Chuaigh an Ceann Comhairle i gceannas ar 11.00 a.m.

_Paidir._
Prayer.

Shannon Airport: Motion

**Minister for Transport, Tourism and Sport (Deputy Leo Varadkar):** I move:

That Dáil Éireann approves the following Order in draft:

State Airports Act 2004 (Shannon Appointed Day) Order 2012,

a copy of which Order in draft was laid before Dáil Éireann on 5th December 2012.

When I was appointed to the transport, tourism and sport portfolio in March 2011, I made the aviation sector one of my key priorities. One of the issues that needed to be addressed was the unusual situation that characterised the relationship between the three State airports since the enactment of the State Airports Act in 2004. While the 2004 Act provided for the establishment of two new public limited companies - namely, Shannon Airport Authority and Cork Airport Authority - for the purposes of owning, managing, operating and developing these two airports, in reality these functions were never transferred from the Dublin Airport Authority, DAA. While both companies were established in 2004 and have their own boards, they have very limited autonomy from the DAA, which remains responsible for all significant commercial decisions with regard to both airports.
The onset of the economic crisis in 2008 created severe turbulence in the aviation sector. This is because of the close correlation between trends in the national economy and trends in the aviation sector, which means that the key indicators of both sectors mirror each other with a short time lag. As the economic situation worsened, there emerged a particular concern for the future viability of Shannon Airport, given the quite dramatic fall in its passenger numbers in recent years.

Last week, my colleagues the Minister for Public Expenditure and Reform, Deputy Howlin, and the Minister for Finance, Deputy Noonan, delivered the budget for next year and announced expenditure cuts and revenue-raising measures amounting to €3.5 billion, designed to reduce the general Government deficit to 7.5% next year, down from a projected 8.2% in the current year. The target is to reduce the deficit further, in stages, to 2.9% in 2015. We will continue to face up to the challenges this involves in as sensitive and as fair a way as possible.

Members might ask what is the relevance of this to our State airports, particularly Shannon Airport. While we have mapped a clear road to the recovery of our economic sovereignty and to the economic recovery of this country, the scale of our current difficulties requires that every part of the State’s business, whether in the commercial sector or not, contributes to this goal. For example, we are undertaking the most comprehensive reform ever of the public service, with the aim of reducing public expenditure and staff numbers while at the same time endeavouring to maintain key services and social supports. This is far from easy, but we have to do it and we must succeed. We simply have no choice. Our efforts cannot be confined to Exchequer finances. The commercial State sector must also play its part in full. In the current circumstances, this is an economic and financial imperative. Our three State airports operate in the commercial sphere and can play a vital role in our economic recovery. I say “can” because unless they are actually contributing, they could hold back economic development and hinder recovery. Shannon Airport is currently in this unenviable position. It is loss-making and its passenger traffic has fallen dramatically since 2007. It is being supported by the DAA and is not delivering its potential for the mid-west region. Regardless of where ownership of Shannon Airport lies, this cannot continue. The stark facts are that passenger traffic at Shannon more than halved, from 3.6 million to 1.6 million, in the period 2007 to 2011 and is expected to fall further, to less than 1.5 million, this year. Clearly, this trend could not be allowed to continue without putting the very future of Shannon Airport at risk. There was a need for some intervention to put the airport on a more viable footing. This, in turn, required a thorough examination of all the options.

Having discussed the matter with the three airports, I commissioned Booz & Company, a leading firm of aviation consultants, to identify and analyse all likely options regarding the ownership and operation of Cork and Shannon airports and to make recommendations with regard to the optimal ownership and operational structures for those airports. After consulting widely, Booz found Cork Airport to be performing well under DAA ownership and management and as such, they concluded that the benefits of any fundamental change in its ownership status in terms of increased traffic and revenue for Cork would be marginal. Accordingly, the Government decided that the existing ownership of Cork Airport by the DAA would be maintained for the present. Cork and Dublin airports will need to continue to need to address their costs and look for opportunities to increase the size of their businesses as part of a renamed DAA.

The Government decided that it needed to focus on halting and reversing the serious decline of Shannon Airport. The basic conclusion of the Booz report regarding Shannon Airport was that its decline and financial situation as a loss-making entity would continue unless there was
a fundamental change in strategic direction for the airport. Having carefully considered the
matter, the Government agreed in principle last May to a new strategy designed to reverse the
decline in Shannon Airport and put the airport on a new strategic footing. This new strategy,
which takes account of the Booz recommendations, involves the separation of Shannon Airport
from the DAA, the merging of a restructured Shannon Development with Shannon Airport to
form a new entity with a commercial mandate in public ownership, and the development of
a suite of aviation-related industries located in the lands contiguous to the airport. The Gov-
ernment also decided to rationalise the tourism and enterprise support agencies in the region.
Shannon Development’s tourism functions are being transferred to Fáilte Ireland and its enter-
prise support functions will be transferred to IDA Ireland and Enterprise Ireland. These ini-
tiatives will serve to eliminate the historical duplication of resources and deliver a better service
to the region.

The Minister for Jobs, Enterprise and Innovation, Deputy Bruton, and I established a high-
level steering group to develop proposals for the implementation of the Government decision
and to assess the feasibility of creating an international aviation services centre of excellence
at Shannon Airport. The steering group was assisted by two task forces. The aviation business
development task force was charged with seeking out and evaluating aviation-linked business
opportunities that could be associated with the merged Shannon entity and introducing propos-
als to address issues relevant to the merger for consideration by the steering group. The change
management task force was formed to develop transitional arrangements for Shannon Airport
and Shannon Development prior to the merger, including matters relating to information tech-
nology, human resources, finance and accommodation. The task force also considered issues
related to the transfer of Shannon Development functions to the IDA, Enterprise Ireland and
Fáilte Ireland and the development plans of these agencies for the region. Both task forces con-
cluded their work last month and their reports have been published on my Department’s web-
site. The report of the aviation business development task force strongly supports the potential
for the establishment of a broadly-based aviation industry cluster in and around the airport with
the potential to achieve global recognition while also providing a strong employment stimulus
in the Shannon region. Areas of the aviation sector that will be targeted for this purpose include
aircraft maintenance, repair and overhaul, flight crew and other aviation-related training, and
the development of aviation logistics and cargo facilities, among others.

It is a prerequisite for airport separation that the Minister for Public Expenditure and Re-
form and I are satisfied as to the state of operational and financial readiness, including business
planning, of the three State airports. Detailed business plans for the proposed new Shannon
entity, which includes Shannon Airport, and for the DAA post-separation from Shannon were
prepared, and these were subject to independent expert evaluation by KPMG on behalf of the
steering group and my Department. I am seeking the approval of the House for this motion
because the Government is confident that Shannon not only is ready to stand on its own but will
perform far better on its own, free of constraint and control by the DAA. In this regard, it has
been suggested the passenger projections for Shannon Airport seem fanciful. While the busi-
ness plan is confidential, in the next five years the Shannon plan projects passenger numbers to
grow from approximately 1.5 million this year to 2.3 million in 2017 and 2.5 million in 2021.
Shannon traffic peaked at 3.6 million passengers five years ago. I do not deny that it will be a
challenge to meet these targets, but they are achievable. Moreover, the alternative of accepting
that passenger numbers at Shannon cannot be improved is much worse because that would spell
the continued decline of the airport. In that eventuality we would soon be seeking to downgrade
or even wind down the structures at Shannon. That is not the future I want for the Shannon area.
As I announced last week, the Government has confirmed its decision on Shannon Airport and we are working on implementing it. I am delighted with the news that commitments for the creation of 850 jobs have been secured by the task force from two companies as part of plans for an international aviation services centre to be located at Shannon. The longer term potential of this centre is projected to create and maintain up to 3,500 new direct jobs within five years, not including construction jobs.

