class communities were left without proper planning and facilities. No consideration was given to the needs of the human beings who would have to live in these communities and resources were not provided for them. To this day working class communities suffer the consequences of that corruption.

I favour structures through which these people could democratically investigate the goings-on of big business, developers, speculators and politicians connected to them. As far as the

ordinary taxpayer is concerned, the policies of the Government will give rise to new sources for investigation. For example, I was astounded to read in *The Irish Times* today that, two years after the privatisation of our telecommunications industry, championed and effected by the Government, four executive directors will walk away with €29 million. It is incredible that a resource which properly belongs to the people is now the plaything of international financiers and speculators and that private individuals can walk away with fortunes of this kind from a necessary service. These resources should be used to be paid for the stark services left in the lurch by the Government, such as health, areas of education, etc.

I was even more alarmed to learn that a leading trade union official has €562,000 in shares and a pension worth €1 million as a result of the privatisation process. The subsuming of the trade union leadership into the corporate agenda is of great concern to ordinary working people. What would the great Connolly and Larkin, the founders of the movement have to say? I have no doubt that working people will want to see the corruption of the ideals, aspirations and founding principles of the labour and trade union movement carried forward within the privatisation agenda, investigated as a matter of urgency.

Mar a bhíos á rá, táim an-mhíshásta ar fad leis an mBille. Deireann sé go bhfuil an Rialtas chun socrú a dhéanamh maidir le coimisiúin a bhunú ó am go ham chun scrúdú a dhéanamh i dtaobh nithe a gceaptar gur cás suntasach leis an bpobal iad agus tuarascáil a thabhairt ar na nithe sin agus na socrúithe a leanann a leithéid. Ó thaobh gnáthdhaoine agus lucht íoctha cánach de, áfach, níl sé seo sásúil ar chor ar bith. Is cinnte ón méid atá á lua i láthair na huaire sna binsí fiosrúcháin go raibh agus go bhfuil gá le hathrú. Táim ag smaoineamh ar na cinn atá ag suí i láthair na huaire a cuireadh ar bun i 1997 agus faoinar cheapamar uile ag an am go mbéadh an obair críochnaithe taobh istigh de am gairid, go mbéadh an fhírinne amuigh faoi bhráid na ndaoine, go bhféadfaimis dul chun cinn ón bpointe sin, agus go mbéadh an t-eolas faighte againn maidir leis an gcaimiléireacht agus lofachta a bhí ar siúl idir lucht mór ghnó agus lucht mór pholaitíochta.

Anois, áfach, seacht mbliana níos déanaí agus tar éis €100 milliún a bheith chaite ar na binsí fiosrúcháin, is cúis scannail iad do ghnáthdhaoine agus do lucht íoctha PAYE go mórmhór. Is cinnte nach bhfuil lucht PAYE sásta go leanfadh an scéal seo ar aghaidh faoi mar atá i láthair na huaire. Tá sé scannalach, mar shampla, gur lig an Rialtas do roinnt áirithe dlíodóirí móra na milliúin a thógaint isteach as bheith ós comhar na mbinsí fiosrúcháin seo.

Ba é dá bharr sin a tháinig brú ar an Rialtas gníomh éigin a dhéanamh maidir le deireadh a chur leis an scéal seo. Níl an méid atá á chur chun cinn ag an Rialtas sásúil ar chor ar bith mar tá an

chumhacht iomlán á thabhairt don Aire agus don Rialtas agus tá sé i lámha an Aire coimisiún a chur ar aghaidh, na daoine a bheidh ar an gcoimisiún a ainmniú, agus na horduithe a thabhairt don gcoimisiún. Níl sé sin sásúil ó thaobh na ciniciúlachta de. Tá údar maith leis an ciniciúlacht úd atá in aigne gnáthdhaoine i láthair na huaire maidir leis an maoinlathas polaitíochta agus an maoinlathas ghnó mór faoi mar atá i láthair na huaire.

