Leaders’ Questions ............................................................ 2
Order of Business .......................................................... 11
An Bille um an Dara Leasú is Tríocha ar an mBunreacht 2012: An Chéad Chéim .......................................................... 15
Thirty-Second Amendment of the Constitution Bill 2012: First Stage .......................................................... 15
Europol Bill 2012: Order for Report Stage .......................................................... 16
Europol Bill 2012: Report and Final Stages .......................................................... 16
Residential Tenancies (Amendment) (No. 2) Bill: Second Stage (Resumed) .......................................................... 17
Topical Issue Matters .......................................................... 42
A Framework for Junior Cycle: Motion .......................................................... 43
Topical Issue Debate .......................................................... 71
Mental Hospitals Report .......................................................... 71
Flood Relief Schemes .......................................................... 74
Vehicle Registration .......................................................... 76
Ceisteanna - Questions ......................................................... 79
Priority Questions .............................................................. 79
Industrial Development .......................................................... 79
Job Creation .............................................................. 80
State Property .............................................................. 82
Job Protection .............................................................. 84
Small and Medium Enterprises .................................................. 86
Other Questions .............................................................. 88
Job Retention .............................................................. 88
Small and Medium Enterprises .................................................. 90
Retail Sector .............................................................. 94
Enterprise Support Services ...................................................... 97
Déardaoin, 22 Samhain 2012
Thursday, 22 November 2012
Chuaigh an Ceann Comhairle i gceannas ar 10.30 a.m.

Paidir.
Prayer.

Leaders’ Questions

Deputy Billy Kelleher: Last night we saw the most moving, emotional testimony that a person could witness, that of Mr. Praveen Halappanavar talking about his late wife Savita’s life and tragic death. It was truly harrowing. He also spoke of his concerns about an independent inquiry the Government is proposing. The Tánaiste and Minister for Foreign Affairs and Trade, Deputy Gilmore, met the Indian ambassador and the Irish ambassador met the Indian Government, yet nobody from the Government has met Mr. Halappanavar. The Government could be in open conflict with the late Mrs. Halappanavar’s family in a court of law to try to access or attain medical records so that it can go on with an inquiry or investigation that nobody wants or has any confidence in. How can the Government continue with this investigation? The family do not want it and at this stage some of the Minister, Deputy Joan Burton’s colleagues do not want it, while the President has told the Government it is clearly wrong.

An Ceann Comhairle: We should not engage the President in this discussion.

Deputy Billy Kelleher: I do not intend to engage the President. I am merely quoting what has been stated.

An Ceann Comhairle: We should not.

Deputy Billy Kelleher: The President is reflecting the views of the Irish people.

An Ceann Comhairle: Does Deputy Kelleher understand the Constitution?

Deputy Billy Kelleher: The President stated that his wish-----

An Ceann Comhairle: Deputy Kelleher should respect the constitutional position of the President.

Deputy Billy Kelleher: A Cheann Comhairle-----

An Ceann Comhairle: I thank Deputy Kelleher.
Deputy Billy Kelleher: -----he is merely reflecting the views of the Irish people and I am saying that the Government should listen.

I call on the Taoiseach to intervene personally and meet Mr. Halappanavar to find out exactly what investigation would satisfy his concerns and those of his family. Everybody in this House wants to get to the truth of the matter, everybody wants to find out what happened and what can be done to avoid such similar circumstances in the future but, quite clearly, nobody has confidence in this investigation. I ask that the Taoiseach would intervene and sit down, discuss and come to an accommodation so that Parliament is not seen to be in conflict with a man who has lost his wife and who we could be dragging through the courts to access or attain her medical records. It is unseemly and unbelievable that at this stage we are still talking about this tragic issue. How much more must this family endure to try to come to the truth of what happened his late wife in Galway? The Minister should ask the Taoiseach to intervene in a personal human way, without the cameras and microphones, and sit down and try to find an accommodation with which everybody can be satisfied.

Minister for Social Protection (Deputy Joan Burton): First, I read and heard the comments made by Uachtarán na hÉireann. They were considerate, thoughtful-----

An Ceann Comhairle: Sorry, Minister.

Deputy Joan Burton: -----reflective and humane.

Deputy Michael Healy-Rae: The rules on this side are the same as the rules on that side.

Deputy Finian McGrath: The Tánaiste is not happy.

An Ceann Comhairle: Under Article 13.8.1° of the Constitution, the President is not answerable to the Dáil, and the Minister should respect that.

Deputy Joan Burton: The spokesperson raised the issue.

An Ceann Comhairle: I am correcting that.

Deputy Joan Burton: That is all I wish to say about the President’s comment.

Deputy Finian McGrath: The Minister’s leader is not happy.

Deputy Joan Burton: Anybody who heard Mr. Halappanavar speaking or being interviewed on television last night could not fail to be moved by what must be the immensity of his grief, shock and trauma at what happened to his late wife. Anyone who has sat beside a loved one as that person dies would know that the kind of experience he has had must be tremendously difficult for him. That is why the thoughts of everybody in Ireland, from the first citizen to every other citizen, are with him and with his family and friends in Ireland and in India.

The HSE is responsible for appropriate inquiry when deaths occur in hospital which require investigation. With reference to records of the HSE to which Deputy Kelleher referred, the HSE, like any institution or hospital, is legally responsible for the proper maintenance of records. Mr. Halappanavar’s legal adviser has expressed views in that regard but Deputy Kelleher, as a health spokesperson, will be aware that the HSE also has responsibilities in relation to records.

Let us cut to the net point. This is about the safety and care of women so that this episode or
some tragic happening like this does not occur again. It is about the care, protection and safety of women when in hospital in relation to childbirth and pregnancy. It is the duty of the HSE to find out in the case of that hospital if there were unsafe practices and, if so, that those practices are amended or strengthened so that women going into that or any other hospital in this country can be assured their safety and care is the primary consideration and that structures are in place in that regard.

I welcome Deputy Kelleher’s suggestion that this should not take place in a controversial adversarial mode. Given the grief of the late Mrs. Halappanavar’s husband, which is so understandable to everybody, nobody wants to add any additional pressure or stress. It is important that he understands that is the view of everybody in this House. The chairman of the inquiry, Professor Sabaratnam Arulkumaran, is an internationally renowned expert. He is entirely independent. The other members of the inquiry team are also nationally and internationally renowned. From the point of view of women’s safety, it is important to establish what happened and that, if hospitals in Ireland need to move immediately to make appropriate provision in relation to securing the safety and well-being of women, it should be done. That is the most important issue as well as tending as best we can as a country to the grief of Savita Halappanavar’s husband and family.

Deputy Billy Kelleher: The Government has obligations and duties as well. The HSE can look after itself in terms of its own inquiry. Quite clearly, however, the family of Savita are not going to co-operate with a HSE investigation so we are going to have open conflict. Huge difficulties will be placed on this family in trying to get to the truth of what happened to Savita in Galway.

We do not want to raise this matter in a political or adversarial way, but we certainly do not want the State to act in an adversarial way with the bereaved family, although that is clearly what will happen. I am asking the Taoiseach to make a personal intervention behind the scenes and meet with Praveen Halappanavar, the family and legal representatives, to find some way of addressing the concerns in a meaningful way that will establish the truth and will also satisfy the family about its independence. A commission of inquiry could be that way. The HSE will carry out its own investigation anyway with regard to its internal workings but we want to try to establish a commission that will satisfy everybody. Clearly, the Minister’s response will not satisfy Praveen Halappanavar’s family or the broader Irish public. I am urging the Minister one last time to have behind the scenes discussions with Praveen and the family to try to find a mechanism to deal with this. Our suggestion is for a commission of inquiry, which will not prejudice the outcome of anything. The Taoiseach is quite entitled to, and should, meet Praveen and the family to discuss their concerns. In fact, it should have happened already.

Deputy Finian McGrath: Yes. Hear, hear.

Deputy Joan Burton: Every effort will be made by the Government to do everything we can to support Savita’s husband in his understandable and deep grief. We heard him speak last night. I do not think anybody who heard him speak could fail to be moved by what he said. The Deputy acknowledged himself, however, that the hospital and the HSE must know what happened in order that they can ensure immediately there are no further risks to the lives of women in hospital. As well as supporting her grieving family, that is also something that is owed to the women of Ireland and they want it. The Deputy may disagree but for the safety of women in hospital during pregnancy, delivery and in the unfortunate event of a miscarriage, which happens at an early stage in a high proportion of pregnancies, it is most important we give reas-
surance to the women of Ireland, as well as their families, friends and partners, that they are as safe as possible in our hospitals. That is one of the focuses of what the Government is doing, as well as assisting the family and husband of Savita as well as we can. All options are open.

The Deputy is speaking about a commission of inquiry but can I caution that this Chamber should not rush down the legal adversarial road at this point. When Mr. Justice Michael Moriarty first started work on his tribunal, he said it would be finished within 12 months. In fact, it took almost 13 years.

Deputy Micheál Martin: An inquiry is a different thing altogether.

Deputy Joan Burton: On numerous occasions - both when the Deputy’s party was in government and since this Government was formed - we have also had ministerial inquiries. If the Deputy wants to go the road of a full tribunal he is really talking-----

Deputy Micheál Martin: We never said that.

An Ceann Comhairle: I am sorry but we are over time, Minister. This is Leaders’ Questions.

Deputy Joan Burton: The Deputy referred to a commission of inquiry.

Deputy Timmy Dooley: That is a separate question to muddy the waters.

Deputy Joan Burton: We need to focus on the safety and welfare of women.

Deputy Micheál Martin: It is the 2004 Act - a different thing altogether.

Deputy Joan Burton: In that context anybody who is responsible for running an institution like a hospital, has a responsibility to find out as quickly as possible, if only on health and safety grounds, if something needs to be done or amended to increase the safety and protection of women who are in delivery, have gone into hospital in the context of a miscarriage or who are otherwise being cared for in the context of pregnancy.

An Ceann Comhairle: Members should understand that there is a time limit. I am obliged to ask Members to adhere to that time limit.

Deputy Caoimhghín Ó Caoláin: The Minister’s reference to the Moriarty tribunal is hardly an appropriate analogy. People across Ireland and, no doubt by now, across the world have been moved by the calm, dignified yet powerful testimony of Praveen Halappanavar on the “Prime Time” programme last night. He told us directly of the terrible ordeal to which his wife Savita had been subjected. It was an ordeal - make no mistake about it - that no other woman should ever have to face on these shores. Despite all that he has been through, he still told us he loved Ireland. Above all, he made it very clear that he and his family have no confidence in a HSE inquiry. We need to listen to what he has told us and we need to be very clear about this.

What efforts were employed by the Minister for Health, his Department, the HSE or An Taoiseach to make direct contact with Praveen Halappanavar prior to the announcement of the inquiry or since? I attended the Committee on Health and Children on Tuesday when the director designate of the HSE, Mr. Tony O’Brien, appealed to the media present to use their good offices to inform Mr. Halappanavar that he would welcome contact from him. This is totally inappropriate. Yesterday, the Taoiseach used the opportunity here in the Dáil Chamber to com-
communicate with Praveen and his family. I would like to know if any serious efforts have been employed and if any offer has been extended for An Taoiseach to meet Praveen Halappanavar directly. I believe that should happen and I have urged that in the course of today’s “Morning Ireland” programme.

Will this effort now be undertaken by the Government? Will An Taoiseach make that direct approach to Mr. Halappanavar and sit down with him to address the issues concerned? Will the Government accept that we are in an impossible situation here if this inquiry is to have any credibility and is to be able to carry out its functions? Part of its functions must be to restore public confidence and, above all, the confidence of the women of Ireland. I urge that a full independent inquiry be undertaken.

Deputy Joan Burton: There are two important issues here. The first is whatever comfort and support this State and the Government can offer to Mr. Halappanavar and his family. The second is his dignity, his willingness to speak despite his appalling grief, the way he expressed himself and his courteous references to Ireland and Irish institutions. He is to be commended on all that and he appears to be a deeply courteous man. In fairness, when news of this was first broadcast in the media, there was an expression that communication was to be via his legal adviser, who has conducted a number of interviews setting out the position in respect of his client. I assure the Deputy that every effort and every appropriate response will be made by the Government in respect of any way in which Mr. Halappanavar and his family can be supported. However, as I believe the Deputy will agree, when a death occurs in a hospital that requires investigation and inquiry, the reason such an inquiry takes place is from a health and safety perspective to ensure that no unsafe practices have occurred that would put further patients at risk. This is the general approach in this matter. Taking into account the sensitivities of the matter, not simply for the family and husband of the bereaved, but for many people in this country, particularly women, the Government appointed an internationally renowned expert and a panel of experts. In addition, I note the statement from the former and much renowned Master of the National Maternity Hospital, Holles Street, Dr. Boylan, supporting an inquiry which would be held expeditiously and quickly. My understanding is the ambition for the inquiry that is under way is that it would be completed on a preliminary basis before Christmas.

At this point, I would exercise caution about entering a longer vista. There are provisions for ministerial inquiries. This has happened under previous Governments and already has happened under the current Administration. However, with regard to the health and safety aspects of the management of hospitals, it is my sincere view that one needs to find out quite quickly, to ensure there is no endangerment of any woman or her child arising from practices in our maternity hospitals. Incidentally, this does not preclude further detailed inquiries but in respect of hospital incidents, I believe establishing the facts and the health and safety considerations as quickly as possible to be paramount. In addition to seeking to do this, the Government has appointed renowned independent experts to carry out this particular inquiry as expeditiously as possible. It does not rule out anything else.

An Ceann Comhairle: Thank you, Minister.

Deputy Joan Burton: The Deputy should remember the issue here concerns a healthy young woman who unfortunately was miscarrying an early-term baby and who went into hospital. From what one reads in the media, all the indications are that she was miscarrying and medicine could not stop the miscarriage. These appear to be the indications and of course in Irish hospitals-----
An Ceann Comhairle: Thank you.

Deputy Joan Burton: -----the staff would move to prevent, if possible, the miscarriage in order that the baby could be carried successfully to term. The normal practice, as I and most women would understand it-----

An Ceann Comhairle: Thank you, Minister.

Deputy Joan Burton: -----is that at a certain point there would be a dilation and curettage, D and C, procedure. Incidentally, the reason for that-----

An Ceann Comhairle: Minister, you are way over time. Please co-operate with the Chair. Thank you.

Deputy Joan Burton: -----would be that the family would be able to go on to have further children. It is important from a health and safety point of view that we have an answer and get an explanation as expeditiously as possible as to what happened, in order that women are not further endangered in any way. The women of Ireland, as well as the Halappanavar family, are owed both that explanation and the aforementioned check on safety as quickly as possible.

Deputies: Hear, hear.

An Ceann Comhairle: Deputy Ó Caoláin has one minute.

Deputy Caoimhghín Ó Caoláin: How can the Minister stand up in this Chamber this morning and claim it was and is the Government’s intention to act expeditiously? That assertion holds no water. But for the fact that Praveen Halappanavar took the decision, approximately two weeks after this terrible tragedy, to go public with this terrible story he has been obliged to share and because no efforts were being employed by the HSE or the authorities regarding the tragic death of his wife, one must state it is reasonable for people to question whether any kind of serious inquiry would ever have been undertaken otherwise. This constitutes an indictment of the system-----

An Ceann Comhairle: Thank you. A question please.

Deputy Caoimhghín Ó Caoláin: -----the HSE, the Department and the Government. The Minister should make no mistake about it; there is no possible credibility for the inquiry currently constituted. This is not to question the capacity, suitability or otherwise of those now named to participate.

An Ceann Comhairle: Can we have a question please? Thank you.

Deputy Caoimhghín Ó Caoláin: It is to recognise that without Praveen Halappanavar’s co-operation and perhaps approval for access to all the critical file notes in respect of his wife’s tragic experience, this particular inquiry will have no future.

An Ceann Comhairle: Can the Deputy ask a supplementary question please?

Deputy Caoimhghín Ó Caoláin: As I asked her earlier, will the Minister use her good offices to make an impact on the Taoiseach in order that he will appreciate the importance of direct contact with Mr. Halappanavar? This now is essential, no matter what is to happen subsequently.
An Ceann Comhairle: Thank you.

Deputy Caoimhghín Ó Caoláin: Moreover, there undoubtedly is a huge demand, which is not confined to the voices of the Opposition for a public-----

An Ceann Comhairle: Will the Deputy please ask a question? He is way over time.

Deputy Caoimhghín Ó Caoláin: I do not have that hand which the Minister was able to employ several times a moment ago and I wish to finish my sentence.

Deputy Finian McGrath: Hear, hear.

An Ceann Comhairle: Sorry, the rules apply to everyone equally and I ask for the Deputy’s co-operation.

Deputy Caoimhghín Ó Caoláin: Will the Minister also take on board the demands of both Opposition and Government voices for a full independent inquiry into this terrible event? That is in the interest only of truth and justice.

Deputy Finian McGrath: Hear, hear.

An Ceann Comhairle: The Minister has one minute in which to reply.

Deputy Joan Burton: In response to the Deputy, I do not believe the adversarial tone is appropriate.

Deputies: Hear, hear.

Deputy Joan Burton: I have doubts that the Deputy’s suggestion that this should be a full independent commission of inquiry, with a heavy input of lawyers on all sides, is exactly what this country needs at this point. I remind him that when Mr. Justice Moriarty entered in good faith into his inquiry-----

Deputy Micheál Martin: That was a tribunal of inquiry.

Deputy Joan Burton: -----he stated it would take place within 12 months.

Deputy Billy Kelleher: That is a ridiculous comparison.

Deputy Micheál Martin: The Minister is being deliberately misleading.

Deputy Mattie McGrath: The Minister is taking a scatter-gun approach.

Deputy Joan Burton: The Government has moved in this regard. The important issue here is women’s health, not politics. I hope the Deputy will accept that I and other women have a direct interest in this and that I say what I do out of personal conviction that there are young women going into hospital today, this week and next week and I want to know they are safe-----

Deputy Caoimhghín Ó Caoláin: We all want to know that.

Deputy Sandra McLellan: Sooner rather than later.

Deputy Joan Burton: -----and that what has happened will not happen again.

Deputies: Hear, hear.
22 November 2012

An Ceann Comhairle: Thank you.

Deputy Joan Burton: I acknowledge the Deputy’s interest in this regard. Mr. Halappanavar took the very brave decision to go public and it is as a consequence of that decision that we know what we know now. He is to be congratulated for doing that.

An Ceann Comhairle: Thank you, Minister.

Deputy Joan Burton: However, it must now be established, as quickly as possible, whether there are procedures in that hospital that in any way endanger the life and the health of women. We need to know that and I put it to the Deputy that we need to know this as expeditiously as possible for the women of Ireland.

Deputy Shane Ross: Last week, in reply to a question I put to him in this Chamber, the Taoiseach graciously agreed there was a case for judges making declarations of their interests. This was in response to a judge having recused himself from a case when he held shares in CRH plc. Judges are in the spotlight at present and I wish to ask the Minister a question.

II o’clock

This week a judge from the District Court was convicted of a serious offence for the first time in the history of the State. I will not comment specifically on the case except to ask that in the light of the fact that the Judiciary is being proved to be accident-prone and no judge has ever been impeached by the Houses of the Oireachtas - it is almost impossible to dismiss a judge in this country - will the Minister answer the following question? What procedures are in place to ensure judges, especially those of the District Court, are properly vetted before they get those jobs? It is quite obvious the most important qualification is political influence or colour. Apart from the judicial appointments advisory board, are judges subject to interview or questions? Do they need any qualifications apart from a basic legal qualification? It is important we avoid the sort of incident that has happened in the case I outlined and we must take precautions to ensure judges have a past which qualifies them for the job and are not simply qualified politically.

Deputy Mattie McGrath: They have to be card-carrying members of a party.

Deputy Joan Burton: I may be advised by the Ceann Comhairle in the context of the case that is before the courts.

An Ceann Comhairle: I would not go there.

Deputy Joan Burton: It would be extremely unwise for me to comment in any way on the circumstances referred to by the Deputy.

Deputy Colm Keaveney: Hear, hear.

Deputy Joan Burton: The matter is before the courts. This House may have certain legal responsibilities in areas and it would be extremely unwise for me to comment. I understand with regard to the question of judges’ interests that the Taoiseach in a previous reply undertook to have a conversation with the Minister for Justice and Equality.

Deputy Mattie McGrath: That is if he can find the Minister.

Deputy Joan Burton: There are various proposals before the Minister regarding the organisation of the courts and the regulation of judicial matters. There is, rightly, a separation
between this House and the Judiciary and it would be unwise of me to comment in any detail on-----

**Deputy Finian McGrath:** Labour Party judges.

**Deputy Joan Burton:** -----the court case referred to by the Deputy.

**Deputy Finian McGrath:** What about the Labour judges?

**Deputy Shane Ross:** That is utterly ridiculous. I am not asking for a comment and I specifically indicated I did not want a comment on that court case.

**Deputy John Lyons:** Why did the Deputy raise the matter?

**Deputy Shane Ross:** I am asking how District Court judges are vetted before they get the job.

**Deputy Mattie McGrath:** Party membership.

**Deputy Shane Ross:** It seems the refusal of the Government to answer the question means that the old political jobbery-----

**Deputy Mattie McGrath:** It is party membership.

**Deputy Paul Kehoe:** The Deputy would not qualify so.

**Deputy Finian McGrath:** They must be a member of the Labour Party.

**Deputy Shane Ross:** I do not wish to tread into territory that is delicate and I have deliberately avoided it. I have asked how these people are vetted. I will answer some of the question myself. They do not have to be interviewed or answer specific questions and it is an advantage to have political affiliations.

**Deputy Mattie McGrath:** Yes.

**Deputy John Halligan:** That is the answer.

**An Ceann Comhairle:** We are straying into dangerous territory.

**Deputy Shane Ross:** Will the Minister give us an assurance-----

**An Ceann Comhairle:** I am trying to provide some guidance for the Deputy. We are straying into a difficult area and there are strict rules around discussing the Judiciary. In my opinion the Deputy is entitled to ask how people are appointed but we cannot imply any wrongdoing.

**Deputy Mattie McGrath:** No, we would not do that.

**Deputy John Halligan:** He did not say there was wrongdoing.

**An Ceann Comhairle:** There is a Standing Order dealing with impeachment if the Deputy wishes to check it.

**Deputy Shane Ross:** I am simply asking that as a Minister in a reforming Government, Deputy Burton will give an assurance that the Labour Party, at least, is committed to removing the naked appointment of judges from the political arena.
Deputy Finian McGrath: Hear, hear.

Deputy John Halligan: It is a very good question.

An Ceann Comhairle: We do not need a chorus.

Deputy Finian McGrath: Everything should be cleaned out.

Deputy Joan Burton: The Deputy is well aware that there is an application-----

Deputy Paul Kehoe: The Deputy would love that responsibility.

Deputy Joan Burton: -----and appointments process for members of the Judiciary at any level. There are certain conditions relating to qualifications and experience of those persons who apply to be considered for judicial application. In the context of the court case referred to by the Deputy, it would be deeply unwise at this point to have a discussion of the matter.

Deputy Bernard J. Durkan: Hear, hear.

Deputy John Halligan: Deputy Ross twice made it clear he was not looking for that.

Deputy Michael Healy-Rae: He does not want it.

Deputy Joan Burton: It may be appropriate at a later stage, when court proceedings have been completed. I would strongly suggest we should not discuss this or related matters at this point.

**Order of Business**

**Minister for Social Protection (Deputy Joan Burton):** It is proposed to take No. 22, Europol Bill 2012 - Order for Report, Report and Final Stages; No. 21, Residential Tenancies (Amendment) (No. 2) Bill 2012 - Second Stage (resumed); and No. 15 - motion re A Framework for Junior Cycle, to be taken not later than 1.30 p.m. today and the order shall not resume thereafter.

It is proposed, notwithstanding anything in Standing Orders, that the proceedings for No. 15 shall, if not previously concluded, be brought to a conclusion at 3.42 p.m. today and the following arrangements shall apply: (i) the opening speeches of a Minister or Minister of State and of the main spokespersons for Fianna Fáil, Sinn Féin and the Technical Group, who shall be called upon in that order and who may share their time, shall not exceed 15 minutes in each case; (ii) the speech of each other Member called upon shall not exceed ten minutes, and such Members may share their time; and (iii) a Minister or Minister of State shall be called upon to make a speech in reply which shall not exceed five minutes; and that for the purposes of Standing Order 117A: (i) there shall be no first Friday sitting in December 2012; (ii) the first Friday of the month for January 2013 shall be Friday, 18 January, and on that day, to permit consideration of two Bills, there shall be two periods not exceeding three hours each and six hours in the aggregate and the Dáil shall adjourn no later than 4.30 p.m.; and (iii) the time and date by which notice of a Bill in connection with that sitting shall be received by the clerk shall be 11 a.m. on Thursday, 20 December 2012, and related Standing Orders shall apply accordingly.
An Ceann Comhairle: There are two proposals to be put to the House. Is the proposal for dealing with No. 15 agreed to? Agreed. Is the proposal for dealing with the sitting and business of the Dáil on Fridays under Standing Order 117A agreed to? Agreed.

Deputy Billy Kelleher: There was an extraordinary announcement the other day from the Minister for Public Expenditure and Reform in reply to a parliamentary question regarding a potential Supplementary Estimate for the health area before the end of the year. There have been denials since last June that there would be any form of Supplementary Estimate in any Department, but we have highlighted a potential budget overrun of massive proportions in the Department of Health. When will the Supplementary Estimate come before the House? Will Deputies be allowed time to debate it in view of the cutbacks on home help services, other attacks on front-line services and the diminishing funding available for people with disabilities and other key areas? Will the Minister provide a commitment that the House will be able to discuss the budget overrun and inability to manage the budget?

An Ceann Comhairle: When is the Supplementary Estimate due?

Deputy Joan Burton: The Departments of Health and Public Expenditure and Reform are in discussions on the provision of a Supplementary Estimate, the precise amount of which has not been finalised. Further significant cost reductions are required in 2013 and 2014. Given the need to meet pressures on hospital services arising from demographic changes and the reform commitments made in the programme for Government, the initial indications are that substantial savings will have to be made again next year in the cost base of the health sector. While I am not able to give a date for taking the Supplementary Estimate, as the Deputy is aware and subject to the approval of the Ceann Comhairle, it is usual practice for Supplementary Estimates to be subject to debate and discussion in the House. I am sure the Whips will make such an arrangement when discussions on the Estimate have been finalised and decisions taken.

Deputy Caoimhghín Ó Caoláin: The Minister can look to the Minister for Children and Youth Affairs on her left or the official on her right to elicit information on the two Bills I propose to raise. According to replies I have received on this matter, it was intended that the child and family support agency Bill would be published and enacted in this session. Its commencement would facilitate the new child and family support agency in assuming statutory responsibility for all services for children and families as of January 2013. We are almost at the year’s end. When will the legislation come before the House?

On the adoption (amendment) Bill to give legislative effect to the changes promised on foot of the passing of children’s rights referendum, when will this legislation present for address and enactment?

Deputy Joan Burton: As the Deputy noted, the child family support agency Bill is very important legislation. The Office of the Attorney General is working very hard on what is, as the Deputy will understand, a significant, large and complex Bill. While I am not in a position to provide a date for its introduction, the legislation is urgent and is being worked on with urgency.

On the legislation on adoption arising as a consequence of the children’s rights referendum, this Bill is also being worked on and I understand it is the Minister’s intention to have it before the House in the new year.

Deputy Caoimhghín Ó Caoláin: Will the Minister clarify if there is any concern about whether the child and family support agency legislation will be in place before the end of the
year? What will be the consequences of failure to implement legislation in respect of the commencement of the new agency? It has been signalled that this will take place at the beginning of January.

**An Ceann Comhairle:** We cannot have a debate on the issue.

**Deputy Joan Burton:** The Attorney General is working on this substantial legislation. While work is being expedited, it is complex.

**Deputy Finian McGrath:** On the Irish Human Rights and Equality Commission Bill, does the Minister share my concerns and those of thousands of families of people with disabilities who were at the gate of the House yesterday that they may lose their respite and care services or have them cut in the next couple of weeks?

**An Ceann Comhairle:** When will the Bill be tabled? The matter can be discussed when it comes before the House.

**Deputy Finian McGrath:** There is widespread anger about cuts in services for people with disabilities. Will the Minister support me and the families in question in relation to human rights and equality?

**An Ceann Comhairle:** We only deal with the timeframe for taking legislation on the Order of Business. The Bill can be discussed when it comes before the House.

**Deputy Joan Burton:** The heads of the Bill were approved by the Government in May. The estimated time of publication is the middle of next year.

**An Ceann Comhairle:** I call Deputy Mattie McGrath and ask him to be short and succinct.

**Deputy Mattie McGrath:** I raise an important issue relating to the Bill I introduced last year on precious and scrap metals. I see that on Monday the Minister for the Environment-----

**An Ceann Comhairle:** We will see about legislation and nothing else. To which Bill is the Deputy referring?

**Deputy Mattie McGrath:** I refer to the monuments Bill. We could erect a monument here and one would never know. I also want to ask about the public consultation the Minister announced this week on the trade in scrap metal and a Bill on waste facility sites.

**An Ceann Comhairle:** The Deputy should table a parliamentary question on the matter.

**Deputy Paul Kehoe:** Deputy McGrath is not a national monument.

**Deputy Mattie McGrath:** I did not say I was one, although Deputy Kehoe may soon become one. Perhaps Michael Fingleton will fund a monument for him.

**An Ceann Comhairle:** The Minister does not need any help. When is the monuments Bill due?

**Deputy Joan Burton:** I understand it will be introduced late next year.

**Deputy Pádraig Mac Lochlainn:** How does one follow Deputy Mattie McGrath? When will the mental capacity Bill come before the House and when will the Legal Services Regulation Bill 2012 be before the House again?
Deputy Joan Burton: The mental capacity Bill is being drafted as a priority. Progress is being made on this complex legislation and it is due to be taken in the next session. The Legal Services Regulation Bill is due to be taken on Committee Stage.

Deputy Simon Harris: As part of its 16 days of action on domestic violence, Women’s Aid today launched the “One in Five Women” campaign to highlight the fact that one in five Irish women experience domestic violence. The Government has given a commitment to review domestic violence legislation. Will the Minister indicate when she expects the review to take place?

Deputy Joan Burton: As Christmas approaches, it is important that we are all aware of the campaign to make women, children and families, as well as men, some of whom are also subject to domestic violence, aware of remedies and protections they may have. The Minister for Justice and Equality, Deputy Alan Shatter, is reviewing this matter and I will revert to the Deputy when I have definitive dates.

Deputy Bernard J. Durkan: With respect to an issue of topical importance, have the heads of the Medical Practitioners Act 2007 (Amendment) (No. 2) Bill been discussed? This promised legislation is clearly pertinent in the current climate and the Bill is due to be discussed in Cabinet. Will the Minister indicate whether the heads have been discussed and when it is likely to come before the House?

Deputy Joan Burton: The heads have not yet been brought to Cabinet and it has not been the subject of discussion. Work on the Bill is ongoing.

Deputy Brian Walsh: I understand the bank guarantee is due to expire at the end of next month. Is it the Government’s intention to extend the guarantee in its current form and, if so, will amending legislation be required?

Deputy Joan Burton: I understand the Minister for Finance is addressing this issue and further legislation may be required in the near future. If the Deputy submits a parliamentary question, the Minister may be able to provide an exact timetable.

Deputy Michael Healy-Rae: At yesterday’s meeting of the Joint Committee on Justice, Defence and Equality I asked the Garda Commissioner, Mr. Martin Callinan, about the gagging order that has been imposed on all gardaí to prevent them from speaking about the closure of Garda stations. I wanted to find out if this was a directive from the Minister for Justice and Equality.

An Ceann Comhairle: The Deputy will not find out if that is the case on the Order of Business.

Deputy Bernard J. Durkan: Perhaps the gagging order will be extended to the Deputy and his colleague, Deputy Mattie McGrath.

Deputy Paul Kehoe: They are next.