While on the most important subject of jobs, I understand the concern that may be felt by the staff in both Shannon Airport and Shannon Development at this time of significant change. I acknowledge that, as with any new initiative, there are challenges ahead for the airport and the new Shannon entity being formed from the merger of the airport and the restructured Shannon Development which we will call NewCo for the time being. However, it also offers a great opportunity for Shannon and the region. The terms and conditions of the DAA employees working in Shannon Airport will not be diminished in any way when they become staff of the Shannon Airport Authority. This was agreed following intense negotiations with ICTU in 2004 while the State Airports Act was being enacted and their protections are enshrined in that legislation. The terms of the Croke Park agreement apply to the staff in Shannon Development and, when the State-owned NewCo is established in due course, they will transfer to that company with their current terms and conditions. The workers in both Shannon Airport and Shannon Development are vital to the success of the airport and the vision for NewCo. Together with management, I am convinced that they can and will work together to ensure not just the survival but also the renewed growth and success of the airport. I am aware that some in the unions are unhappy with how these policy initiatives have been progressed to date and feel excluded from that process, notwithstanding the arrangements for consultation in place. I have invited ICTU to nominate a representative to join a steering group of key Departments which the Minister for Jobs, Enterprise and Innovation and I will establish to oversee implementation of the Government decisions on NewCo. I also want to ensure the workforce in the Shannon Airport Authority can have representation at board level as soon as separation is effected on 31 December. In this regard, I have also invited ICTU to nominate an employee representative for appointment to the board of the SAA on a temporary basis pending agreement on the arrangements for NewCo.

The Government’s decision represents an historic new beginning for the Shannon region, with Shannon Airport playing a central role in the drive to develop a world-class aviation industry. In addition, the decision grants Shannon Airport the long awaited freedom to determine its own future in the best interests of the airport and the region. The decision will give the board, management and staff of Shannon Airport the scope to bring a fresh approach to its future development. Its merger with a restructured Shannon Development provides an opportunity to open up access to the extensive land bank at Shannon to facilitate the development of the international aviation centre of excellence.

Some in the Shannon region maintain that Aer Rianta International should be transferred to Shannon Airport from the DAA. From the time separation of the State airports was mooted in 2004, it has been the intention of successive Governments that while the debts associated with the business of Shannon Airport would remain with the DAA, Aer Rianta International would also remain with it. Aer Rianta International is an integral part of the DAA group and the DAA’s balance sheet, funding and credit rating are reflective of the group’s business, including Aer Rianta International. Being part of a larger group allows Aer Rianta International to access funding necessary for its ongoing expansion by borrowing against the assets in Dublin.
I would prefer the Shannon Airport Authority to use borrowing to develop Shannon Airport rather than overseas businesses. Even if it was desirable to transfer Aer Rianta International out of the DAA, it would damage the latter’s viability if it was done as part of the Shannon Airport separation process. In short, if the DAA’s financial viability was compromised as a result of separating Shannon Airport, separation could not happen. Both Shannon Airport and the DAA post-separation must be viable. That is the law.

I have been particularly struck by the degree of support for an independent Shannon Airport across a wide spectrum of interested parties, including business interests, chambers of commerce, and local authorities. Airport users, service providers, and prospective new airport customers, including airlines and aviation companies, have expressed an overwhelming desire to deal directly with Shannon Airport on an independent basis. The State Airports Act 2004 provides the legal mechanism for the separation of Shannon Airport from the DAA. In particular, section 5 (1)(b) of the Act provides for the making of an order to specify the ‘Shannon appointed day’, to be the day on which the assets and business of Shannon Airport will be transferred from the DAA to the Shannon Airport Authority.

As Members can see, the draft order for approval by this House is a straightforward one which simply sets 31 December 2012 as the appointed day for separation of Shannon Airport from the DAA. Once this order has been approved by each House of the Oireachtas, it provides the legal basis to progress with the plan that will secure the future of Shannon Airport. My hope is that through co-ordinating with all interests in the mid-west region and working together we can provide exciting and innovative opportunities that will benefit business, tourism and job creation in the region. The task now is to make these plans a reality. I thank Deputies for their attention and look forward to hearing what they have to say in reply.

Deputy Timmy Dooley: I move amendment No. 1:

To insert the following after “5th December, 2012”:

“provided that Aer Rianta International is incorporated in the new, independent Shannon Airport Authority on or before 31st December, 2012.”

I thank the Minister for outlining the Government decision to separate Shannon Airport from Dublin Airport. I could almost have expected to hear that same speech back in 2004. Much of the positivity emanating from it is the same kind of information provided by the Department and the Minister then, who believed a bright new dawn existed for Shannon Airport in a separated environment. Others in Cabinet at the time had serious concerns about the potential separation and the impact that would have on both Cork and Shannon airports.

At the time, the appointed day was left as a fluid date, to allow for business plans to be developed at Dublin, Cork and Shannon airports and a provision was put in the legislation requiring the development of business plans that were sustainable and viable. Unfortunately, during the very best of a boom, it was not possible to develop viable business plans at Cork and Shannon with an independent framework in place. A huge amount of work was done on this and independent boards were established at Shannon and Cork.

In his contribution, the Minister was almost contradictory and negative about the fact separation had not yet taken place, but yet he acknowledged that in 2007, passenger traffic peaked at Shannon Airport to a level of approximately 3.6 million passengers. At the time, I believed those numbers were unsustainable, because they were based on a deal with a particular airline
that was unable to meet the targets they had set for themselves, despite the fact they were given an exceptionally good tariff and rates. Therefore, serious efforts were made then to see Shannon and Cork airports as viable entities in a separated environment. I am very pleased direct separation did not take place then, because if it had, Shannon and Cork airports would be cut adrift now. In the downturn we have experienced, they would not be viable and neither the Government nor the State would be in a position to invest in them. In the context of competition, EU rules on state aid would have precluded that. Had separation taken place, both airports would no longer be viable and the State would be left in a difficult position with regard to how it might reinvest in them.

I accept the separation proposal being put forward by the Government now is somewhat different. However, it seems to make assumptions based on a business plan that I do not believe is sustainable. The Minister has reiterated some of the figures here today. He has shortened his outlook from 2021 - the year he utilised last week - back to 2017 and has stated that by 2017, passenger numbers will be 2.3 million, as set out in the business plan. I ask him to look at the business plan in more detail. I accept the business plan is confidential, but the Minister has shared some of the numbers, so I will do the same. There is an expectation or a projection that passenger numbers at the airport will have increased on current levels by 500,000, or 33%, by the end of 2014. While I hope that happens, I think it is fanciful to anticipate that it will. It is foolhardy to move on separation without putting in place some kind of secure backstop, in terms of a source of revenue for the airport at a time when this country is going through a very difficult financial crisis. Confidence is at a low ebb and people are not travelling to the extent that they did in the past. It is somewhat foolhardy to expect Shannon Airport to outstrip the general level of demand from a tourism traffic perspective and achieve a 33% increase. I ask the Minister to review the matter.

My amendment seeks to give Shannon Airport the kind of protection in the separated environment that it will need in the context of the losses it has been making. It would provide the airport with a revenue stream that would enable it to grow and develop as a counterpoise to Dublin Airport. That was the original intention of the separation proposal in 2004. The general perception at the time was that Dublin Airport was killing off effective competition from the two other State airports. It was believed that the two airports in question needed to be established on an independent footing so they could compete effectively. If they could draw some of the traffic through the airports in the west and the south, it would assist the approach of successive Governments to balanced regional development and increase economic activity in those areas. This Government, which is separating the airports in a different economic climate, is not providing for any support or fall-back in the event of the targets not being reached. As I have said, the targets are overly ambitious in the short term. The airports will not have an opportunity to receive the support one might have expected.