Tá gá le níos mó díospóireachta ar an gceist seo, agus i ndeireadh na dála, ní chuirfear an fhírinne iomlán ós comhar na ndaoine go dtí go mbeidh struchtúir ann atá déanta suas de ghnáthdhaoine agus dóibh siúd nach bhfuil páirteach sa chóras polaitíochta faoi mar atá i láthair na huaire.

Mr. Durkan: I want to take up where Deputy Rabbitte left off. I have come to the conclusion that there is a constant conflict of interest between the roles of Government and the Opposition and the only way around this is to hold committees of inquiry. When the parties in Government were in Opposition, they had a clear and distinct view of the way the business of the House should be run. They believed they should be able to ask questions on any subject and have impromptu debates.

I do not accept the Minister for Justice, Equality and Law Reform's proposition that the legislation has been waiting on his desk for the past nine months and that he would have brought it to the House several times were the Opposition willing to co-operate. That is rubbish. The Opposition was ready and willing to deal with the legislation as soon as it could be brought into the House.

This is not something that can be dealt with at the whim of any Minister. The Opposition also has rights in the House. It is a matter for the Minister to respect the House of Parliament and not treat it like an appendage. Parliament is the place where the Government is held to account and the Opposition intercedes, challenges and rightfully delays the passage of legislation if there is a need to do so.

When the Government was in Opposition in the 1980s, considerable latitude was given by the then Chair to raising questions which, strictly speaking, were not in order on the Order of Business. It was a common ploy to ask a Minister a leading question which he or she could brazen out, but it might lead to embarrassment, especially if the Member followed it up by suggesting that the item in question would be raised on the Adjournment that night. The Minister had two options in that case. He or she could answer the question there and then or have it hanging over his or her head like the sword of Damocles until 11 p.m.

Things have changed since then; everything has been regulated. The result is that the Order of Business has almost become inept with no allowance made for any kind of spontaneity

[Mr. Durkan.]

because the Government is seeking to protect itself. Ministers become indignant if questions are asked. Some of them behave in a similar way as a certain Roman emperor who had a penchant for music and continued to indulge his passion while flames virtually consumed his nether regions. The Government should not become pompous, abrupt or in any way arrogant with the Opposition. It should learn from past experience and recognise that it is better to have open, honest and effective debate and provide answers to questions in the House. That would be preferable to the pretence that goes on here from time to time.

Mr. Parlon: The Deputy is a tremendous example of pomposity.

Mr. Durkan: When the Minister of State, Deputy Parlon, is longer in the House, he will learn all about pomposity, although in the short time he has been here he has brought it to a fine art.

He must have a PhD in pomp, ceremony and arrogance. If he stays in the House a little longer, he might learn a little humility. It might sit uneasily on his shoulders but the longer he has it the more he will respect it.

Mr. J. Higgins: The Minister of State is a long way from the barricades and the meat factories — that is for sure.

Mr. Durkan: That was a typical example of the kind of arrogance I have been talking about, as if further illustration were needed.

Mr. J. Higgins: What would the poor farmers in Ballinamore think?

Mr. Durkan: Exactly. I am surprised the Minister of State has not rushed to Ballinamore to help them out and say, "Hello, I am on your side."

Having spent some time on a parliamentary inquiry with some other Members of this House — this has been mentioned already today — I feel I am in a position to comment on their value. Obviously, the legal profession is a little uneasy about parliamentary inquiries. This was evident in the Abbeylara inquiry, which was a parliamentary inquiry. There are also some other examples. Those who saw themselves as victims reflected in a poor light or not being able to defend themselves or vindicate their position in the early stages of that inquiry, would have a natural reluctance to engage in a parliamentary inquiry. However, because such an inquiry is different from a court of law, there should be no difficulty provided the rules appertaining to the inquiry are observed.

Deputy Jim O'Keeffe and others stated the Law Reform Commission recommended the enactment of legislation providing for a private, low-key inquiry which would focus on the wrong

or malfunction that occurred in a system rather than on individual wrongdoing. What probably happened in the aforementioned inquiry is that the person who believed he was being accused felt he would not get a fair hearing, and therefore there was a legal challenge. A subsequent inquiry was set up, which is ongoing.