Deputy Michael Healy-Rae: I put my question in the context of the criminal justice Bill.

An Ceann Comhairle: When is the Bill due for publication?

Deputy Joan Burton: It is due to be published next year.
Deputy Brendan Griffin: On the social welfare Bill, an anomaly has come to my attention whereby parents who have legal joint custody of children are not entitled to an equal proportion of child related benefits. Moreover, in the means testing process maintenance payments are considered an income for the recipient but are not considered an outgoing for the provider.

An Ceann Comhairle: To which legislation is the Deputy referring?

Deputy Brendan Griffin: Will these matters be addressed in the forthcoming social welfare Bill?

An Ceann Comhairle: We cannot deal with that issue now. The Deputy should submit a parliamentary question-----

Deputy Brendan Griffin: It relates to promised legislation.

An Ceann Comhairle: ----or have a quiet word with the Minister on the way out.

An Bille um an Dara Leasú is Tríocha ar an mBunreacht 2012: An Chéad Chéim

Thirty-Second Amendment of the Constitution Bill 2012: First Stage

Deputy Brendan Griffin: Tairgim:

Go gceadófar go dtabharfar isteach Bille dá ngairtear Acht chun an Bunreacht a leasú.

I move:

That leave be granted to introduce a Bill entitled an Act to amend the Constitution.

An Ceann Comhairle: Is the Bill opposed?

Minister for Justice and Equality (Deputy Alan Shatter): No.

Cuireadh agus aontaíodh an cheist.

Question put and agreed to.

An Leas-Cheann Comhairle: Since this is a Private Members’ Bill, Second Stage must be taken in Private Members’ time.

Deputy Brendan Griffin: Tairgim:

“Go dtógfar an Bille in am Comhaltaí Príobháideacha.”

I move:

“That the Bill be taken in Private Members’ time.”
Question put and agreed to.

Europol Bill 2012: Order for Report Stage


Question put and agreed to.

Europol Bill 2012: Report and Final Stages

An Ceann Comhairle: As there are no amendments, we will proceed to Fifth Stage.

Bill received for final consideration.

Question proposed: “That the Bill do now pass.”

Deputy Pádraig Mac Lochlainn: I tabled amendments on Committee Stage. The Minister’s colleague, the Minister of State, Deputy Kathleen Lynch, addressed them. I will reiterate my points for future consideration.

There needs to be co-operation at European level in terms of tackling criminal gangs. Yesterday, the Garda Commissioner appeared before the committee to discuss the Garda’s work in Ireland and at European level in this regard. We have concerns about the protection of human rights, respect for Irish law and the sovereignty of our police service in joint investigation teams. We have not tabled further amendments because we were reassured about these issues on Committee Stage. I hope that, as the work continues, the Minister will be mindful of our concerns, but we are happy to support the Bill.

Minister for Justice and Equality (Deputy Alan Shatter): I thank Members for their cooperation in speedily completing the legislative process in this House on the Bill today. I am familiar with Deputy Mac Lochlainn’s views in this area. He expressed them at some length on Second Stage. I find them curious because this is all about ensuring greater co-operation at European Union level in dealing with organised crime, subversive crime and other areas of serious crime. It seems to me that there are circumstances in which it is of substantial benefit that the expertise within the Garda Síochána is available to other police forces in investigating cross-national crime within the EU in which some of our organised criminal gangs are engaged. In those circumstances, members of the Garda may assist in another jurisdiction.

Equally, where one is dealing with organised crime that is not contained on a territorial basis and has no interest in antiquated concepts of sovereignty that meant something 50 years ago but have long since been diluted and rendered irrelevant in the context of this particular area, it can be of considerable advantage and assistance that we receive assistance from other police...
forces in Europe. I can envisage occasions when joint policing operations to both prevent and investigate major crimes are beneficial. A number of very substantial drug seizures and tobacco seizures have resulted from cross-country co-operation in these areas.

I do not understand what the difficulties are. I know that Deputy Mac Lochlainn voiced them at some length on Second Stage with the concept of joint policing. The police forces of Europe need to work very closely together in dealing with organised criminals engaged in a broad range of activities that pose risks to the life and health of people in this State, including the heinous offence of human trafficking, which is a 21st century version of the slave trade.

I very much appreciate the fact that this Bill is going through today uncontested, but it does seem in the context of aspects of it that Sinn Féin has some mental reservations. Perhaps it will work through its mental reservations in a practical and pragmatic way and recognise that there is a substantial amount to be gained for the safety of people in this State in the type of co-operative arrangements envisaged in this Bill and as provided for within it.

Deputy Pádraig Mac Lochlainn: May I respond?

An Ceann Comhairle: No.

Deputy Pádraig Mac Lochlainn: With all respect, the fact that we tabled no Report Stage amendments was our practical and pragmatic way of expressing our concerns.

Question put and agreed to.

Residential Tenancies (Amendment) (No. 2) Bill: Second Stage (Resumed)

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

Deputy Michael McNamara: As I was saying before the adjournment of the debate, I welcome the increase in the number of inspections of private rented accommodation across the country. I thank the Department for publishing the number on its website. I will focus on County Clare because it is the constituency that I represent. In 2005, there were no inspections of private rented accommodation in the county. By 2006, the number had increased to 174. In 2007 and 2008, the numbers were 197 and 134, respectively. In 2009, there was a jump to 601 inspections. In 2010 and 2011, the numbers were 450 and 355, respectively. The jump was occasioned by the increase in revenues provided by the then Department of the Environment, Heritage and Local Government to local authorities to carry out those inspections.

In the examination of the Comptroller and Auditor General’s annual report by the Committee of Public Accounts, the methodology of and criteria for activity-based inspections were outlined. I was glad to note that local authorities were asked to identify the particular areas and categories of accommodation being targeted for inspection on the basis of the risk they posed of not complying with the regulations, for example, older, dilapidated properties, properties that are subject to rent supplement payments, properties at the lower end of the rental market and properties not registered with the Private Residential Tenancies Board, PRTB. The latter is an interesting conundrum. If a property is not registered with the PRTB, it is difficult to know how it might be identified by the local authority.
I wish to focus on properties that are the subject of rent supplement payments. As I outlined yesterday, properties have come to my attention. It is a matter of concern to many Deputies, including myself, that State moneys would be expended in the form of rent supplement on inadequate properties. We are all aware of the pressures in the rental sector. There is a fierce debate on whether the reduction in the rent supplement is forcing rents down and whether a number of landlords are refusing to accept rent supplement. It would be a source of particular concern to me and many Members of this House if rent supplement was paid in respect of properties which did not meet the required standards. While I welcome the increase in inspection of rented accommodation and acknowledge the constraints on local authorities currently, the number of inspections could and should be increased dramatically in light of anecdotal evidence of many landlords not bringing their properties up to standard. It would also create employment in the building sector.

Deputy John Halligan: Data from the 2011 census published by the Central Statistics Office revealed significant growth in the number of rented households between 2006 and 2011. The rate of home ownership dropped from 74.7% to 69.7%, and I have no doubt the figure has dropped again since the information was collated. The need to properly regulate the private rented sector has never been more important. However, this Bill is a missed opportunity to address some well-known and well-documented problems which tenants and landlords face, namely, by bringing in line this useless quango, and that is what I call the Private Rented Tenancies Board.

Although demand for the services of the PRTB is constantly increasing, the board has never lived up to its promise eight years ago of replacing the courts in most disputes in the private rented sector. All the evidence and the facts show that. For instance, the rules for termination of tenancies are a legal minefield. Even after a dispute has been determined by the PRTB, there is no guarantee whatsoever of compliance by either party. I am increasingly hearing of cases coming before the Circuit Court, and I am sure the Minister of State may be too, to enforce a PRTB order, adding further cost and delay to an already difficult process.

The PRTB is supposed to provide a dispute resolution mechanism in a timely manner to both landlords and tenants. In practice, it is taking shy of one year in some cases for this organisation to get even a hearing in place. Both landlords and tenants urgently need a system to fast track resolutions, as was promised originally. However, the PRTB dispute resolution procedure rarely facilitates fast outcomes and this Bill fails to set a statutory timeframe within which a determination order should be issued following an application to the PRTB for resolution. This is of no help to the landlord who has been left short weeks or months of rent and who is struggling to repay a buy-to-let mortgage. It is certainly of no help to the tenant whose deposit has been unlawfully withheld by the landlord, and I understand that the withholding of deposits by landlords accounts for almost three quarters of all complaints by tenants to the PRTB. The Minister of State said she would bring forward an amendment to identify a system to address the problem of deposit retention. That was indicated in the programme for Government. What is the status of that amendment?

Based on some cases in which I have been involved, the PRTB is totally ineffective in dealing with anti-social behaviour among tenants. One of the functions of the PRTB was supposed to be to deal with anti-social behaviour in private rented houses but, in effect, it is actually discouraging people from coming forward about anti-social behaviour because it insists that the people who make the allegations or complaints reveal their identity if they wish to make a complaint about one of their neighbours. I know of an instance where a person is living with
threats of violence and intimidation and where drug dealing is going on openly in the street every day. I have encountered several cases along these lines. The last thing those people want to do is to go public. I know decent people who are living in hell because of anti-social behaviour and the PRTB is doing absolutely nothing about it. There is little on record of it evicting people, dealing with the tenants involved in anti-social behaviour or dealing with landlords. All the facts are there and the Minister of State can look at them. At the very least, the PRTB should accept a situation where public representatives or the Garda can make a complaint on behalf of a resident.

Given the many shortcomings of the PRTB, is it worth maintaining this organisation? Either the Government brings forward proper legislation which will effectively deal with the many problems facing landlords and tenants or it should abolish the PRTB as just another quango.

Many landlords are not registered. What effort is the PRTB making in this regard? It was put in place to ensure landlords were registered. In regard to the quality of accommodation, if one gets a local authority house or accommodation under the local authority rental accommodation scheme, the local authority will check the quality of accommodation. What is the role of the PRTB in that regard? As far as I know, it does not check accommodation.

In regard tax compliance, I know many landlords who have five or six houses and they stuff ten or 12 students or people into them. They are not checked by the PRTB. I could bring the Minister of State to places in Waterford and show her five or six such places. Nobody knows whether these landlords pay tax on their earnings and the PRTB is useless in that regard. In private estates - this has been well-documented - there is no recourse whatsoever in regard to anti-social behaviour. What is the purpose of the PRTB in the first place?

Originally, there was a dedicated officer in city councils who dealt with anti-social behaviour in private estates, who would check to see if landlords were registered and tax compliant and who could check the quality of the accommodation people were living in. The Bill, although well-meant, will do absolutely nothing to ensure landlords are tax compliant and provide quality accommodation and to deal with the very serious effects of anti-social behaviour. Individuals buy up seven or eight houses, rent them out and do not even live in the constituency.

If I had my way, I would abolish the PRTB. I will table a question next week to find out the cost of running the PRTB and how many people are employed by it and its effectiveness in dealing with all the points I have made. We should really consider going back to the local authority which is best placed to deal with problems in private housing estates because one has someone on the ground living in the city, county or town. The PRTB is not on the ground in constituencies and it works from an office in Dublin. It is out of touch with what is happening in estates all over the country.

Deputy Seamus Healy: I welcome the opportunity to speak on this Bill. Private rented accommodation is a growth area which needs to be regulated properly. House ownership has begun to fall, as my colleague, Deputy Halligan, said. Until now the Private Rented Tenancy Board has been ineffective, in particular in areas with anti-social behaviour and in terms of retention of deposits, rent arrears, inspections and standards. The elephant in the room is the fact that local authority housing and State provision of housing are not covered by the Bill. This Government, like the last one, has effectively abolished the whole area of State provision of housing for housing applications. This Bill does not cover local authority tenants. It should be noted that 98,318 households are waiting for accommodation. That is an increase of 75% since
1991. It is even more interesting to note that the number of households waiting for three years and more for housing is 36,277, the number waiting five years and more is 16,239 and the number waiting seven years and more is 5,508. That is an acknowledgement of the complete failure of the State to provide housing for its citizens. In that context, it is unacceptable that the State should divest itself of responsibility for the provision of housing for housing applicants. There is no local authority house building programme at present. There has not been one since this Government took office, nor was there such a programme for a number of years under the previous Government. That is unacceptable and should be changed. Housing should be provided by the State for housing applicants who simply cannot provide housing from their own resources.

In addition to building houses, I would have no difficulty with the State purchasing many of the houses it has leased under the long-term leasing scheme and the rental accommodation scheme. It is extraordinary that the State is, effectively, prepared to pay the mortgages of private landlords. At the end of the lease period these houses will return to the landlords after the State having paid the mortgage on their behalf over a period of years. The provision of housing accommodation for the 98,318 households that are not in a position to provide housing from their own resources should be undertaken by the State, and the current policy should be reversed.

This Bill must be significantly amended as it proceeds through the Oireachtas. It must be strengthened in a range of areas. Local authority tenants should be brought into this system. The Private Residential Tenancies Board should be properly funded and staffed to ensure it is effective. Local authority tenants are entitled to the same rights as other tenants. However, they currently effectively have no appeal system and in the event of a complaint or a difference of opinion with the local authority they are left to refer their situation to the Ombudsman. That is unacceptable.

The staffing and funding of the Private Residential Tenancies Board are crucial. If the board is not funded or staffed properly it will be unable to safeguard the rights of tenants. Sadly, that has been the situation up to now. The board has not been effective in delivering for tenants. The number of complaints by tenants to the board is significant and 72% of the complaints relate to the retention of deposits. That does not appear to be covered in the Bill but it might, and should, be dealt with as the Bill proceeds through the Stages. This is an area of huge contention but is one in which the board has not been effective. It is an area that must be fully regulated. Where the board has made a decision on those complaints, approximately 80% of the deposits have been returned to the tenant, indicating that the preponderance of right is with the tenant in these cases.

I acknowledge the work done by the voluntary housing agencies or the approved housing bodies, AHBs, as they are now called. When I was a councillor they were voluntary housing agencies or associations. Respond! Housing Association, Clúid Housing Association, the Society of St. Vincent de Paul and various local voluntary housing agencies have provided housing throughout the country and should be commended for that.

I wish to draw the Minister’s attention to an issue that is not part of this legislation but which applies to legislation generally and is something Members of this House must examine. It is the question of how agencies such as the Private Residential Tenancies Board, Student Universal Support Ireland, SUSI, and others deal with public representatives. There is significant difficulty for elected representatives, be they Members of the Oireachtas or local authority councillors, in supporting their constituents in respect of contact with these agencies. I will quote
a reply to a representation I made to SUSI on behalf of a constituent. This also applies to this legislation as it is an issue that has arisen repeatedly, particularly in recent years. The reply states: “Many thanks for your query. This application is currently awaiting review and should be reviewed within two weeks. We will contact the applicant directly with the outcome”. There is a tendency on the part of these agencies if not to refuse to deal with elected representatives certainly to do so on a minimal basis. That is unacceptable. Members of this House and local authority members have been requested and authorised by constituents to raise queries and it should be made clear to these agencies that such representatives should be facilitated in making representations.

Earlier, I referred to the issue of staffing and registration. Despite the fact that this Bill will create a significant amount of additional work for the Private Residential Tenancies Board, it appears that current employment policy will ensure that the number of people working for the board will be reduced. Will the Minister confirm if that is the case? The current staffing of the board is approximately 70 and it is suggested that it will be reduced to 33. Will the Minister deal with that and confirm that proper funding and staffing will be put in place to support the board in fulfilling the statutory responsibilities it will have arising from this legislation?

There is also the issue of the registration fee of €90. The voluntary housing agencies have indicated that there is considerable difficulty with the payment of this fee. I ask the Minister of State to examine it. I have a concern that agencies will have difficulty in payment of the fee. I have a serious concern that the fee will be transferred to the tenants so a further household charge will be payable by tenants.

I draw the attention of the Minister of State to rent supplement and the widespread practice where tenants are forced to pay a top-up to landlords. It is widespread throughout the country and is unacceptable. It should be dealt with without delay either in this legislation or in whatever other manner is necessary. I draw the attention of the Minister of State to the mortgage to rent scheme, even though it is not addressed in the Bill. There is considerable difficulty with the scheme, which is not being operated by the banks. Other Deputies had a difficulty in pursuing the scheme on behalf of constituents. I asked the Minister of State to examine this to see the changes necessary to ensure it is properly operated by the banks and available to people.

**Deputy Jan O’Sullivan:** Deputy Barry Cowen raised this matter as a topical issue yesterday.

**Deputy Joe Carey:** I propose to share time with Deputy John Paul Phelan. I welcome the opportunity to speak on this important legislation. The Residential Tenancies Act 2004 and the Residential Tenancies (Amendment) Act 2009 provide the regulatory framework for the private rented residential sector and the operation of the Private Residential Tenancies Board, PRTB. I welcome the amending Bill, which extends the remit of the Act to tenancies in the voluntary housing sector, streamlines and simplifies administrative processes, reduces the size of the board from 15 to 12 members and introduces measures to increase the take-up of mediation services. I welcome that the Minister of State has pointed out that she is prepared to include other issues related to housing on Committee Stage. In that regard, I welcome her opening remarks.

In the context of the legislation, I want to bring one issue to the attention of officials and the Minister of State. I refer to the anomaly whereby the structures and tools available to the authorities in dealing with anti-social behaviour in private rented accommodation are not robust enough. In some cases, State bodies are providing rent supplement without vetting or
investigation of prospective tenants. A blank cheque is issued, which is not the case when local authorities provide housing. A minority of tenancies cause serious problems but their impact on everyone else is increasingly significant. The issue must be dealt with.

In July, the following notice of motion was unanimously passed by Ennis Town Council, having been proposed by Independent Councillor Michael Guilfoyle:

That Ennis Town Council write to our Clare Oireachtas members to ask them to put in place legislation that would protect tenants in rented accommodation from unscrupulous landlords, and in turn landlords be made accountable for the behaviour of their tenants. The H.S.E. should be instructed to view a tenancy agreement prior to sanctioning rent subsidy.

We need to see more action taken. The notice of motion sums it up and I forwarded it to the Minister of State who indicated she would take action and that this Bill could be used as a vehicle to address the anomaly. All local authorities have adopted anti-social behaviour strategies in accordance with the Housing (Miscellaneous Provisions) Act 2009. Each strategy applies to the administration by a council of dwellings in its ownership, dwellings subject to rental accommodation availability agreements and tenants’ purchases of dwellings. However, the strategy does not apply to private rented accommodation and, therefore, councils have no legislative powers in this regard. Rent supplement is administered by the community welfare service, which is attached to the Department of Social Protection. The community welfare service is only responsible for the payment of rent supplement and is not responsible for dealing with anti-social behaviour. Responsibility for rent supplement will be transferred to the Department of the Environment, Community and Local Government over the coming years. I ask that the standards applied to local authority housing be brought immediately on those associated with rent supplement. As it stands, anti-social behaviour in private rented accommodation is a matter for individual landlords and the Garda Síochána. This is not a sufficiently robust system. The Garda Síochána and landlords say they need the help of the people affected by anti-social behaviour in order to do something. I can understand this perspective but it is difficult to act as a witness or complainant in the circumstances where one must continue to live beside those about whom one has complained. The current tools are not robust enough.

I asked the Minister of State to examine best practice elsewhere in Europe, how one becomes a tenant there and the vetting standards elsewhere. According to the 2011 census, the private rental sector houses some 19% of all households. Of 305,000 households in the private rented market, 92,000, or 31% of the market, involves rent supplement. In broad terms, I welcome the Bill as it has been presented but I ask the Minister of State to revisit the legislation on Committee Stage with a view to applying standards applicable to local authorities to the private rented accommodation sector, which will come under the remit of the Department of the Environment, Community and Local Government in the near future.

Deputy John Paul Phelan: I welcome the legislation. I echo the comments of previous speakers in respect of what this Bill is trying to achieve and the inclusion of the main items. I welcome the inclusion of the voluntary and co-operative housing sector under the terms of the Housing Acts, which is a step in the right direction. The reduction in size of the Private Residential Tenancies Board from 15 to 12, the measures to increase take-up of mediation as a form of resolving disputes between landlords and tenants and the formal merger of the rent tribunal with the Private Residential Tenancies Board are welcome.

The Minister of State with responsibility for housing is prepared, during the course of dis-
cussion on the Bill, to examine the topic of rent arrears and a deposit protection scheme. As a number of speakers pointed out, the major source of contention between landlords and tenants since the establishment of the board seems to be the retention of deposits. Almost three quarters of the difficulties arising between landlords and tenants relate to retention of deposits.

12 o’clock

I also note from information supplied that the activities of the board itself, despite comments by previous speakers, have been impressive. It has managed to increase the number of cases being dealt with and there has been a significant reduction in waiting times for the resolution of difficulties by the board. That is to be welcomed.

I hope the Minister of State, in her concluding remarks, will give an outline of how she intends to deal with the matter of the retention of deposits by landlords. Historically, 72% of complaints to the board have been in this area. The Minister of State has indicated her willingness to amend the Bill to include some provisions in this area. She might enlighten us as to what she intends to do.

I agree with Deputy Carey and others who spoke about anti-social behaviour. A difficulty exists for families in private rented accommodation making a complaint against a neighbour. It is difficult to make a formal complaint while continuing to live adjacent to the subject of the complaint. Existing provisions are not adequate in this regard and even have the potential to aggravate an already difficult situation. If tenants are engaging in consistent anti-social behaviour there needs to be a safer mechanism for neighbours to register a complaint and to ensure that prolonged transgressions will not be accepted. People have an expectation, which is not unreasonable, to live in peace and quiet in their own homes. This goes to the heart of what the Private Residential Tenancies Board was envisaged to do, which is to resolve disputes and allow people to get on with their lives.

More and more people are now renting privately and all indications are that we will see a significant increase in private renting in the future. More people will decide not to purchase their own homes, or will not be in a position to do so, but will live for longer in private rented accommodation. Many parts of the capital city and other parts of the country have, traditionally, seen large numbers of private rented units. In other parts of the country there has been a high turn-over, with people in college or in certain employments living in private rented accommodation for a limited number of years and, over time, moving on and buying their own homes somewhere else. We are going to see a significant increase in the number of people living in private rented accommodation in the long term.

As a public representative, I have come across an increase in the difficulties caused by anti-social behaviour. There is an inadequacy in local government and within existing legislation to deal with some of these very difficult situations. The Bill, or some further legislation in the not too distant future, could be used to ensure a more satisfactory regime for resolving some of these ongoing difficulties.

Deputy Catherine Murphy: There has, clearly, been a policy switch to go along with the change in the choices people are making because of what has happened in the property market. It is appropriate that we have legislation to govern the rented sector.

The Bill might work in principle. I ask if it will work in practice. I am not filled with confidence in the Private Residential Tenancies Board. If constituents come to me with a tenancy
problem, such as a tenant being unable to recover a deposit or a landlord being unable to collect rent, I advise them to go to the Private Residential Tenancies Board, but with the health warning that they should not expect anything to happen for at least 12 months. That is not a solution for people. One of the biggest elements of the problem has been the non-return of deposits. The setting up of a deposit scheme, separate from the board, will address this issue, but it must do so. The board has lost credibility. It is overloaded with work and the number of staff is insufficient to deal with complaints in a timely manner.

We are brilliant at creating problems and then trying to resolve them. Many problems have arisen with the centralising of systems. We remember the medical card fiasco. The SUSI third level grants fiasco is ongoing. While the centralising of this service for the private rental sector was, in principle, not a bad idea, it does not work in practice. Responsibility for certain problems was shifted from local authorities to the board, but many of these problems were not being resolved at local authority level in the first place. It would be useful to take a look at the capacity of this organisation to deliver. If it does not deliver to the growing private rental sector, problems will arise that will have to be resolved down the line.

The board must have credibility. People will judge it very quickly. If they find it does not resolve their problems, they will see no point in going to it. If the board takes a ridiculous length of time to resolve a problem, people will dismiss it. We are told it will take, typically, two to three months for one of the tribunals to hear an appeal. Can we honestly say that? What arrangements were considered to ensure this is the timeframe we are talking about? Two to three months is not unreasonable, but more than that would be. Organisation must match the legislation. Let us not fool people. I do not have a problem with some of the initiatives in principle but I question whether they will work in practice.

There is a great variety of housing associations and co-operatives. Some are very strict and some are so loose that residents have had to take on the entire responsibility for management. They cannot get insurance and have had to do major repairs because the governance element of the housing association has all but disappeared. In others, a tenant may not hang a picture on the wall without applying for permission in duplicate. This variety is going to cause us a problem.

Legacy issues will present the Private Residential Tenancies Board with a new range of problems that have not been encountered so far. The biggest problem I have come across in the private rented sector is in the area of rent capping. The Taoiseach said in the Dáil a few weeks ago, when someone said top ups were being paid, that those people were breaking the law by topping up but the rent caps in some parts of the country are so far below market rents that they will lead to families being made homeless. I have been speaking to the Minister for Social Protection about this for the past year. The problem manifests itself in different ways throughout the country but in an area like north Kildare, where some places are part of the Dublin commuter belt, it is not possible to find property to rent for the amount allowed under the rent cap.

In Threshold’s report for last year, 61% of clients surveyed reported their landlords sought additional top up payments. The new arrangement, a good idea in principle, avoids two application processes to get rent assistance, whereby a person must be an approved housing applicant to then get rent assistance. It will go to the local authorities and it is likely there will be issues like this appearing at the Private Residential Tenancies Board as a consequence. We must be realistic about what is happening. My experience in north Kildare is that almost everyone is topping up. Those who are not have been in their accommodation for many years and
have a good relationship with the landlord.

People have a notion that individuals end up homeless but I am talking about families with children. I am told by parents that they have ten weeks to find new accommodation and it is impossible to find a place in the area. They will have to take their children out of school and move to another part of the county or even the country. We will end up with families in hostels being shown on “Prime Time” and speaking on “Liveline” before the penny drops. We want to avoid this at all costs but it has already started. This is the issue that crops up most in my constituency office and is the one issue I feel completely frustrated in doing something about. There is no advice we can give people on this. The Taoiseach said these people are doing something illegal and we must pass on the information if they are topping up. There are so many people doing it and we must pass on the information if they are topping up. There are so many people doing it that we all know it is happening.

Another issue that crops up is how to find rented accommodation, even more than deposits, which is a problem in towns like Maynooth where there is a lot of student accommodation. A further issue is anti-social behaviour, where one family can cause misery for everyone around them. If we move to a system where people can be moved on only to cause the same problems elsewhere, we are not dealing with the problem. We must change the culture if tenure is going to change. Landlords must see this as a long-term issue. On the other side, there must be a realistic mechanism for dealing with anti-social behaviour, which happens in private rented and local authority accommodation. It is a small number of people but they cause major problems.

Delays are a big issue in the private rental market. There will be an increased demand for the services of the PRTB while the number of staff will be reduced from 50 to 35 this year alone. How can there be a better service with less people when there is already a problem? This must work in practice because there is no point in just having good principles. If we can deal with issues through mediation rather than the courts, it would be preferable. It is less costly and more accessible to people who would not have the funding to undertake a court case. The mediated approach is a good idea but it must work in practice.

Someone mentioned the need for anti-social behaviour strategies in local authorities. We have a lot of organisations and institutions that must have strategies but there is no point in having them if they are not used. We have a resistance to doing things on a multi-agency basis. Often problems require multi-agency solutions and I would like to see something in that respect in addition to the PRTB being initiated. Often training is needed, including for tenants, and there might be Garda or HSE involvement. That is part of the governance solution that must be considered if we are to change the choices people make. If issues are dealt with comprehensively, it often needs more time for the agencies but this approach offers a longer term solution, which is to everyone’s benefit.

The Threshold report was useful because it showed the shift in tenure and much of that shift was economic. People no longer feel the need to get on to the property ladder, they are now happy to rent. This is not just about having a roof over a person’s head, it must be someone’s home as well. The notion that the tenant cannot even paint a wall must be changed, so people can make a place into a home rather than just a temporary arrangement, particularly when children and schools are involved, and landlords can see the long-term nature of the tenancy. Often, landlords are willing to take less of a rent if they are satisfied with the arrangement and the person is looking after the house. We must get to a point where that is seen as a return on the investment people made in the property, often as a form of pension.
This is a changing area and other issues will crop up. We have not even begun to talk about the shared ownership loan. Many of those houses will come back into the hands of the local authorities because there will not be the ability to fund the other side of the mortgage, particularly for people who got the loans at the upper end of the age scale. They will not have the time in their working lives to assume the other side, nor do I believe there will be the finance to offer people. I believe that group of people will end up back with houses within the local authority stock.

I rang a number of auctioneers in my area to find out why they will not get involved with rent assistance. Essentially they said that it is too complicated to deal with the centralised system where the rent assistance is allocated. It is so complicated that it is completely off-putting for them and they feel they would be unable to remedy the situation if the rent was not paid.

Rights that have been developed over time in the rental sector are being circumvented by some of the policies applied under rent assistance. A person, who has been in a house for five years, assumes a certain number of weeks’ notice to quit that property. However, a person on rent assistance will be told he or she has 13 weeks to find somewhere else even though the tenant may have a legal entitlement to six months’ notice. However, the Department is breaking the contract by virtue of being unable to pay. So one side of the Government is granting people rights, but the other side is interfering with those rights, which is a problem that needs to be addressed urgently. The Government cannot demand of people, who are in the private sector and not getting rent assistance, that they respect the rights that are on the Statute Book while at the same time intervening in a way that infringes on those rights with pretty devastating consequences for many families.

Deputy Bernard J. Durkan: I wish to share time with Deputy Áine Collins.

Acting Chairman (Deputy Thomas P. Broughan): Is that agreed? Agreed.

Deputy Bernard J. Durkan: This is an issue of special interest to every Member. I agree with many of the opinions expressed by Deputy Catherine Murphy in this regard. I do not agree with the shift towards private rental as opposed to reliance on the local authority system, to which we have become accustomed for many years. The old system had far greater stability with far greater commitment of the individual to the house. People believed it was their entitlement to own their house at some stage. That has all been put in abeyance because of developments in the housing sector in the past ten years or so. I do not blame those who are now in opposition who were responsible for allowing that to happen.

However, we have imported the worst practices from the UK which have been found to be most punitive for the tenants, most unreliable in meeting the housing needs of people and most expensive for the tenants. It has not necessarily been of any great benefit to the landlords either. Extraordinarily, at a time when it should not have happened at all, 100,000 families are now on local authority waiting lists, which is an absolute disgrace. None of those families has the possibility in the foreseeable future of being housed by anybody. The suggestion is that they be referred to private rented accommodation in the meantime. However, when the market tightens up, as it invariably does, those people have nowhere to go or else the rent is increased in which case the Department of Social Protection must take responsibility for doing the job of the local authorities.

I also attribute some blame to the local authorities in recent years for what I regard as resil-
ing from their responsibilities on housing gradually and inexorably. The system is disorganised and dispute-ridden. The dispute resolution mechanism does not seem to work. It is heavily bureaucratised in its paperwork requirements resulting in countless people in countless offices having to pore over countless application forms containing ridiculous questions such as “Where were you born?” and “What is your language?” Two or three lines further down the same question is asked under a different guise. I do not know what has happened, but we now have serious issues.

Deputy Catherine Murphy made reference to the shared-ownership scheme, which is an appalling morass. People entered that scheme on the basis that it was a flexible scheme, which, incidentally, was also imported from the UK. They were advised that part of the equity would be subject to their ongoing mortgage interest payments etc., with which there is no problem. The other part of the equity was based on rental. They were told clearly and repeatedly that the only requirement there was that they would have to pay rental on that part of the equity and they would be obliged within 25 years to enter into an agreement to purchase the second half of the equity, but nothing more than that. Over the years that was changed, by whom I do not know. However, now they must purchase the second part of the equity in the 25 years. That was never intended and people were misled. It is utterly crazy and cannot be done. The result is that the rental part of the equity in terms of cost to the tenant exceeds the purchase part, which is also utterly crazy. It just does not add up. Those vulnerable people in that sector of the housing market are being punished for being there. They are being caught between the State on the one hand and the private sector on the other, which is appalling.