The Minister has made the case for Dublin Airport owning Aer Rianta International, in effect. As Deputy Carey and others will know, Aer Rianta International was established by the management of Shannon Airport to support activity at the airport. This international business was grown out of Shannon and for Shannon. The Dublin-centric approach of the Dublin Airport Authority over the years has meant that much of the profit associated with Aer Rianta International has been put to the use of Dublin Airport. Aer Rianta International’s stake in Birmingham Airport was sold for over €230 million in 2007. Those funds were used as base capital, in effect, to secure additional borrowings for terminal 2. Over the course of a decade, approximately €600 million has been transferred from Aer Rianta International into the coffers
of the Dublin Airport Authority.

I do not accept the Minister’s suggestion that if this Fine Gael-led Government decided it was desirable to give Aer Rianta International to Shannon Airport, it would have some kind of impact on the capacity of Aer Rianta International to trade successfully internationally. My understanding is that the books of Aer Rianta International show that more than €100 million has been loaned to Dublin Airport. The Minister has said publicly that Aer Rianta International needs to borrow €60 million next year. Perhaps it should start by reclaiming the moneys in question from Dublin Airport. It is an ongoing bone of contention that a company which was established principally to develop Shannon Airport, generate revenues overseas, support balanced regional development, facilitate continued growth and underpin the loss-making infrastructure that was at Shannon Airport is being transferred out of the region without any appropriate support in its place.

When exceptional items are removed, Aer Rianta International made a profit of almost €30 million last year. Some Deputies in the region have made much of the suggestion that Shannon Airport is being separated debt-free. If one goes back through the financial transactions that have taken place between the Dublin Airport Authority, the old Aer Rianta and Aer Rianta International, one will find that Shannon Airport and Aer Rianta International, which I would argue was a constituent part of Shannon Airport, have been of huge benefit to the overall group of companies. That contribution has never been marked against the debts that have been assigned to Shannon Airport. Although there has been an element of commingling of the debt and the revenues that have been generated, there has not been an appropriate write-down of the portion of the debt associated with the investment in Shannon Airport that is linked to the profits of Aer Rianta International. I would have accepted it if the Minister had come to the House and said this could be reconsidered, or perhaps that we could assess how the profits of Aer Rianta International could be set apart or consider the possibility of setting out Aer Rianta International as an independent company, letting each of the three airports have some stake in, control of or access to the profits that emanate from it. However, he talked about the considerable risks for Shannon and said, effectively, that as the airport is in a bad position at the minute, it cannot get any worse. Of course it can be worse if the targets are not attained.

If the Minister was prepared to take the same gamble on Dublin Airport as he is on Shannon Airport, we would see a very different outcome. In particular, he should be prepared to separate Aer Rianta International and utilise the revenues and profits that emanate from that business to shore up the balance sheet of Shannon. However, that is not happening, unfortunately. I am particularly disappointed that the Labour Party and Fine Gael interest in the region is not forcing the Minister to protect Shannon Airport in this instance. We hear a lot of talk in this House and outside about people’s interest in the region. The Minister of State should not seem surprised. I have heard him say that he loves Shannon Airport, that he has used it and that it means a lot to him. If it does, he should stamp his foot around the table with his senior Minister.

Deputy Alan Kelly: I do.

Deputy Timmy Dooley: It is not working, no more than it worked last week in regard to the cuts the Labour Party allowed to be thrown on the most vulnerable people in Irish society. If the Minister of State was serious about protecting the infrastructure and the airport in the region and allowing for balanced regional development, at a minimum he would have sought that a percentage of the profits of Aer Rianta International would be ring-fenced, either by way of a shareholding or through a separation of Aer Rianta International, in order to support Shannon
and Cork into the future.

The Minister of State is well aware that past projections indicated the airport would be viable, and this was based on the notion that somehow Ryanair’s support for the airport would benefit the wider audience. While we heard figures at the time that suggested the wider region would see increased job creation and so on, it did not happen. During the better years, the principal activity at the airport consisted of people travelling outbound and, while this created additional revenues for the car park, it did not support enhanced tourism or enhanced activity and did not translate to the wider region.

The Minister referred to the necessity for the airports to contribute to the improvement in the economy and said that for this reason they must be a commercial success in their own right. He and I have had that discussion across the House in the past. If that is the case, and if he is serious about the commercial reality of the three State airports, why not separate out Aer Rianta International in its entirety? Why not decide that this is a separate revenue source for the State? Why not sell Aer Rianta International and assist with the broader development of infrastructure? He has not done this. Instead, he has left it with Dublin Airport. I do not want to talk about a bias with regard to the east and the west coast, but this is an asset that was developed in Shannon with the aim of making Shannon Airport a commercial success right from the start. If one talks to people such as Liam Skelly who were instrumental in the development of that company, one will know they never saw it as a contribution to broader airport activity in this country. They acknowledged the changes that were coming in aviation and recognised that Shannon Airport would no longer be a transit point for refuelling. They saw there was a requirement to offer the kind of rates that would be attractive to bring airlines in and a necessity for an external revenue source. Therefore, they went ahead and developed a fantastic company that trades internationally. However, while that company has a significant value, it is now being transferred away and Shannon is losing out on the double. I am particularly disappointed that the Minister is trying to introduce a requirement for commercial viability when he is effectively strapping one arm of Shannon Airport behind its back. While that arm is strapped behind its back, he is removing the other limb, which was Aer Rianta International.

This is why I have proposed an amendment to the motion. It will place an encumbrance on the Government to transfer Aer Rianta International to the new company at Shannon Airport as part of the divesting process. Having set out the economic reasons this should be done, I appeal to the House to support the amendment.

Deputy Dessie Ellis: My colleagues and I support the amendment to the motion. When the Government announced that Shannon Airport was to be separated from the Dublin Airport Authority, I gave the proposal a cautious welcome, bearing in mind the desire of local campaigners to have a prosperous and sustainable airport at Shannon. Those campaigners want Shannon Airport to remain publicly owned but are of the view that it being under the umbrella of the DAA has been a negative development, certainly in recent times. Their concern is that Shannon Airport has been relegated to being an auxiliary of Dublin Airport, which has made planning for a better, more efficient and profitable facility more difficult than it might have been if the airport had been afforded a greater level of independence. These are acceptable and understandable positions, but any plan to assign Shannon Airport greater independence must be based on the economic realities of the day rather than simply cutting the airport adrift to fend entirely for itself. Shannon Airport needs more independence, but it also needs a secure revenue stream in order to put its new model into practice and make a real drive towards achieving a more sustainable set-up.
The current plan, unfortunately, does not meet any of these requirements. It is based on a very rosy appraisal of the current economic climate and Shannon Airport’s potential for growth in both the short and medium term. The reality is that passenger numbers have fallen by an average of 14% every year since 2007, including a reduction of 37.2% in 2010 and 7.4% in 2011. Clearly, something must be done to assist the airport in increasing passenger numbers and available routes and promoting itself as a real option for those travelling from the south and mid-west. Improved road infrastructure has facilitated travel from Dublin Airport, leaving Shannon Airport with an uphill struggle to claim its share of available business. I am not arguing that any publicly run airport should be competing against another publicly run airport, but Shannon Airport must be supported to claim its share of the market. Such support should be twofold, namely, ensuring a revenue stream and, second, affording the airport the independence to use that security to push forward and grow.

The major problem with the Government’s plan is that the stripping of Aer Rianta International from the airport could potentially leave Shannon Airport in serious trouble. Aer Rianta International was started at Shannon, has always been based there and is making a profit in excess of €30 million a year. It is an essential component of any strategy to make Shannon Airport sustainable and turn the tide back in its favour. Its removal in favour of a very optimistic plan which hinges on the achievement of large growth in a short period is not good enough and is effectively setting Shannon Airport up for a fall. I have read the claims that the airport could be operating to a much higher potential in regard to its non-aeronautical business interests, with the fact that Shannon free zone outlets are operating at only 44% occupancy cited as potential for growth. There certainly is potential in this regard, but we must acknowledge that the low occupancy rate is a reflection of the incredible difficulty for small businesses in seeking to survive in a state in which their customer base is being hit again and again with cuts to their living standards. Hard graft and plans are not sufficient to make economic realities disappear.