The people in this inquiry are like many other people. Unfortunately, unlike the parliamentary inquiry, it seems to take an interminably long time to reach a conclusion. I do not know whether this is because of the nature of the inquiry or because legal argument must prevail to ensure that fair play ensues. One should bear in mind that there will probably be an ongoing series of inquiries for the foreseeable future which will cost the State a great deal financially. The sad aspect of this is that, at a time when there are so many pressing and competing demands and so many valid causes badly in need of resources, we have to operate in this fashion to ensure we uphold certain standards in the institutions of the State.

Members have asked who initiates inquiries. As some have stated, the Taoiseach sometimes says he set up various inquiries and at other times he says the Oireachtas did so. Alternatively, he says the Opposition set them up. Whether or not he claims responsibility depends on what is happening in the inquiries at the time he makes such statements. However, under this Bill, the Minister will almost have absolute control to initiate them. He or she, with the approval of the Minister for Finance, will establish commissions by order. The Minister will have overall responsibility for the workings of the commission. He or she will set the terms of reference and determine the costs and timeframe. We have already made reference to the costs and further reference will be made thereto at a later stage.

The Minister can amend the terms of reference without recourse to the Oireachtas. This is peculiar and the Opposition intends to contest it. Having come to the Oireachtas with proposed terms of reference in the first instance, the Minister should return to the Oireachtas if he wants to amend them. If he does not do so he is taking powers within his ambit that he should not possess. If a matter is valid enough to be brought before the House in the first place, the Minister should be bound to bring it back before the House if an amendment thereto is required.

The members of the commission are appointed by the Minister and the reports, in final, draft or interim form, must all be submitted to him. I presume he publishes them. The Government has the power to terminate a commission. I would have thought Oireachtas approval was required in this regard and that it did not necessarily fall to Government, of whatever hue, to take such responsibility upon itself, particularly if it were deemed appropriate for the House to establish the commission in the first instance.

The question of commission costs has engaged the public for quite some time. As a former

member of the Committee of Public Accounts, I dealt with this issue on countless occasions. The members of the legal profession get very upset and sensitive if anybody makes a reference other than a positive one regarding the costs. I fully appreciate that they, like everybody else, are entitled to a fair wage or salary. Equally, a participant in an inquiry will obviously seek the best legal assistance he or she can obtain. It may well follow, but not necessarily, that the best legal advice will cost a great deal. In such cases, one cannot blame those who employ lawyers they believe will offer the best legal advice. However, in many inquiries the State ends up carrying a fairly substantial part of the bill.

I know there are proposals in this legislation to curtail the extent of excesses in this area but there is a concern that, for some unknown reason, the inquiry process seems to be endless. If there are inquiries for the foreseeable future, we will have to engage highly-respected and highly-paid legal people to conduct them. If we do not do so and suggest that the funds be reduced, people will no longer be willing to participate.

Over the past year or more the opinion has been growing that commissions of inquiry are too expensive and should be discontinued. I disagree. Once they are established and under way it is incumbent on us to ensure they continue and reach a conclusion which identifies the cause or causes of the inquiry. Otherwise, the money spent will be wasted and there is enough waste at present.

Scarcely a day goes by when one cannot point out major wastage. I am not just referring to the odd overrun here and there but great wastage of public expenditure due to bureaucratic duplication or where the State and the taxpayer must pick up the tab. It is not related to this inquiry but such matters should be incorporated in an inquiry at the earliest possible date. I refer to such cost overruns as the Carrickmines Castle controversy that has dragged on interminably and run up a bill of approximately €50 million. In part of my constituency before it reaches Parlon country, on another road, a slug appeared a couple of years ago which cost in the region of €10 million by his mere appearance in the area. There seems to be no concern about this in any quarter. There is a right of appeal in all these circumstances but no one anticipated that such matters would continue for so long that the taxpayer would foot the bill to the present extent without raising questions.