Some years ago in this House we decided it would be beneficial to everybody to simplify the language used in drafting Bills. In terms of simplicity personified, section 4(5) states:

(5) The Table to section 34 of the Principal Act is amended by inserting the following paragraph after paragraph 4:

“4A.—In the case of a dwelling referred to in section 3(4)(a) (inserted by section 3 of the Residential Tenancies (Amendment) Act 2012[this one]), the dwelling or the property containing that dwelling is to be returned to the public authority, referred to in section 3(2A) (inserted by section 3 of the Residential Tenancies (Amendment) Act 2012), concerned because the period for which that dwelling or property was let to the approved housing body concerned will, in accordance with the tenancy, between the approved housing body and the public authority, expire within 6 months of the service of the notice of termination under this section and that tenancy between the public authority and the approved housing body is not being renewed.”.

The case rests there. Even Deputy O’Dea would be dumbfounded by that one. I have never seen anything like that in my life and I have been in this House for a few years now. It is utterly incredible. I do not criticise the Minister of State because I am quite sure she did not draft it herself. That section must be the ultimate in terms of trying to confound and confuse everybody.

I wish to refer briefly to a number of points made by previous speakers, one being the question of anti-social behaviour. It has become an appalling problem in both public and private residential areas. It must be remembered there are those who, by virtue of having no commitment to a dwelling or to their or their children’s future in that dwelling, think they can do what they like and they make life utterly unbearable for their neighbours. The time has come when
they must have responsibility for their actions. We cannot allow such behaviour by people whether they have a drug addiction or some other problem. We must help out where we can but we go on indefinitely allowing the dumbing down of residential areas by virtue of the anti-social activity of a minority of people.

I wish to refer the voluntary housing agencies in particular which are covered under the Bill. Many voluntary housing agencies do good work but I have serious issues with the formation of agencies under the capital allowance scheme where the State bought and paid for properties and handed them over, free gratis, to voluntary agencies whose only responsibility is to collect the rents and they get a grant from the State to carry out maintenance on an annual basis. We imported that model from the UK. It is possibly the most irresponsible thing that was ever done by legislators. I cannot believe that it happened. Some of these agencies are reliable, responsible and good but some are not. Some of them do not operate at all and some operate in a very haphazard fashion. It is their intention in some quarters to acquire the properties in their own right at some stage in the future. There are currently moves afoot to do that and careful attention is being paid to the day that will dawn when they will be able to do that and challenge the State. This kind of thing is outrageous. Waiting in the wings is the most appalling scam in this area that will occur in the next ten or 15 years if it is allowed to continue.

I have spoken to the Minister of State about this and she understands this quite well. This is not a criticism of her because she and her colleagues inherited this problem but something has got to be done about this as a matter of urgency. Where the State has bought and paid for something, it has a right to own it and if it wants to let a property to a tenant, it has the right to do that while being responsible, upfront and direct in the first instance and not handing it over to somebody else to administer it. I blame the local authorities, to some extent, for allowing this to happen as well and they, in turn, will blame the Department of Environment, Community and Local Government over the same period, but whoever was to blame we are now in a difficult, doubtful and dangerous situation. There are more than 30,000 houses held in this fashion by various voluntary bodies throughout the country. Some of them administer well, some do not administer at all, some have not met for years and some have no structure - there is no accountability, they do not collect rent or do anything. It is appalling. I hope that in the course of this debate there will be an opportunity to review the entire scheme with a view to finding out to what extent the State can protect itself because we have had enough inquiries in recent years. We can prevent something of this nature, we should do it and we should do so now.

I wish to refer to the point made by Deputy Catherine Murphy on the rent support scheme as it currently applies. I have always believed that the Department of Social Protection should not be forced to the extent it is forced to support the rental system. The State through the local authorities should be providing housing for people who are within that income bracket. That was always the case and it worked very well. A general ceiling on rents is applied across a whole area but that does not work because there are variations within areas that make it virtually impossible for somebody to acquire a house that falls within that rent level. People then start to top up the amount and those with relatives or friends to pay the top-up can be housed but those who do not have that facility cannot. They are on the point of being homeless and will be made homeless. I ask the Minister of State to bear that in mind.

Another issue regarding the voluntary housing agencies is how the rent is determined. The local authority has a system whereby the net income is taken into account in determining the rent but some voluntary housing agencies have a system whereby the gross income is used to determine the rent level. It is appalling to have such a variation in that system and I do not
know for what purpose that is done. This is another area that requires urgent attention and there is provision in the Bill to do that. It is the one aspect of this complicated legislation that I welcome.

I wish to refer to an issue on which I have spoken in the House on many occasions over the years, as has the Acting Chairman. We need to achieve some level of reliability, continuity and safeguards in the interests of people who become tenants in the future. The more we move away from that, the more short-term rental accommodation we introduce in the country, the more disorganised our society will become and the more vulnerable people will feel in rental accommodation because if they lose their job they may have to move on quickly and their children will have to attend new schools. They may not be able to get accommodation where they want to get it and as a result the whole social structure of the lives of those families will be seriously undermined. There is a huge area we as legislators need to attend to as a matter of urgency and I would like to have an opportunity to comment further on this on Committee Stage.

**Deputy Áine Collins:** This Bill is an addition to the regulations provided for in the Private Residential Tenancies Act 2004. That Act and the Private Residential Tenancies Board have achieved considerable success since 2004 and this Bill adds to that. The whole housing market has changed dramatically since 2004, we have gone through the worst boom and bust in any housing market in the world. Irish people, traditionally, have been very attached to owning property, both personally and for investment purposes. This mindset is beginning to change rapidly because of recent events. Up until now we had very few professional landlords in the residential market, few investors who sought to stay in the rental market over the longer period and few investors who worked to give their tenants long term security of tenure. This is now changing. Many young couples will not be able to purchase a home in the foreseeable future. With changes in lifestyles and job mobility, many others may opt for good, well-controlled rental accommodation with security of tenure.

Given the difficulty in getting mortgages along with the fall in incomes, many people may never be in a position to purchase their own homes. Traditionally, these people would opt for social housing of one kind or another. For middle income families this is not an option. They are earning slightly too much to qualify for social housing but too little to get a mortgage under the strict criteria now being enforced by banks. The increase in private rental housing is inevitably going to increase to meet this demand. This new market is now going to become more vibrant. For that reason it is essential that the Government lays down very clear guidelines as to the standard of private residential properties available for rent.

The market will provide some safeguards for tenants. Professional landlords will see the advantage of providing good accommodation at a competitive price along with security of tenure. This, in turn, will guarantee the landlords stable and long-term rental income. This approach will enable households to access good quality housing appropriate to their household circumstances and in a community of their choice.

The Government’s housing policy statement published in June 2011 marked a profound change in the State approach to housing policy. It takes account of the dramatic cycle of growth and collapse of the residential property market. It places explicit emphasis on choice and equality across all housing tenures. Due to recent events and Government policy, there will be a move from focusing on the promotion of home ownership. Other forms of good quality secure housing under the private rental system will become a real alternative.
While many people, perhaps a majority, will aspire to home ownership, other households may not want or may not be in a position to own their own homes. As the Minister of State said, a well-balanced housing sector requires a strong, vibrant and well-regulated rental sector as an integral part of our housing policy for the future. The Residential Tenancies Act 2004 forms the basis for this legislation. This amendment adds to the 2004 legislation and the work of the PRTB. The Bill will extend the remit of the Residential Tenancies Act to approved housing bodies such as Respond!, Clúid, and many more. This is a welcome development but there is still one major step to be taken. At some stage in the near future local authority housing must be brought within the remit of the tenancies legislation. The reason I presume this is not being done at this stage is due to the nature of some local authority housing stock. Some of the stock, particularly older houses, is not up to current day standards. There are many reasons for this, including a lack of funding from central government, lower rents paid to local authorities than in the voluntary housing sector, a lack of resources to provide adequate advice and help to disadvantaged families, and a lack of enforcement of responsibilities of tenants in some local authority estates.

If local authorities are to be the inspection agency for private rental accommodation, they must first get their own affairs in order. They must, as quickly as possible, be brought under the same regulatory authority as private rental accommodation. Local authorities will need assistance from central government to help them ensure the required standards for rental housing are achieved. In providing the required inspection services for the rental housing sector local authorities must be able to enforce the intentions of the Government and the Minister of State, which are expressed in various tenancies Bills. We need to improve the quality and standards of rental accommodation and provide a greater deal of security for tenants and landlords. I commend the Bill to the House.

Deputy Willie O’Dea: Deputy Durkan stated the dispute resolution system does not work and I must say I concur absolutely with this sentiment. The difficulty I have is that it will not work as a result of this Bill either. I have no objection to the provisions of the Bill in principle, and I support it in so far as it goes, but my difficulty is that it does not go very far. This is now a vital area of the economy.

The 2004 Act was pioneering legislation, introduced at a time when the only recourse for people in rental disputes was the courts. This was fine for multi-million commercial tenancies but not appropriate for the private rented sector. The 2004 Act set out to establish a cheaper and supposedly speedier alternative system through which people could have their problems resolved quickly. It also set out to provide a certain security of tenure to tenants and to outline in as clear terms as possible the obligations of landlords. As with any pioneering legislation we were aware when we prepared it that it might not work in practice, and that its implementation would certainly give rise to certain difficulties we were not able to foresee at the time of drafting because it was a radical departure. In light of this we decided the legislation would be reviewed after five years. The review was put in place as promised and it was clear certain aspects of the legislation were not working as intended.

In addition to this, there had been a substantial change in the reality of what we were dealing with in the interim period. In 2006, 323,000 people were in private rental accommodation. This figure jumped dramatically to almost 500,000 last year, which was an increase of almost 50%. At present, approximately one in five people occupying houses are renting privately. This is a sea change. The context for this is that one in five mortgages are under water. Obviously the private residential tenancy sector will grow, and reference has been made to the buy to rent
scheme which is not working. I hope the Government will manage to get it off the ground fairly quickly because many people come to me under the illusion it is working. It is not working and it is not an option. Inevitably the private residential tenancy sector will increase because of the difficulties we have with mortgage arrears.

We are trying to amend complex legislation to make the system simpler and more user-friendly while the market segment in question is growing. If the Bill is the response to this, I find it extremely disappointing. The Bill changes the name of the Private Presidential Tenancies Board to the residential tenancies board. This is hardly radical. It reduces membership of the board from 15 to 12 so we will have fewer jobs for the boys, which is fine, but I do not see what it will do for landlords, tenants or the sector as a whole. It will reduce the quorum for board meetings from five to four. My goodness, I am underwhelmed. It reduces the dispute cooling off period from 21 days to ten days. This is welcome but hardly a radical departure.

One aspect of the Bill which will have consequences, but I suspect not the consequences in the draftsman had in mind when the Bill was being drafted, is that it extends the jurisdiction of the Private Residential Tenancies Act 2004 to the voluntary and co-operative housing sector. This means its remit has been extended. Any studies and reports I have read indicate this will involve a substantially increased volume of work, which will obviously require an increase in resources. I understand not only are resources not being increased but they are actually being reduced. Therefore, as Deputy Durkan stated, the procedure is not working largely because of intolerable delays which are not the fault of the PRTB but due to a lack of resources while the number of clients and cases are increasing, and we will unilaterally add new work to the case load and reduce the resources available to deal with it. This does not make the slightest bit of sense. I agree that on paper and in principle it is good that the Private Residential Tenancies Board should deal with the community and voluntary sector, but if it does not have the resources to deal with what it has already and those resources are being reduced, it is an insane move.

The review of the 2004 Act showed difficulties and intricacies in the legislation governing this area. These intricacies, difficulties and ambiguities are being allowed to remain almost as they were. The rules for the determination of tenancies are extremely difficult and ambiguous. It is a quagmire. There is nothing I can see, from the start to the finish of the Bill, to help explain, clarify or simplify them. At present the procedures are unwieldy and they do not facilitate easy and fast outcomes. I can see nothing in the Bill, or in how the Private Presidential Tenancies Board is being restructured, that will improve these procedures. The procedures will be even more lengthy and equally convoluted and complicated. We need a scheme to facilitate speedy outcomes. We need a scheme which is speedy, efficient, cheap and user-friendly. There is no suggestion of this in the Bill.

We also have the running sore of anti-social behaviour, and there is nothing to deal with it in the Bill. I will return to this subject. I do not know what is the Government’s intention with regard to one of the big problems in this area, namely, deposit retention. There is nothing in the Bill about deposit retention schemes. I understand that when the Bill was published last July, the Minister of State, Deputy O’Sullivan, stated the Government would deal with it, presumably by way of an amendment. This is a fundamental area. There is a simple system operating in the United Kingdom. I agree with Deputy Durkan that some of the practices we have imported from the United Kingdom are not conducive to this country - they are not even conducive to the country in which they are being operated - and they should be discontinued. However, I have read of the procedure in the United Kingdom and it seems to be an efficient one that would instantly solve, in so far as it can be solved, the problem of deposit retention.
It is inexplicable that the Government could publish legislation in July, indicate its intention to 
add this to it and, six months later, when we are debating Second Stage of the Bill as published, 
we still do not know what its proposals are in this regard-----

Deputy Jan O'Sullivan: We only got the research last week.

Deputy Willie O'Dea: ----particularly when there is the simple scheme to which I re-
ferred. Although I could be wrong, I would guess that the deposit retention scheme that we will 
see here will be similar to that which applies in the United Kingdom. I stand open to correction 
on that.

There is also the question of compliance. I have been involved in and advised on cases 
with the Private Residential Tenancies Board where the party who lost the case simply did not 
comply the order and stated they would disregard it. The other party had to go to the Circuit 
Court to enforce the order of the PRTB, involving a return to the courts system the PRTB was 
created to get away from in the first place. I would have thought that something would have 
been done about that in this legislation. I also fail to see that. Perhaps it is there and I did not 
read it properly. When there is increasing non-compliance with orders of the Private Residen-
tial Tenancies Board, surely there is something in the Bill to deal with that short of one having 
to go to the Circuit Court, which defeats the purpose.

Other Members adverted to the problems with rent supplement. I am not blaming the Gov-
ernment exclusively for those problems because I must confess they were there when we were 
in government and when I was in Cabinet. I tried to persuade the Cabinet, not only once but 
on several occasions, to bring about some changes, and despite my persuading my colleagues 
of the necessity for those changes, the changes did not take place and I very much regret that. 
Those changes should have been made by the previous Government, which had adequate warn-
ing. However, the parties which comprise the present Government promised in their election 
manifestos to change this system, which is a significant issue in urban Ireland, and on the basis 
of those promises they got many votes.

The changes seem to be timorous and slow in coming. The Minister of State, Deputy 
O'Sullivan, will be aware, because we represent the same constituency, of what happens if 
somebody comes to my clinic complaining of a family in receipt of rent allowance, where a 
large part of their rent is paid for by the taxpayers, occupying a house in the neighbourhood and 
causing mayhem. Deputy Carey stated that it is only a minority of families who are involved in 
this. I thank God it is only a minority of families. If they all were behaving the same way, we 
would have to leave the country. The minority who are causing this mayhem are causing a great 
deal of grief and suffering for many decent honest persons who have worked all their lives, are 
tried to pay their mortgages, often with considerable difficulties, and who must put up with 
this carry-on in addition to all of that. When somebody comes to complain, one’s first action is 
to check with the Private Residential Tenancies Board to see whether this tenancy is registered. 
I cannot speak for any other part of the country, but in several cases in Limerick, one as late 
as last week, despite rent supplement being paid, the property was not registered. Perhaps the 
Minister of State, on the advice of her officials, could explain in her reply how the HSE can 
justify paying rent supplement in respect of a property that is not even registered. There are 
dozens of such properties in our constituency alone. If this is a lacuna in the previous law, is 
there anything in the Bill to change that? If not, there should be.

The obvious next action, even if the tenant is registered, would be to approach the landlord
and state that his or her tenants are causing chaos for one’s constituents and ask him or her either to give those tenants notice or pull them into line, but one is told that, under the Freedom of Information Acts, they cannot identify the landlord for a TD. It is my experience, following several cases in Limerick, that when the landlord is not identified and one is not told who is the landlord, one cannot approach him or her and the local residents’ association cannot either. One is told that one should make a complaint to the Private Residential Tenancies Board, but one must put one’s name to the complaint. I can assure the House that, in parts of Limerick, to put one’s name to a complaint to the Private Residential Tenancies Board puts the person in mortal danger and for that reason, many such complaints remain unprocessed.

Rather than going through the lengthy, complex and convoluted process of the PRTB and having to name persons upfront, would it not be better if the landlord could be identified in order that we could approach him on behalf of the tenants to try to find a quick resolution? Some years ago there was a great deal of controversy in this country when the European Commission decided to put up on the Internet a list of farmers in receipt of European Union grants, which included their names, addresses and how much they received. Why is there not a register of these private sector landlords to show who they are, where they live and how much the taxpayers are paying them? One is dealing with a daft situation whereby taxpayers are suffering because of the activities of tenants whose rent those same taxpayers are paying. There is no justification for it. I would expect to see the Government moving now, after two years in office, because the parties opposite were not slow in the promises they made about this when they were looking for votes.

**Deputy Jan O’Sullivan:** Deputy O’Dea himself did not do much.

**Deputy Willie O’Dea:** I acknowledged that. The Government is two years in office and all we have is this Bill which, frankly, is a combination of the mundane and the minuscule.

**Deputy Jan O’Sullivan:** If Deputy O’Dea listened to my introductory speech, he might have heard.

**Deputy Willie O’Dea:** There is nothing here, bar changing the name of the board, reducing the numbers for quorums, etc.

**Deputy Jan O’Sullivan:** There is much more.

**Deputy Willie O’Dea:** It is doing nothing for the people of Castletroy, Caherdavin and Farranshone, all those areas within the Minister of State’s city where residents are being plagued by the activities of these tenants, a large part of whose rent is being paid by the victims.

**Deputy Jan O’Sullivan:** If Deputy O’Dea had done the same with the 2004 Act, including the exchange of information----

**Deputy Willie O’Dea:** The Government is in office two years and the problem has continued.

**Acting Chairman (Deputy Thomas P. Broughan):** Through the Chair.

**Deputy Jan O’Sullivan:** It includes much improvement on the 2004 Act.

**Acting Chairman (Deputy Thomas P. Broughan):** Through the Chair.
**Deputy Willie O’Dea:** It is a long time since 2004 and the problem has continued unabated.

**Deputy Jan O’Sullivan:** It could have been done under the 2004 Act.

**Acting Chairman (Deputy Thomas P. Broughan):** The Minister of State is provoking the Deputy.

**Deputy Jan O’Sullivan:** Deputy O’Dea is provoking me.

**Deputy Willie O’Dea:** The point is that there is a sort of vague notion that it all will be handed over to the local authorities next year. I have documentation from the Minister of State’s colleague, the Minister for Social Protection, Deputy Joan Burton, which states that this changeover will take place on 1 January. Is that the date?

**Deputy Jan O’Sullivan:** It will not take place fully on 1 January.

**Deputy Willie O’Dea:** This is like *Animal Farm* where “four legs good, two legs bad” became “four legs good, two legs better”. In adding one word, the Minister of State changes the meaning of the slogan.

**Deputy Jan O’Sullivan:** We never committed to changing it over fully on 1 January.

**Deputy Willie O’Dea:** The promise to everybody was that this would all change from 1 January. We are now told it will not all change on 1 January.

**Deputy Jan O’Sullivan:** Deputy O’Dea was told that long ago. There is no point in saying otherwise.

**Deputy Willie O’Dea:** It does not matter. It is merely another empty broken promise from the Labour Party.

**Deputy Jan O’Sullivan:** It is not an empty broken promise.

**Deputy Willie O’Dea:** The Minister of State can merely add it to the list and the mountain keeps growing.

**Deputy Jan O’Sullivan:** Deputy O’Dea is some person to talk about broken promises-----

**Deputy Willie O’Dea:** The point is-----

**Deputy Jan O’Sullivan:** -----given the state of the country his party handed to us.

**Acting Chairman (Deputy Thomas P. Broughan):** Through the Chair.

**Deputy Willie O’Dea:** The Acting Chairman should tell that to the Minister of State. She would want to watch her blood pressure. It is rising.

**Deputy Jan O’Sullivan:** Deputy O’Dea would want to watch what he is saying because people remember.

**Acting Chairman (Deputy Thomas P. Broughan):** Through the Chair.

**Deputy Willie O’Dea:** Failure has obviously gone to her head.

**Deputy Jan O’Sullivan:** I can give Deputy O’Dea the figures for 2010, if the Deputy wants
Deputy Willie O’Dea: The promise was that all this would change on 1 January. We are now told, shock horror, in a revelation here on the floor of the Dáil, that it will not change at all on 1 January.

Deputy Jan O’Sullivan: It was never going to change fully on 1 January.

Deputy Willie O’Dea: It will be changed to some extent. I suppose there will be a pilot scheme. There are enough pilots in the Government to equip the Israeli air force. This is rubbish.

Deputy Jan O’Sullivan: Deputy O’Dea has some cheek to talk about matters changing. Look at the mess he left us with.

Deputy Willie O’Dea: This Bill consists of juggling. It is tinkering with the problems. As I stated, it is a combination of the mundane and the minuscule. There is no change to reflect the deficiencies which practice has shown in the 2004 Act and, more importantly, the dramatic changes since.

Deputy Jan O’Sullivan: It is a long time since 2004.

Deputy Willie O’Dea: There is no change in the rules which are needlessly complex and intricate.

I o’clock

There are no extra resources for the new problems that have been brought within the PRTB’s ambit.

Deputy Jan O’Sullivan: It would be nice if the Deputy had left us some resources.

Deputy Willie O’Dea: There are no new imaginative provisions on anti-social behaviour and there is nothing about compliance. We are now being told that the much vaunted change-over, which was sold as a fundamental policy plank and which attracted a lot of votes, will not take place as promised on 1 January. It is a pity.

Deputy Jan O’Sullivan: May I correct the Deputy? It was not promised on 1 January.

Deputy Willie O’Dea: I have documentation from the Department of Social Protection, which I am sorry I did not bring with me.

Acting Chairman (Deputy Thomas P. Broughan): The Deputy is provoking the Minister of State, but he should speak through the Chair.

Deputy Jan O’Sullivan: He provokes me all the time.

Deputy Willie O’Dea: When one is dealing with the Labour Party one must bring the written evidence. The Minister for Social Protection, Deputy Burton, tried to tell me last week that expenditure on child benefit had actually risen and that she had failed to support private landlords. One must have written evidence when one is dealing with them now. I have documentation, which I will publish after this debate, that says that change will take place on 1 January. However, it will not take place then, which is another broken promise. Therefore the situation
I have no difficulty, in principle, with this Bill. Why should I come in here and bother to vote against changing the name of the Private Residential Tenancies Board, reducing its membership from 15 to 12, and reducing the amount for a quorum from five to four?

**Deputy Jan O’Sullivan:** The Deputy is trivialising the Bill.

**Deputy Willie O’Dea:** I am not opposing it because there is little or nothing to oppose.

**Acting Chairman (Deputy Thomas P. Broughan):** Deputies Brendan Ryan, Seán Kenny and Ciarán Lynch are sharing time. Is that agreed? Agreed. Deputy Ryan is first with five minutes.

**Deputy Brendan Ryan:** I welcome the Bill. The private rental sector is an area which requires stronger legislation and I believe this legislation is a step in the right direction. As the Minister of State, Deputy Jan O’Sullivan, said here last week, it is a Bill which strengthens the operational efficiencies of the PRTB and broadens its remit in order to ensure the good working of the private rental sector.

A strong and functioning PRTB is vital for a well-functioning and transparent private rental sector. This is something, however, which does not exist in Ireland at this time. In the history of the State, the private rental sector was a small - some would say niche - sector; a short term option for people before they took their first steps onto the property ladder and bought their first home. Now the private rental sector has become a long-term housing option for many people, particularly young people setting out on their way in the world.

What we need is strong legislation to strengthen rights and provide adequate protection for tenants in the private rental market. If people are to raise a family or want to commit to a particular community or area, then a mortgage should not be a precondition. People need to feel secure in whatever home they have and I welcome this Bill as a step towards providing this protection and security.

I do have some concerns that the two aims of this Bill may be in conflict with each other. They are: bringing the voluntary and co-operative housing sector under the governance of the Residential Tenancies Act; and speeding up the dispute resolution service provided by the PRTB.

The inclusion of approved housing bodies under the auspices of the Residential Tenancies Act will only further burden the resources of the PRTB. I ask the Minister to address this as the Bill moves through the House to ensure the PRTB is adequately resourced to deal with any increase in its case load. In this regard, I share the concerns that other Deputies have expressed in the House today.

In recent times, we have seen a centralisation of rent allowances, medical cards, Garda vetting, as well as the effects of SUSI. In all of these cases the problems got worse as a result of centralisation, which was due to a lack of resources. I urge the Minister of State to examine this area to see what resources are required to deliver these services.

The PRTB is already overlaid with work and it is taking upwards of eight months for tenants to get a resolution to their claims from the date of application. The vast amount of claims from tenants to the PRTB centre on the issue of deposit retention, with the most recent figures
stating that such claims make up 72% of all tenant claims to the PRTB. Of those, 45% of deposits were returned in full. There is obviously a major problem in this area and I know the Minister of State is aware of it.

The issue of deposit retention is not covered in this Bill. However, there is a commitment in the programme for Government to establish a tenancy deposit protection scheme. The Minister of State has stated her commitment to enacting this in subsequent legislation and I ask her not to delay in this regard.

Deposit retention is a critical issue for many in the private rental sector and for those on low incomes. It can form a crucial financial bond which gives them the flexibility to move address. When a deposit is held by a landlord, especially on spurious terms, the tenant can be stuck in a difficult situation. They are unable to stay at their current address due to a desire to move, and a breakdown in relationship with the landlord, but unable to afford the deposit and first month’s rent in advance for a new property.

It is not unusual for a person to need the assistance of community welfare officers, who themselves are operating under stricter and tighter budgets. It is an unsustainable situation and needs to be addressed as a matter of urgency.

Tenants of approved housing bodies have existed in a legislative limbo for a number of years. While I welcome some legislative clarity in this area by bringing these tenants under the protection of the PRTB, a mechanism is needed whereby the local authority still has responsibility for tenants and can still support the tenant in his or her dealings with the approved housing body as a landlord. This also applies in the internal RAS scheme.

I am talking about a simple amendment whereby if the tenant has difficulties with a landlord, that is, the approved housing body, he or she may ask for the local authority to intervene on his or her behalf. This should be dealt with specifically in the legislation by way of an amendment, so I ask the Minister of State to consider this seriously.

Approved housing bodies can and do charge higher rents than the standard 11% differential rent charged by local authorities. This is an anomaly. The AHBs and RAS schemes can often be the solution to local authorities’ housing provision to these clients. Once that is done they are left to their own devices in dealing with private landlords or AHBs. It is an important issue which I hope the Minister of State will take on board.

We must ensure that once a person is on the housing list their application is not too easily discharged by a local authority to an approved housing body or, indeed, a RAS arrangement.

I welcome this Bill as a positive step forward but we still require much further legislation in this area. Private rental arrangements have turned into long-term living arrangements and, as such, we need a comprehensive suite of legislation to protect people and ensure they have security in their homes. This is a step in the right direction, as I said, but further legislation is required in this area.

**Deputy Seán Kenny:** This Bill seeks to amend the Residential Tenancies Acts 2004 and 2009, and the Housing (Miscellaneous Provisions) Act 2009. Its objective is to streamline and simplify those Acts and reduce delays in the dispute resolution service of the Private Residential Tenancies Board, PRTB. The Bill makes provision for the inclusion, within the remit of the Residential Tenancies Acts, of tenancies in the voluntary and co-operative housing sector.
The issues of rent arrears and deposit retention are not addressed in the Bill as published, but the Minister of State has signalled her intention to include these at a later stage in the legislative process. I warmly welcome this initiative.

In its 2011 annual report, Threshold states that it dealt with over 3,000 cases involving the retention of deposits. Deposits may only be retained by landlords in limited circumstances, namely rent arrears, outstanding utility bills or damage to the property above normal wear and tear.

The programme for Government contains a commitment to introduce a rent deposit scheme and legislation is currently before the House to follow through on this important policy goal. The Minister of State has signalled her intention to examine the findings of a PRTB commissioned report into the viability of a deposit protection scheme. That report has been published and examines the options for a deposit protection scheme.

Over the coming weeks, the options in the report will consider the best way to offer the greatest protection to tenants in this area. This will be done at the least cost to the Exchequer. While these are complex issues, it is important to deliver on deposit protection in the context of the current Bill. Deposit protection schemes exist in a number of countries, such as England, Wales and New Zealand and under such schemes, the deposit is paid directly to a third party and retained until the end of the tenancy.

This Bill will amend certain provisions of the Residential Tenancies Acts, which govern the private rental sector, as well as the Private Residential Tenancies Board, PRTB. One of the PRTB’s most important functions is the provision of a dispute resolution service which mediates disputes between landlords and tenants outside of the court system. The largest category of cases referred by landlords to the PRTB, comprising 31% in 2010, relate to rent arrears, while most cases referred by tenants, a total of 72% in 2010, relate to deposit retention. Decisions made through the dispute resolutions service are legally binding. Increasing demands have been placed on the dispute resolution service in recent years, which has resulted in determination orders taking as long as eight months to be delivered. Two of the Bill’s aims are to speed up the dispute resolution service provided by the PRTB and bring the voluntary and co-operative housing sector under the governance of the Residential Tenancies Act 2004. A study carried out in 2011 by the Housing Agency examined the implications of bringing the voluntary and co-operative housing sector under the remit of the PRTB. The report identified two potential issues namely, an increase in the workload of the PRTB and the affordability of paying registration fees for the approved housing bodies. It also is intended that the Minister of State will address the issue of non-payment of rent by tenants who remain in situ. This, I understand, will be addressed at Committee Stage of the Bill.

The PRTB was established in September 2004. One of its main functions is, when called upon, to mediate disagreements between landlords and tenants. When a landlord takes on a new tenant he or she must, by law, register the tenancy with the PRTB and include the names and details of the tenants. The landlord pays the PRTB a fee per tenancy. I believe there is a level of non-compliance in this area that must be addressed and I ask the Minister of State to consider this issue. The most common complaints made by tenants are about the refusal of landlords to refund deposits and 72% of all cases taken by tenants in 2010 concerned this issue. As public representatives, Members know this to be true. The most common landlord complaints concern rent arrears and breach of other tenancy obligations and 68% of all cases taken by landlords were regarding these matters. Orders made by the PRTB are legally binding. If a
landlord or tenant is dissatisfied with the decision of the board, legal recourse to the High Court is then permitted albeit only on a point of law.

Initially, the PRTB was funded by the Exchequer but it has been self-financing since 2010. From February 2009, properties for rent must meet new minimum physical standards as outlined in the Housing (Standard for Rented Houses) Regulations 2008. Each individual local authority decides on its enforcement strategy and inspection arrangements. The PRTB is currently entitled to retain 80% of the registration fee income to fund its activities with 20% of the fee going to local authorities for inspections of private rented residential accommodation. In its recent submission, the Coolock-based Northside Community Law Centre stated that quite often, the quality of housing in the private rented sector is poor. They cite Threshold in suggesting that up to 78% of private rented property is sub-standard. The PRTB should interface more effectively with local authorities in enforcing standards and I note inspections by many local authorities are slow. Unless adequate resourcing is provided, particularly in light of an increased workload, this issue will continue to be a significant problem. The number of inspections carried out by local authorities has been increasing in recent years. However, concerns have been expressed as to the outcome of the inspection process and how effectively it protects tenants. In my experience local authorities do not use all of the 20% of the PRTB fees they receive for inspections and instead use the money for general housing expenditure. I believe they only carry out inspections when particular private dwellings are brought to their attention. This must change and a better system of inspections must be put in place by local authorities and, in particular, to inspect the older stock of private rented dwellings, much of which is sub-standard. I ask the Minister of State to consider this issue.