The Minister for Transport, Tourism and Sport, Deputy Leo Varadkar, has indicated that there is no way debts can be cancelled and Shannon Airport allowed to hold on to Aer Rianta International. That is nonsense. Shannon Airport would never have been able to pay these debts in any case and cancellation was merely a recognition of that reality. Removing Aer Rianta International as a trade-off will seriously damage Shannon Airport’s chances of survival and serves no useful purpose. There is no real justification for its removal and the Minister has offered none. I do not wish to make little of the efforts of those involved in planning for the future of Shannon Airport. The plan for Shannon is laudable in its ambition and I very much hope it is successful. However, I fear it would be jeopardised by the removal of Aer Rianta International and the funds this brings to Shannon. Any future for Shannon must ensure good conditions for the workers who have kept the airport on its feet and will continue to do so. The new airport authority must work with unions and employees to ensure they are not mistreated in the changeover. Unions need to have more of a say but to date they have not received receive proper consultation in the process.

I am thankful that plans to privatise Shannon Airport have not been put forward. Some have argued for competition between our airports but these people do not argue in the interest of the people of Ireland, rather in the interests of their own profit margins. However, judging by previous comments made by the Minister, Deputy Varadkar, I know he leans towards privatisation, as does this Government. It is hard to believe the Labour Party is going along with the privatisation agenda.

Deputy Alan Kelly: Why does the Deputy say that?
Deputy Dessie Ellis: This can be seen in the removal of Aer Rianta International, which I see as the setting up of Shannon for a fall that will lead ultimately to it coming into private hands. Shannon is not just an airport, but a town and a community which have thrived because of the airport’s links to the rest of the world. We should be mindful of this and of the need to support this community as it begins its uphill struggle to win prosperity. I support the amendment to the motion.

An Ceann Comhairle: We will allow Deputy Wallace to share time, as requested.

Deputy Mick Wallace: I refer to the separation of Shannon Airport and the DAA. The Government claims that doing nothing is worse than doing something but that is not always the case. I hope the ambition to create 3,500 jobs as a result of this move will be achieved in the long term - it would be brilliant if this happens. I certainly hope it will and I wish the project well. However, it is pushing it somewhat to believe this plan will work. The projected passenger figures, moving from 1.5 million to 2.5 million in the coming years, are very optimistic. I agree with the two previous Deputies about Aer Rianta International. It will be difficult for life to work at Shannon without the benefit of Aer Rianta International, which is sure to make a few bob.

I am afraid this could be the beginning of the end for Shannon as a serious airport although I hate to think that. Perhaps in some years time Shannon may become just a regional airport. I wonder if it is being cut loose. Some companies are to come in within the new amalgamated group, but perhaps we are watching the facilitation of the arrival of the last few vultures to pick on the carcass that is Shannon. It was interesting to note that the Kerry Group, which, to its great credit, set up a new research and development centre in Ireland rather than go offshore like so many others, has set up in County Kildare. According to the group, it needed the connectivity of Dublin, in particular Dublin Airport. What does that company think of the future of Shannon Airport? How optimistic is it that Shannon is a viable long-term project, given that it did not decide to set up in Kerry, or at least in the Munster region to which it has shown loyalty over the years?

The Minister, Deputy Varadkar, stated that part of the new Shannon strategy will include attracting further military stopovers. He noted that the number of US troops using the airport has dramatically declined as the American presence in Iraq and Afghanistan has decreased.Obviously, any new business is welcome, but such business must be conducted within certain rules. It is unfortunate that the spectre of it being used to facilitate rendition flights still hangs over Shannon Airport. It would be great if the Government had the courage to deal with this matter. The previous Administration lacked such courage and one of its Ministers admitted that some aeroplanes which landed at Shannon Airport might have been used to pick up people who were then brought to different destinations where, in many instances, they were tortured or imprisoned illegally without trial. In the context of Shannon Airport, the programme for Government states, “We will enforce the prohibition on the use of Irish air space, airports and related facilities for purposes not in line with the dictates of international law”. I am sure the Government is well aware that the United Nations has some serious concerns about-----

An Ceann Comhairle: I am afraid the Deputy is straying outside the parameters of the motion before the House which relates to the separation of Shannon Airport from the DAA.

Deputy Mick Wallace: If Shannon Airport is to be separated from the DAA and it is to have a long-term future, I would like to see it survive and operate within the rules set down
under international law. I am merely making the point that the United Nations has some serious reservations about this matter and has stated it is concerned about allegations that Irish airports have been used as transit points for so-called rendition flights of persons to countries where they risk being subjected to torture or ill-treatment. It has also indicated that the state party should “establish a regime for the control of suspicious flights and ensure all allegations of so-called renditions are publicly investigated”. Laws may be in place, but they are not always implemented. An inspection regime must be put in place in order that we might rest assured that what the Americans are doing and informing us that they are doing falls within the rule of law. The testimony provided by Bradley Manning last week was frightening.

An Ceann Comhairle: I ask the Deputy for his co-operation. He can table a separate motion on that matter.

Deputy Mick Wallace: I will do so. Mr. Manning’s treatment emphasises the fact that we should not take the Americans at their word at all times.

Deputy Luke ‘Ming’ Flanagan: What is happening might have the potential to be good news for Shannon Airport, but I am obliged to wonder why it is being done at the expense of Knock Airport. The Minister appeared to be explicit in this regard. Knock Airport is situated in County Mayo, some 20 miles from where I live, and one of the few success stories in the area. It is a beacon of hope for those who of us who live in the area because we would like a tourism industry to be developed. Obviously, a thriving airport would be of major assistance in that regard. Knock Airport is located within a very short driving distance of many golf courses and fully stocked fish sanctuaries which are empty for most of the year. It is in the perfect place in developing the west.

I was very concerned when I heard the Minister state the Government was going to develop Shannon Airport and that this would be done by damaging Knock Airport. The chairman of Knock Airport, Liam Scollan, issued an excellent statement on this matter in which he stated:

The decision to intervene so generously in one airport while ignoring other airports amounted to an unfair, wasteful and possibly illegal use of scarce resources, which would not serve the interests of national aviation. They could trigger the terminal decline of an efficient, growing airport like Knock, which has begun to compete successfully with the State owned Shannon at a fraction of the cost. It was also a financially disastrous policy for hard pressed taxpayers.

As I said in my budget speech, Governments are normally either pro-people or pro-business. This Government is not pro-anything; its motto is “Let’s find a handy solution and throw it out there without considering whether it will work.” The statement continues:

This decision is connected to Knock’s emergence as a credible international airport. Today it has circa 700,000 passengers and 28 overseas destinations and with Europe’s largest airlines Ryanair and Lufthansa together with Aer Lingus and Flybe. The Airport currently has 45% of the UK Seat Capacity market in the West of Ireland including Shannon.

One would imagine that such a business would be encouraged rather than faced with the possibility of a kicking. It continues: “The decision avoids any attempt to benchmark and look for value for money.” I thought this was a Government policy. “Knock’s commercial growth meant that in 2012, it managed to fund 92% of its total operating costs with just 8% coming from Government.” The airport does not need rendition flights to make it viable. The statement
By contrast, Shannon Airport has losses now reaching €8m per year, even after additional subsidies. The funding of losses at Shannon Airport costs €6.10 per passenger while the comparative figure for Ireland West Airport Knock is just €0.87.