Mr. Parlon: Is the Deputy referring to the famous snail that was on his party's election poster at the last general election?

Mr. Durkan: When the Minister of State has been somewhat longer in this House and has some more experience he will recognise the snail. He should not forget the phrase "aithníonn ciaróg, ciaróg eile". He might even recognise more than the snail.

The Minister of State was oblivious to some of the things happening around budget time in his own Department. His senior Minister said he was an innocent lad, a bystander who knew nothing about this until he heard about it in a pub. The poor creature then ran out to have the photostats blown up to announce that he would welcome all and sundry into his bailiwick, including I hope *l'escargot*.

Acting Chairman (Mr. Glennon): The Deputy has one minute left. Could he please confine himself to the matters at issue?

Mr. Durkan: This is relevant. I am suggesting what might be investigated under the terms of the commissions of investigation. The snailwatcher opposite can take full custody of, and responsibility for, his Department which has an obligation to examine these areas of major wastage. It should ask the serious question of whether they should fall within the ambit of the Commissions of Investigation Bill at some early stage to ensure that the people are not treated to a repetition of investigations after the event. That is the important point: they should not happen after the event when no one can do anything about the matter. We can complain about why and determine how it happened but we can never recover the resources lost.

The Minister of State would be well-advised to take time out and examine those matters because they fall within his Department. He is upset at not being able to race off to Parlon country or wherever else he wants to be this evening. He is petulant at being, as he sees it, unnecessarily detained in the House. He has my deepest sympathy but he is paid to be here just as we are. There is more required of Ministers and Ministers of State in terms of enthusiasm than merely racing to *Áras an Uachtaráin* and accepting the seal of office.

Minister of State at the Department of Finance (Mr. Parlon): I thank Deputies for their contributions to the debate and I am pleased to see that the Bill has been broadly welcomed on all sides of the House. That indicates that it is not only a timely measure but that it addresses many of the major concerns about current arrangements. The Minister said in his opening remarks, "This Bill is a very significant piece of reforming legislation and in the fullness of time it will be seen as a major step forward in the way we conduct public investigations in this State." We are all aware of the increasing demand for public investigations as a means of dealing with issues of major concern. There is a reasonable expectation that such investigations will produce quick and satisfactory outcomes. However, these expectations have too often been frustrated and, as a result, the investigation process has been damaged by perceptions of delay, obstruction and serious cost implications. I believe the structures and processes provided for in this Bill will go a

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long way to remedy many of problems associated with the present arrangements.

No one has said that this Bill represents a solution to all the problems associated with public inquiries and investigations. However, I am satisfied that it provides the State with an effective additional means of carrying out such inquiries and investigations. More importantly, the new procedure is flexible and can be applied in a very wide variety of circumstances. It is user friendly in so far as it creates a less adversarial environment and facilitates witnesses who are anxious to co-operate with the commission. The Bill also provides a comprehensive framework for dealing with legal and other costs. Timeframes are established at all stages of an investigation, thus ensuring timely delivery of results. Overall, there is a balance between the public's right to know and the protection of witnesses' evidence. I believe that a commission of investigation established under this Bill will represent good value for taxpayers' money. It will be cost effective and timely, deliver a satisfactory result and help restore faith in the effectiveness of public inquiries.

I assure Deputy Costello that I will look again at section 31(2)(b) in light of his remarks. Several other Deputies raised concerns about the role of the Oireachtas, especially its role *vis-à-vis* the Executive in the establishment, operation and reporting of commissions under this legislation. Deputy Jim O'Keeffe in particular listed several examples of how, as he saw it, Ministers will exercise too great a role, to the detriment of the Oireachtas. It is necessary to consider this in light of practice. Under current arrangements for the establishment of tribunals of inquiry, the Executive brings the proposal before the Houses. This will continue to be the case in the new system. Under this Bill the reports are to be presented to the Minister. However, it must also be noted that under this Bill there is an obligation to publish the report, unless the High Court directs that publication should be delayed. Once published, a report can be raised in this House by way of questions, matters on the Adjournment, etc. There is nothing in this Bill to prevent the Minister from referring the report to the Oireachtas for further consideration. The recent inquiry into the Barron report is an example of how such an arrangement could work.