The demand for the dispute resolution services of the PRTB has increased, while the staff numbers working in the PRTB have reduced. The published annual report of the PRTB for 2010 stated that was a challenging year for the disputes resolution service, with an unprecedented 2,230 dispute applications being received, representing an increase of 20% over the 2009 figure. The report goes on to note that most of this increase was due to rent arrears complaints from landlords against tenants. However, it also noted that deposit retention remains the largest overall cause of disputes. In 2010, some 59% of applications for dispute resolution were from tenants, 37% from landlords and 4% from third parties. From 2009 to 2010, there was a 93% increase in tribunal hearings but despite that increase, waiting times for a tribunal hearing have been reduced from six to eight months in 2007 to between two and three months in 2009 and 2010.

This legislation will further improve our system of tenant-landlord regulation. The measures that promote mediation in dispute resolution are particularly welcome. I firmly believe that mediation can give people in a dispute a speedy, effective way to resolve issues. The extension of the registration requirement to a large number of voluntary housing tenancies is also a major development. It is the first step in a process that will see statutory regulation of the voluntary and co-operative housing sector in the coming years. This will bring greater transparency and accountability to this important sector, which is playing an increasingly active role in social housing provision.

Some provisions of this Bill aim to speed up the dispute resolution service. In this context, settling disputes through conference calls may not be permissible in future. Housing associations are non-profit organisations which provide housing for those who are in need and at affordable rent levels. In general they are companies limited by guarantee without a share capital. Approved status is given by the Minister under section 6 of the Housing (Miscellaneous Provi-
While voluntary and co-operative housing is considered as one sector, there are important distinctions between the two, in that voluntary housing is provided by non-profit organisations, whereas housing co-operatives are self-help and jointly-owned member-user associations or societies. The members share responsibility for their co-operative and are represented on the management committees or boards of directors of such companies. The approved housing bodies, AHBs, are not covered under the Residential Tenancies Act. This means that tenants do not have the same rights as private sector tenants and their landlords do not have access to the PRTB. If there is a dispute, the only avenues open to either landlord or tenant are the courts, which may be costly. This can be particularly difficult for social housing tenants, many of whom are in receipt of social welfare benefits.

One of the most significant aspects of the Bill before Members is the inclusion of dwellings let by approved agencies within the remit of the Residential Tenancies Act. This will extend to the large majority of the not-for-profit AHB sector the same range of tenant and landlord rights and obligations as pertain in the private rented sector. I commend the Minister of State and the Department of the Environment, Community and Local Government with responsibility for housing and planning, Deputy Jan O’Sullivan, on the hard work she is doing in this area. I also commend the excellent work done by Threshold on housing rights of the less well-off. I look forward to engaging with them on the housing reform agenda over the course of 2013.

Deputy Mattie McGrath: I too am delighted to be able to speak on this important legislation and on the whole sorry and sad saga that has obtained in the private rented sector, as well as in some public or local authority rented areas, over the years. There have been many issues and disputes, as well as all kinds of unsavoury situations arising, with which there has been a failure to deal.

Ar an cád dul síos ba mhaith liom buíochas a ghabháil leis na daoine i gComhairle Contae Thiobraid Árann Theas, namely, the housing officers and directors and above all, the tenant liaison officers for the tremendous work they have done throughout the county and its towns since I became involved in the county council and certainly for the past 15 years since they were set up. They were the people with their fingers on the pulse and on whom public representatives, both local and national, could count when someone came to one’s clinic with all kinds of problems. It was not a very nice job but it was done without fear or favour. Ms Crowe and Ms Collins in my county had compassion in their actions, achieving good outcomes in mediation through a soft approach in most cases. There will always be a few people one cannot satisfy but in the main the work was very good.

In 2004, a previous Government set up the Private Residential Tenancies Board, PRTB. The Minister of State is introducing this legislation and probably will not heed my call but the board should be closely examined and disbanded. Some 80% of the funding collected is kept for the body itself, with a supposed 20% passed to local authorities to carry out inspections.

Deputy Jan O’Sullivan: That is true.

Deputy Mattie McGrath: I do not doubt the figures. There is a big difference between 20% and 80%. Where does the 80% of funding go? Is this another quango?

Deputy Jan O’Sullivan: It funds the work carried out by the body.

Deputy Mattie McGrath: I accept that but the split of 80% and 20% is not, by any standards, reasonable for the work done by local authorities.
The private rented sector has exploded because of the so-called building boom, with an ensuing crash, and there is now a staggering number of people in private rented accommodation. Standards vary enormously, with some excellent landlords interested in their tenants and their well-being and who do everything above board, but there are also serious cowboys. There are people of my age who decided to buy one or as many as ten houses, and they contributed to the boom and bust, driving up prices but using the properties as rentals. In some cases, these people have gone missing and cannot repay the banks, leaving tenants in properties with all kinds of problems and issues not being dealt with.

We need proper legislation and an organisation with teeth, vision and passion to deal with the issues. This matter mainly affects ordinary, struggling, working families with a noble objective of having a roof over their heads. These people are willing, ready and able, with the support of social welfare and rent supplements, to rent a decent house with a decent standard of living. It is a noble entitlement and I believe a constitutional right. There are rogue landlords in many areas as well as the many good landlords. We were told mediation, when established in 2004, would speed up dispute resolution but I do not believe it has done so. It may have happened in some instances but in general I am not happy with the PRTB. It should be disbanded, with a reinvigorating new body in its place.

I am a member of voluntary housing committee, with long-standing involvement in the building of such houses. With voluntary and co-operative schemes, there are two different groups in the sector. There are 300 or 400 small voluntary groups; I am a member of one which has 17 units. There is a voluntary board running that process, meeting the requirements of legislation and housing people who could not find housing through the county council or others. We are ensuring ongoing satisfaction with living standards, etc., and I pay tribute to the lay people on that board. This organisation sourced architectural services, planning and funding necessary to house people. It is one of the most satisfactory aspects of public involvement to which I have been party. There are many groups like that.

There are also a dozen big organisations such as Respond! and Foscadh that do good work but in the past ten years, with the building boom, they have lost touch with the voluntary groups I spoke about. They became massive organisations with big turnover and a large staff. Some of them became developers in their own right. Everything is not rosy in the garden and there are many issues and barriers for tenants. In my case, a tenant can telephone me or any other board member to raise an issue. One would find it sometimes difficult to connect with liaison officers from Respond! and Foscadh. People may be moved into houses amid great excitement but some estates were never finished. Some people are begging to get out of these estates but they cannot.

I am not saying we should throw the baby out with the bath water. The voluntary sector has made an enormous contribution, with the likes of Respond! doing much other work with social developments. Nevertheless, we should be careful. It is difficult to deal with delicate issues in any legislation but we must consider the smaller groups as well as the bigger groups. The existing legislation contains too much legal jargon. I speak as chairman of small board but also on behalf of tenants and landlords who cannot understand the complexity of the current legislation. Why can we not have something simple that works and why should we pile on extra legislation that people do not understand? People are intimidated by these laws, even when they want to challenge them.

I know the Minister of State has a hard job in a difficult area, particularly with the cur-
rent depression in the market. Nevertheless, as far as I am concerned, the 2004 legislation has failed miserably with its use of the PRTB and the different manifestations of problems in dispute resolution and mediation, etc. This boils down to money. One does not mind paying if there is resolution but what happens when the process goes around in circles and there is a lack of engagement? It can be too legalistic, meaning people must engage experienced lawyers to get advice. With the voluntary sector being brought into this process, we will not be able to deal with it. I am on a voluntary board of lay people, most of whom are older than I am, as we started this process in 1996. We are very proud of what we have achieved, with a high standard of housing, very good tenants and a good relationship all around. We do not want to have to deal with this new process.

The volunteer spirit of engagement, which was illustrated by Fr. Harry Bohan and the people who started Respond! has evolved. The ordinary groups represented by the Irish Council for Social Housing - of which I was a board member for a number of years - are not able, willing or ready to deal with these issues. I am not saying we want to avoid responsibilities or that we will disobey the law, as that will not happen. If the process becomes legalistic, with much red tape and form filling, it will become more intimidating for volunteers. We are talking about busy people who have challenges arising from sickness, unemployment or failing businesses; they are good people and I salute their good work. Nevertheless, they will not be able to handle the extra requirements and will have no interest in it. That is a personal belief. These people have seen how the PRTB has worked since 2004, including its failures.

We are to abolish or amalgamate local councils, which provided local contacts. We have seen what has happened with the SUSI body that is handling third level education grants. There must be local contact and we should not abandon a system in order to send the process to a centralised location. It will become too bureaucratic and intimidating for the ordinary people to deal with it.

Before the Minister of State does anything else, I ask her to consult with representatives of voluntary bodies such as the Irish Council for Social Housing. She has done this already. The council is mainly made up of smaller groups. I did not like how the bigger groups operated within the council over a number of years; they came from all over the world, including England and Northern Ireland. They got their way and became all powerful. They had staff to attend meetings, including retired Department officials who knew the system. There is nothing wrong with that but the balance shifted away from the smaller groups or the companies limited by guarantee. These smaller groups were still housing people with good satisfaction rates. That council became skewed.

Across the board we seem to be taking away the possibility for people to help themselves with the aid of volunteers. Everything is becoming too bureaucratic and we are throwing out the baby with the bath water.

Debate adjourned.

Topical Issue Matters

An Ceann Comhairle: Before proceeding with the next business, I wish to advise the
House of the following matters in respect of which notice has been given under Standing Or-
der 27A and the name of the Member in each case: (1) Deputy Caoimhghín Ó Caoláin - cuts
to supports and services for people with disabilities; (2) Deputy Regina Doherty - the need to
pursue previous tenants in respect of rent arrears and relax the liability on businesses taking
over premises; (3) Deputy Pádraig Mac Lochlainn - the restructuring of the Reserve Defence
Forces; (4) Deputy Sean Fleming - the Mental Health Commission’s report on St. Fintan’s
Hospital, Portlaoise, County Laois; (5) Deputy Thomas P. Broughan - the need to ensure that
key teacher and learning resources in DEIS schools and other schools in areas of disadvantage
generally will be maintained in budget 2013 and specifically that educational resources will
be protected in the parishes of Darndale Belcamp, Priorswood and Bonnybrook in Coolock,
Dublin 17; (6) Deputy Denis Naughten - the replacement of child benefit with a school atten-
dance payment to curb fraud and address the need to issue payments to non-resident children;
(7) Deputy Áine Collins - the proposed changes in services for special needs schools in respect
of multidisciplinary disability services for children aged five to eight years; (8) Deputy Ciara
Conway - the need to examine RTE’s guidelines on children participating in programming; (9)
Deputy Éamon Ó Cuív - the need for fairness and protection of the most vulnerable in budget
2013; (10) Deputy Patrick Nulty - the ongoing situation in the Middle East; (11) Deputy Derek
Keating - the increased incidence of tuberculosis in the city and suburbs of Dublin; (12) Deputy
Paul J. Connaughton - the non-payment of compensation to victims of flooding in County
Galway in 2009; (13) Deputy Robert Troy - the need to introduce supports for those suffering
narcolepsy and additional medical complications following vaccination with Pandemrix; (14)
Deputy Mattie McGrath - the need to include the cash for gold industry in the new regulations
governing the sale of scrap metal; (15) Deputy Dominic Hannigan - the proposal to have two
licensing periods for car registration plates in 2013; (16) Deputy Mick Wallace - the effect of
insufficient guidance counselling hours at Gorey community school, County Wexford; and (17)
Deputy Róisín Shortall - the need to adopt a new area based approach to tackling child poverty
commencing with the ten most disadvantaged communities.

The matters raised by Deputies Regina Doherty, Sean Fleming, Paul J. Connaughton and
Dominic Hannigan have been selected for discussion.

A Framework for Junior Cycle: Motion

Minister for Education and Skills (Deputy Ruairí Quinn): I move:

That Dáil Éireann:

welcomes ‘A Framework for junior cycle’ which was launched by the Minister for
Education and Skills on 4 October 2012;

notes that the new junior cycle programme will provide for a broader education for
students including:

— a greater flexibility for schools to develop their own programmes to meet the
needs and interests of their students;

— a focus on improving students’ learning experiences through a change in ap-
proach to curriculum and assessment;

— a new school-based model of assessment to replace the junior certificate which will measure the full range of students’ abilities; and

— a phased approach to implementation,

starting with the introduction of English and short courses for students entering post-primary education in 2014;

notes the commitment given by the Minister to fully resource the changes required for implementation, including continuing professional development for principals and teachers;

urges all stakeholders to co-operate in the implementation of these reforms;

welcomes the emphasis in the junior cycle on improving the quality of learning experiences and educational outcomes for students; and

supports the ambition to put the needs of Ireland’s young people at the centre of the second-level education system.

Why is change necessary? In late 2011, the National Council for Curriculum and Assessment, NCCA, advised me on making changes at junior cycle in its report, Towards A Framework for Junior Cycle. Research underlines the reasons change is necessary. Under the current model, a significant number of first year students do not make progress, particularly in English and mathematics. A significant number of students in second year become disengaged from the learning process and find it almost impossible to reconnect to learning subsequently. Choices made as early as first year of junior cycle, for example, to take ordinary rather than higher level, are almost impossible to reverse. These choices can limit the options open to young people for the leaving certificate and even after leaving school. This is a particularly important issue for students in lower stream classes and those in disadvantaged schools.

In third year, the junior certificate examination dominates the experiences of students. The focus of learning narrows, the emphasis is on rote learning and for many students the examination does not lead to positive learning experiences and outcomes. We also know that assessment practice at the end of junior cycle is out of line with best practice in many countries with high performing educational systems. For example, in New Zealand, Finland, Scotland, the Netherlands and Queensland high-stakes, public examinations are confined to the end of the senior cycle, in other words, when young people are around 18 years of age. These countries emphasise school based assessment approaches throughout the lower secondary cycle. School based assessment approaches have been adopted because research shows that the learning experience of students is narrowed if an assessment system is restricted to assessing them through external examinations and testing. This occurs because both teachers and students focus on learning what is necessary to do well in final examinations, rather than on pursuing an educational programme designed to meet students’ needs.

I considered the National Council for Curriculum and Assessment’s advice, as set out in its document, Towards a Framework for Junior Cycle. Its approach was developed following an extensive consultation process with parents, students, teachers, school managers and the wider public. I have accepted much of the advice in the document for my framework for junior cycle.
I am aware that staff of the NCCA may come to the Gallery later. I pay tribute to the team led by Ms Anne Looney who have been instrumental in developing these reforms.

In the strategy on literacy and numeracy which I launched in July 2011, I highlighted that reform of the junior cycle would provide an important opportunity to improve literacy and numeracy standards at junior cycle. This reform will achieve this objective in a number of ways. It will create time for schools to focus on literacy and numeracy, embed literacy and numeracy in learning outcomes for all subjects and short courses and allow schools to tailor junior cycle programmes which meet the specific needs of their student cohort.

The framework I have adopted is underpinned by eight principles, namely, quality; well-being; creativity and innovation; choice and flexibility; engagement and participation; inclusive education; continuity and development; and learning to learn. In addition to literacy and numeracy, six other key skills will be embedded in the learning experiences and outcomes of every junior cycle subject and short course. These are: literacy and numeracy; managing myself and staying well; communicating; being creative; working with others; and managing information and thinking.

The learning at the core of the new junior cycle is described in 24 statements of learning. These focus on what students should know, understand, value and be able to do at the end of junior cycle, having fully engaged with and participated in the junior cycle programme of their school. All students will be required to cover the 24 statements of learning which are focused on areas such as communications; language; mathematical concepts; critical thinking; citizenship and sustainable values; environmental, economic and social knowledge; consumer skills; information and communications technology, ICT; creating and appreciating art; valuing local and national heritage and recognising the relevance of the past to the current national and international issues; well-being; and ethical and responsible decision-making.

I welcome the fact that the syllabus design for each subject and short course will follow set specifications. They will set out not only the knowledge to be acquired, but also the skills and attitudes that students will develop. The syllabus specifications will be accompanied by detailed examples of how students should be able to demonstrate their learning in order that teachers will be supported fully in enabling students to achieve the objectives of the curriculum. Revised syllabus specifications will be prepared by the National Council for Curriculum and Assessment on a phased basis to enable schools to absorb the changes in a managed fashion.

The National Council for Curriculum and Assessment will also prepare seven short courses for 2014, namely, civic, social and political education, CSPE; social, personal and health education, SPHE; physical education; digital media literacy; artistic performance; Chinese; and programming and coding. It will be open to schools to develop their own short courses reflecting their local needs and in line with the NCCA template. The framework also provides for priority learning units for students with special education needs. There will also be one centrally developed short course on a personal project for such students.

As schools design their programme for junior cycle, they must be mindful of the principles, key skills and statements of learning. However, it is important to emphasise the flexibility that will be available to schools. This flexibility will empower schools to meet the interests and needs of their students. It is important that the programme provided to students is not overloaded and will allow them to engage in quality learning experiences. In this context, there will be a limit to the number of subjects and short courses that will be included for certification.
purposes. Most students will study eight to ten subjects or equivalent for certification. A maximum of four short courses, each equivalent to half of one subject, may be included for school certification.

Not everything that is taught in schools will be for certification. In particular, schools will continue to make provision for guidance to students. This will relate to assisting students to acquire self-management skills so as to make effective choices and decisions about their lives. Provision for guidance will also continue to encompass the three separate but interlinked areas of personal and social development, educational guidance and career guidance.

Framework principles such as continuity and learning to learn, key skills such as managing myself and a number of the statements of learning, especially those linked to making decisions, will be useful in informing guidance provision. In accordance with current policy, schools will continue to have flexibility in deciding how they will make provision for guidance.

I am convinced that all the elements of the framework I have outlined constitute a major development for second level education. This is how we can accommodate difference and begin to address inequality in society.

Given the evidence available to me on assessment for this age group, I have decided to go beyond the National Council for Curriculum and Assessment’s advice on assessment. I want to ensure formative assessment becomes a key part of teaching and supports learning across the three years of junior cycle. I also want teachers to provide high quality feedback to students and parents. The opportunity for such an approach to assessment is significant in situations where that assessment is no longer high stakes. In the junior certificate, we have a State examination that has all the arrangements and hallmarks of a high-stakes examination. As long ago as 1975, however, an official report commented that “for a large and increasing number of candidates, the [State examination at the end of junior cycle] is not necessary or useful as a qualification for jobs”. The examination referred to was the intermediate certificate, which was replaced by the junior certificate examination, but the question is more relevant than ever.

The overwhelming majority of students completing the junior cycle go on to study at senior cycle or in other forms of education and training. A recent report from the Department noted that some 90% of our students now complete senior cycle. I welcome the fact that our retention rates continue to improve.

Real change only occurs in education when there is real change in assessment. This is what the evidence has been telling us for many years. For this reason, the best performing educational systems have placed assessment of learning at the lower secondary education level in the hands of schools, teachers and students. This is why we need to reform radically the way we assess students’ learning in the junior cycle.

I want to liberate our teachers from narrow exam-based programmes. I want them to fulfil their potential as leaders of education learning. I want to put students at the heart of this change and to give them the opportunity to develop all of their skills and talents fully. To achieve this, we must ensure that assessment becomes a key part of teaching and learning across the three years of the junior cycle.

During the next eight years, I will phase out the traditional junior certificate examination. Students rather than subject examinations will be at the centre of the new approach to assessment. The junior certificate examination will be replaced with a school-based model of assess-
ment. The shape of this has been covered extensively in the media, but I want to give the House an opportunity to consider my vision of how the new assessment arrangements will work.

They will embed assessment both for and of learning in the classroom and will involve schools and teachers in ongoing assessment of students’ progress and achievement. Clear and unambiguous guidance for teachers on standards will be provided in the specifications for each syllabus. This will guide the assessment of students’ progress and enable teachers to chart the next steps for each student’s learning. Teachers will also have access to the National Council for Curriculum and Assessment, NCCA’s assessment and moderation toolkit and continuing professional development, CDP, which I will refer to in more detail later.

Assessment in the new junior cycle will be based on evidence of learning coming from school work and a final written assessment. The school work component will be based on work completed by the student during second and third years and will be marked by the teacher in the school using a marking guide included in the specification for the subject. Generally, it will be worth 40% of the marks awarded to the student but may vary, depending on the subject content. The kinds of work involved will include assignments, projects, case studies, performances, oral activities, written pieces and tests of different kinds. Schools may use developments such as e-portfolios to enhance the changes that this school work component can provide. To support this, I have already convened an education and industry group to advise on how ICT can be used to enhance the junior cycle experience at school level.

The other part of assessment is the final assessment component. This will be a single written paper or assignment and will generally represent 60% of the marks. In the first few years of implementation, the papers will be set by the State Examination Commission, SEC, and made available in May of each year. The papers will be administered and, for the most part, corrected by teachers as part of their assessment of students. In the case of English, Irish and mathematics, the papers will be corrected by the SEC during the transition period. The primary purpose of the certification at the end of the junior cycle will be to support learning over the three years. We must move beyond examinations to a process of generating evidence of learning and of sharing feedback.

The reporting system at the end of the junior cycle consists of two key elements, those being the school certificate and other learning experiences. The school certificate will give the grades achieved by students in the subjects and short courses taken for certification, those to which I have referred. There will also be an opportunity for the school to comment on the student’s achievement and other learning experiences during the junior cycle, to provide advice on further development in respect of same and to comment on aspects such as attendance, personal and social development and learning dispositions that are not part of the certification process. Most importantly, it will provide an opportunity for the parent and student to comment. Parents will strongly support this system once they see how much additional information they will receive about their children’s educational and personal development.

I assure the House that this is not a cost saving exercise. It is about ensuring that we do better and provide our young people with a quality learning experience that has positive educational outcomes. Nor is it about creating more work for teachers and principals. It is about changing the focus of the work in schools, moving it away from terminal examinations and putting the student and the student’s learning at the centre of everything we do. It is not about doing more, but about doing better for students, parents and teachers.
I assure the House that I will secure the resources necessary to bring this vision to fruition. I will ensure that schools, their principals and teachers will be provided with the necessary CPD to enable them to implement the framework from the 2013-14 school year onwards. Dr. Pádraig Kirk, the CEO of County Louth Vocational Education Committee will be the director of the new dedicated CPD junior cycle team. The team will concentrate on the introduction and implementation of the framework for the junior cycle with a particular emphasis on assessment. The estimated cost is €3.6 million in 2013 and €8.7 million annually from 2014 to 2018. Resources have been set aside for this purpose.

The NCCA will begin to develop curriculum, standards and supports immediately. Not only will there be the subject and short course specifications but also an assessment and moderation toolkit. The specifications will include examples of student work that illustrate the standard of work expected from different kinds of students at different stages of the junior cycle. This will be augmented by the resources within the NCCA’s assessment and moderation toolkit. Teachers, parents, students and the general public will have access to all of these materials. The SEC has begun planning for its phased withdrawal from junior cycle examinations. It will continue to provide papers and marking schemes to schools for all subjects into the medium term.

In addition to the supports for teachers that I have outlined, for quality assurance reasons and to determine national standards, I plan to introduce standardised testing in second year for all schools in English reading, mathematics and science and in Irish reading for Irish medium schools. These tests will provide a good independent indicator of student progress in the middle of the junior cycle programme. In addition, the results awarded on every school certificate will be sent to the Department, which will monitor the national and school patterns along with the results in the standardised testing of reading, mathematics and science. This monitoring will provide further quality assurance and identify any local or national anomaly. A report on overall trends will be published annually.

The Department will provide each school with a data profile arising from its statistical analysis that will advise the school of patterns in their data relative to national norms of achievement. The data profile will also provide schools with information on their patterns of achievement relative to schools with a similar school context. This data will help schools to refine their assessment and moderation practices. It will also be a valuable source of information for schools’ self-evaluation processes. In the event of an unusual pattern of achievement in a particular school, the inspectorate will be advised and support and evaluation measures will be provided for the school.

Through a commitment to the implementation of all aspects of the framework, the education system will be able to deliver a junior cycle that places the needs of students at the core of teaching and learning. The comprehensive implementation of the framework will improve the quality of the learning experiences and outcomes of all students. This will require leadership and support, not only from the Department of Education and Skills, NCCA and SEC, but in particular from school management. It will also require the commitment of teachers, the support of parents and high expectations for all students. The skills and abilities of our young people are the key to Ireland’s success in the future. Our young people can only fully realise their potential if we give them the tools they need and that is what this process will do.

Deputy Charlie McConalogue: I thank the Minister for his presentation, for his efforts thus far and for ensuring we had a debate in the Dáil on this very important issue. I join with him in welcoming Dr. Anne Looney and representatives from the NCCA. I commend them on
their work, as the Minister did, in putting together the report on the reform of the junior certificate which was given to the Minister. I also commend the Minister’s staff who have worked with him on this issue.

As the Minister will be aware, my party has been very much in favour of reforming the junior certificate. The former Minister, Batt O’Keeffe, initiated contact with the NCCA on this issue. Following on from that, former Minister, Mary Coughlan, initiated a consultation process on junior certificate reform which culminated in the presentation by the NCCA of a report on reform of the junior certificate to the Minister.

Like the Minister, we believe there is a real need to reform the junior certificate curriculum and how it is taught but we have concerns about the way he has gone about this thus far. Eight years is too long to deliver the new junior certificate curriculum. We understand the work entailed but we believe it could have been done in fewer than eight years. Part of that is due to the fact that from the outset, we do not have a clear implementation plan on how we will go about this. If more forethought had been given to how it could be done and the process involved, it could have been achieved within a shorter timeframe. We have concerns in regard to the removal of any form of external examination from the junior certificate and the impact of history and geography not being compulsory. There are issues there which need to be considered.

There is a strong body of evidence to support the need for radical reform of the junior certificate. A post-primary longitudinal study carried out by the ESRI and funded by the NCCA followed a cohort of 900 students in 12 case study schools from first year in 2002 to completion of the leaving certificate in 2007 or 2008. It found that the first few years of a young person’s experience in school were critical and that under the current structure, young people’s experience of the junior cycle was quite fragmented between first, second and third years. First year naturally involves a certain degree of turbulence for all students as they adjust to their new school setting, especially adjusting to different teaching methods and more subjects than they were used to at primary level. The study also found that many students became disengaged, in particular those coming from working class backgrounds and males. Many students who struggled with their school work in second year found it hard to regain that lost ground and performed poorly in their junior certificate and leaving certificate examinations.

Fortunately, we have seen much improvement in retention rates. A report published by the Department in the past couple of weeks showed significant progress in that regard. We have seen a 9% increase in overall retention rates in the past ten years or so from 81% to 90%. In particular, we have seen a bigger increase in DEIS schools. The figure has increased from 69% to 80%. That increase in more disadvantaged areas, in particular, has fed into the overall improved rate. Many measures and policies were implemented to try to achieve that and it is very positive to see that 90% of students are staying in school to leaving certificate level.

We must come up with a plan to bring the retention rate to 100%. We want all students to complete second level education, whether to the leaving certificate or a similar qualification which is appropriate to their particular skills and aptitudes. We should not see students becoming disengaged from the second level system because the structure of secondary education is not optimal in terms of retaining them. Undoubtedly, the improvement in the retention rate has been assisted by the fact there are not the pull factors there might have been four or five years ago. The policy approach taken has also had a real impact in that regard. However, we must acknowledge there are still issues in terms of how curricula are established which affect retention levels. Addressing junior certificate reform is a very important element of this.
Two years ago the OECD PISA study showed that standards of reading and mathematics among Irish teens had fallen dramatically. Since 2000 we fell from fifth to 17th in reading and from 16th to 25th in mathematics. That was the sharpest drop in standards in any developed nation. Under the new junior certificate, students will fortunately sit standardised tests in literacy and numeracy. That drop emphasises the need to look at how we reform the curriculum we have.

As I pointed out, implementing this over eight years is unnecessary. Undoubtedly, much change will be required across different subjects and in regard to how our teachers deliver the curriculum. To introduce a system where we start with one subject - English - in 2014, which will not be examined for the first time at junior certificate level until 2017, followed by Irish the following year-----

**Deputy Ruairí Quinn:** There is a group of subjects.

**Deputy Charlie McConalogue:** In phase two, it will be Irish, science and business studies. All subjects will start the new reformed curriculum from 2017. That will mean it will be 2020 before all subjects at junior certificate level will be examined under the new curriculum. That is a very long period of time during which there will be much change in schools and confusion in terms of exactly what the curriculum being provided is and of students being aware of what the qualification they will receive will be. If there had been more prior planning put into how this would be delivered, it could have been done within a shorter timeframe. At the outset, we could have had a clear pathway as to how we would go about doing this.

Although the Minister ran with and published the NCCA report and is grasping the challenge of reforming the junior certificate curriculum, the haste with which he made the announcement without engagement on how it would be delivered and on getting more agreement and co-operation from the teaching profession, will make it more difficult to deliver it within a reasonable timeframe and to ensure the people who will be absolutely key to delivering the curriculum working with him from the outset. A key concern, which has been expressed by teachers, in particular, parents and students is the fact there will not be external marking of the 60% examination students will have to take as part of their school certification.

2 o’clock

If one looks at the experience in Britain, one will see that its government, department and even schools are saying that taking that approach has led, unfortunately, to there being an incentive for particular schools to inflate scores in marking examinations. There is a genuine concern about that with regard to the Irish education system as well. It is interesting to note that Britain is looking at the option of introducing state examinations and more state involvement in marking examinations. We must take note of the lessons there. We must also listen to the concern of our teachers, students and parents about that aspect of the marking and address it in the implementation plan in terms of how the final curriculum and structure will look.

Undoubtedly, changing the junior certificate curriculum is about trying to change the way students learn. It is about trying to move away from learning for the examinations to engaging students with the subject and with thinking on it by trying to remove the amount of rote learning. It is also about reducing the significance of the examination in the context of the learning process. However, the examination will continue to account for 60% of the marks. We must ensure that there is a consistent standard of assessment of students and how they are faring at
I asked the Minister yesterday about the level of engagement there had been between him and the teachers’ unions since the announcement had been made. He indicated that he planned to meet with them in the near future. Considering some of the responses from the teachers unions following the announcement, it would have been opportune and appropriate to have met with them before now. The president of the Association of Secondary Teachers Ireland, ASTI, Mr. Gerry Breslin, for example, said that ASTI members were appalled by the Minister’s lack of consultation with classroom teachers prior to his announcement on junior cycle reform. In a letter to The Irish Times on 19 October, Mr. Gerard Craughwell, president of the Teachers Union of Ireland, TUI, said that he wished to strongly refute the assertion that the Teachers Union of Ireland had signed off on the Minister’s proposed changes to the junior cycle. That is not an ideal way to start off such a major reform. I urge the Minister to engage immediately with the teachers’ unions to assess how he can get the teachers to work with him in ensuring that this reform will work properly. Consider the results of the Student Universal Support Ireland, SUSI, reform initiative, which was the key reform undertaken since the Minister took office. We have yet to see delivery of that reform. There are lessons there in terms of the type of approach that is required to ensure that something works.

As the Minister knows, reform is not just about making the announcement, but about ensuring it is delivered in a way that achieves success. I am concerned that the timeframe the Minister has provided for the junior cycle reform puts its implementation well beyond this Government’s term of office. By 2014, we will only see English kicking off under the new curriculum and the first examinations will not happen until 2017. That will be well past the Government’s term and well outside the remit for which the Minister has control. That is unfortunate because it is important that the person who takes the initiative and sets the template should also have responsibility for delivering it in so far as possible. There are legitimate concerns, given the results we have seen with the SUSI initiative, that there will be a similar level of promises of reform not being matched by the delivery.

To conclude, we favour reforming the curriculum but I have outlined some of our key concerns and we will engage on them in forthcoming months. I ask the Minister to take them on board.