I am not saying Shannon is not worth it, but the corresponding figure for Knock airport is just 87 cent. The statement continues:

A series of Government statements has indicated that its aviation strategy was focussing on and supporting just one airport. In one such statement it was highlighted that a change in Government policy would be required to stop Knock catching up with Shannon.

Knock Airport is surviving pretty much on its own yet the Government is trying to stop it. The statement continues:

On 31st March 2012, quoted in the national media, Minister for Transport Leo Varadkar TD said: ‘If nothing was done for Shannon the airport stood in danger of being passed out by Knock airport in passenger numbers, despite a current gap of over 900,000 passengers. ... I think if the trends continue as they are it will happen because Shannon’s numbers are already down 20 per cent this year and Knock is still growing. It is only a matter of time without a change in policy.’

The Government decided it had better change its policy or Knock would keep growing. God forbid Knock would keep growing. Then again, the Government does not want any growth in these areas. Its policies have destroyed these areas, as stated officially by the Minister for Transport, Tourism and Sport. The statement continues:

This parochial decision by Government to blindly pump cash into one State airport, in the absence of any attention to its impacts on a competing airport like Knock, ignores warnings from the Government’s own aviation advisers at Booz and Co. In their report to Government earlier this year they stated that the Government should not proceed with a support package for Shannon before developing a coherent policy towards airports for the country as a whole.

That seems like a sensible policy but, then again, we have given up on the Government in this regard. The statement continues: “Such an approach would have meant looking at the efficiencies of an airport such as Knock and allocating investment where it could get the best return for the tax payer.” This sounds like another good idea. It continues:

However, by announcing its package for Shannon ... the Government has made a clear nonsense of its second announcement ... to commence the preparation of a national aviation strategy.

Over the past 18 months, [Knock airport] presented Government with a series of innovative proposals which would lead to 1000’s more tourists and 100’s of jobs in both tourism and aviation related industries.

We have a business that is doing well. Why would the Government want to stop it doing well? It is an amazing admission on the part of the Government. It is an even more amazing admission given that four out of five Mayo Deputies are members of Fine Gael.
At the next general election they will not be able to ask voters to vote for them on the grounds that a Government Deputy will be able to do something for them. They will be able to do something all right, namely, manage the lowering of the number of passengers to Knock Airport in order to facilitate Shannon Airport. I have no problem with Shannon Airport and hope it thrives, but it needs to work in tandem with Knock Airport and the whole region, rather than having a desperate stand-alone policy to try to save a few votes for a few Government Deputies in the area.

I understand the Knock Airport group which includes Mr. Liam Scollan appeared before the Joint Committee on Transport and Communications last week. It stated it had serious concerns about the quality and level of engagement with the Government. Mr. Scollan stated:

We have met Minister Varadkar and his officials on numerous occasions, but our representations have not been afforded fair consideration. In fact, the Minister is clearly on the record in both national and local media that Knock Airport was the problem for Shannon and that he intended to develop policies to rectify that.

What does that mean? The meaning is obvious - the Government is going to attempt to destroy one of the most successful entities in Connacht. Mr. Scollan has stated: “Hopefully he [the Minister] may soon commence to see that his and the Government’s policies are a cause of great concern for the airport and the community of 800,000 it serves.”

The Government has failed at trying to keep people in the country. Knock Airport is not just for tourists as it provides the only opportunity men and women who must go to work in London during the week have to see their families at the weekend, yet the Government wants to damage and banjax it. Well done.

Deputy Joe Carey: I wish to share time with Deputy Patrick O’Donovan.

Let us remember the great innovators and business pioneers associated with Shannon Airport. What would they have made of the Government’s vision for the airport and region, as announced last week and outlined in the motion? They would have applauded the new structures and been enthused by the business plan. Shannon Airport has always embraced and been empowered by a pioneering spirit. It has always adapted to and driven change in the aviation industry and can do so again under the proposed plans. In the past decade the airport was allowed to wither slowly, accelerated by political ambivalence and legislative failure. It was a State airport in name only. After the Open Skies policy, in particular, it was left to its own devices, without assistance or direction from Dublin. Coupled with this, its hands were tied by the bureaucratic and centralised Dublin Airport Authority, DAA, an agency more interested in minding Dublin Airport than facilitating Shannon Airport.

My Government colleagues and I in County Clare were elected with a clear mandate to take action in regard to Shannon Airport. Extensive consultations and expert advice, including a detailed submission made by many to Booz & Company last November, highlighted a clear desire that we take back ownership to have some influence over the airport. I am pleased to say I submitted an in-depth report that is strongly endorsed in the proposals adopted by the Government. We now have an independent Shannon Airport, free from the shackles of the DAA, but it is still State-owned. Crucially, we have dealt with the debt issue and ensured Shannon Airport will begin the next phase of its commercial life without the burden of historical debt. The achievement of debt-free status should not be underestimated. Fianna Fáil, when in gov-
Dáil Éireann

government, failed to take this decision during the so-called good times. The Government will ensure the €100 million debt is no longer a drag on Shannon Airport. I very much welcome this and I am particularly pleased the ensuing interest on the debt is no longer a charge with which the new Shannon Airport will have to be concerned. It is disappointing that some local public representatives have failed to acknowledge this great advancement. The new board at Shannon Airport has a once in a lifetime chance to make this new initiative succeed and it will drive the establishment of an international aviation services centre. Already we have a commitment to the creation of 850 jobs from private companies which see merit in the proposals made. Should the airport develop as envisaged, the job numbers are likely to multiply.

As often happens with significant change such as this, there is an element of uncertainty and fear. I know workers have concerns. I have met some of them and listened to them express their concerns directly. However, doing nothing in regard to Shannon Airport was the most certain way of threatening the livelihoods of the workforce. Workers are protected by the terms of their employment and I believe that in time the developments taking place will enhance their security. Let there be no doubt that the future prospects of the airport are very much dependent on having a satisfied and appreciated workforce. It is important, therefore, that clear and constructive lines of communication are established and maintained in the new structures. We need the workforce’s expertise, endeavour and proven ability to adapt to changing work environments.

Disappointment has been expressed that Aer Rianta International will not form part of the new Shannon Airport. In part, this is a legacy issue, as the option of setting up Aer Rianta International as a subsidiary of Shannon Airport was blocked by the Dublin Airport Authority years ago. Therefore, the only commercial option at this point is to leave Aer Rianta International as part of the Dublin Airport Authority if Shannon Airport is to begin life debt free. In time a prosperous Shannon Airport will see this decision as a necessary one and initiatives similar to Aer Rianta International can be established under the new structures.

In recent days some elected representatives have tried to maximise this issue for political gain. These are the very ones who stood idly by as Shannon Airport fell further and further down the pecking order of the political agenda. I am not interested in political games. I want all key stakeholders in the region to get behind this plan for Shannon Airport and the mid-west. As the Minister has outlined, without serious action, there would be a question mark over the viability of Shannon Airport in remaining as a 24-hour a day international transport hub. The time for empty rhetoric and unrealistic demands is over.

Deputy Timmy Dooley: It is a sell-out.

Deputy Joe Carey: Shannon Airport needs action and a concerted effort if it is to truly prosper. I genuinely look forward with optimism to it recovering the pioneering spirit which has stood to it so well over the decades. I wholeheartedly support the motion.

Deputy Patrick O’Donovan: It is important to state I represent a constituency, with Deputy Niall Collins, in which the Shannon story started in a much different format with sea planes and flying boats. Since then under many Governments the airport has received the political support of political parties of all colours. The vision of the early pioneers who built Shannon Airport at Rineanna and the political support it received from some quarters at the time should be acknowledged. Some spoke about rabbits running around the runways. The Minister for Transport, Tourism and Sport has taken this initiative to make sure that prophesy does not come to pass - that rabbits will not be running around the runways. In recent years the people of the
mid-west have seen the sad decline of the airport. Every time one goes there - it is one of the finest facilities in the country - one notes fewer cars parking places are occupied. Therefore, something had to be done. The establishment of an independent airport that can compete on a level playing field with other airports in the west is something these other airports in the west should welcome and embrace. They should examine how Shannon Airport and they can work together. It is a long drive from Castletownbere to Malin Head and it should be noted that there are four functioning airports in the west. There is an opportunity for them to come together to develop a strategy that would support and meet the needs of all the people in the region.