The question of a parliamentary inspector has also been raised, based on the idea that arose from the PAC's DIRT inquiry. The essential benefits of that proposal have been captured in the present Bill. A commission established under this Bill will perform factfinding functions similar to those envisaged for the parliamentary inspector. There is then the possibility of further inquiries by a tribunal or the Oireachtas based on the report produced by a commission.

The Bill contains new proposals regarding the setting and amendment of the terms of reference

that differ from current practice. Unlike current practice, the Oireachtas is not being asked to approve the terms. As I said in my opening remarks, well-defined and tightly-drawn terms of reference are often the key to successful investigations. Terms of reference that are too broad or imprecise can lead to prolonged and costly investigations. As a result, public confidence in the investigations process is damaged.

The Law Reform Commission considered this issue and at pages 110 and 111 of its consultation paper it cites the comparative study carried out by the Office of the Attorney General in conjunction with the Department of Finance following the DIRT inquiry. That study outlined the steps currently followed by the draft terms of reference and notes, "There is a tendency for the terms to become wider as each step is taken." This is despite the requirements of the Tribunals of Inquiry Act 1921 that the tribunal must inquire into "a definite matter".

The present proposals were drawn up in an attempt to overcome these difficulties. However, I think it unlikely that the role of the Oireachtas in setting up or amending the terms of reference has ended. Section 3 requires that the draft establishment order must, when it is submitted to the Houses, be accompanied by a reasoned statement as to the need for a commission, etc. It is likely that that statement will give a very clear idea of the terms of reference. In any event, the Houses can demand details about the terms of reference before they approve the establishment order. In other words, the terms will not be drawn in a vacuum from which the Oireachtas is excluded.

I am satisfied that the Oireachtas will continue to play an important role in investigations. I agree with those Deputies who see this as a very significant element of the role of the Oireachtas in ensuring accountability. I look forward to further detailed discussion on the Bill on Committee Stage. I commend the Bill to the House.

Question put and agreed to.

Commissions of Investigation Bill 2003: Referral to Select Committee.

Minister of State at the Department of Finance (Mr. Parlon): I move:

That the Bill be referred to the Select Committee on Justice, Equality, Defence and Women's Rights, in accordance with Standing Order 120(1) and paragraph 1(a)(i) of the Orders of Reference of that committee.

Question put and agreed to.

Public Service Management (Recruitment and Appointments) Bill 2003: Second Stage (Resumed).

Question again proposed: "That the Bill be now read a Second Time."

Mr. Dennehy: Before the debate adjourned, I spoke of those who did not favour our present co-operative approach to labour relations incorporating partnership agreements and preferred to return to the old days. Later I will talk about decentralisation. The most significant development in this Bill is the creation of the commission for public service appointments and the public appointments service. They have been given clearly defined roles. Appointments will come through the recruitment regulator and the public appointments service as the centralised recruitment body. This will significantly improve the recruitment process in the public sector.

Under current arrangements recruitment to the Civil Service and the Garda Síochána is carried out by the Civil Service Commission, while recruitment to senior posts in local authorities and health boards is through the LAC. This matter featured in the debate earlier this week. I pointed out the difficulties created in the health arena in particular by delays caused by the LAC. We need a more streamlined approach and this Bill will pave the way for such an approach. It will be a matter for the Garda Commissioner and the Secretary General of each Department to decide whether they should apply for a licence allowing them to recruit directly or to continue to use the service of a centralised agency. It is not true to say that all the power has been taken from those who ultimately must supervise the staff.