**Deputy Jonathan O’Brien:** I welcome the opportunity to discuss this motion. It gave the Minister the opportunity to address some of the concerns voiced to the Minister about how this was announced and how it will be implemented, so it is an important debate. At all times we must strive to implement what is contained in the Department’s mission statement, which is to enable learners to achieve their full potential and to contribute to Ireland’s economic, social and cultural development. No Member of the House would disagree with that. At a time of great economic difficulty and social upheaval, which has resulted in hardship for many in society, the importance of implementing these laudable aims is greater than ever.

To the Minister’s credit, he has made the reform of the junior cycle one of his priorities since taking office. He outlined some of the background to the development and thinking behind the reform of the junior cycle and spoke of how Ireland’s ranking in numeracy and literacy levels fell over a number of years. There are many reasons for the drop in standards. One cannot pinpoint a single area as there are complex, multifaceted reasons for it.
Deputy Ruairí Quinn: Agreed.

Deputy Jonathan O’Brien: It was due to that worrying trend that I believe the Minister put so much focus on reforming the junior cycle, and we welcome that.

I realise it is stating the obvious but it is vital for the development of our education system that we get this reform right. The previous speaker referred to the timeframe the Minister proposes for implementing this reform. While there might be some concerns about that, it is better to do it over a longer period and get it right, rather than rush it. I am not very concerned about the timeframe the Minister envisages. It is far more important to ensure the processes are put in place, all the stakeholders are on board and everybody knows their responsibilities. If that takes a little longer that we would like, we will reap the dividends in the longer term.

Some of the proposals referred to in the motion will form part of a wider, overarching strategy for our education system. This reform is only one element in education. We see the benefits with the legislation relating to SOLAS in terms of higher learning and the benefits of that. We have seen some of the success with primary schools. Therefore, we cannot look at the reform of the junior cycle in isolation, but as part of the entire education cycle. However, one of the challenges will be resourcing it. We are considering the reform of the junior cycle at a time when we are faced with huge economic challenges. There have been cuts in the education budget over a number of years and there will be further cuts this year and next year. The cuts have an impact on how this reform is implemented and we need to be conscious of that. Last year’s cuts and the cuts that will be announced this year will have an impact on front-line services. The greater the impact on front-line services, the more difficult it is to implement reform at this stage. We need to be conscious of that point. Notwithstanding that, there is a sense of nervousness or anxiety about the changes from some of the stakeholders. We need to examine in a constructive way what is being proposed. We need to work collectively towards implementing an improved school curriculum and the reform proposed by the Department. We are talking about the future educational attainment of our children. The Minister stated the need to improve the future life chances of students in school is central to the reform of the junior certificate. This involves shifting from the rote learning system to a system that improves the quality of student learning and the outcomes. For that reason, in principle we welcome the move away from the terminal exam, where the focus is on one exam.

The focus on continuous assessment will reap dividends. The research shows that ongoing continual assessment of students’ progress is better over a longer period of time rather than assessment through a one-off, final exam. The Minister mentioned some of the models in his contribution and the one that comes up most when I speak to people is the Finnish education model. The success of the model exists where the school has no standardised testing because it narrows the curriculum. The focus is on testing rather than the teaching process. The change in the curriculum is not without challenges for stakeholders. Some of the concerns raised by previous speakers notwithstanding, it is a step in the right direction and I appeal to everyone to work together constructively and try to implement this as quickly as possible.

The Minister referred to going beyond some of the recommendations and he outlined the reasons for that. Regarding the concerns raised, some people are talking about this leading to league tables and schools’ assessments not being an accurate reflection of students’ abilities. It remains to be seen whether these genuine concerns are well-founded but they need to be factored in. We need to address these points if there are genuine concerns. One of the key considerations behind the proposed new approach is to expand the number of options schools
can offer students. The Minister touched on one of the key elements: flexibility. It is critical because without that flexibility the Minister cannot hope to achieve what he set out to do. Within the three-year cycle, schools may be able to implement a combination of subjects, short courses and other learning experiences. It will provide a much better tailored junior cycle, which can be matched to schools, baseline demographics and student profiles. This is critical. All of this is being done to enhance the involvement of students and their parents in shaping the programmes that will best serve the students. That is what we need to retain in focus. If we do so, it will be a progressive measure and the benefits will be borne out in the longer term.

The Minister referred to the potential of priority learning units. They are important aspects of the reforms. They will allow students with learning difficulties to attain the best possible outcomes. It is a key part of the reform and we welcome it.

Deputy Ruairí Quinn: It will also form part of the national qualifications framework.

Deputy Jonathan O’Brien: I think they can achieve level 2. Maybe we can consider going beyond that to level 3 qualifications.

Deputy Ruairí Quinn: Yes.

Deputy Jonathan O’Brien: It is a key part of it and it is important. Another aspect focuses on additional teacher training. This poses challenges for the Department in respect of how we will resource it. Additional funding must be found to enable teachers to upskill. It will require rethinking on the part of the Minister. Some criticism has been levelled at the Department, correctly, in respect of some of the proposals that disincentivise teachers from upskilling. I refer to the pay differences of new teachers coming in, which has an impact on teacher morale. There is a challenge for the Department, the Minister and all of us. We have collective responsibility to address it.

A previous speaker referred to concerns about history and geography. We need to take on board such concerns.

Deputy Ruairí Quinn: There is no proposal to prohibit people from doing history and geography.

Deputy Jonathan O’Brien: I know that. There has been media commentary to that effect, which is why today’s debate is important. It allows the Minister to set out an answer to the criticism. History and geography are vital and the Minister has said that it is not his intention to downgrade these subjects. We all know the advantages of history and geography and the Minister is well aware of it.

The unions have raised some concerns around how this was announced. We addressed the matter during Question Time on Tuesday when the Minister said he was meeting the unions. The unions met officials from the Minister’s Department on Tuesday and outlined their concerns. We cannot change what has happened but we must work in the collective manner to which I referred earlier. We must take on board the concerns and address them as best as possible.

We will see the benefit of these proposals in the long term. We cannot look at this in isolation. We must consider the overall reform the Minister is trying to implement. I appeal to people to work together constructively and to be open-minded about proposals. What we are at-
tempting has not been done before. There will be challenges in doing that. There is also a huge
opportunity and we must grasp it. We are talking about improving an aspect of post-primary
education and making courses more suitable for students rather than gearing them towards one
examination. What we are beginning will shape future educational experiences for hundreds of
thousands of students who will come through our system.

We look forward to working with the Minister on those challenges and we will play our part
in that in a full and constructive manner. Where there is criticism to be levelled we will level
it. When good proposals come forward we will recognise them. We look forward to working
with the Minister in the coming weeks, months and years in implementing this reform. We all
want the same thing. We may differ on how to get there and on the timeframes but we all want
to achieve the same thing. I wish the Minister well in the task he has undertaken and we look
forward to working with him on it.

**Deputy Maureen O’Sullivan:** I have no doubt a great deal of work has gone into produc-
ing the framework. When I came to read it I took a little trip down memory lane, having been
a teacher in a voluntary secondary school. I taught the old leaving certificate course, the old
intermediate certificate course, the new leaving certificate course, the newer leaving certificate
course and the current junior certificate course. I went though the various other curriculum
changes that came in during the course of my 35 or so years as a teacher. My school bought
into so many things the Department introduced. I go back to the late 1970s when psychologists
brought in the idea of developmental group work, which was totally new at that time. We took
part in all of the training sessions for that. Another programme called PACE lasted a certain
length of time and disappeared. My school was a pilot school for On My Own Two Feet. My
own and other schools were receptive to other initiatives and programmes that were introduced.
A recent one which was introduced shortly before I was elected to the Dáil was the Cool School
initiative. It is a very good programme that ran very well in my own school and still does.

Then we came to school planning and the myriad of policies and plans that consumed my
last ten years of teaching, took up so much time at staff meetings and was so consuming of
teachers’ time and energy. We had plans and policies for everything. Who was that for? I think
it was just to satisfy the inspectors. I have grave doubts as to the benefit of those policies or
what they added to my ability and the ability of others to teach. No amount of paper, policy or
planning can substitute for the role of the teacher in the classroom and the teacher’s ability to
teach and connect with students.

Schools and teachers coped with all those developments and changes. They also coped with
inclusiveness, welcoming students with special needs into mainstream classes and bringing in
individual lesson plans for differentiated learning. They coped with mixed ability teaching,
new technologies, leaving certificate applied and the new junior certificate as well as extra
curricular activities. At secondary level, they also coped with the influx of foreign national stu-
dents, some of whom came in as teenagers with not a word of English. That created a strenuous
demand on schools. Of course, whenever a social ill came to the fore in society it was left to
schools to look after it.

Teachers have shown themselves to be extremely flexible and adaptable. They are now
coping with the recent funding cuts and the loss of so many experienced teachers through early
retirement.

I can understand the frustration and reluctance of some teachers to take up another change,
positive though aspects of it are. There are misgivings and reservations about some aspects of the framework. Last week, we debated the Credit Union Bill 2012 and Student Universal Support Ireland, SUSI. Both credit unions and the old third level grant application system had positive things in them. They were in need of change but the expression, “throwing the baby out with the bath water” came to mind. There is an element of that in the new junior certificate framework. I want us to maintain what is good and positive and strengthen it instead of eliminating it and bringing in something else.

I am annoyed by the suggestion that nothing was achieved in the current system of junior certificate and, by implication, leaving certificate, because people are also casting doubts on the leaving certificate. We are doing something right, and we have been, because our graduates are sought in so many walks of life and by so many companies and institutions. I am always struck when I meet past pupils, and I have many of them after 35 years, with how well they have done in a wide variety of careers. They are articulate and hard working. Our current system produced that.

I had a look at the foreword to the framework and some of what the Minister said today. He said the new curriculum will focus on improving students’ learning experiences. No teacher would be against that, but that is what has been going on. Teachers are constantly striving to do that and to make the learning experience meaningful. The Minister mentioned that a significant number of students do not make progress in first year, particularly in English and mathematics. They will not make progress unless when they come from primary school they have a certain standard of literacy and numeracy. I greatly welcome what the Minister is doing for primary schools but it is unfair to blame the junior certificate for that aspect. There is disengagement at second year for some, but changing the whole junior certificate is extreme. Other things are happening to young people at the ages 13 and 14 that can also contribute to that disconnect. Third year is challenging, but that is positive. Life is challenging and schools are supposed to prepare young people for life. Teenagers must be exposed to challenge, pressure and stress. When it happens in a school environment a student can be supported by teachers and staff.

The junior certificate does dominate third year. The Minister mentioned that the focus on learning narrows in that year. I would say a different focus of learning comes in at that stage. It is about preparing for an examination and is a useful exercise. Students are focusing on the examination, which is positive, and learning how to answer questions and to give answers that are relevant to the questions asked. There is a positive outcome because there is a sense of achievement in completing the examination. Some do not do as well as they could and should, but there is support within the school to deal with that. Some do better than teachers might have expected. We can look at that.

There has been mention of the emphasis on rote learning. Some rote learning is very good for the brain. The dumbing down of rote learning does it a disservice. Some rote learning is necessary at all stages of schooling, primary, secondary and third level. What one does with what has been learnt by heart is the kernel. I taught English. I encouraged my students well, I made them learn certain lines from poems, from the drama they were studying and maybe a quote from a particular critic. They would use those lines in their answers to develop particular points. That was the value of rote learning.

I am from the time when children learned tables by heart. I can rattle them off now. Today, a young person who is asked to add seven and six will probably reach for a calculator. We have to look at that one again. I recently met my Irish teacher from secondary school, caitheoir ó
dhúchas i ón Daingean, and we discussed learning Irish poems by heart. This gave us a sense of how the words were to be said and we became familiar with the sayings and phrases. I am sure this also applies to French poetry.

I hope medical students do some rote learning so they know a certain list of symptoms indicate a particular illness rather than another one. I am sure the Minister did some rote learning as a student of architecture and that students of engineering, science and accountancy do the same. There are areas where rote learning is needed.

All teachers want their students to enjoy the learning experience and to benefit from it. Teachers are constantly motivating and encouraging students. Students have always been at the core of this.

I taught history. The junior certificate history syllabus did need reform. Young people really enjoyed first year, when they went back to pre-history and archaeology, studied the evolution of man and then looked at early monastic settlements. Much creative learning and different methodologies were used. Second year was difficult, because of the topics chosen for that year. The students bought into the third year syllabus because it looked at the modern world, at how our country came to be where it is today and at fascism, communism and socialism, social history and colonialism.

Deputy Ruairí Quinn: Unfortunately, I must leave now. I appreciate the Deputy’s contribution and those of other Deputies. I will be paying close attention to the rest of what she has to say.

Deputy Maureen O’Sullivan: We are coming to the decade of commemoration and it is vital we continue to give students a sense of their history. How can we know where we want to go unless we have a real understanding of where we have come from? History was taught in an innovative way in most schools with different methodologies. The examination needed to be looked at because there was such a wide divergence between pass and honours level examinations in history. The new course will be introduced to first years in 2017, and like others I hope it will be a core subject that goes into detail.

There are, however, two statements of learning in the new framework, statements 8 and 9. Reading them I can understand the fear on the part of history teachers that the framework document will undermine the role of history in the junior cycle. Geography teachers are also worried about their subject. Students could end up under those two statements of learning studying a short course on cultural studies and after a visit to a place of historic or cultural significance, that is the end. Those visits, however, currently form part of the history programme.

I taught the old intermediate certificate course in English. It was restrictive but it had one valuable aspect that we have since lost - grammar. It is a horrible word and people do not want to hear it but students have lost the sense of constructing sentences, knowing nouns and verbs are necessary and how to be able to put sentences and paragraphs together. The junior certificate course in English is flexible and adaptable; there is a wide range of poetry, novels and plays that young people can be exposed to and teachers have that choice. During my years as a teacher, the examinations were fair at the three levels, foundation, pass and honours.

There is a fear among teachers that the design of short courses places another strain on an already strained timetable. There are definite issues of resources and time. Teachers are overwhelmed with in-service training days at this stage and no doubt there will be more in-service
days under the framework for the new junior cycle.

There is a lot of controversy about school books. The publishing companies have done great work in producing English books at junior certificate level, there was a great variety that opened up teachers’ and students’ ideas to other poets or writers they had not considered. I would now fear that a publishing company will produce a text on a particular short course and that will determine what short course will be taken up in schools.

The new focus will mean continuing professional development for principals and teachers. This comes at a time of cutbacks and there is a sense in schools that this is a cost cutting exercise for the Department. So much has been put into in-service training for the current system but we are now into another system. It is almost as if what has happened in previous years is irrelevant and we are about to start all over again to reinvent the wheel.

I agree with continuous assessment. Every teacher already participates in that; we give homework, correct it and keep records. Those records are very beneficial for discussions with students and parents at parent-teacher meetings. It is different, however, for teachers to be judge and jury on the terminal examination for the junior certificate. The current examination is corrected fairly and anonymously. No one correcting is subject to outside influence. I feel for those teachers in schools and communities where they might be subject to pressure from parents they know well. School-based certificates are also problematic. Will certificates from certain schools be more prestigious than other schools? The junior certificate as it is did not present those problems. There was a fair system of correcting and appealing marks.

Many teachers do not agree with the first main examination being held five or six years after students come into school, with nothing in the meantime to prepare them for it. The reduction in the number of subjects, however, is welcome. The second language may not be a core subject. Anything that will create a sense of Irish being a spoken language must be welcome, as the Minister of State is aware.

There is a range of courses for pupils with special needs. Will certain courses be of a higher status? That would have administrative implications. There is reference in the framework to guidance and we know that guidance hours are being cut in schools. How will that connection be made?

I spent my life as a teacher drawing up statements of learning. Teachers buy into statements of learning every single day but they do it through the current system. The Minister made a point in his speech about putting children in education in first year into an ordinary or higher level. That does not happen generally. I would hate to put a student in a box at 12 years of age and say he or she would do pass and not honours courses. Most schools are fair and allow for the fact that children develop.

Quality learning is currently taking place. We must look at reform but we must not throw away what is good and positive in the present system, making change for the sake of it. There is a feeling, however, that the Minister just wants to get rid of what is there at present. There are so many other areas of need in education, such as the inequality of access for and the lack of representation of those from lower socioeconomic backgrounds at third level. If the Minister is looking for something new, there are other areas he can reform. On the question of consultation, a random selection of teachers would be a fair way to proceed rather than sending out an invitation for people to take part.
Deputy Patrick O'Donovan: I welcome the opportunity to speak on this motion. The last three contributions have been thought provoking. If I disagree with Deputy Maureen O’Sullivan on anything it is no the issue of rote learning. While I agree rote learning for the sake of it is not necessarily a bad thing, I have a huge problem with rote learning for the purpose of career selection, with a person’s life charted out according to rote learning.

I spent some time teaching but I was also in the first class that went through the new junior certificate in 1992. By and large it has remained more or less the same in that period. Credit where it is due, it needed to be changed. Deputy O’Brien summed it up well earlier, it is a major change and must be done carefully. Rushing into it and putting an unnecessarily short timeframe on the programme would do this an injustice and create an even greater problem. In the context of rote learning for a high stakes examination at 15 years of age, there is an obvious need for State assessment but the 15 year old will have spent the first eight years in a school setting that discouraged rote learning will then enter second level where it is almost all rote learning. He or she will then at third level enter an environment of continuous assessment, so there is no clear passage from primary to secondary to tertiary in terms of the methodologies used for teaching and the outcomes for the person from the learning process.

I would look at this based on expectations and outcomes. At primary level, huge emphasis is placed on the child being an active learner in his own education. That is part of what the Minister wants to achieve. Some teachers are good at predicting what quotation, theorem or maths question will come up. We must then throw into the mix the grind school mentality. Some people are at an advantage when they sit the State examination compared to those who may not come from the same socioeconomic background.

Much of the debate is predicated on our literacy and numerous levels, which are in a serious condition. The Department of Education of Skills would be failing in its duties, and we would be failing in our duties, if we do not ask why after 14 years of continuous education, we are still producing a small but significant number who are leaving school functionally illiterate. They cannot complete a basic form or carry out a basic mathematical operation in their heads. We need to ask whether the system is fit for purpose and I believe that is what the Minister is trying to do with this debate.

It is essential for the Department of Education and Skills to engage with other stakeholders, in particular employers, about what will be needed in the future. For example, I welcome the inclusion of Chinese as an option for this cohort of students for the first time. I also welcome the inclusion of computer coding in terms of developing future IT skills. However, is there room for Portuguese and Russian to be included as languages given that the emerging markets of Brazil and Russia are among the largest of the countries we are trying to get into along with the other BRIC countries?

This change cannot be done in isolation. There is a review at primary level in terms of how the curriculum might be overloaded, particularly for junior and senior infants. The junior cycle is now being looked at. As I said on Tuesday during questions to the Minister, this needs to be part of a package that includes the leaving certificate. As the previous speaker said, we have a lot of time now and I would really encourage the Minister to look at the leaving certificate. We need to put some form of continual assessment and real-life experience into it. We have all been in examinations, for example the driving test, where we have had a bad day. A person’s entire life, whether it means getting into third level, or getting a trade or job, should not be based on one bad day. The concept of continual assessment for the junior certificate must also translate
itself into the leaving certificate because this reform on its own may come a cropper which would be very unfortunate.

Deputy Anthony Lawlor: I spent a short time as a teacher and I was very lucky to be involved in curriculum development - albeit curriculum development in agriculture the South Pacific. No course had been established when I arrived and we set one up for the entire country based completely on continual assessment because we wanted people to have some practical experience of the subject they were dealing with when they left school. Therefore, I very much welcome the Minister’s proposed changes. I went through college where continual assessment formed part of the course, although when there is negative marking as part of the continual assessment it makes it very difficult from that perspective.

Today 60 CSPE students from Naas CBS came to Leinster House. I asked them if they would prefer continual assessment or a single examination. Strangely there was a 60:40 mix in the response. I asked those who said they would prefer continual assessment why they would prefer it. They made two valid points. They spoke about the stress of a single examination at the end of a three-year period or in the case of the leaving certificate at the end of a two-year period. They said they would prefer a series of tests or assignments over a period of three years. They also regarded it as advantageous to be working continually throughout the three-year period instead of having to cram in all the information into the two-month period before that one single examination. The Minister should not only consult with unions and teaching bodies, but also with students to ascertain what they feel would be of benefit to the educational system.

In recent weeks I met parents, principals and teachers who expressed other concerns to me. They are concerned about the consistency of the marking, particularly in certain schools. Teachers are concerned that personalities might be involved. In a small school, a student’s parent might be teaching him or her and there might be a particular perception of the credibility of the marking system in that case. I would prefer to see more external independent assessors involved, which might afford an opportunity for retired teachers or young teachers who have not been able to access educational employment to get involved in that aspect.

The other concern relates to the dumbing down of subjects. When I did the intermediate certificate, it was a respected examination because people could leave school at that stage and get into a trade. When I completed my leaving certificate it seemed to be a major examination. People with a leaving certificate got jobs - it was possible to get into the Civil Service with two honours in one’s leaving certificate. Now the minimum requirement is a basic degree and in some cases further qualifications are needed. I love history and I am concerned that subjects that are not part of the core subjects for the new junior certificate curriculum might lose priority in schools.

Small schools might not be able to provide the short courses required. They might have five students who want to do Chinese but are not able to do so.

Principals have pointed out to me that they are required to include religion even though it might not be considered a core subject. However, it is taking up considerable time in the school. We need to question the necessity of having to have religion as a core subject without it having an examination.

Deputy Robert Troy: I welcome the opportunity to contribute on this debate on the reform of the junior cycle. I thank the Minister for opening the topic to debate in the Dáil. My party
A spokesperson on education has already outlined that our party is very supportive of this welcome reform. This reform was started by the previous Minister for Education and Skills, Mr. Batt O’Keeffe. I congratulate the Minister, Deputy Quinn, on carrying forward these proposals to implementation. I also thank the officials in the Department and the NCCA.

The original junior certificate was designed in 1989 and unfortunately it became a mirror image of the leaving certificate in that it involved rote learning, teaching for tests and a lack of critical thinking on the part of students. A recent ESRI longitudinal study found that the first few years of a person’s experience in school is critical. In the light of that, the proposed reform of the junior cycle is a very positive development and we compliment the Government on it.

I always felt the junior certificate cycle was very unfair as is the leaving certificate. Students work very hard for three years to the junior certificate or five years to the leaving certificate and their educational attainment is all based on a two-week period. Three years of working hard at school all come down to those two weeks in June.

Students may become unwell, a death in the family may have occurred at that time and they may not be able to deal with the immense pressure they are under in that two-week period. It is welcome that high stakes exams at the end a three-year period will no longer be a feature and that there will be continuous assessment. The work of students who perform well throughout the three years will be acknowledged and the focus will no longer be on two weeks of examinations after a three-year period. As a previous speaker said, it is welcome that this change is being made to the junior cycle but we should also examine implementing such a change to the leaving certificate cycle. That two-week period of examinations is a token in terms of whether students get what they want at third level. If a student has an off-day and they are not able to handle the pressure on them, the current system is unfair. It needs to be examined as we move forward. This framework for the junior cycle is welcome.

I welcome that the new junior certificate will highlight the importance of literacy and numeracy across all subjects. This is important bearing in mind that an OECD report published two years ago noted that the standard of reading and mathematics among Irish teenagers had fallen dramatically since 2000. It is important that emphasis would be placed on numeracy and literacy skills in the junior cycle. The focus in the junior cycle will also provide students with the ability to design and take ownership of their own learning, and that is welcome. This should lead to increased student engagement and better educational outcomes.

The six key skills embedded in the subjects, namely, managing myself, staying well, communications, being creative, working with others, and managing information and thinking, are important. They are about life learning rather than learning for the sake of an examination. In the context of the skills of managing myself and staying well, representatives of Comhairle na nÓg appeared before the Joint Committee on Health and Children today and spoke about requirements in the curriculum in social, personal and health education and relationships and sexuality education. These are important areas in terms of young people managing themselves and staying well. They are areas that should be examined. The four representatives highlighted that there was an inconsistent approach in teaching these critical subjects in the curriculum in the junior cycle.

Being creative is another important issue. We talk about innovation and creation being the way forward. It is important to tap into young people’s minds to encourage people who have creative and imaginative minds to flourish. That key skill in the curriculum is also welcome.
There are many exciting proposals in the junior cycle reform and I compliment the Government on those, but not to sound like the cheerleading backbencher, we would have a number of concerns about the proposals as well. This is a major policy change and we are concerned about the lack of consultation with relevant stakeholders. The teachers’ unions in particular have expressed reservations about this change in terms of the lack of consultation. I have concerns about the Minister’s form with regard to policy development. We have witnessed him come into the Dáil, hold up his hands and apologise twice. The first occasion was for the reversal of the DEIS cuts following the budget last year, when he said he had got it wrong and that he was out of practice. The other occasion on which he apologised was only last week in response to Private Members’ business on the new policy initiative, SUSI. He is ultimately responsible and he gave a commitment on the floor of the Dáil that night that students’ grants would be paid before Christmas. However, this week we heard a number of them will be paid after Christmas. In that respect, I have some concerns regarding the Minister. I have no doubt he has the best of intentions but I hope he has got into practice and that he will not return here after a period and hold up his hands and say he got it wrong in this regard because of a lack of consultation and the lack of an implementation plan. He has said the implementation of the junior cycle reform will be phased in over eight years, but we believe that may be too long a period. Young students who find it difficult to make the change from primary school to secondary school will also have to cope with the two cycles for a period of years. How will that work?

As in the case of any initiative, it is important this one is adequately resourced. The Minister said he was confident he would have the resources to ensure this would be implemented. He was also confident when he made a pledge to the third level students of Ireland that he would have the resources to ensure there would be no increase in student fees. However, that confidence abated when he got into power. I hope he will have the necessary resources to implement the junior certificate cycle, which I compliment, welcome and support. I hope, based on his commitment on the floor of the Dáil, that the necessary resources will be made available to ensure the teaching staff are consulted, adequately trained and equipped to implement the new junior cycle to ensure the students of Ireland have what will be a new junior certificate cycle as we move forward.

**Acting Chairman (Deputy Maureen O’Sullivan):** The next two speakers are Deputies Lyons and Spring. I call Deputy Spring.

**Deputy Arthur Spring:** Mol an óige agus tiocfaidh sí. I am a greater believer that children should be given the confidence to go forward and prosper, to prepare them for life and not just for examinations. That is one of the reasons I am pleased to acknowledge that the Minister is doing the correct thing in adjusting how the junior cycle will work. It is worth noting that many speakers from the non-Government parties acknowledged this has been a good day. The last time the junior cycle was changed was in 1992 when the junior certificate was introduced to replace the intermediate certificate.

There are five subjects I would like to see incorporated into the new junior certificate cycle, and I advocated the Department of Education Skills and the Deputy of Health on that front. They are, namely, mental health and awareness, physical fitness, philosophy, computer coding and grow-it-your-own and agriculture within one subject.

First and foremost among these is mental awareness and health. I attended the Young Scientist exhibition in the RDS last year at which many schools advocated awareness of mental health, including two, in particular, from my county of Kerry, Coláiste na Sceilge and Mount-
thawk Mercy School in Tralee. They said that students were not aware of how to help them-
selves when they found they were in a state that needed to be addressed. They also said that
they did not know where they could get help and said they were not in a comfortable position to
talk to their peers. These are three things that could be easily addressed and one of them blends
into the other.

One of ways to address them is physical fitness for students. I have been lucky enough to
talk to parliamentarians throughout the continents during the past 20 months, including on the
subject of how physical fitness as opposed to physical education is administered. I am a great
believer in what gets measured gets done. We look upon the core principles of numeracy and
literacy as being skills that have to be disciplined, measured and upon which one can build.
However, it is also better for a person’s confidence that they are able to acknowledge that they
need to look after their mental health, and they can do this by the easy example of going for a
walk. It releases serotonin. If one is involved in a team sport, one is part of a group. One is
more acceptable in an environment which will give one more confidence to get on with the skill
set that is needed for the modern world.

We need to look at areas such as communication, creativity, managing information, self-
management and working with others. These are the soft skills that are imperative for us to
become a dynamic society as well as dynamic economy. In regard to philosophy, I am great
believer in politics, but I do not believe in politics just because one is told what to do.

3 o’clock

Everyone should develop his or her own ideology. The French have the best model in the
world, which examines societies in general and the atmosphere of what they are trying to create,
and people try to influence political parties on the basis of their own ideologies. People have
something they stand for rather than seeking to be led. Bowing to consensus is not the way
forward and it is okay to be an individual.

Computer coding is an area in which we are proficient like no other after college. However
there is a skill set deficiency in schools. If people are this way inclined, computer coding is the
new mathematics and it can be incorporated into the soft skills. People may also wish to learn
about food. A primary school teacher recently told me when some children were asked where
milk came from, the overwhelming response was the shop. We have lost a little knowledge
about milking the old cow. Agriculture also needs to be part of this. Having spoken to Respond
I like the idea of addressing soft skills on a piecemeal basis in various areas, such as teaching
agriculture in rural areas. In houses and areas of lower income, mental health issues are bigger
and this is acknowledged by Respond. Schools in areas with lower income need to be in a posi-
tion to self-help and tell people what agencies exist. They also need to acknowledge there is a
way to improve this in the junior cycle. The same goes for fitness and obesity.

I will not take up any more time because Deputy Lyons knows more about education than
I do. I am very encouraged by the Minister, one of the great philosophers in Irish politics, who
is looking at improving people’s lives as opposed to their education.

Deputy John Lyons: It is such a pity that due to our overwhelming majority, those of us in
government get so little time to speak, particularly when one wants to contribute to what one
believes is a very meaningful debate. I wish to paint a picture to illustrate my contribution to
the debate on junior cycle reform. Like other speakers I am a secondary school teacher and
my picture starts in 1998 at my interview for the H.Dip. course. One of the lecturers who interviewed me asked what skills I would bring to the classroom, and because I was very excited about them I said I would love to bring the use of television and radio into my teaching. I got onto the course and spent a full year studying the concept, including sociology, philosophy and psychology of learning, teaching methodologies, active learning methodologies, the meaning of curriculum and assessment, classroom management and how to make a child or a person learn.

One leaves the course enthusiastic, wanting to deliver all of the excitement one had about the course so one can be part of an education system and, in one’s little mind, transform the world starting with the little people in front of one. Soon after gaining a place in a school, the system, and I use the word “system” to conceptualise something we cannot picture, takes away all the enthusiasm as one realises most learning takes place behind a desk in a seat through the medium of teacher talk supplemented by books and copies. These days we have interactive white boards, but the interaction is between the teacher and the white board with the students looking on as passive learners.

One remembers one’s H.Dip. days and constantly looks for ways to include active learning methodologies, but the system does not allow for it. One tries one’s best. I remember using television, and getting students to pretend to be reporters when speaking about the impact of a volcano and describing its effects. This is a much more practical way of learning than the teacher sitting there pointing at a picture in the book telling students what a volcano does. The current system does not allow one to engage with active learning methodologies, which are the real way we learn. I only know how to work in Leinster House after having spent 18 months working here. I could have read the big book they gave us, but I still would not understand. The reason the current education system does not allow us to use active learning methodologies is because of the junior certificate examination. Three years after starting school, during the month of June students are asked to write everything they can remember. They are not asked to write about the team work they experienced when making a video, creative thinking or other aspects which bring learning to life.

For those who understand teaching, what I am speaking about is the curriculum. The syllabus for any subject contains a curriculum, but then one must bring life to the subject. Unfortunately, the assessment process we use to measure the subject does not measure the life instilled in one and the learning one takes on board. Due to the fact the syllabus is overloaded, and we know we will never get through the chunky books, teachers cut corners. We realise we cannot deliver on active learning methodologies every day because of the constraints of our work overload. We try to do the best for the young people in front of us, so we go back to the didactic approach to teaching whereby the students listen while the teacher talks, and they try to remember as much as they can and hopefully get a good result on the day, which they do. One writer described this process as the assessment tail wagging the curriculum dog. The assessment rather than the curriculum tells us how to teach, as we teach according to what will be asked in the assessment. This is not independent learning.