The proposal brought forward by the Government, as the Minister said, relates not only to Shannon Airport but also to Shannon Development.

I have said previously in the context of the new Limerick local authorities being established that there needs to be an examination of the lands owned by Shannon Development in advance of this new company taking ownership. In County Limerick alone, Shannon Development has 250 acres in Plassey, 300 acres in Raheen, 220 acres in Askeaton and 15 acres each in Kilmallock and Newcastle West.

Deputy Timmy Dooley: There will be no planes landing on those sites.

Deputy Dessie Ellis: They will all be privatised.

Deputy Patrick O’Donovan: There might be no planes landing anywhere unless something is done.

There is no doubt there is a perception in County Limerick that we have been at a disadvantage by virtue of the fact we are outside the IDA Ireland loop in attracting foreign direct investment and with these lands being held in another State company’s ownership. To improve the attractiveness, not only of the Shannon Free Zone but for the counties covered by Shannon Development, the Government needs to review these land banks which stretch from south Offaly to north Kerry and decide what will be best for the individual communities to use these lands to attract foreign direct investment or local small and medium-sized enterprises.

Regarding Shannon Airport’s strategic location, there are opportunities for expansion. For a long number of years, the airport has had a strong attachment to transatlantic routes. In the recent past, there has been further development of these. All Deputies will appreciate that for tourism in the west, be it for Donegal or for Kerry, it is absolutely essential that transatlantic visitors land at Shannon as a first resort rather than bringing them into the eastern seaboard which has reached saturation point with overseas visitors. Any Deputy representing Connacht, the mid-west and even Kerry will agree that it would be far better to get overseas visitors into Shannon Airport rather than into Dublin Airport. The marketing of the airport, and how aggressive that will be, by Fáilte Ireland and the structuring of landing and overall charges by the airport will be critical in making it a choice destination. The engagement of the new airport authority with the National Roads Authority, Clare County Council and Galway County Council is critical in ensuring the motorway between Limerick and Galway is finished. Shannon Airport, in the centre of this network, would then be allowed to spread its tentacles even further.

I worked in the Shannon Free Zone for several years in an industry very closely related to the airport. I could see the impact transatlantic, domestic, British and European routes had on the local economy, as well as the entire mid-west region which extends down into north Cork and north Kerry. It is essential we get this authority right for the business community, hoteliers,
their employees and those who elected us.

All parties will acknowledge that the region has been disproportionately affected over the past several years in the structures of its local governance, local authorities and a whole clatter of other structures. It is not a political statement but reality. We need to turn over a new leaf. With the establishment of the joint Limerick local authorities and the separation of Shannon Airport, there is now an opportunity to do more to address this. There is even a possibility that the airport will develop a much stronger link with the new Limerick local authorities so that when people fly into Shannon, they will know the nearest city is Limerick. We can see it tangibly every weekend with Munster rugby and so forth how important the airport is.

I support this motion. I am a Deputy from the mid-west region and it is critical Shannon Airport is given the independence it so badly craves.

An Ceann Comhairle: I call on Deputy Niall Collins who is sharing time with Deputy Calleary.

Deputy Niall Collins: I am grateful to have the opportunity to contribute to this debate which is of immense importance to the future development of Shannon and the mid-west region, including my constituency, Limerick. The importance of Shannon Airport as an economic driver for the region is well and truly documented. One only has to look back over the history of the growth and development of Shannon Airport to see how it has been an employer, as well as leading to spin-off associated industries. It is fair to say that the policy of successive Governments incentivised the establishment and creation of economic activity in the area. I will be up-front about this. I have said publicly that I welcome the decision but I have reservations about it, which I will articulate. Any decision that gives Shannon Airport a competitive edge should be welcomed, but I have reservations about the detail.

The position articulated by our spokesperson, Deputy Timmy Dooley, is perfectly reasonable. He put forward a proposition for Aer Rianta International which has been well aired and it has been well received within the region. He has been painted as a lone dissenter from the decision. However, he is on record, as am I, as saying that we welcome anything that will help the region in a positive fashion. We are taking a constructive approach to it but we will not go along with a herd mentality. Unfortunately, in the past ten days or two weeks we have seen a great deal of herd mentality. I have listened to many of the local contributors to the debates. They have said that this is great and that it is what they have been seeking for years. That is fine as a headline item, but what if one drills down to the next level? I was particularly taken by some of the editorials in the local newspapers over the weekend. The regional newspapers have a keen interest in Shannon. They took the same sceptical view of the proposal as we took. They have been critical of previous Governments and of some of the aspects of the stewardship of Shannon Airport, but they have also cast a critical eye over the viability of the business plan, and that is a fair point to make.

The growth of Aer Rianta International, where the idea was conceived and where the company was registered are well documented. It is a fair proposition to seek for some of the cashflow and profits to be ring-fenced as an insurance policy and a backstop for the future of Shannon Airport. The Minister has stated that the business plan is confidential, but I believe the public is entitled to expect some reasonable critiques of the assumptions. We have not been given too many of the assumptions in the business plan. Suffice it to say that passenger numbers are expected to grow by somewhere between 33% and 50% in an unrealistic timescale.
The business community is asking for some of the detail of the business plan to be put into the public domain to allow a proper debate on its viability. The ring-fencing of some of the cash-flow and profitability that flows from Aer Rianta International is a reasonable proposition to act as an insurance policy should the assumptions contained within the business plan not hold. This insurance policy will ring-fence the airport’s viability in future. Unfortunately, given the current climate, we must consider the worst-case scenario. All we hear about in terms of the business plan is the target figures that must be hit. What if the targets for passenger numbers are not hit? What if there is a shortfall of 25% or 50% in the projected growth of passenger numbers in the region? These are all legitimate questions.

We have not heard from the Minister although I listened to him over the audio on my way to the Chamber. Who will be the head of corporate affairs in the airport? We have not heard from the Minister about his plans to recruit a chief executive of international repute. If we are to retain Shannon Airport as a leading international airport serving the region then we will need to recruit a leading chief executive for the region. We have heard about steering groups and interim boards, but it is important that the message is sent out from the Minister that he will put all his energy into recruiting an individual of significant reputation and standing to drive the airport forward in future as needed.

There have been several job announcements on foot of memorandums of understanding, but the public is entitled to hear a little more detail. As a former MEP who served the Limerick area, the Minister of State, Deputy Kelly, will know that we are on the back foot with regard to job creation under this Government. An example is PayPal’s decision to locate in County Louth. The Minister of State, Deputy Kelly, was involved in the campaign in respect of Dell, the facility of which is now idle. We all know that PayPal considered two facilities for location of its operation, the Dell facility and another in County Louth, and opted to locate in County Louth. While there have been many promises of jobs there have been no substantive announcements of same. The announcement of jobs at Shannon Airport are jobs on the never never. The public is entitled to know, when an announcement of jobs is being made, if in reality jobs are in the pipeline for the region and through whom they will be provided.

While I welcome this proposal in principle I have reservations about it. It is hoped that what is proposed will work. However, we are living in the real world and Shannon Airport is losing €8 million per annum. The realistic assumptions that must be arrived at to substantiate those losses are not contained in what we are hearing.