The labour market has changed beyond recognition in the past ten years. It used to be that someone would take a job and stay as long as possible, perhaps to retirement. This is no longer the case. Most workers consider taking jobs for three to five years. Many young people will outline where they see themselves being in 20 years. They are likely to change roles on a number of occasions in that time. They no longer fear moving from the public to the private sector and back. We must facilitate such change. The old system failed to do so. Up to now the system of recruitment to the public sector has been too centralised. The Bill tackles the problem by allowing public bodies to undertake their own recruitment process. Many people have blamed the LAC in the past. It is time for a change and everybody should support the Bill.

One of the Opposition backbenchers criticised the prison visiting committees. A very practical reason for not sitting on one's local prison visiting committee is the potential danger involved. Being from Cork city, I would not like to serve on a Cork prison visiting committee and I am sure the same would apply to Limerick or elsewhere. The people who criticise that system fail to point out that members of interview boards must drive throughout the country every day of the week to

conduct interviews. They may be senior personnel or people who have retired. While they are clocking up the same mileage, I do not hear anybody criticising them. We should not criticise those willing to sit on a prison visiting committee either. Bodies will be required to respond much more quickly to their recruitment needs and they must be facilitated in this regard.

Decentralisation is a crucial issue and many previous speakers have opposed it. While trying not to exaggerate I believe the decentralisation of Departments is the most important initiative since the foundation of the State. People will be able to return to their places of origin and following yesterday's announcement by the Minister for the Environment, Heritage and Local Government, they will also be able to get permission to build a home in a rural area if they so wish. Considerable lip-service has been paid to this concept from many sources over the years, especially from urban-based Deputies. People have been very vocal and positive on the issue of rural regeneration. The Government is now acting on that concept by providing the possibility of a job in one's area and the possibility of building a home there. I hope the support will continue.

The Minister for Finance, Deputy McCreevy, was right to announce the decentralisation programme during the budget speech. He pointed out there is a particular Dublin mentality affecting too much of our thinking. Those of us who travel to Dublin get into the rarefied atmosphere up here and even start to think along the same lines at times. After his announcement I read a report that described his programme as the "rape of Dublin", which obviously got the headline. However, a similar process has gone on in reverse to the detriment of every village and town in the country since the practice of centralising the public service and Civil Service was begun after the foundation of the State. People travelled up to Dublin without worrying too much about the locality back home. This has led to the loss of young talented people from rural areas and the consequences have been spelt out for us in recent years. The economic reality kicked in a number of years ago. Facilities such as post offices, creameries, schools, etc., all began to close, mainly because the young people who, in normal circumstances, would have been expected to settle down and raise their families in the area, had to move to Dublin. These people were forced to live in the capital if they wished to work in the Civil Service or the public service.

In the past two to three years, those in Opposition were happy to support the concept of rural renewal and the use of spatial planning, etc. They were satisfied once it remained theoretical and they were able to criticise the Government for not delivering in the part of the country they represent. It is time they realised that those days are over. We have reached the endgame; the talk has stopped and action is being taken. We are now in the practical rather than the theoretical

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part of the programme and matters are moving forward.

Unfortunately, a few U-turns have been made along the way. I have seen banners in various locations on my journey to Dublin such as, for example, "Cashel is suitable for decentralisation". Deputies were happy to join the local town or village groups which inform us about the greatness of their areas and which lobby for decentralisation. However, some of them are having second thoughts and are finding it difficult to say "Well done" to the Government Deputies in their areas. Most of them find some aspect of the programme with which they can quibble.

Members who lobbied for once-off housing are also trying to backtrack. He is not present in the Chamber, but I was delighted by the fact that Deputy Hayes congratulated the Minister for the Environment, Heritage and Local Government.

Mr. Durkan: He did not.

Mr. Dennehy: The Deputy did not state that none of those in his party did so when they had the opportunity but he could well have done so. However, I do not want to upset any Members who may previously have served as Ministers and who are present today. It was good to see Deputy Hayes welcoming the approach taken by the Minister, Deputy Cullen.