This is my picture of the current junior cycle. The reform of the junior cycle will address the imbalance between curriculum and assessment and ensure the curriculum plays an invaluable role in the assessment process and that what is assessed is based on what is taught so it is worthwhile for a teacher to get the students out of their seats to understand the process. Reforming the junior cycle is about saying goodbye to the days of rote learning and teachers having to second-guess what will come up in the exam, hoping the students will do their best and cutting corners in what is an overloaded syllabus in most subjects. It is also about embracing a new
process which will see the balance between curriculum and assessment redrawn and bringing life into learning. The six key skills underpinning the reform are fantastic and if they are assessed properly they will lead to a society where young people grow up equipped with the skills to engage and adapt where necessary to the challenges life brings to every one of us.

Deputy Sandra McLellan: I welcome the opportunity to speak on what is an exceptionally important issue. Any proposals by Government to alter aspects of the education system can have far-reaching effects, not only for the individuals concerned but also for society at large. This is because education at the level of the individual has the power to expand or contract a person’s imagination. At the societal level, a country’s education system is perhaps one of the most important mechanisms by which systems of governance, compliance and conformity are produced.

More importantly education is a key mechanism through which life chances are produced and determined. One’s level of educational attainment is a key factor in determining future well-being in terms of employment, income, health, housing and access to life chances. It is now an accepted fact that education systems reproduce societal norms in terms of power, socioeconomic status, and the allocation of privilege and poverty. Therefore, if we are to embark on the task of modernising the Irish education system, which essentially is what reform of the junior cycle is all about, we must first address the question of what we hope to achieve by such reform.

The Government, through the Department of Education and Skills, has set out its stall on this matter. In its mission statement, the Department clearly states the aim of the proposed changes to the junior cycle is to enable learners achieve their full potential and contribute to Ireland’s economic, social and cultural development. Sinn Féin is generally supportive of the proposed measures and we welcome reform of the junior cycle which, in our view, is long overdue.

Moreover, we endorse the Department’s mission statement and we share its view that education must primarily be about two connected and interlocking aims. These are the development of a person’s creative and intellectual potential according to his or her ability and the development of Ireland’s capacity in economic, social and cultural terms. These are laudable aims. However, it must be stated at the outset that both of these aspirations are contingent upon important issues to do with opportunity, structures, imagination and vision. For example, with regard to opportunity, it is now an accepted fact that early intervention plays a crucial role in determining pupil performance at first and second levels. It goes without saying that what happens at second level has considerable influence on whether or not students go on to third level and, indeed, on their subsequent ability to progress and compete in that arena.

With regard to structures, it is also acknowledged internationally that different structures will produce different outcomes. For example, if an education system is conservative and hierarchical in nature, then it is almost certain that it will reproduce the same values, hierarchies, exclusions and world view that are embedded within the original system. However, creating an education system that is flexible, open, liberal and based on values such as social solidarity, democracy, equality and fairness, and not only about economic development, although this is important too, requires imagination and vision.

If we see our schools as the workshops in which citizens and society are moulded and shaped then it is incumbent upon us to implement reforms which will go some way to addressing the deficiencies which are clearly evident in the current system. Thus, while Sinn Féin sup-
ports reform of the junior cycle, we have a number of key concerns which must be addressed if any such reform is to produce meaningful and successful outcomes. For example, we are extremely concerned by the alarming drop in Ireland’s global ranking in the areas of literacy and numeracy. Evidence of this is found in the fact that in the ten-year period from the late 1990s, the country’s ranking fell from 15th to 25th in mathematics and from fifth place to 17th in reading. There are many reasons for this dramatic drop in standards. These include funding, access to resources, a drop in standards in teacher training colleges, over generous marking in third level institutions, and the lack of rigorous and stringent oversight of acceptable standards of education at second and third levels. Given this context of an alarming drop in standards, any proposals for reform of the junior cycle must take on board and grapple with this reality. It is simply not good enough to turn a blind eye to this and to attempt to implement certain reforms while at the same time ignoring this significant issue.

Children who cannot read or add are at a serious disadvantage in terms of their personal development but also in terms of their ability to access life chances at some time in the future. Teachers with limited literacy and numeracy skills cannot pass on to their students knowledge that they themselves do not possess. With this in mind, Sinn Féin would argue strongly that any reform of the junior cycle must take this situation into account. Proposals for reform must be part of an overall strategy that has at its core a central focus on improving standards across the entire system in terms of literacy and numeracy.

Clearly the austerity measures which are currently being pursued by the Government work against any initiatives that would attempt to improve standards. Simply put, one cannot cut educational budgets, resources to disadvantaged children, funding to schools, special needs teachers, resource teachers etc., and expect mere paper reforms to produce an education system that is fit for purpose in a modern state.

It is, nonetheless, important to acknowledge that the document, Towards A Framework for Junior Cycle, contains many valuable suggestions that in and of themselves go some way to dramatically improving the junior certificate cycle.

With regard to the finer details of the proposals, Sinn Féin welcomes the move away from terminal examination to continuous assessment. This is in keeping with international best practice and, hopefully, will enhance student experience and support learning and enhanced achievements for students.

While we welcome references to the Finnish education model we nonetheless caution against an over reliance on this system of education. Ireland is not Finland in terms of our dominant value system, political outlook and institutional history. For example, we have no history of entrenched liberalism within the State apparatus, particularly when it comes to social policy. Moreover, we also lack at this juncture a shared vision of what Irish society, now and in the future, should look like in terms of social and economic organisation.

If any reform is to be successful, Sinn Féin would urge the Minister and his Department to engage with the teacher’s unions and with other relevant stake holders.

We also ask the Minister to think again about any plans to change the status of history and geography at second level. These are key subjects that deserve to maintain their core status. After all, if we as a people do not understand our past, how are we ever expected to make sense of our current situation or to plan for the future? Likewise, if we have no sense of place or no
understanding of where we fit in to a globalised world, then our imaginations and world view become increasingly myopic and insular.

Sinn Féin welcomes the Minister’s proposals. However, we urge him to give serious consideration to the concerns I have outlined.

**Acting Chairman (Deputy Catherine Byrne):** Deputy Ó Riordáin is sharing time with Deputy Conaghan.

**Deputy Aodhán Ó Riordáin:** I appreciate the opportunity to speak on this matter.

I congratulate the Minister for his initiative. We need to be radical when it comes to education. Far too often, there has been a sense of “Sure, it is grand”. It is important that we do this.

There is a considerable gap between the political system and the staffroom and that gap is often filled with ill-informed or ill-advised media comment about what teachers do and their pay structures and responsibilities. In any reform package, it is impossible to achieve anything in education without bringing teachers with us. That disconnect, which I see far too often between the staffroom and the political system, is something of which we must be wary and which we must address. We must empower teachers to implement the reform packages that we propose.

It is so important to bring teachers and students with us. I undertook a tour of my constituency and spoke to students in Manor House in Raheny, in Holy Faith, Clontarf and in Holy Faith, Killester, in Chanel College in Coolock, in Dominican College, Drumcondra and in Mount Temple. I am quite sure when I was speaking to them they were not sure whether I would address their concerns in Leinster House, but I am doing so. All those students, to whom I wanted to speak because they were the ones who most recently sat the junior certificate, were supportive of the 60:40 balance but had concerns about the restricted subject choice which was the original proposal. The latter has been addressed by the Minister, and I welcome that.

I also spoke to a number of schools’ staff about it and I am slightly alarmed about the disconnect between the staffroom and the political system. When I talked to staff about how they feel, I heard they feel completely under appreciated. They feel the sense of disconnection, a sense of disempowerment and a sense of not being appreciated for the hard work they do. They are asked to drive and be empowered by reform packages that come along, and yet they feel that their vital role in education is not being appreciated. I asked why they feel this. Sometimes they blame the Department, but they also blame society and media comment.

I make this appeal to those who are concerned about education, to parents, students and anybody who feels strongly about the power of learning, and learning for its own sake which is at the core of the new reform package, that one cannot ask a teacher to engage in this process if one strips away the goodwill on which every school runs. Anybody who knows anything about education knows that schools run on goodwill. If one interferes with that sense of goodwill, it effectively interferes with a lot.

Staff have told me of their concerns about tampering with the relationship they cherish as advocates for their students. The new assessment model is a concern for them. They are also concerned about a potential dumbing down of the junior certificate. I do not agree with their sentiments but I do know their sentiments are real. If they feel the new assessment model will change the vital relationship they have with their students as advocates for students’ advancement, and if they feel there is a potential dumbing down of certain subjects, including history.
and geography, we have a body of work to do. We cannot ask teachers to engage in this process, take on the work of reforming the junior certificate, change the model of education in schools and bring in short courses if they feel at the outset that there is a disconnect.

I ask the Minister and the Department to re-engage with the secondary school system by whatever means necessary. Teachers’ unions and the Government have a responsibility for this matter. I believe there is cross-party support in this House for what the Minister is trying to achieve. We have a responsibility to encourage and empower teachers to bring these issues forward. If one starts off with a belief that this is not achievable, however, one will not believe in it. We cannot ask anybody to implement something they do not fundamentally believe in. I believe in what the Minister is doing and I know the Minister and the Government believe in it also. Across this House, people are accepting the bona fides of what the Government is trying to do on this matter. We cannot expect teachers to believe in it if we do not address their concerns, but we will do so. We must take those concerns seriously and work with teachers to reform the junior certificate for the benefit of students, which is at the core of what we are trying to achieve.

Deputy Michael Conaghan: I am glad of this opportunity to comment on the proposed innovation in the junior cycle curriculum. Reform of the junior cycle will provide for new learning experiences, encounters and formats. The proposed innovations will give teachers flexibility and space to do these things. When teachers can be more creative and experimental, students will benefit from that sort of activity which is built into the proposed reforms.

Adopting these new approaches will allow teachers to shed some of the more traditional practices that have become rather hackneyed, tired and unproductive, such as over reliance on memorising facts. Being occupied with what will come up in the examination is also a part of the constraints on learning that are so typical of the older traditional systems of practice.

The proposed changes will serve young people better as they prepare for a future where they will continue to be learners, citizens, employees and employers. As the Minister has suggested, the proposed innovation will better prepare young people for adult life.

Overall, the proposed reforms are positive and welcome. Nonetheless, I have some slight criticisms of them. For example, the cover of the booklet shows pictures of young people doing science, home economics, biology field-work and physical education. However, there is no picture of a young person engaging in the arts, playing a musical instrument, dancing or doing drama or mime. Up to one third of the primary school curriculum comprises dance, drama, mime, music and visual arts, but the provision of that element of the curriculum is haphazard. In that context, I thought the Minister would have considered creative, interesting and engaging ways of addressing those deficits in the primary school curriculum. There is an opportunity to insert the arts into the junior school curriculum. The arts are the strongest medium for self discovery and creativity, which is a requirement for all those growing up in the modern world.

Another criticism is the lack of thinking about learning environments. Teachers should be encouraged and facilitated to break out of the classroom into other learning environments, including the outdoors. I cite an example from Inchicore and Kilmainham with which I am most familiar. Large numbers of third level students come to the area lying between the rivers Liffey and Camac, because between the confluence of both rivers one instantly understands how topography and physical landscape shapes the pattern of human settlement. In the classroom, however, students learn it from a book. The contrast is so striking between old and new modes
of learning. The Minister should have been far more daring in encouraging teachers to break out of the classroom and look at the interesting, productive potential of the outdoors, whether for studying botany or other subjects. Teachers are not precluded from doing that, but there should be overt statements outlining the value of these new learning environments that would concur so well with the suggestions for new ways of learning.

New modes of learning require new modes of assessment and certification. I urge the introduction of what is referred to as cross-moderation. Over the last 20 years, there are many good examples where City of Dublin VEC and the Department of Education and Skills, in conjunction with Trinity College, have introduced a range of new modes of assessment for course work and different learning categories similar to what the Minister is proposing. That method should allow tried and tested forms of assessment. It would guarantee objectivity and remove bias and favouritism. Some teachers see the latter issues as barriers to implementing these changes.

Having made those criticisms, I am encouraged by what the Minister is doing. We are in Donogh O’Malley territory with this Minister. I urge him to pay some attention to what we are saying, as I know he will. I encourage him in his endeavours.

Deputy Mattie McGrath: I too am pleased to be able to say a few words on the motion. I have listened to other speakers in this intelligent debate which is badly needed. I want to see the new junior certificate succeed, but I am concerned about the lack of detail in the Minister’s plan. I am also concerned that it will take so long, eight years, before it is fully in place. I must make a disclosure in this respect. I have a cailín óg in junior certificate class and a cailín óg eile in national school. Both of them will be finished the junior certificate before these meaningful changes take place. It is simply too long to wait for reform.

I salute the educational practitioners, including the sisters, brothers and private schools. In my area, schools were established with humility and few funds. They provided education in leaner times, back in the 1960s and 1970s, when they did not have funding. Then we entered the boom, when plenty of funding was secured for everything else. I salute the career guidance counsellors for the amount of work they do. I welcome one such person to the Gallery, a good friend and cara liom ó Chluain Meala, Mr. Gerry Flynn. I welcome him and thank him and all his colleagues nationwide for the vital work they have done.

While I do not wish to be political on this issue, I visited a national school last week in Annacarty, County Tipperary and refer to the cuts and austerity that have been imposed by the Department of Education and Skills, with the wiping away of an entire career guidance system and the undermining of extracurricular activities and other supports for the teachers themselves. Morale is very low and it will be necessary to bring the teachers with us in this regard, because they are vital partners, as are the career guidance counsellors and the whole school community from the board of management down to the pupils. Obviously, the pupil must come first but we must embrace them all. However, the cuts and knocks there are having a huge impact and I appeal to the Minister to listen on this issue. As previous speakers have noted, he already has been obliged to apologise over what happened regarding the DEIS cuts. He stated he was on a learning curve and was out of touch and one hopes he is now back in touch. He then allowed the VECs to be amalgamated and the grant awarding bodies and councils to be merged into SUSI. That has been another fine disaster and anyone with any commonsense should have known that the work of 66 or 67 awarding bodies could not have been done better by a single VEC here in Dublin. Consequently, awful trauma and anguish has been inflicted on students and families and it simply is unfair. Moreover, while the Minister has stated he is confident he has and will
have the funds in place to deal with this, I do not believe this to be the case because money is awfully scarce. In this context, I note that young teachers now are being singled out as they start out and a kind of apartheid is being built into schools, whereby new entrants cannot get the same pay scales and this simply is wrong. Good morale is required in classrooms. I have been on boards of management for both primary and secondary schools and above all else, one needs morale. Consequently, I appeal to the Minister to reconsider this issue.

I certainly seek change to the curriculum and practical subjects must be dealt with. I see great scope for the entire area of mental health to be examined and dealt with and unless this is done, a crisis is approaching. I refer to the issue of self-esteem and reiterate that while pupils naturally could turn to their teachers, the only person in whom they could confide were their career guidance counsellors, such as Mr. Flynn and his colleagues throughout the country. Pupils could do so in the privacy of the counsellors’ rooms while confident in the knowledge that it was completely private, genuine and respectful and that there was an interest in the holistic education and well-being of the students concerned. On the issue of cyberbullying, the trauma and sad tragedies are evident as they arise every so often. While they are too awful to describe, Members must deal with this issue. Having children of all ages, I am familiar with the media, the invasion of space and privacy and the damage that can be done with such texts, e-mails, Facebook entries and the other tools of modern technology.

In addition, Members also must embrace a wider curriculum that will deal with ár dúchas, our heritage, our culture and the arts of all kinds. Education must be changed to make it more interesting, more stimulating and more invigorating to allow the students to reach their full potential that Members know they possess and are entitled to achieve. If one takes the example of Irish dancing, I know of a dancing teacher who is trying to get into schools to teach dancing as a private extracurricular activity but she is unable to so do because there are all kinds of blockages and reasons pertaining to insurance or whatever. While change must be embraced, it cannot and must not take eight years because Members have waited for a long time and eight years is far too long.

I note the TUI, the INTO and other bodies expressed huge concern and surprise when the Minister announced this sea-change. They want to be involved and want to be partners in tandem with the Minister but it cannot simply be by diktat. There must be proper, meaningful consultation in the widest sense, in that it must extend back to the parents, families, communities, boards of management, parents’ councils and everyone else involved.

Earlier, I mentioned VECs and the work they have done, as well as the brothers and sisters who taught in the different schools in which I was involved. If the Ceann Comhairle will allow me, I wish to correct something that may have been stated in another debate about a situation concerning VECs and the Department. It is a situation in which a company in my constituency has asked me to raise the issue here. The company is called the Institute of Professional Training, trading as Kadenza Consultancies Limited. It is a properly constituted, tax-compliant entity, professionally accredited and entitled to go about its business in a fair and competitive manner. Unfortunately, however, there has been and continues to be undue and disproportionate harassment of, attention to and hindrance of the company’s legitimate business pursuits from different Departments and sub-Departments, most notably the Department of the Environment, Community and Local Government.

An Ceann Comhairle: Deputy, this debate is on the framework for the junior cycle.
**Deputy Mattie McGrath:** I know that but it is very important that one rectifies the mistakes of the past before moving forward and I beg the Ceann Comhairle’s indulgence as I have almost concluded.

Other Departments and sub-Departments involved include the Department of Education and Skills and Kerry County Council. Members need to be informed by the Department of the reason people in these positions are discriminating against legitimate companies which are offering training-----

**An Ceann Comhairle:** Sorry Deputy, I must bring you back.

**Deputy Mattie McGrath:** No, they are part of the VEC and there are issues in this regard.

**An Ceann Comhairle:** This has nothing to do with the framework for junior cycle.

**Deputy Mattie McGrath:** Yes, but to a large extent, the junior cycle will take place within VECs. I acknowledge the VECs will be gone on foot of the enactment of the new education legislation but I refer to the successor bodies to the VECs. While I commend them on what they did, where mistakes are made and wrongdoing takes place, it must be righted.

I look forward to debating the relevant legislation and I hope the Minister and the Aire Stáit freisin will listen to the honest views of the people, will consult widely and will bring the whole school community with them. Moreover, in the forthcoming budget, they should revisit and review the damage that has been done on foot of the attack involving the removal of career guidance, because that service is a basic and integral part of a school’s education system. As I stated, it is linked to issues such as cyberbullying and so on, as the career guidance counsellor is the one person who knows the students intimately and knows their situations, backgrounds and difficulties. As I stated, the students are happy, made at ease and encouraged by career guidance teachers. That is the most important part of it and one cannot go forward unless the foundations are right and unless the basic requirements are in place and working properly.

**Minister of State at the Department of Arts, Heritage and the Gaeltacht (Deputy Dinny McGinley):** I thank the House for giving me this opportunity to discuss the issues arising from the report on the framework for junior cycle. I appreciate the input from Members on all sides of the House. This is a significant change for our education system, our teachers and principals and most importantly, our young people. For the reasons outlined, I believe the proposed changes are necessary, appropriate and timely. This is not a rushed change and is not a cost saving measure. It is about changing the way in which learning happens in our schools. It is about providing a framework with the principles, skills and statements of learning, building on learning in the primary schools. Moreover, there is a flexibility available within the framework that will give individual schools greater autonomy to meet the needs of their students. Existing subjects will be retained, including history and geography. It is about listening to students who have long been calling for such a change. I acknowledge there will be challenges in implementation and Deputies speaking today have raised some of them. While I do not wish to minimise the potential difficulties, I know this change is necessary and must happen. I reiterate that necessary funds will be made available to support this change and that this is not a cost-cutting exercise.

I am heartened by the support of parents and students. I note industry sources also have welcomed the change and IBEC commented “If done right, this could prove to be the most important education reform of recent years”. It presents a real opportunity to move away from the
dominance of rote learning and support the development of critical thinking. Business needs employees with the capacity to analyse, communicate, be creative, manage information and work with others. The new curriculum should provide an opportunity to develop such attributes and skills from an early age.

This is an important change and is one that is supported fully by research. I realise that teacher unions are concerned about some aspects of the change and their worries have been raised by some Deputies in this Chamber today. I reassure Members that I believe this change will liberate teachers from the straitjacket which is the current junior certificate. The junior certificate is no longer a high-stakes examination and treating it as such has had a profoundly negative backlash effect on teaching and learning. We simply cannot allow this to continue. Some reference has been made to the position in England, where the baccalaureate is to be introduced. The Irish education system is not a mirror image of the English system. The positions are quite different. The GCSE is designed as a terminal school examination for many students and in the United Kingdom students must choose after completing the GCSE to follow either a vocational or academic route. Our students progress to a common senior cycle, with approximately 90% of Irish students remaining in school until the end of the senior cycle.

There has been criticism from some that the change is taking too long. The process has taken a long time but this is a deliberate policy decision as doing it right requires thinking carefully about implementation. We also need to structure implementation in a way that is commensurate with capacity in the system to cope with change; we should be aware that this is a big change for all the stakeholders in education, including students, parents, teachers, school management and society as a whole. It is vital that we get this right.

Schools and their teachers will have the support of the junior cycle continuing professional development team, the National Council for Curriculum and Assessment and the State Examination Commission as we transition from the current system to implementation of the framework. Consultation will be a significant part of implementation and the Department of Education and Skills will consult with key partners throughout the phased implementation period. The evidence tells us this change is necessary and we need to get to work as soon as possible.

Question put and agreed to.

Sitting suspended at 3.47 p.m. and resumed at 3.53 p.m.

Topical Issue Debate

Mental Hospitals Report

Deputy Sean Fleming: I thank the Ceann Comhairle for the opportunity to speak briefly on the Mental Health Commission report on St. Fintan’s psychiatric hospital in Portlaoise. I also welcome the Minister of State at the Department of Jobs, Enterprise and Innovation, Deputy John Perry, who will respond on behalf of the Department of Health.
The issue of older person’s services is very important in County Laois. Many of the residents of St. Fintan’s Hospital in Portlaoise are elderly. Proposals have been made regarding the closure of two such facilities in the county, namely, Abbeyleix and Shaen hospitals. In that context, it is important to consider together the two units designated for closure and St. Fintan’s psychiatric hospital.

The Mental Health Commission, which is responsible for St. Fintan’s Hospital, paid an unannounced visit to the facility on 28 March 2012 in line with normal practice. The commission’s report found the hospital “continued to admit residents which had resulted in an increase in the number of residents in the hospital which contravenes national policy on the closure of 19th century psychiatric hospitals.” The previous Government’s policy of closing such hospitals has been adopted by the current Government, Health Service Executive and Mental Health Commission. The report also found the following:

All residents did not have a choice of main meal and access to fresh drinking water. A therapeutic activation programme was not available for all residents of the approved centre. Residents were not provided with adequate information about the approved centre and the services offered. The Rehabilitation team and the Psychiatry of Old Age team were not adequately staffed with health and social care professionals.

The circumstances in respect of St. Fintan’s Hospital are not in dispute. Everyone agrees the facility, which opened 180 years ago in 1832, should close. The Mental Health Commission report referred to its recommendation, made in 2011, that plans to close the hospital “should be progressed with a clear time frame”, noting that there were “no clear plans for the closure of St. Fintan’s Hospital.”

On the day of the commission’s visit 38 people were resident in the hospital, 25 of whom were in ward six, with the remaining 13 in what is known as the “rehabilitation area”. In its conclusions, the Mental Health Commission report notes that St. Fintan’s Hospital “was the only old psychiatric institution in the country to continue to increase its bed number year on year.” Instead of closing, the number of beds in the hospital increased in the past year. The report also notes that the residents were either elderly or under the care of the rehabilitation team. The commission’s first recommendation is that “plans to progress the closure of St. Fintan’s Hospital should proceed expeditiously.”

What should be done with the hospital’s residents? In May 2012, the Health Service Executive in the midland region published an information and consultation document on its older persons service in which it invited people to participate in a consultation process on the potential closure of two community nursing units, Abbeyleix and St. Brigid’s Hospital, Shaen. The document stated that all institutions for older persons in the Midlands will be subject to the future decision process and listed facilities in Mountmellick, Longford, Birr, Mullingar, Athlone, Tullamore, Edenderry, Shaen and Abbeyleix. It does not, however, refer to St. Fintan’s Hospital because while the Mental Health Commission is responsible for psychiatric hospitals, the Health Information and Quality Authority is responsible for other residential institutions for the elderly and ne’er the twain will meet. As my time has concluded, I will make some final points when I hear the Minister of State’s response.

**Minister of State at the Department of Jobs, Enterprise and Innovation (Deputy John Perry):** I thank Deputy Sean Fleming for raising this important issue, which I am addressing on behalf of the Minister of State at the Department of Health, Deputy Kathleen Lynch.
Under the Mental Health Act 2001, the Inspectorate of Mental Health Services is required to visit and inspect every approved centre annually. Such centres are defined under the Act as “a hospital or other in-patient facility for the care and treatment of persons suffering from mental illness or mental disorder”. The inspectorate carried out the 2012 inspection on St. Fintan’s Hospital, Portlaoise earlier this year and the report is available to the public on the Mental Health Commission website.

St. Fintan’s Hospital is an old Victorian Hospital which was licensed by the Mental Health Commission for 42 beds. There were 43 residents on the day of inspection and these were either elderly or under the care of the rehabilitation team. None of the residents was detained under the Mental Health Act 2001. Staff were described as being caring and knowledgeable and the nursing care and practice was high, with each resident having an individual care plan. The inspectorate was also pleased to highlight improvements and initiatives carried out in the hospital over the past year.

The inspectorate was critical of the fact the hospital continued to admit residents during 2012. This practice had resulted in an increase in the number of residents in the hospital. Ideally, both the Minister of State, Deputy Kathleen Lynch, and the Health Service Executive would like greater use to be made of community health services. In this regard, Deputies will be aware that the HSE is in the process of filling some 400 posts from the €35 million special allocation the Minister of State secured to increase staff on community mental health teams. When these additional health care professionals are in place, it will help the HSE provide more appropriate community based services for many of those who are currently in residential care. The main recommendation contained in the report, however, is that plans to progress the closure of St. Fintan’s Hospital should proceed expeditiously.

Both the Health Service Executive and Minister of State acknowledge and accept the Mental Health Commission report and its findings. While noting the positive comments in the report, the HSE also notes the specific deficits identified, which it is actively addressing.

The HSE has developed plans for a purpose built, 40 bed unit to be located on the St. Fintan’s Hospital campus as a replacement for the hospital. Funding of approximately €6 million for this important project has been secured from the HSE capital plan and the estimated timeframe for this work will be three years. While this unit is being progressed, the HSE is also considering and actively pursuing all options regarding interim solutions for the existing hospital and its current service users given the findings in the report. It will liaise with the Mental Health Commission to ensure relevant standards continue to be met as required.

4 o’clock

Deputy Sean Fleming: I thank the Minister of State and am pleased that, although he has again confirmed that the plan is to close St. Fintan’s Hospital, plans are afoot for a new unit to be built on the hospital’s grounds. However, we all know that it will take some time. In these straitened times, it may not happen. It is still some way off, as it has not gone through the planning process yet.

We are discussing care of the elderly in three institutions - Abbeyleix, Shaen and St. Fintan’s Hospital - in County Laois. The problem is that St. Fintan’s Hospital is under the HSE’s hospital division whereas the other two institutions are under its community care division, and ne’er the twain shall meet. When the HSE carried out consultations on care of the elderly, zero
reference was made to St. Fintan’s Hospital because it was handled by a different wing. It is almost as if the divisions were separate organisations. There is only one HSE, only one Department of Health and only one body responsible for dealing with these institutions. The artificial division in the HSE, whereby the Health Information and Quality Authority, HIQA, deals with one group of people while the Mental Health Commission deals with another, is insufficient.

At the beginning of the consultation process, the HSE suggested to me that some of the patients in the hospital in Shaen could move into St. Fintan’s Hospital. Given there is a closure order on the latter, some of the staff and residents, who need the level of professional care to which they have been accustomed, could move to the facilities in Shaen while others could move to Abbeyleix. Under the HSE’s capital plan, funding is made available for equipping a Respond! community accommodation facility in Abbeyleix so residents could be relocated from St. Fintan’s Hospital. There are background plans to transfer patients from the hospital. I ask that it be done. It would have the benefit of securing the issue.

I apologise to the Ceann Comhairle for my outburst 12 months ago on the closure of the facilities at Abbeyleix and Shaen, which was mooted last November. Using the staff of St. Fintan’s Hospital to care for their designated patients would provide the ideal solution to retaining those community nursing homes. There would be no need to discuss their future closure.

Before the Minister and his senior departmental officials make a final decision, they should consider St. Fintan’s Hospital in conjunction with the Shaen and Abbeyleix situations and not take an isolated decision. The three institutions should be considered collectively.

**Deputy John Perry:** I will be brief.

**An Ceann Comhairle:** There is no need to rush. The Minister of State has two minutes.

**Deputy John Perry:** The Minister of State, Deputy Kathleen Lynch, is conscious of Deputy Sean Fleming’s final point. It is accepted that the HSE needs to consider alternative accommodation. This is the Minister of State’s top priority. The HSE has a firm plan of action. This work will be done. As the funding is available, it is only a matter of getting on with the job. In the interim, alternative accommodation will be provided.

The HSE recognises that the new unit will not be available for three years. Interim measures are required to ensure compliance with the Mental Health Commission’s standards. This is the Minister of State’s immediate emphasis. In no way will she neglect this responsibility. The Deputy will see rapid progress in terms of alternative accommodation.

The HSE is actively pursuing all options as interim solutions and will remain in contact with the Mental Health Commission in this regard. Some €35 million has been allocated for the planned expansion of community health teams. In many ways, this will enhance the region’s facilities. I assure the Deputy that I will bring the points he has raised to the Minister of State’s attention.

**Flood Relief Schemes**

**Deputy Paul J. Connaughton:** I thank the Ceann Comhairle for the opportunity to raise this issue. This month marks the third anniversary of householders in County Galway having their homes devastated by flooding. They have been left in limbo for three years. As they face
22 November 2012

into their fourth year without homes, they need a speedy conclusion to be brought to the flood-
ing relocation scheme so they can move on with their lives.

A total of 32 families from all across the country applied for the flood relocation programme,
including a dozen from County Galway. Of the 32, 20 applications have been deemed success-
ful, yet they are still facing into their fourth year without homes. The severe flooding’s im-
 pact on them has been significant, with the loss of a much-cherished home and many personal
belongings such as photographs and other treasured mementos, the price of which cannot be
measured. However, their loss has been compounded by the failure of successive Governments
to bring the matter to a conclusion.

Once the rising flood waters receded, a number of families across south County Galway in
places such as Gort and Ardrahan, as well as in Skehana in north Galway, were left picking up
the pieces, both literally and metaphorically, of their lives. I have met these families and have
seen the devastating impact this event has had and, unfortunately, continues to have on them.
Due to the lack of a resolution in terms of relocation, they have not had anywhere they can call
home in the intervening years.

They had enjoyed a secure home where they could plan for the future, but the flooding epi-
sode of late 2009 changed all of that. Many found themselves living in rented accommodation
for the first time in their lives, unable to plan for the future as they awaited the outcome of the
flooding relocation scheme. The application process was particularly long and tortuous and
many believed that, once they were accepted onto the scheme, their difficulties would be over.
This has since proven not to be the case. The months drag on and, instead of achieving clarity,
it appears to become more difficult to get answers.

I have raised this issue with the Minister for Social Protection numerous times, highlighting
the south Galway families’ need for closure. Having met them, one can see the toll it is taking
on each family member. This matter has reached a critical point. They cannot continue into a
fourth year in this uncertain atmosphere. Answers are required.

I had just been elected as a councillor when the flooding occurred. At that time, I believed
it to be unacceptable that those people should be left in a legal limbo regarding their reloca-
tion. Three years on and facing the prospect of a fourth without a home, the time for action is
well past. Lives have been suspended and these families have been left waiting for the former
and current Governments to resolve the issue. The compensation scheme was announced six
months ago. Since then, however, progress appears to have slowed even further, with no dead-
lines, no news for families and no information from the Department. This situation is unaccept-
able and must be resolved.