Deputy Dara Calleary: I thank Deputy Collins for sharing time with me. I have serious concerns about this proposal on the basis of its affect on the future of Ireland West Airport at Knock. It appears once again that the Department of Transport, Tourism and Sport is determined to proceed with protecting the monopoly that is the current State airports at the cost of airports which are community-owned and have been in the past 30 years, in particular in the case of Knock Airport, driven by community-owned partnership. I acknowledge that substantial Exchequer support has been provided to Knock Airport. However, when this is compared with the type of support given to Dublin, Cork and Shannon Airports, it is minimal.

Some 700,000 passengers travelled through Ireland West Airport Knock this year. The 110 people employed there support 900 jobs in the region. This is the type of progress being made at an airport which 30 years ago was considered a waste of time, ironically by the same parties now in Government. The reason Knock Airport has done so well is that it has been responsive to passenger need and demand, to the just-in-time turnaround for the low cost airlines and to the
opening up of new markets across the Continent. It has tried, without much support, to break into new markets in the transatlantic sector. Its success was evident in its first year of operation in terms of passenger numbers. While service issues have arisen these will be followed up if the airport is lucky enough to secure another transatlantic operator.

The business plan for Shannon Airport has not yet been published. However, we are told that one of the targets in that plan, in terms of growing passenger numbers, is for it to recover lost passengers from Kerry and Knock Airports. Does the Government really expect me to support this? I am astonished that a Cabinet would support a business plan that involves the cannibalisation of other airports and threatens jobs in other airports to support the State monopoly. Anything that creates jobs is welcome. However, we are being sold this notion on the basis that there are job announcements in the pipeline, in particular hundreds of jobs around aircraft maintenance and so on. Ireland West Airport Knock identified the potential in this regard some years ago. It also proposed the use of Knock Airport as a hub for development aid. While the innovation came from Knock Airport the ball is now being carried by those who lacked that innovation but who have State support.

The people of Mayo are not against the development of Shannon Airport. What they want is recognition of Knock Airport as an international airport and an intrinsic part of our aviation policy. It is an airport deserving of that. In moving this motion now ahead of a national aviation policy, we are putting the cart before the horse. We are dismissing the role of other airports in the country to has-beens even though passenger demand indicates they are very much part of the future of Irish air travel. I am astounded that a Cabinet which comprises a Taoiseach from my constituency would endorse this proposal and would not engage in any meaningful way with the management and board of Ireland West Airport Knock. I gather there is to be a meeting next week. However, the horse will have bolted by then.

The Minister, Deputy Varadkar, stated earlier this year that unless Government policy changed Knock Airport would outgrow Shannon Airport. Government policy has changed. Shannon Airport has the golden ticket, debt write-off and substantial funding to enable it cannibalise the other airports in the region. That is not right. Rather than support job growth, this will discourage it. This will not encourage any new airlines into the airport, rather it will encourage the displacement of airlines from existing airports. It will not open up any routes, rather it will encourage the displacement of existing routes. The Minister of State can shake his head all he wants. He is a good man for making promises on the ground.

Deputy Collins referred to the empty Dell facility.

Deputy Alan Kelly: That happened under Fianna Fáil’s watch.

Deputy Dara Calleary: The Government has not done a great deal with it since taking office.

Deputy Alan Kelly: Who is responsible for it being empty?

Deputy Dara Calleary: The reality is-----

Deputy Timmy Dooley: There were a lot of promises made about filling it.

Acting Chairman (Deputy Paudie Coffey): The Deputy is interrupting his colleague.

Deputy Dara Calleary: -----that this Government is proceeding with a plan with no specif-
ics, no targets and nothing against which progress can be measured. It is all confidential yet we are being asked to vote for it today. That is not a good way to proceed.

**Deputy Kieran O’Donnell:** I am delighted to take part in this historic debate. I have listened to the debate thus far. I think everyone is agreed that Shannon Airport could not continue as is for a number of reasons. It is impossible for anyone to compete with their employer. Shannon Airport was competing with the Dublin Airport Authority. The priority of the Dublin Airport Authority for some time has been terminal 2. It was important Shannon Airport was given independence in respect of its operations. While we may differ on many issues, I think we are all agreed on that core principle.

Shannon Airport has been in limbo for many years. This is no longer the case. The key focus now must be delivery of the infrastructure required to make this a resounding success. Deputy Calleary referred to a lack of targets. There are targets in terms of the creation of 3,000 to 3,500 jobs in the aviation sector and in respect of growth in passenger numbers by 1 million.

**Deputy Dara Calleary:** At whose expense?

**Deputy Kieran O’Donnell:** The target is to bring in 1 million passengers using international airlines, including Transair, which has been mentioned in the media, and to be able to fly passengers from Shannon Airport to America, which will be new business for Ireland. That is a rising tide which will lift all boats. The Minister of State, Deputy Kelly, Deputy Dooley and I are Deputies from the western seaboard, which has always been exposed in terms of balanced regional development. There must be a counter pole to Dublin along the western seaboard. For this to happen, an international airport is required. We have such an airport in Shannon.

**Deputy Dara Calleary:** We have two of them.

**Deputy Kieran O’Donnell:** Shannon Airport has the longest runway in Europe, a history in terms of transatlantic flights, preclearance for passengers and many other advantages, which we must exploit. I do not believe these could be exploited under the current model of the Dublin Airport Authority. If the attention of the DAA is on filling terminal 2, Shannon Airport will not receive the attention it requires.

Plans are always extremely important. How they are implemented is vital in terms of achieving success. From 31 December 2012 Shannon Airport will be independent of the Dublin Airport Authority. A Shannon Airport board will shortly be appointed, the first task of which will be to recruit a CEO. It is vital that CEO is highly qualified and has experience of managing a large operation.

We then move to implementing the change *vis-à-vis* Shannon Development and its integration with NewCo. Shannon Development did fantastic work in the region for many years. It delivered many jobs and was the forerunner in establishing the Shannon free zone. We must, however, move to a new phase and Shannon Development will bring its expertise in various areas, particularly in aviation, to NewCo. We need an integrated plan because Shannon Airport is vital to economic development in the region. Passenger numbers are critical and we must remain focused on the fact that we are seeking to reach passenger numbers of 2.5 million. This plan is realistic and what is required is strong management and adequate resources to ensure Shannon Airport will continue to contribute to the region. It is vital for communities all along the western seaboard that the opportunities provided by the airport are exploited fully.
The report makes reference to a 24 hour, 365 day a year service at the airport which will give Shannon a comparative advantage in international aviation and allow it to further develop the transatlantic market. That is why I am excited about the prospect of allowing airlines to touch down at Shannon Airport and from there fly passengers to transatlantic destinations, rather than their country of origin. The ability to offer pre-clearance to passengers provides enormous opportunities and Shannon Airport can be extremely competitive in this regard. Side by side with this is the matter of aviation services. The idea of an aviation services centre of excellence at Shannon is not new. Shannon Airport has been a pioneer in this area, with Guinness Peat Aviation, Shannon Aerospace and others located there in the past. The aim is to build on the existing level of expertise. There are 1,600 people already working in that sector at Shannon, with 230 working in the airport.

As a Deputy from Limerick city, for me Shannon Airport has always been synonymous with the region and Limerick, in particular. Historically, areas such as Caherdavin on the north side of the city have had large numbers of locals employed at the airport and expanded on that basis. The airport must regain its premier place as an international airport and a provider of employment in the region. In that context, aviation services, in particular, are being targeted. I welcome the commitment made in the budget that tax incentives will be provided for the aviation services sector and hangar providers and I look forward to seeing the details.

We have the expertise, infrastructure and workforce talent to have an independent Shannon Airport and show what the mid-west and western regions can do on their own. Deputies have referred to the fact that people have concerns about the plan. I can understand this from the perspective of the workers. However, when one examines the plan in detail and analyses the structures being put in place, one will see that a stronger, more vibrant future is possible for Shannon Airport as an independent entity rather than as an airport tied to the hind tail of the DAA. The lack of independence meant that the airport did not know where it stood and was continually looking over its shoulder in fear that flights would be diverted to Dublin. Often flights were pulled simply to fill a hangar and occupy Terminal 2 at Dublin Airport.