We need more political honesty of that kind in respect of decentralisation. In my view, we can proceed to re-balance the overall development of the country or we can continue to take a negative attitude. If we do the latter, we will look back 20 years from now and ask why we did not take action. As stated previously, I compare such thinking with that relating to the pre-funding of pensions for people who retire in 20 years' time. There is an onus on us to ensure that the spatial planning relating to and the development of areas is based on where we want people to live and activities to be based in 20, 30 or 40 years' time. That is what the proper management of resources is about and there is no resource more important than people. Their needs must be considered.

According to some people there is a new way of running Government, namely, via the polls. Deputy Rabbitte seems to have become a great supporter of this idea. He is able to quote chapter and verse on each Department and inform us about the number of people who will not travel or who do not wish to travel to certain parts of the country. I accept that the Deputy has to take a certain line when making his contributions in order not to offend certain areas or towns. He appears to be successful in doing so. I do not believe that the Deputy should be so concerned about the matter at this stage. Some of the polls appeared the day after the Minister announced the programme, while others have been published in the meantime. All of them were taken before any meaningful discussions could take place,

especially with the staff involved or their representative unions.

Deputy Rabbitte and any prophets of doom — I do not number him among them — might do well to consider what happened under previous efforts at decentralisation. The one with which I am most familiar, and I hope I will be forgiven for being parochial, is the transfer of the Central Statistics Office to the Mahon area of Cork South Central. I recall that comments were made at the time which are the same as those being uttered now. Some people took particular glee in describing how poverty ridden Mahon was and in commenting on its high unemployment level, the social status of the people who lived there, etc. A great deal of negative comment appeared at the time which made me quite angry because I had lobbied long and hard for decentralisation to the area.

Those on Cork City Council who had responsibility for planning at the time had done a bad job in the case of Mahon. We allowed 4,000 or 5,000 houses to be built without the provision of any facilities, not even a chemist shop or post office. Mahon was saved by the decision to locate the CSO at its heart. That move represented a vote of confidence in the locality and its people. Since the CSO was decentralised to Mahon, success has followed success. Three weeks ago an announcement was made about the Mahon Point development. This will be a major integrated development which will be responsible for the creation of 6,000 jobs in the next seven years. A total of 3,200 of these will be created within two years. This all came about on foot of the siting of the CSO offices in the area. Close to those offices, 360 of the highest quality houses in the country are being built. From day one of the development, these will all be serviced with broadband and every other facility one could want in one's home. These facilities will be provided free at the expense of the developer. What I have outlined is the result of transferring one Department or agency out of Dublin and I want to see it replicated throughout the country. I want us to be able to employ the people living in particular areas and also to transfer others there.

The Government and its predecessor have displayed flexibility and we need to be able to change as time passes. This was shown by the Bill relating to Bord Bia which was debated earlier. We need to be able to facilitate recruitment and cater for attendant considerations. We can either do that ourselves or leave it to recruitment agencies and others who are exploiting people at present. I was informed recently that up to one third of a candidate's first year salary could be paid in commission to a recruitment agency. I do not know if that is accurate but if it is, it is disgraceful. We should be responsible for recruitment and provide jobs for local people in every town and parish to which the organs of State can be decentralised. If we upset some of the people in Dublin by doing so, we should inform them that it is for their own good because,

if we do not decentralise, gridlock in the city will become total in ten years' time.

I commend the Bill to the House. As someone who previously worked in the trade unions, I believe it suits everyone's needs.

Mr. Durkan: Unfortunately, I cannot extend the same welcome to the Bill as did the previous speaker. The Civil Service and Local Appointments Commission was quite effective. Everyone knows that this commission was established to depoliticise appointments to the public service. I accept that the latter might not be popular in modern society. The commission served its purpose extremely well. I am sure there have been complaints to the effect that the commission was not adequately selective in terms of determining the precise needs of particular Departments.

Under the Bill, each Department, agency and body will have greater influence on what transpires by way of candidate selection. We must ask whether that is a good development. There has been a great deal of discussion about decentralisation and the notion of dispersing Departments to various parts of the country. We have heard that great welcomes are being extended to these Departments in certain parts of the country.