Each family is in a different situation and each case must be dealt with on its individual mer-
its, but even dealing with them on a case-by-case basis should have seen them resolved many
years ago. These families need a date by which this saga will be brought to an end. They need
homes, somewhere to call their own where they can start to plan for the future again and leave
the dreadful events of November 2009 behind them.

**Deputy John Perry:** I am taking this debate on behalf of the Minister for Social Protection,
Deputy Burton, who conveys her apologies to the Deputy for being unable to take the debate
herself.

The Department of the Environment, Community and Local Government is the lead Depart-
ment for severe weather emergencies and the Office of Public Works, OPW, has responsibility for capital flood relief activities. However, the Department of Social Protection has an important role to play in assisting households in the immediate aftermath of emergency events, such as flooding.

When the spending of the various Departments and agencies is added together, there is combined Government spending of more than €21 million arising from the floods of November 2009. The Department of Social Protection will spend in excess of €5 million, with a further €16.4 million spent by the local authorities and more than €500,000 spent by the Department of Agriculture, Food and the Marine.

In the immediate aftermath of the flooding, departmental officials provided support through the exceptional and urgent needs payment scheme, primarily in respect of needs such as clothing, food, bedding and emergency accommodation. In addition, a humanitarian aid scheme was approved by the Government and an allocation of €10 million was provided. Financial support was provided to more than 1,300 people who suffered damage as a result of the flooding.

In December 2010, the Government also decided to offer support to families that were continuing to experience significant housing problems as a result of the November 2009 flooding and were considering relocating rather than permanently returning to their original homes. An allocation of up to €4 million was provided by the Government to assist up to 20 households towards relocation. The Government’s decision provided that relocation offers would be made to householders whose primary residences were deemed by the OPW to be unsustainable and could not be protected from flooding at an economically feasible cost. To date, the OPW has deemed 19 primary residences, mainly in Galway, as unsustainable and letters inviting householders to formally apply for assistance issued from this Department between November 2011 and May 2012. The Department has since been in contact with the majority of householders providing details of the amounts payable in their particular cases. The Department expects that the legal agreement necessary for the purposes of the scheme will be finalised and issued to householders within the next week or so, which at least is a move in the right direction. The Department of Social Protection can assure the Deputy that there will be no delay in issuing payments once the terms of the legal agreement have been met.

**Deputy Paul J. Connaughton:** I welcome that. It is good news to hear it is a week away but I want to make sure it is just a week away. The weather we had today causes much fear among the people whose homes were flooded three years ago. In a week’s time, or at most in two week’s time, I want to see this resolved. The Minister of State at the Department of Finance, Deputy Brian Hayes, visited a number of these people a year ago and much work has been carried out on flood alleviation works around the county. However, for these families, for the likes of Anne Connolly in Gort, the Flatleys in Ardrahan and the Devaneys in Skehana, it is unacceptable that it has taken us three years to get to this point. I would like the message to go back to the Minister and the Department that whatever legal issues need to be sorted out in the next seven to 14 days because it is not fair to ask these people to go through another Christmas not being able to plan for their future.

**Deputy John Perry:** I can understand the concern and frustration of people on this issue. The letters have gone out to the legal people. It is important there is a response from people’s legal representatives because issues can get lost in legal offices. The Deputy can be assured that what the Minister has stated will happen. It is important people react in a positive way and that their legal teams respond. There can be delay on both side. Getting due diligence done to
formalise legal offers took time but we are ready to go. Let there be a clear message to people 
very distressed over this issue for that length of time that it will be resolved with immediate 
effect.

Vehicle Registration

Deputy Dominic Hannigan: I thank the Ceann Comhairle for selecting this topic for dis-
ussion and I am very glad the Minister of State, Deputy Brian Hayes, is in the House to reply. 
I raise the issue of licence plates because we are coming close to January which is the busiest 
time for our motor trade. There are serious concern in the industry that this will be another 
year of declining sales and declining trade. We have seen the effects of the recession over the 
past fives on the motor trade. Driving around Ashbourne or Drogheda five years ago, all the 
licence plates were 07 and 08 and they still are all 07 and 08 because the trade in new vehicles 
has declined.

The figures we have seen are very worrying. New car sales are down by more than 50% in 
the past five years. Commercial vehicle sales are down by 72% and the industry is looking at 
the new year and wondering what the future has in store for it. There are two key concerns for 
the industry. The first is the impact of additional taxation in next month’s budget and the second 
is the new year’s licence plate.

Each year we issue one licence plate at the beginning of the year in January. We front-load 
all the vehicle sales to January, February and March and if one looks at the figures for each 
year, that contention is borne out. For instance, last year, 21,000 cars were sold in January 
but only 4,000 were sold in July. The UK had a similar problem to this a few years ago but it 
changed its system, so it now issues new licence plates in January and in July. That has led to 
an increase in demand but also a flattening out over the year. One of the reasons for that is the 
dual registration system.

Some 60% of our sales are in January, February and March of each year. That should be 
changed. If we introduced a system where we issued two licence plates, one in January and 
one in July, it would give the motor trade much more flexibility in planning things like staff and 
for the year’s trade. Will the Minister look at that? I brought this up last year and I was told 
he would consider it. The Minister has had consultations on the issue since then and I hope 
something will be done in next month’s budget.

Will the Minister of State let us know the current state of play? Is this something which will 
be considered because the motor trade wants it? I do not think any of us can see any reason we 
should not introduce it.

Minister of State at the Department of Finance (Deputy Brian Hayes): I thank Deputy 
Hannigan for bringing this matter to the attention of the House and for rightly highlighting the 
importance of the motor industry to the economic recovery of this country and some of the 
difficulties it is going through. As the Deputy said, the Minister for Finance, Deputy Noonan, 
indicated in last year’s budget that he would review all of the issues surrounding vehicle regis-
tration tax and motor tax revenues for future years this year. That work took place this year and 
obviously any outcome from it will emerge in the budget in two weeks time.

The real problem here is that some years ago, when the new motor tax system was being in-
introduced, there was an understandable bias towards low emission cars. What is interesting from
the figures I have is that 96% of new cars purchased in 2011 were in the first three CO2 emis-
sion bands where the VRT rates are lower. People who bought new cars with low emissions
paid very little tax indeed and that put out of kilter the total revenue yield from motor taxation.

The consultation process attracted 34 submissions from various sources. The motor indu-
try’s representative association, the Society of the Irish Motor Industry, submitted a comprehen-
sive document setting out its proposals in this regard. Aside from its proposals on VRT and mo-
tor tax, the industry also put forward proposals in regard to issues surrounding the seasonality
of the motor industry and, in this regard, proposed the introduction of a second registration pe-
riod which it felt would bring a degree of stability to the sector in terms of employment levels.

Some of the proposals contained in its consultation paper were already contained in SIMI’s
pre-budget submission to the Minister for Finance in respect of the 2012 budget and have again
been included in its budget 2013 submission. The industry asked that consideration be given
to a number of initiatives that it felt would protect employment and give some stability in the
motor industry while at the same time generating some additional revenue for the Exchequer.
It pointed out that one of the biggest problems facing the motor retailers is the seasonality of
car sales in Ireland, to which the Deputy referred. Each year new car sales become more com-
pacted in the first quarter of the year - 48% in 2010 and 53% in 2011.

The industry is becoming more seasonal each year leading to funding and cash flow issues
that add to uncertainty and instability. As a result, it says the following issues arise. As car sales
become more seasonal so does employment in the industry as business is over-stretched early
in the year and over-resourced later in the year. The costs associated with a seasonal business
mean that motor retailers require large funding arrangements with their banks at the start of
the year. The costs associated with holding stock both new and used are the largest cost after
labour costs. Motor retailers need to have sufficient floor space for the first three months of the
year and generally do not require this floor space throughout the rest of the year. As the year
the vehicle was first registered is obvious on the Irish number plate, there is a strong emphasis
on the age of the car. If a motor retailer is holding used stock over the change in the year, those
vehicles will be perceived by the customer to be a year older, leading to depreciation of that
vehicle.

Proposals put forward by the Society of the Irish Motor Industry, together with a wide range
of proposals submitted to the Minister for Finance from a large number of interested parties in
issues across all tax heads, are being considered in the context of the forthcoming budget. I am
sure the Deputy will appreciate that I cannot comment on what might or might not be in that
budget. However, I assure him, on behalf of the Minister for Finance, that his proposal is being
actively considered in the context of submissions that have been received from the industry to
see how the implementation of that proposal would affect the industry. We all appreciate that it
is going through a very rough time at present.

**Deputy Dominic Hannigan:** I thank the Minister for his detailed response. I have submit-
ted a number of these Topical Issue matters in the past and I take it from the Minister’s response
there is a potentially positive outcome here. I do not expect the Minister to comment on that
but I look forward with interest to this aspect of the forthcoming budget. I hope we can do
something to try to regenerate sales in the motor trade.

**Deputy Brian Hayes:** The Minister for Finance is fully aware of the stress of the motor
industry in Ireland. He also recognises, as he said in the Budget Statement last year, that the way motor tax is currently levied gives an enormous bias towards top end, low CO2 cars. That will have to be balanced out. His announcements in the budget concerning the way in which the tax issue will be resolved will not be a surprise to people.

On the Deputy’s question about having a second time of the year for the registration of cars, that is something the Minister and the Department are examining following the consultation with the industry. It is under active consideration and I have no doubt the Minister will have due regard to the Deputy’s comments last year and this year about bringing forward those proposals. However, I do not wish to second guess what might be in the budget.

Sitting suspended at 4.23 p.m. and resumed at 4.30 p.m.

Ceisteanna - Questions

Priority Questions

Industrial Development

1. **Deputy Dara Calleary** asked the Minister for Jobs, Enterprise and Innovation his policy regarding the manufacturing industry and the way it can be developed; and if he will make a statement on the matter. [52080/12]

**Minister for Jobs, Enterprise and Innovation (Deputy Richard Bruton):** Manufacturing is a key priority of enterprise policy. Employment in the sector makes up 64% of Enterprise Ireland supported jobs and over 50% of IDA supported jobs. Manufacturing employment grew by 1.1% in 2011, an increase of almost 2,200 jobs. This reverses a trend of four continuous years of job losses, when almost 45,000 jobs were lost in manufacturing. The bulk of the growth was in foreign owned industry but indigenous manufacturing also increased slightly with 92,507 employed by Irish owned companies. Employment growth in Irish manufacturing companies has been particularly strong in the life sciences, food and ICT sectors, and we must continue to develop these sectors.

Both Enterprise Ireland and the IDA are continuously developing policy interventions to support the development of manufacturing companies and under the action plan for jobs, we are rolling out measures to improve productivity, extend innovation, enhance management skills, develop collaboration in new technologies and enhance access to finance.

The action plan for jobs also included a series of actions for developing manufacturing and specific sectoral opportunities within it. I have established a manufacturing development forum to set out a strategic vision for 2020 aimed at increasing employment in the sector. Its
DÁIL ÉIREANN

membership comprises key industry players. At its first meeting in June, I asked the forum to identify impediments to job creation in manufacturing areas and opportunities for immediate job creation.

The work of the forum is being supplemented by further research on a long-term vision and strategic plan for manufacturing in Ireland’s economy and an assessment of manufacturing skills needs of the manufacturing sector building on previous sub-sectoral work. To date, the forum has drawn up a comprehensive schedule of challenges and opportunities facing manufacturing and members of the forum have participated in workshops organised by Forfás to further develop particular issues relevant to the sector. I expect some interim findings from the forum before the end of the year. It is intended to publish a strategic plan for the sector in the new year and my Department and agencies will then progress the actions identified. I am confident these measures, combined with other Government initiatives to improve competitiveness, will ensure Ireland is well positioned to build and maintain a strong base of manufacturing activity.

Deputy Dara Calleary: I thank the Minister. I welcome the number of initiatives announced, particularly the manufacturing and development forum. Can the Minister outline the membership of it? While there was growth in employment in the sector last year, which is welcome, the QNHS survey showed a decline of 4,000 jobs between April and June this year in the manufacturing sector. Some 50% of IDA jobs are in manufacturing and I am concerned there is a concentration of those jobs in the pharma sector. We are moving into a period of challenge for the pharmaceutical sector, where products manufactured here are coming off patent. Is there a strategy in the Department to address that point and examine other opportunities in the pharmaceutical sector?

I also welcome developments in the indigenous sector, particularly in food. What element of co-operation exists between the Department and the Department of Agriculture, Food and the Marine in respect of Harvest 2020 and how to maximise job opportunities in the manufacturing space? The Minister referred to 64% of Enterprise Ireland jobs. Can the Minister indicate how many are in micro-enterprises? I am thinking of small indigenous manufacturing companies that are in a position to withstand any international downturn.

Deputy Richard Bruton: The most reliable figures are the agency figures because seasonal factors come into play in respect of the QNHS. Since we entered Government, we have had a focus on the sector. It is growing, in sharp contrast to the history of the sector. There were misgivings in the area in 2006 when the manufacturing sector was having problems. There was inactivity in the Department and no action was taken by the then Minister to address the problems. Manufacturing continued to decline relentlessly. We are taking this sector seriously because it was overlooked in the past.

There is a so-called patent cliff in the pharmaceutical sector. The IDA announcements and their pattern suggest we have successfully identified other sections of the pharmaceutical sector where we are growing, such as bio pharma in particular. The key to success is to have spread and to diversify within the pharma sector. Within the 195,000 jobs, pharma accounts for 25,000. Medical devices add more but the sector does not face the same challenges to which Deputy Calleary alluded. There is no doubt the patent cliff will have an impact on sales because of the drop in sales once the drugs come off patent but we are sustaining employment successfully in the sector. Last year, there was no change in employment in the sector. We have succeeded.

Food is a sector of enormous potential and we look forward to the removal of quota as an
opportunity. The large diversification of sales into export markets is really encouraging. I do not have the full membership of the body or the data on micro-enterprises but I will furnish them to the Deputy.

Job Creation

2. **Deputy Peadar Tóibín** asked the Minister for Jobs, Enterprise and Innovation his views on whether the target of creating 100,000 additional jobs by 2016 as claimed in the action plan for jobs will be met [52081/12]

**Deputy Richard Bruton:** In the action plan for jobs, the Government set an ambitious target of having 100,000 more people at work by 2016. Achieving this target requires a transformational change to our economy. This Government, when it came into office, was starting from a position where more than 300,000 jobs had been lost in the previous three years. Of those job losses, 150,000 were in the construction sector alone. The economy had been built on a fault line of sectors that were not sustainable in the long term.

The new economy, which we need to build, must be based on enterprise, innovation and exporting. The transformation we need to bring about will require progress on a number of fronts, including fixing our banks, reforming the public sector and embedding the jobs agenda across Government through the action plan for jobs. This is a huge task but we are making progress.

After three years of heavy job losses, we are now seeing a substantial increase in employment in export-oriented sectors. This has been backed by new policy initiatives and a strong programme of trade missions. Overall, the level of private sector employment is stabilising despite continued decline in sectors like construction and domestic banking.

There has been a strong performance by both Enterprise Ireland and IDA-backed companies. 2011 saw an increase of 6,000 jobs in IDA-supported companies, compared to net losses of 15,000 jobs between 2008 and 2010. So far this year, the IDA has announced investments with the potential to create more than 7,500 further jobs. In the case of Enterprise Ireland, we start to see a return to growth in Enterprise Ireland companies and approvals this year amount to 4,669 job commitments over the next three years. There has been double digit growth in exports from Enterprise Ireland companies and we reached a record of €15 billion in exports last year.

Sectors targeted in the action plan for jobs have made good progress, notably food, life sciences, ICT, digital games and international services. These developments demonstrate the transformation taking place to a more diversified, export-oriented and innovative economy. While we have seen a turnaround, I do not underestimate the scale of the challenge that still faces us. As a small open economy, we are influenced heavily by the challenging developments in international markets.

*Additional information not given on the floor of the House.*

However, the merit of the action plan for jobs is that every year, each Department is required to focus on changes that can be brought about to make a practical contribution to the target of supporting the creation of 100,000 extra jobs in the economy by 2016.

**Deputy Peadar Tóibín:** We can normally ask supplementary questions. Will that be the
case today?

**Acting Chairman (Deputy Peter Mathews):** Yes, within the time limit of four minutes.

**Deputy Peadar Tóibín:** Is that four minutes for me to speak?

**Acting Chairman (Deputy Peter Mathews):** The Deputy and the Minister, in total. The time for the exchange of questions and answers is four minutes.

**Deputy Peadar Tóibín:** So, the longer the Minister speaks, the less time I have to speak.

It is important to bring reality back to the situation. Under this Government, unemployment is measured at 14% to 15% on the live register and long-term unemployment is at 60%. Despite some of the recent announcements, job losses continue to outnumber job gains. The only stabilising effect on employment figures in the State is emigration. Last year, 87,000 people emigrated. Nearly one third of a million people emigrated in the last four years. That level of emigration and people on the live register is an economic failure. Given that the state of the economy is a pre-eminent measure of the quality of a government, surely this is a measure of the Government’s failure also. The Minister and the Taoiseach committed to the creation of 100,000 jobs by 2016. The Minister failed to produce targets in this regard and 33,000 jobs net have been lost over the past 12 months. The Department of Finance medium-term fiscal statement predicts unemployment of 13% in 2015. After four years of this Government, even the most optimistic figures predict a reduction in unemployment of no more than a 1%.

Does the Minister accept that these figures indicate a failure in the Government’s jobs policy? What level of emigration and unemployment do we have to achieve before alarm bells go off for the Government?

**Deputy Richard Bruton:** That was hardly a question at all. The Deputy is living in a dream world. We experienced an extraordinary economic shock of incredible proportions when 16% of our employment was wiped out. We are, however, stabilising that. While the Deputy refers to a 33,000 job loss, only 3,000 of those were in the private sector. The sectors we need to grow for the future are stabilising. Unfortunately, we must reduce the size of the public sector and that continues to be a pressure as we seek to stabilise and restore our public finances.

With regard to the future and the transformation necessary to create the 100,000 jobs, which is a clear target set by Government, this is going to take time. From the first day, I said it would take time and that I would not be setting annual targets because they would be unrealistic. The Deputy persists, however, in coming back with the same question.

We have a job of work to do to change an economy that has been devastated. The banks are broken and much of our costs base was smashed. Much of the base of our economy was damaged and we have to restore that. We are making progress. We see international confidence come back. The IDA had the best year in a decade last year. We are seeing indigenous companies winning new markets. That is the route to rebuilding our economy, on enterprise, innovation and exports. We are making credible progress in this area.

**Deputy Peadar Tóibín:** I make no apology for repeatedly asking this question. On both a human and economic level this is a disastrous situation for hundreds of thousands of people. While it is possible to select sub-groups or micro-elements in the economy where there has been some level of improvement, the general figures speak for themselves. The net job loss
22 November 2012

was 33,000.

Given that the Department of Finance said there would be a 13% level of unemployment in 2015, which was a review upward from the Government’s initial objective, the Government must produce 76,800 jobs before 2015. Given that the trend is negative, how will that be achieved?

**State Property**

3. **Deputy Catherine Murphy** asked the Minister for Jobs, Enterprise and Innovation the total cost to the State of the lease held by Forfás on a vacant property in Dublin 4 (details supplied) between 2012 and 2034 which is when the lease is due to expire; and if he will make a statement on the matter. [51773/12]

(Deputy Richard Bruton): The property in question, Carrisbrook House, was acquired by AnCO in 1969 on a 65 year full-repairing lease, commencing on 1 August 1969 and expiring on 31 July 2034. There is no provision for lease breaks and the rent is due for review every seven years. The Industrial Development Authority, IDA, acquired assignment of the lease in 1976.

Since the relocation of the IDA to Wilton Park House in 1985, the Carrisbrook House offices were leased to a number of tenants on a cost-neutral basis to the Exchequer until early 2008, when a major tenant exercised a lease break and vacated the premises. Since then, six floors in Carrisbrook House have been vacant. Forfás acquired responsibility for the lease in 1994 when the enterprise development agencies were restructured. The Israeli Embassy is currently the only occupant of the premises, on a sub-lease which expires in 2025, with lease break provisions in 2015 and 2020.

Forfás has been actively seeking to market the vacant space in Carrisbrook House since it was vacated in 2008. Due to the downturn in the property market and a surfeit of vacant office accommodation in Dublin, these efforts have proven unsuccessful to date. Secretaries General of my Department have written to the Office of Public Works and the Department of Public Expenditure and Reform, advising them of the availability of the office space. The IDA has also been asked to bring the availability of the accommodation to the attention of prospective clients.

The total cost of the vacant space in Carrisbrook House in 2012 is estimated at €1.3 million, inclusive of rent, rates and service charges. It is not possible to speculate on the total potential cost of the vacant space out to 2034, as this will be influenced by issues such as future trends in the property market, the future intentions of the existing occupant, the outcome of the seven-year rent reviews and lease break options, and the possibility that a new tenant or tenants may emerge. In the meantime, Forfás will continue to market the availability of the offices and will continue its efforts to reduce the costs accruing to the State on the property.

Deputy Catherine Murphy: A number of issues arise in this regard. First, we need to reduce waste. Are other sections of the public service in buildings where the lease can be broken or has almost expired and could they use the space in Carrisbrook House? Have all Departments been notified of the existence of this space? This is a considerable sum of money for a vacant property in a prime location.
What initiatives are being taken with regard to future leasing arrangements and are lessons to be learned about this kind of thing? For some time, I have been trying to compile a list of buildings across the public service that are subject to upward-only rent reviews. Some are extraordinarily expensive. I am trying to find out how many of them are vacant because I am sure viable uses could be found for some of them. For example, €800,000 is being paid for a social welfare office in Carrick-on-Shannon. That figure jumped out at me. Is there a cross-departmental initiative to see if a lease can be broken and the space in this building made use of, what lessons have been learnt and what lease arrangements will be made in the future, given the experience we have had?

Deputy Richard Bruton: I do not think in time left I could deal with the lessons that have been learnt from the property problems we inherited. Numerous lessons have been learnt, as the Deputy knows.

The Office of Public Works, OPW, which manages all public office property, has been notified of this building on repeated occasions. The OPW has signalled that there is not a demand for the type of accommodation on offer and that it did not foresee a need for such accommodation in the foreseeable future. This reflects the decentralisation programme that took people out of Dublin and the downsizing of the public service that is reducing the pressure on property in the capital. There have been efforts to sell this building. It has been upgraded and work has been done to put it in a better position to market from this year.

I do not know how much property is vacant or whether or not we can get out of leases and vacate others that are coming up for review. Every effort is being made and we try to work closely with the Office of Public Works. Forfás has been repeatedly in touch with the OPW, even as recently as September of this year. It is a very close relationship.

Deputy Catherine Murphy: I ask the Minister to ask other Departments if there are leases that are almost up so that this building could be used. It is a sizeable building. Could we not get out of a lease somewhere else? The Government promised a big cost-cutting agenda. We need to be imaginative about using this space if we cannot get out of the lease, which we do not seem to be able to do.

Deputy Richard Bruton: I will follow up on the Deputy’s suggestion.

Job Protection

4. Deputy Dara Calleary asked the Minister for Jobs, Enterprise and Innovation the way he proposes to help the retail sector; and if he will make a statement on the matter. [52079/12]

Minister of State at the Department of Jobs, Enterprise and Innovation(Deputy John Perry): The retail and wholesale sector employs 258,000 people in Ireland, almost 15% of our total workforce. That sector has suffered heavy job losses in this recession, shedding over 55,000 jobs. The retail sector is very much dependent on domestic demand and this has suffered a substantial fall in the course of the crisis.

All of the Government programmes designed to restore economic confidence, economic sovereignty and international investment are part of the long-term restoration of the retail sector. Progress is being made on all of these fronts. We have already cut the lower rate of VAT,
halved the lower rate of employers’ PRSI and improved the employers PRSI exemption scheme and Revenue job assist for recruits from the live register. Recognising its importance to the economy, the action plan for jobs includes a number of specific measures aimed at supporting employment in the retail sector. These include improved access to finance through the micro-enterprise loan fund and the loan guarantee scheme, the enactment of legislation to reform the statutory wage setting mechanism, an audit of the licences required to start-up businesses, with a view to their simplification, and a renewed focus on prompt payments, the introduction of a statutory code of practice for grocery goods undertakings, the provision of support to retail firms seeking to internationalise, the provision of funding for the upskilling of workers in the sector and the promotion of the use of online tools to promote sales.

The retail sector must be innovative to overcome the difficulties posed by the current climate and our policies seek to support that innovation.

Deputy Dara Calleary: I thank the Minister of State but he should compare that answer to the answer given for the manufacturing sector, which had specific initiatives, task forces, reporting deadlines and job targets. This Government is doing nothing specific for the retail sector. The Minister of State listed the measures under the action plan for jobs, but nothing specific is being done by the Department to assist the retail sector, which is in huge distress at present. Fine Gael was elected promising to abolish upward only rent reviews, although it was aware that was not legally possible when it made that promise. The Minister of State talked about access to credit. When travelling the country to talk to retailers, the Minister of State hears directly from them that there is no access to credit in that sector.

We have four or five weeks ahead of us that will be make or break for many retailers for the next year. We accept that consumer demand is very weak but it is unacceptable that the Government has nothing specific in place to assist the retail sector apart from general responses from a document that essentially contains a lot of spin, accentuated by the specific focus and initiatives for manufacturing. Is there an assistant secretary in the Department who is in charge of retail and of the 258,000 working in that sector? As the Minister of State establishes the local enterprise offices, why has the retail sector been excluded from the process when it is the basis of local enterprise?

Deputy John Perry: I totally disagree with Deputy Calleary on this issue. This Government has done a lot more than the last Administration.

Deputy Dara Calleary: What is it doing?

Deputy John Perry: We have stated clearly what we are doing. We have brought in the loan guarantee and the microfinance schemes that the Fianna Fáil Party could not bring in. We have established the advisory group to Government and there are clear actions for job creation outlined in the action plan for jobs.

Deputy Dara Calleary: What measures are specifically for the retail sector?

Deputy John Perry: The Deputy must recognise the role of banks in retailing; it is all about viability. The policy of the last Government left 13,000 unoccupied square feet per head of population. That was Fianna Fáil’s ideology.

Deputy Dara Calleary: The Government has been in office for 18 months. What is it doing?


Deputy John Perry: The last Government talked about the microfinance loan fund for two years and we have introduced it.

Deputy Dara Calleary: It took 18 months.

Deputy John Perry: It is now in place with the partial loan guarantee. We cut the lower rate of VAT, halved the lower rate of employers’ PRSI and increased the employers’ PRSI exemption. We introduced numerous initiatives and I can go through the action plan for jobs outlining each measure.

One of the first things we did was reform the wage setting mechanism. We extended employers’ PRSI, encouraged all accountancy, taxation and legal services to lower their costs, brought in support at regional and local level to identify opportunity and we are listening to retailers. I was in Malahide last night at the meeting of the Retail Federation of Ireland and recently attended meetings in Kilkenny and Waterford. We have €3.5 billion lined up in the two main pillar banks to support viable companies. Banks are not going to give money to companies that will not repay it and it is our job to build competence and increase credit.

We are trying to raise confidence in the domestic economy, a difficult task. The last Administration left a legacy of 55,000 job losses in the retail sales sector due to low consumer demand. That is the problem in the whole sector, be it services, restaurants or hotels. That is the situation we inherited, a sector on the floor because absolutely nothing was done by the last Government for retailers.

Deputy Dara Calleary: Again, there are no specific proposals for retail. I accept the Minister of State is meeting people but he mentioned the €3.5 billion. At the Joint Committee on Finance and Public Expenditure meeting three weeks ago, AIB admitted that of the €3.5 billion, it was making only €600 million in new finance available to businesses. We have discussed this before. I welcomed the loan guarantee scheme and said it would be interesting to see how it rolls out. The reality on high streets around the country is that retail is suffering, it is in distress and this Government is offering nothing but platitudes.

Small and Medium Enterprises

5. Deputy Peadar Tóibín asked the Minister for Jobs, Enterprise and Innovation the progress made in the establishment of local enterprise offices including the role of individual Irish small and medium enterprises and SME representative groups as part of the committee overseeing the development of the local enterprise offices. [52082/12]

Deputy John Perry: The Deputy will be aware that as part of the action plan for jobs, the Government announced a plan for a major reform of the existing support structure for micro and small enterprises in February this year. The aim is to create a centre of excellence within Enterprise Ireland for small business support; to establish a first stop-shop at local level for the support of small and micro business; to integrate local authority business support services with local enterprise supports; and to create a network of local enterprise offices delivered from within the local authority working under a service level agreement with Enterprise Ireland.

There has been a series of consultations during the development of these proposals. They were discussed at the nationwide consultative meetings on the action plan for jobs. On foot of
the Government decision in April to dissolve the county enterprise boards and transfer the functions, assets and liabilities to Enterprise Ireland, an implementation working group was formed, chaired by the Department. It has involved representatives of the key services that need to be integrated into this new model. It is developing the plans for the detailed implementation of the decision including the role of the Enterprise Ireland division as a centre of excellence; the range of services to be delivered; the service level agreement; and staffing and other issues. This implementation group is a management group to work out the details of the proposed reforms and does not include representative associations.

Our plans for the support of small and micro businesses have also been with the advisory group for small business, subsequent to which some of the members of the advisory group met the implementation group. The advisory group is also being consulted on the action plan for jobs 2013.

The Minister and I yesterday published a consultation paper which sets out the roadmap for the implementation of this reform process. I am keen to receive the opinions from the micro and small business sector across Ireland, particularly on how the changes to be brought about can best provide support to the right people, at the right time and at the right level.

Deputy Peadar Tóibín: I was looking at the action plan for jobs recently and action 1.38 outlined that there would be a new system of strategic dialogue that will align funding of higher education institutions to performance in the achievement of national objectives for a system development and priorities in relation to skills development commencing in 2012 and it will be fully rolled out in the coming years. People want reform on upward only rents but instead they get nebulous delivery of an action of that sort.

I welcome the fact the Minister of State and Minister have finally listened to Sinn Féin and the representatives of small businesses around the State and brought them into the process when replacing the LEOs. It is a year too late, because the process started a year ago. We know the whole system of county enterprise boards is suffering from inertia, as stated by the Irish Exporters Association, and it is necessary to resolve that problem. The new enterprise system should be built around entrepreneurs, who should have been part of the process from the beginning, not at its end. It is unbelievable they are only now being brought in.

5 o’clock

Since those enterprise organisations have set their face against the centralising of the county enterprise boards in the local authorities, will the Minister of State confirm today that he will listen to the representatives of those enterprise organisations and that there is scope for a reversal of some of the more negative aspects of his legislation? Will these entrepreneurial representatives have an influence over this process or is the Minister of State going full steam ahead?

Deputy John Perry: It is not possible to consult in a vacuum. We are consulting with people to best define the needs of small businesses. If the Deputy has read the consultation paper in depth, he has been very quick in stating that it is a climb down by the Government to engage in consultation. It is very difficult to go out and discuss an issue without a major document on which we have worked tirelessly in the past 12 months. We have a very clear plan for Enterprise Ireland and how jobs will be established in local enterprise offices. The Deputy has been very critical from the very start on every point. The fact that we are bringing business-people-----
Deputy Peadar Tóibín: It is not just me - it is the enterprise organisations.

Deputy John Perry: It must be just the Deputy, because they are not saying it to me.

Deputy Dara Calleary: They are saying it to me.

Deputy Peadar Tóibín: Representatives of ISME and the SFA told the committee they were completely opposed to this.

Deputy John Perry: I have met representatives of ISME several times and the Deputy should look at the statement it issued yesterday. The county enterprise boards have been very effective. Our job at the moment is the consultation process. We are bringing businesspeople into the heart of decision making locally involving representatives of business and local government. The Deputy will know from his county how effective local government can be. It is important that we are integrating the best knowledge within every county with a centre of excellence with a very strong service level agreement with Enterprise Ireland. We are taking submissions at the moment and are refining clear objectives as outlined in the consultation paper the Deputy received yesterday. The intention is to roll out that plan next year. We need to implement it in every local authority area and it will be delivered effectively.

Deputy Peadar Tóibín: Small businesses see the local authorities as cost centres, regarding planning applications, rates, enforcement etc. They do not regard local authorities as having a culture of enterprise. Representatives of the SFA and ISME have told the committee that it would be disastrous if this proceeds. The Minister of State has left it very late to consult these organisations, but given that he is consulting them, will he give scope for a new direction with regard to how enterprise support will develop?

Some 250 SMEs close every week yet Enterprise Ireland has had a €13 million underspend this year. How can that be the case given the difficulties being experienced by small businesses?

Deputy John Perry: There is no inertia with enterprise boards. An additional €3.5 million was allocated to enterprise boards last week. They are working actively at the moment. We are not changing Government policy - we are listening in order to refine the policy. We are setting up centres of excellence and a one-stop shop for business in every county. Our job is to integrate the best of Enterprise Ireland, the county enterprise boards and local government. I am very confident the plan of action will be successful.

Other Questions

Job Retention

6. Deputy Denis Naughten asked the Minister for Jobs, Enterprise and Innovation the progress to date on protecting employment of staff working on the UK loan book at Bank of America, Carrick-on-Shannon; and if he will make a statement on the matter. [51774/12]
Deputy Richard Bruton: The process regarding the sale of Bank of America’s card businesses is ongoing but there have been no significant recent developments and the employment levels at the facility in Carrick-on-Shannon have been maintained.

Earlier this year negotiations regarding the sale of the Ireland portfolio culminated in its sale by Bank of America to Apollo Global Management, a leading global alternative investment manager headquartered in New York. This transaction involves approximately 250 employees in Carrick-on-Shannon currently supporting the Irish portfolio transferring to Apollo. Under the terms of agreement between Apollo and Bank of America, the property in Carrick-on-Shannon will be officially transferred into Apollo ownership by mid-December 2012. The employees in Carrick-on-Shannon currently supporting the Bank of America Irish portfolio are then expected to transfer to Apollo by March 2013.

Bank of America has not yet sold the UK portfolio which is the other business supported out of Carrick-on-Shannon and approximately 400 staff continue to be employed in this operation.

IDA Ireland is in regular contact with Bank of America management in Carrick-on-Shannon and Dublin and at corporate level to monitor developments and is also in contact with Apollo. IDA Ireland last met representatives of Bank of America management in Carrick-on-Shannon on 9 October 2012 and senior executives of Apollo in London on 5 November 2012 where the transfer of the Carrick-on-Shannon facility and staff to Apollo, and also further investment opportunities for the group in Ireland were discussed.

It appears that while Bank of America does not now expect to sell this UK portfolio in the short term, the process remains ongoing and a potential deal could materialise at any time. I appreciate that this uncertainty is unsatisfactory for the employees working on the UK card business, but a sale depends on wider commercial factors and the ultimate decision will be made by Bank of America, taking into account all relevant factors for the company. IDA Ireland and I will keep in close touch with the issue and will use whatever influence we can to seek to ensure a satisfactory outcome.

Acting Chairman (Deputy Peter Mathews): The ground rules are four minutes for supplementary questions, with strictly one minute for each and one minute for the reply.

Deputy Denis Naughten: I thank the Minister for his reply and I acknowledge the work to secure the jobs of the 250 people working on the Irish loan book and its sale to Apollo Global Management. What is happening regarding the possible sale of the UK loan book? While I acknowledge what the Minister said, some 400 staff are employed on the UK loan book in Carrick-on-Shannon at the moment. Does the Minister agree that the sense of urgency this time last year to dispose of the Irish and UK loan books by Bank of America seems to have dissipated since Apollo Global Management decided to purchase the Irish loan book? There is local nervousness given the announcement in August that 15 staff working on the UK loan book were to be let go. On foot of the discussions that have taken place with Bank of America and Apollo Global Management, can the Minister assure the House that those 400 people will have a job next year and into the following year?

Deputy Richard Bruton: I would love to be able to give all those categorical assurances about the future of this loan book. However, as the Deputy knows Bank of America was badly affected by the financial crisis and it announced extensive restructuring throughout its organisation. At that time it announced its plan to exit entirely the international credit card business.
That was a strategic decision to focus on core business. It sold its Canadian and Spanish credit card business and of course it sold its UK business-lending portfolio and the Irish credit card book. As I said in my reply, Bank of America’s decision on its UK book does not now seem to be imminent. There has been a slowing down in the pace of the marketing and sale of that. Of course we are not authors of the final decision, which is for Bank of America. We make sure that we are very closely aligned to that decision process. I, personally, have been in contact with representatives of Bank of America on numerous occasions to keep across it. IDA Ireland officials in London and elsewhere are alert to the concerns. We will leave no stone unturned to protect this, but I cannot give categorical assurances.

Deputy Denis Naughten: I thank the Minister for the communication he has had with the two companies involved. Is the apparent slowdown in selling the UK loan book because of a change in policy or focus in Bank of America regarding the disposal of its international credit card business, or is it for some other reason? The Minister will acknowledge that MBNA in Carrick-on-Shannon is a major regional employer which employed up to 1,000 people at one stage. Coming up to Christmas it is a very anxious time for people. Any reassurance the Minister can give or any additional efforts that are being made by IDA Ireland - if not to progress this particular initiative then to look at alternative sources of employment for Carrick-on-Shannon - would be very welcome coming up to Christmas.

Deputy Peadar Tóibín: Leitrim has received one of the lowest levels of grant aid in the State, which is indicative of a bigger problem. Leitrim has not had a single IDA Ireland client company visit in the past three years. There is a swathe of rural counties that is not receiving any visits from IDA Ireland client companies. If they are not even receiving visits from these organisations, how in God’s name are they expected to attract foreign direct investment? The Government must also recognise needs with regard to economic disadvantage, unemployment and deprivation and tackle those needs by focusing FDI visits to those areas.

Deputy Richard Bruton: To take Deputy Naughten’s point. As recently as in the past three weeks the IDA met with the company. We are keeping alert to any possible developments. I will not speculate on what is the strategy of Bank of America. It has made significant decisions and disposals already but we are ensuring that we seek to protect this.

Deputy Tóibín raised a much wider issue about regional strategy and how successful the IDA can be in terms of a regional spread. The flow of investments in which the IDA is involved has tended in recent years to focus on high skills and deeper labour pools and that makes it much harder to promote rural parts of the country as effectively. We have to focus also on developing indigenous enterprise. The is the reason the discussion on small business, indigenous enterprise, Enterprise Ireland and exporting is important.

Acting Chairman (Deputy Peter Mathews): I must interrupt the Minister as we have to move on to the next question.

Small and Medium Enterprises

7. Deputy Pearse Doherty asked the Minister for Jobs, Enterprise and Innovation his actions to date to ensure that the small and medium enterprise sector has access to credit. [51879/12]

21. Deputy Sandra McLellan asked the Minister for Jobs, Enterprise and Innovation in
view of the fact that the loan balance of the banking system in Ireland has been shrinking since
the Government has come to power, his views on whether the credit provisions created by his
Department are sufficient. [51886/12]

(Deputy John Perry): I propose to take Questions Nos. 7 and 21 together.

My Department has introduced two targeted initiatives to support an additional flow of
credit into the economy by filling gaps where specific market failures exist – the credit guar-
antee scheme and the microfinance loan fund. The guarantee scheme has been live since 24
October and is expected to provide an additional €150 million in lending for small businesses
per year over the next three years. Ulster Bank, AIB and Bank of Ireland are participating in the
scheme. The guarantee scheme is intended to address market failure affecting commercially vi-
able micro, small and medium-sized businesses in two specific situations, namely, where busi-
nesses have insufficient collateral and where businesses operate in sectors with which the banks
are not familiar. It provides a 75% State guarantee to banks against losses on qualifying loans
to firms with growth and job creation potential. For every €150 million of additional lending,
the scheme is expected to benefit more than 1,800 businesses and create more than 1,300 jobs.

The second important initiative which we have developed and delivered upon this year is
the €90 million microfinance loan fund to address access to credit and support lending to the
most vulnerable cohort of our SME sector – the microenterprises. Microfinance Ireland opened
for business on 1 October 2012 and is providing loans primarily to newly established and grow-
ing microenterprises across all industry sectors, with commercially viable proposals that do not
meet the conventional risk criteria applied by banks.

Loans are for amounts up to €25,000 and will generally be provided for business start-up
costs, expansion costs and working capital. The thrust of the lending policy will always be
focused strongly on the potential sustainability of the business, its ability to repay the loan and
the creation and maintenance of jobs. It is intended that the fund will provide loans to some
5,500 microenterprises over time and will, over a ten year period, generate close to 8,000 jobs
at a cost of approximately €2,500 per job, which is very good value for the State’s investment.

My Department is keeping a close eye on developments in respect of both schemes as mat-
ters unfold to ensure their ongoing relevance and will adapt the parameters if, following review,
it is deemed necessary. In addition, my Department is working closely with the Department of
Finance and the Credit Review Office to evaluate evidence on credit availability and to ensure
that the amount of credit flowing to the SME sector is maximised to facilitate sustainable job
creation and retention.

Deputy Peadar Tóibín: I welcome some of the changes the Government has introduced
with regard to finance. The scale of the problem is that approximately €40 billion in private
sector investment has come of the economy in recent years. The Government set up the credit
guarantee scheme which cost it €6 million over three years. It is putting in €2 million on an an-
nual basis through that scheme to try to solve the problem in the credit area and it is putting in
roughly €2 million on an annual basis through the microfinance fund. Given that the State has
the second worst credit environment in Europe, just behind Greece, and given the vast problem
we have, this amounts to tinkering around the edges of it and it is not enough to deal with it.

The real elephant in the room is the banking industry, an industry most of which the Gov-
ernment owns at this stage. The fact that it has not been able to orient the banking industry to
carry out its responsibility is a disgrace. The Credit Review Office has dealt with 150 or 200 applications in recent times and has overturned the decisions in 55% of the refused applications. That means that the office is dealing with a number of applications on an annual basis and is overturning the decision in 55% of them. That, by definition, determines that the system in place under the Minister’s stewardship is malfunctioning.

**Deputy John Perry:** On the level of funding, the Deputy has not been correctly advised because the Government is investing €50 million over three years.

**Deputy Peadar Tóibín:** In the credit guarantee.

**Deputy John Perry:** Yes. The loan guarantee is €450 million, the innovation funding is €200 million, there is also NPRF funding and €150 million is being put in from the innovation fund. Therefore, considerable funding is being provided. With regard to the difficulty in terms of opportunities for business, the microfinance fund is a good start-up fund. It was very successful in Dublin previously. People who were refused a loan were given a start-up loan under it and the fund will be operated from a centre of excellence in every county. Some €3.5 billion has been put into the two pillar banks. I have sought to simplify the application process within the banks. The obligation is on the applicant to appeal the decision if his or her loan application has been refused and to go to John Trethowan’s office.

...here is only so much we can do. We are benchmarking the banks on what they are doing. It is a matter for people to go through the application process and I went through some of them myself. If one’s application is refused, one can appeal the decision within 21 days. The code of banking has been modified to ensure that applicants will get a reply within 21 days. If one’s application is refused, one can go to the Credit Review Office.

It is very easy to come in here and say nothing is being done for small business. We can only encourage those in business to submit a business application, there is a due diligence examination of the application to assess the viability of the proposal. Banks will not give out money for projects on which they will not get their money back, and the Deputy knows that better than anybody. He has been on this case for some time making the same attack all the time, namely, that there are no funds available. The Government will put in the best part of €500 million, €700 million and €850 million in funding into small business during the next three years.

**Acting Chairman (Deputy Peter Mathews):** I interrupt the Minister of State to advise that Deputy Wallace is waiting to ask a question.

**Deputy Peadar Tóibín:** I would like to ask a supplementary question.

**Deputy Dara Calleary:** I also want to ask a question.

**Deputy Peadar Tóibín:** I would like the Minister of State to address an important question. The Credit Review Office has overturned the decision in 55% of the applications it has received. It, by definition, is saying that in the sample size of the applications with which it is dealing there is a breakdown in more than half of the applications with which the banks are dealing. I believe that the Minister and the Minister of State are powerless to act in this. I ask them to ask the Ministers on the Economic Management Council to allow them be members of it in order that they can try at least to bring an enterprise orientation to it.

**Acting Chairman (Deputy Peter Mathews):** Deputy Tóibín, I have to be fair. I call Dep-
uty Wallace to ask his question. The Minister of State might hold off answering until Deputy Wallace has asked his question.

**Deputy Mick Wallace:** The Minister is probably aware that five months into his time in government President Hollande of France has fulfilled his election promise of setting up a strategic investment bank which is making €42 billion available to small and medium sized businesses. I asked the Taoiseach yesterday the position regarding our strategic bank and he said it was ongoing. When I said that nearly two years has passed he replied that it takes a while to do that. Does the Government intend to set up a strategic investment bank or has that idea been abandoned? The Ministers can say the banks are open all they like but I know many people in good, sustainable businesses who cannot get money. A strategic investment bank, as promised by the Government, would be a godsend.

**Deputy Dara Calleary:** I understand the strategic investment bank is with the five point plan somewhere in the ether. The credit guarantee scheme is welcome. As the Minister of State said, it has been open since 24 October. Can he give any indication of the application level to date?

The microfinance scheme set up on 1 October is welcome. I asked about that because there appears to be no promotion of it. Those of us in the House know about it and the enterprise boards are talking about it but what is the position in terms of the wider public?

I ask the Minister of State to react to the figures given to the finance committee some weeks ago. The Minister of State has been trumpeting the figure of €3.5 billion all day but three weeks ago at a meeting of the Joint Committee on Finance, Public Expenditure and Reform AIB admitted that only €600 million of this is new lending. What are the views of the Minister of State on changing the format of Credit Review Office reporting? It reports on money approved as opposed to money actually drawn down, and a very significant problem exists in the banking sector whereby a loan is approved but the hurdles to be faced when drawing it down are bigger than what one would see in the Grand National.

**Deputy John Perry:** A review of the Credit Review Office is being undertaken and when we receive the report, we will examine our options for enhancing it. With regard to Deputy Tóibín’s point on the 55% figure, I will not defend the banks because it is clear they must do better. The fact the Credit Review Office has overturned 55% of decisions shows how effective it has been.

**Deputy Dara Calleary:** Nine hundred cases.

**Deputy John Perry:** We are working with the banks. With regard to AIB and the €600 million for new lending, we must also take into account the fact that people are opting out of existing loans from other banks. With regard to Deputy Tóibín’s point about Greece, the report in question was from the Central Bank which included all banks not giving money.

**Deputy Dara Calleary:** The Central Bank.

**Deputy John Perry:** The report included all banks. We must remember the main players for small and medium-sized enterprises are Bank of Ireland, AIB and Ulster Bank. The report included all banks, including those which do not fund small and medium-sized enterprises.

Deputy Wallace made a point on an investment bank. Years ago the ICC bank was very
effective and had a niche market for business. The State practically owns one bank and is a major stakeholder in another and one must see them in operation first. The Taoiseach and the Minister, Deputy Bruton, are putting considerable pressure on the banks. We must remember that to make money banks need good small and medium-sized enterprises. How else will they make a profit for their shareholders? Last week, Bank of Ireland advertised enterprise week throughout the country. Perhaps the bank gave people ten reasons it could not give a loan, but it invited business people in to make loan applications and AIB is doing the same. We are taking the banks at their word that they are facilitating small and medium-sized enterprises. Banks want successful business people and we are clearly benchmarking the banks on this to ensure they support viable small companies in the micro sector. Enterprise Ireland’s high potential start-up unit has an in-house bank adviser, and big companies have ways of obtaining money.

To respond to Deputy Calleary’s point, retail services are under huge pressure at present. The easiest way to give a loan at present is to increase the overdraft of a business person by €50,000 because after two years, this overdraft will be a long-term loan. Business people may be sorry they obtained an overdraft because it becomes a long-term loan. In certain cases people are extending credit limits for suppliers and it is very difficult.

Retail Sector

8. **Deputy Dessie Ellis** asked the Minister for Jobs, Enterprise and Innovation his plans to safeguard and promote jobs within the faltering indigenous small and medium enterprises retail sector in the State. [51895/12]

14. **Deputy Dara Calleary** asked the Minister for Jobs, Enterprise and Innovation the action he will take to assist the retail sector; and if he will make a statement on the matter. [51836/12]

**Deputy John Perry:** I propose to take Questions Nos. 8 and 14 together.

As I outlined in response to an earlier question from Deputy Calleary, the Government recognises the importance of the retail sector to the economy. It is employment intensive and covers every community in the country. Combined with wholesale, the sector employs 258,000 people in Ireland, which is almost 15% of our total workforce. The sector straddles a range of operations, from one person online set-ups to multinational chains, and the types of assistance needed vary throughout the sector.

The measures I outlined for the retail sector as a whole will support SMEs and larger enterprises in the sector, as well as the more general measures in the action plan for jobs aimed at supporting employment throughout the economy. In addition, small businesses in the retail sector will be able to benefit from ambitious reform of the delivery of services to small businesses generally. This will include the dissolution of the county and city enterprise boards and the establishment of local enterprise offices, LEOs, to create a high quality, innovative, one-stop shop support service for small businesses. Key local authority services will be integrated into the LEOs to promote a local environment within which enterprise can thrive.

It is useful to note that while the retail sector in Ireland has been struggling as a result of the economic downturn, lack of confidence and a lack of credit, it compares relatively well with the retail sector throughout the EU. In September 2012, compared with September 2011, the retail sales index fell by 0.8% in the euro area, while it rose by 1.3% for the same period in Ireland.
I am aware that in recent weeks a number of retailers have made announcements that more than 2,000 seasonal retail jobs will be available for the Christmas season in a range of both part-time and full-time roles throughout the country. This is very welcome.

**Deputy Peadar Tóibín:** The Nevin Economic Research Institute has indicated 30,000 jobs have been lost in the retail and wholesale sectors in recent years and the knock-on effect of these losses in local areas has been greater than this. Some parts of the State and some retail sectors have experienced a lift in recent months, but the main streets of many provincial towns have a significant number of shops boarded up. Many retailers are struggling with a number of issues on which the Government could focus, including upward-only rents. These have been mentioned in the House on many occasions and will be mentioned again because as long as businesses are forced to pay uncompetitive rents, the issue must be raised in the House. The Government has stated it cannot act on it, but I urge it to show the information received from the Attorney General in this regard. It is stated governments do not do so but on occasion I have seen other governments detail Attorney General evidence.

The cost of energy is crippling. I know of a bar which pays an electricity bill of €2,000 every month which makes it very difficult to operate. We have urged the Government to introduce progressive rates which would take at least some consideration of the profitability of a business. Will the development of the new small enterprise sector allow for a level of grant funding for the retail sector? I understand displacement is a problem in this area. Will further funding supports be available for the retail sector in the shake-up of enterprise development?

**Deputy John Perry:** To take the last point, very effective soft supports exist for small businesses, such as educational and mentoring supports. With regard to electricity, people do not realise commercial electricity charges here are cheaper than in Northern Ireland and Britain. People do not fully recognise that VAT is reclaimable and this reduces the unit cost to a very competitive rate. Business people do not make one fully aware of this.

With regard to upward-only rent reviews, it might be different on Grafton Street but in Castlebar and smaller towns landlords believe some money is better than no money and if a tenant states he or she can pay only half the rent paid in 2007, many landlords will accept this. The commercial reality has surfaced and most business people will accept lower rents regardless of the legislation. The Minister, Deputy Bruton, has stated on many occasions that new rental agreements have an option for downward rent reviews, but the Attorney General has stated we cannot retrospectively deal with rents.

**Deputy Dara Calleary:** The Minister of State knew that before the election.

**Deputy John Perry:** There was much known that was clarified by the Attorney General when we came into government and there was much more information we found out afterwards that we did not know about the disaster of the previous Government.

**Deputy Dara Calleary:** Returning to my previous question on a promotional campaign - before the Acting Chairman gets excited, it is applicable to the retail sector - and a knowledge campaign for the two new schemes, these are not known of among the general business community. Would the Minister of State give me any idea of the drawdown of the facilities?

The Minister of State will not convince me that he is doing anything serious about retail. I would encourage him to look at the record of this debate. On manufacturing, in the case of specific initiatives and specific time lines, we got the jobs action plan. The Government threw
the kitchen sink into initiatives on retail.

On the local enterprise offices, LEOs, we had a worthwhile engagement at the Joint Committee on Jobs, Enterprise and Innovation with Enterprise Ireland, a fantastic organisation which will bring an entirely different edge to this. However, retail is not in Enterprise Ireland’s mix. It is not on its plate at all. At the committee, we have started on a cross-party basis conducting a review of the retail sector. Some committee members will be in Kilkenny and Waterford at the weekend and we will travel the country to get first-hand experience. I would encourage the Minister of State, who is a retailer, to bring his experience to the table in the design of the LEOs so that, as well as soft support, there is also some real support so that retail is part of the LEOs remit from their outset, not something to be pushed off as an AOB item.

Perhaps the Minister of State give us an update on the following matter which, I accept, is a budget decision. Has the Department engaged with the proposal of the Minister for Social Protection, Deputy Joan Burton, to put another burden on business around sick pay and is there any update since the previous debate on that?

Finally, I repeat that the Minister of State, as a Member of this House, was aware of the constitutional blockages on upward-only rent reviews prior to the last election and prior to him making the promises that his party made, and he completely reversed his position when he went into government. In rural economies rents are not the problem but in the cities upward-only rent reviews are a major issue. They are causing serious job losses. Only two weeks ago, an iconic retailer in Dublin closed because it was not in a position to re-negotiate its rent. If the Minister of State goes down Nassau Street, he will see the empty unit.

Acting Chairman (Deputy Peter Mathews): To put the Minister of State on notice, Deputy Wallace wants to ask a question and there are nearly three and a half minutes left.

Deputy John Perry: When it comes to the reality of business in the retail trade at present, if one takes small business, while retail is under considerable pressure, it is about confidence and credit. There are many spheres in the economy affecting small business, while Deputy Calleary gets hung up on the retail trade.

The previous Administration fuelled shopping centres in every village and town, far beyond what was needed. Deputy Calleary may have a big issue, which he has raised time and again, with rents. It is not as big an issue as he makes out. There may be one exception, but the bulk of landlords have vacant units in every large town and city, not only here in Dublin, and are happy to renegotiate, and that is now taking place.

With the promotion of the micro-loan fund, every county and city enterprise board has launched a plan of action. The Department is conscious of that and there will be promotion of that in the new year. We have a clear plan.

It is important to recognise that 258,000 people work in retail and wholesale. There is the proliferation of the large multiples. People are now selling alcohol below cost. It is the 80:20 principle. It is driven by value. When one looks at the tourism sector, there is a revitalisation as a result of the lower VAT on hotels. We have done more in 18 months for small business than the previous Administration did in 14 years. The previous Administration did nothing for them.

Deputy Dara Calleary: The Minister of State is in cloud cuckoo land.
Deputy John Perry: Deputy Calleary did nothing for them.

Deputy Dara Calleary: The Minister is in some other land.

Deputy John Perry: Deputy Calleary does not want to recognise what was done. The Government to which he was party did nothing. I was here in opposition asking it time and again. Deputy Calleary had no respect for the domestic economy.

Acting Chairman (Deputy Peter Mathews): I want to respect-----

Deputy John Perry: The Government has an understanding, concern and respect for small business which the previous Administration did not have.

Acting Chairman (Deputy Peter Mathews): I want to respect Deputy Wallace’s opportunity to ask a question.

Deputy Mick Wallace: The Minister of State stated that there were too many retail units anyway. With seven a day going out of business in Ireland at present, I would say that we have gone past the mark at this stage of what should be sustainable.

Returning to finance and the retail sector, should I take it from the Minister of State’s last reply that we should forget about the strategic investment bank?

He stated that banks should not give money to someone who would never give it back, and I agree. If I had a bank, I would like to get it back as well. Given that the State owns the banks, if the banks were to go for their best option they would be investing outside the country, which many of them are doing, rather than giving it to local enterprise or businesses.

As Deputy Perry will probably be aware with regard to retail, rates are being revised in Dublin at present. I have one particular unit, on which I got word two weeks ago and on which the rates were already one third of the rent. I have just been told that my new rate is 40% higher. How, in God’s name, is that realistic? Do those coming up with these figures know anything about the problems businesses face?

Acting Chairman (Deputy Peter Mathews): There is only half a minute left.

Deputy John Perry: On the revaluation of rates, that is why it is so important that there will be centralisation of services in the one business desk where local government will be very much involved. On the revaluation of rates in Dublin, it is hard to justify such a 40% increase. It does not stack up. I would certainly appeal that decision.

If Deputy Wallace was raising the role of the investment bank, the Minister, Deputy Richard Bruton, has stated that there are many opportunities for the micro-finance fund, the loan guarantee and the banks. We are very much benchmarking the banks to give out the money. One must remember that our banks are now domestic banks. They are back here in the local domestic economy. Clearly, it is about supporting the role. However, I am not disagreeing with Deputy Wallace. An investment bank is something that was in the Action Plan for Jobs. It is something on which the Government must make a decision in the future.

We are now asking the banks to do better than they are doing. I am not here condoning the difficulties business people are encountering where they are experiencing considerable difficulty in getting loans from banks. We advise going through the process, appealing the decision,
going to the Credit Review Office and noting the loan options provided by Government, such as the microfinance fund and the loan guarantee, which facilities those in business should use.

Enterprise Support Services

9. **Deputy Niall Collins** asked the Minister for Jobs, Enterprise and Innovation his plans to develop Ireland’s manufacturing capacity; and if he will make a statement on the matter. [51840/12]

15. **Deputy John McGuinness** asked the Minister for Jobs, Enterprise and Innovation the way Ireland can expand its manufacturing base; and if he will make a statement on the matter. [51865/12]

**Deputy Richard Bruton:** I propose to take Questions Nos. 9 and 15 together.

To some extent, I dealt with a good deal of this answer in the earlier reply where I outlined the establishment of a manufacturing development forum and its ongoing work to produce a strategic plan in the new year. Rather than repeat that, I suppose it is worth saying----

**Acting Chairman (Deputy Peter Mathews):** Does the Minister want to read it into the record?

**Deputy Richard Bruton:** I will read-----

**Deputy Dara Calleary:** No, we have it. I am satisfied with that.

**Deputy Peadar Tóibín:** I would like to ask a question.

**Acting Chairman (Deputy Peter Mathews):** I apologise for interrupting.

**Deputy Richard Bruton:** To amplify that, it is worth saying that both Enterprise Ireland and IDA Ireland continue to develop policy interventions to support the manufacturing sector. As I stated, under the Action Plan for Jobs there are a number of measures to improve productivity, extend innovation, introduce lean systems, enhance management skills, develop collaboration in new technologies and enhance access to finance. For example, the development capital fund is a specific new initiative for access to finance targeted at companies that have a weak balance sheet but have the capacity to grow.

This week, I visited the Irish Centre for Manufacturing Research which is promoting collaboration. It works with a significant number of both SMEs and multinationals. There have been four spin-outs, between that centre and the energy efficiency centre, where they are using the research being done in these centres with manufacturing and other companies to develop applications to achieve better energy efficiency, achieve better use of equipment and introduce more efficient systems.

The lean programme has been successfully rolled out for a number of companies. It has allowed them strip out cost effectively and achieve the competitive edge which has enabled the driving of significant growth in exports from manufacturing companies.

There is much worthwhile work going on through Enterprise Ireland in promoting this sector and supporting its transition.
Deputy Dara Calleary: The Minister mentioned another fund, the development capital fund. It brings me back to my previous question to the Minister of State, Deputy Perry, on the knowledge of these schemes. It is an issue that we have spoken a great deal about at the Joint Committee on Jobs, Enterprise and Innovation. There are many schemes and many funds, but there is no one place in which to get all of that information. At the committee, Deputy Lawlor is particularly strong on this. There is a need one place where somebody in any sector can go to find what supports are available, and this is merely another example.

Returning to manufacturing, is the Minister happy that the apprenticeship scheme is fit for purpose to deal with the opportunities there will be in manufacturing over the next number of years?

Deputy Richard Bruton: I agree with Deputy Calleary. One of the results that came out of the national tour we did with the Action Plan for Jobs was that there is insufficient knowledge out there. On foot of that we have produced a simple and easy-to-use brochure which we have online. We have been promoting it through the Company Registration Office, chambers of commerce and county enterprise boards. We are promoting it everywhere we can and it includes micro-finance and loan guarantees. We will seek to take further initiatives.

As the Minister of State, Deputy Perry said, the one-stop-shop in the local enterprise office is the aim, so that there will be one place to go and access revenue, seed capital or micro-finance. One will be able to use that as a single source of information.

The Deputy is correct in that apprenticeships need to be re-examined. One of the tasks of SOLAS, which has now gone to the Department of Education and Skills, is to look at the weaknesses or strengths and changes that are needed as a result. As part of the manufacturing forum, my own Department is looking specifically at manufacturing skills and the changes required. It is clear that we do not have enough traineeships embedded within the various sectors. We need therefore to build a much closer alliance between training and industry to get an embedded training culture.

Deputy Peadar Tóibín: Last Monday, we took a trip to see approximately 25 businesses in County Donegal to get an understanding of their status. We were at an engineering firm on the Inishowen Peninsula, whose management made the point that the way in which Lean management and Lean manufacturing programmes are delivered through Enterprise Ireland is very awkward for them. They end up not accessing them from Enterprise Ireland but privately. The firm’s management also told us that the electricity costs it pays are at a higher unit rate than domestic costs. Perhaps the Minister can look into that issue because the manufacturing firm in question is being charged higher costs than in a private household.

The businesses we spoke to said one key issue that is creating difficulties with regard to employment is that when people take jobs for €14 or €15 per hour they often fall off a welfare benefit cliff. They would therefore lose medical cards and education allowances completely. Consequently it meant that they do not take up those jobs. If such allowances could be maintained for a higher level of income, such people would not find themselves in that position. They would then be able to resume paid employment within the manufacturing industry.

Deputy Mick Wallace: I fully agree with the Minister’s point about training and apprenticeship schemes in the manufacturing sector. The success of manufacturing after the Second World War was very much based around major investment in training and apprenticeship
schemes. However, the Government should consider imposing measures to compel different sections of industry to improve themselves in this respect. In the construction sector, there has been a huge fall-off in the apprenticeship scheme. It has become a big problem so direct action should be taken. Even though the construction sector may be flat at the moment, it will not stay that way forever. We should therefore be imposing rules and regulations on the construction industry to come up with a framework whereby businesses are compelled to invest in apprenticeships and training.

**Deputy Richard Bruton:** As regards Deputy Tóibín’s point, I will investigate what the problem is with Lean for that company in Inishowen. I am not familiar with a difficulty but if the Deputy provides me with the details I will follow it up. While electricity costs are not a matter for my Department, they obviously depend on the power and continuity required by a customer.

There are problems with benefit withdrawal but most people who have been on the live register for over a certain period - if, for example, they are availing of revenue job assist - will get significant compensation both in the tax code and the ability to retain some of their allowances. Nonetheless, I accept that we need continually to seek to unwind those. I am aware of the impact of rent supplement in that area, although only a small proportion of the live register is affected by that.

Deputy Wallace raised the issue of making training compulsory. At the moment, the Government must be careful about imposing obligations - or what effectively would be levies - on employers at a time when they are struggling, particularly in the construction sector where they have experienced downsizing. We need, however, to create a culture in which industries actively plan the longer term development of skills that are needed in their sector. There are segments within industry that are going through a good growth phase. We should develop better arrangements for them for permanent placements and alliances with institutes of technology or the vocational education committees in order to have a regular flow and work experience. That would be our ambition.

*Written Answers follow Adjournment.*

The Dáil adjourned at 5.45 p.m. until 2 p.m. on Tuesday, 27 November 2012.