Mr. Parlon: In every part of the country.

Mr. Durkan: We will not deal with that matter at present, although we may have to revisit it at a later date. Even those Ministers who knew nothing about decentralisation on the night before it was announced were ready on the morning after to welcome public servants of all descriptions to their constituencies. I hope the programme goes well.

Will we return to the good old days when the proposals in the Bill are implemented? Once Departments have moved to the country and become embedded, having been duly welcomed, will greater political influence surround the selection process? This would be dangerous. Over the years, we have all come to recognise the importance of ensuring that appointments of this nature must be above reproach in terms of political influence. It would not be in the interests of the public service or the general public if that were to cease to be the case or if procedures were introduced to change the current position.

I wonder if the proposed decentralisation will result in a re-centralisation process in the new location, because it appears to be a possibility. More important, the political influence I believe could be brought to bear on the selection process under these proposals will not be beneficial. The Government parties will argue that they know best and have a mandate from the people. While the latter is true, the former contention is not the case because the people change their minds from time to time.

In a country such as this, with such a small population, it is not uncommon, even under the procedures of the Civil Service and Local Appointments Commission, for members of an interview board to know the interviewees who come before it. The criticism was levelled on occasion, sometimes justifiably, that a person or persons on an interview board were known to a person being interviewed and *vice versa*. To ensure this no longer occurred, a different process was proposed. Unfortunately, the Bill will strengthen the possibility of this recurring because each Department will have greater influence over the selection of interviewees for internal positions. In those circumstances, the risk of politicisation is significantly increased.

While the precise dangers entailed in these proposals may not have dawned on the Government, in democracies it is inevitable that opposition parties will succeed the governments, even long-standing governments. The danger in this respect is that an incoming Government will decide to give its predecessor a taste of its own medicine by pursuing a similar policy, albeit slightly improved and refined. In such circumstances, it is important to remember that two wrongs do not make a right because the new Government could find itself repeating the mistakes of the past. Nevertheless, the Opposition would have some grounds for arguing the case for doing so.

This legislation has the potential to destroy a good system, that is, the procedure applied by the Civil Service and Local Appointments Commission. The proposed system has the potential to allow the interviewer, that is, the body, Department or agency which requires staff, to strengthen its hand to an unacceptable level in determining who it wants to employ.

Circumstances may also arise in which the unestablished Civil Service falls within the remit of the proposal. A person or persons with friends in a Government or Department or who may have been an unestablished civil servant in the employ of a Department, could find himself or herself being interviewed by a person whom he or she knows. What course of action is envisaged in such circumstances? What would happen in the event that such a person was informed that it would not be a good idea to proceed with an interview because further positions are likely to arise in the Department in question? Given that such a person would have inside knowledge, would he or she be allowed to go before an interview board? I have serious reservations in this regard. In addition, once appointed to the general Civil Service or public service, such a person would be entitled to a certain degree of immunity from being identified as a political appointee, which would not be a good for the public service.

Public servants know that it is not a good idea to politicise the Civil Service or the public service. While such arrangements may be grand and cosy for a certain period and overcome certain

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obstacles or meet certain requirements, they are not good from the point of view of the general public or services. From my knowledge of the public service over the years, I believe it has worked extremely well. The reason for the establishment of the Civil Service and Local Appointments Commission was to remove political influence from appointments of this nature and it achieved this objective to a reasonable degree.

This is a small country. One would be surprised at the number of people one recognises, particularly as one gets older. The longer one is around, the more faces one recognises. It is not uncommon for people to express surprise at

having suddenly encountered on an interview board a person whom they had not seen for years. In the past, strict rules and guidelines were laid down appertaining to such matters. What is likely to happen under the proposed new system? What will happen when a Department is seeking to make new appointments or replace officials who have been promoted?

The Bill will give greater influence to local authorities and Departments and the bodies and agencies accountable to them.

Debate adjourned.

The Dáil adjourned at 4.30 p.m. until 2.30 p.m. on Tuesday, 9 March 2004.