The year of The Gathering is 2013; Limerick city will be the National City of Culture in 2014 and a feasibility study is being conducted of a proposal for a national Diaspora centre in Limerick. However, critical to any plan to have a national Diaspora centre in Limerick is an international airport on the city’s doorstep that will be a gateway to the city and the wider region. An independent Shannon Airport can provide the flexibility, direction and energy to ensure we will meet the targets for jobs and passenger numbers. The measures proposed by the Minister are welcome and I hope the Opposition will agree, whatever about the details of the plan, that Shannon Airport needs to be independent of the DAA in order to take its rightful place in the aviation industry. From my perspective as a representative of Limerick city, we are entering an exciting period. This will prove to be a monumental decision on the part of the Government.

Deputy Jerry Buttimer: I wish to share time with Deputy Michelle Mulherin.

I welcome the debate, to which I wish to bring a different perspective by referring to Cork Airport which has not been mentioned by other Deputies. In the year to date 2.25 million passengers have passed through Cork Airport and that figure is expected to reach 2.4 million by year end, which shows that Cork Airport is the hub and gateway to the south. Seventeen new routes have been introduced at Cork Airport in the past two years, although the airport has also lost others and staff have expressed concerns about the future direction of the airport. Concerns have also been expressed about the loss of the slots at Gatwick Airport. The importance and
potential of Cork Airport cannot be underestimated and I know the Minister of State at the Department of Transport, Tourism and Sport, Deputy Alan Kelly, as a Tipperary man, understands its strategic importance. Cork Airport is a hub and a gateway and acts as a counterbalance to Dublin Airport and Shannon Airport. It is important, notwithstanding the interests of Deputies on all sides, that we recognise that Cork is the capital of the south. It has a large metropolitan area and is the location of a large proportion of the farming industry. It is only two and half hours by road from Dublin and is even closer to places such as Portlaoise, Tipperary, Waterford and Kerry. The importance of Cork Airport, therefore, must be acknowledged.

Deputies have spoken about the importance of aviation services. Cork has lost its ferry link with Britain. The Gathering is expected to drive local economies next year. The issue of transatlantic traffic at Cork Airport has been tinkered with for a long time and we know what happens when tinkering takes place. We saw what two previous Ministers for Transport, the late Seamus Brennan and Martin Cullen, did when they tinkered with aviation policy. We now have a Minister and a Minister of State who are prepared to take decisions. In saying this, however, it is important that the Booz & Company report and the report of Ernst & Young on Cork Airport are placed in the public domain. It is imperative that there is a counterfoil for Dublin Airport in terms of aviation policy and Cork Airport is that counterfoil. When the Booz & Company report was commissioned, I held a special one day clinic to discuss the airport. I also made a submission to the consultants who were commissioned to prepare the report. Everybody who spoke to me highlighted the necessity of developing Cork Airport, the importance of short haul flights and new investment and the need to give the airport autonomy within the DAA. I welcome the Booz & Company report and the decision by the Government to retain Cork Airport within the DAA but it is important that it is given autonomy in deciding its future despite the huge debts that are crippling it, thanks in the main to the party opposite. That same party must also answer for crippling our country.

Deputy Timmy Dooley: Did the Deputy not want the investment in Cork?

Deputy Jerry Buttimer: Deputy Dooley is singing an old hymn. It is important to listen to the people.

Deputy Timmy Dooley: Read the facts.

Deputy Jerry Buttimer: If he consulted them he would realise that his party did not get it right.

Deputy Timmy Dooley: How did the debt arise?

Deputy Jerry Buttimer: I know the facts about Cork Airport better than he does. I will debate the topic with him anytime.

Acting Chairman (Deputy Paudie Coffey): I ask the Deputies to speak through the Chair.

Deputy Jerry Buttimer: For Cork Airport to reach its potential, it needs to have space within the DAA umbrella. The plans set out by the Government will help that to become a reality but bold and difficult decisions will be required in regard to the DAA and how it does its business. Deputy O’Donnell spoke about terminal 2 at Dublin Airport. He is correct that we must look beyond Dublin. I look forward to the expansion of Cork Airport and the introduction of additional routes. I wish the new chief executive, Mr. McCarthy, well in his new role and hope that the Government will work with him in developing the airport.
Deputy Michelle Mulherin: The sentiments expressed by the Deputies from the mid west who spoke in this debate can be epitomised by the word “hope”. The Government’s plans for Shannon Airport are giving great hope to the mid west that the problems which have seen the airport haemorrhaging €8 million per annum in running costs alone, in addition to its burden of capital debt, will be addressed so that it can continue to play a significant role in the region. I welcome that hope for the sake of the people of the region but, just as Deputy Buttimer spoke on behalf of Cork, I speak on behalf of the people of the west and north west. It is not right that hope given to one area should be at the expense of developing another part of the country. From what can be gleaned from the plans for Shannon, it appears they will dash the hopes of the area from which I come.

Ireland West Airport Knock is an international airport and its runway has international capabilities. It has flourished from a seedling not by virtue of great corporate investments but because the people of the area got behind it. The area was ravaged by emigration and previously never had international connectivity. Monsignor James Horan captured the imagination of the people when he asked why they should not be connected. The facts speak for themselves, with 700,000 passengers passing through the airport on 25 international routes and five major airlines. They would not use the airport if they did not get a good deal. Knock Airport’s efficiency was acknowledged by the Minister in his plans to deal with the State airports. Even though Knock does not enjoy the benefits accruing to State airports, it is none the less a true airport for the people. It is run by a trusteeship and all but one of the trust’s members serve on a voluntary basis. The airport is integral to the future development of the west and north west region. We have great plans for tourism but we are peripheral and we need to be accessible. Multinational companies are attracted by the connections offered through Knock.

The plans for Shannon, in failing to consider the island holistically, diminish Knock’s prospects. It has been suggested that an independent Shannon Airport will be great. I applaud the ambitions that have been set out for Shannon but I remind the House that it did not develop in the same way as Knock. It will be given a package to allow it to be self-financing and sustainable into the future. The Minister’s comments suggest that passengers will be drawn away from airports like Knock which have operated on a shoestring budget. That is not the way we should approach our business. It has also been suggested that Knock and other airports should work with Shannon. This is a ridiculous suggestion, however. Who sets out the policies for the airports in this country in terms of how they operate vis-à-vis each other and the parameters for their future development? We need a national strategy because we cannot focus on one region in isolation. This Government and Parliament serve all the people.

Deputy O’Donnell spoke about balanced regional development. This decision attacks competitiveness and the free market. Knock Airport almost exclusively operates in the free market other than the capital grants and running cost grants it receives from the State, which are minuscule in comparison to the amounts paid to the State airports. We need a reality check on Knock. Unless an overall strategy is developed, decisions will be made in isolation to the detriment of other regions. While other airports, such as Cork and Dublin, remain in State ownership, they can hope for rescue packages should they need them. It is not acceptable that Knock should be left on its own simply by virtue of the way it came into being.

Deputy Richard Boyd Barrett: I am opposed to this motion because it will put Shannon Airport under further pressure to maintain itself by facilitating the US military war machine. By removing the most profitable component of Shannon, Aer Rianta International, the airport will be forced to increase its dependence on military traffic from the United States in order to
maintain its viability. The Government is aware of this fact. The motion is also another stepping stone on the way to privatisation and undermining the conditions of workers and employees. The absence of consultation with staff and unions is indicative of what is going on.

I note that Michael O’Leary is opposed to the changes because he wants full privatisation of the airport. Sadly, Michael O’Leary’s concerns are ill-founded because, like with many of these quangos or established semi-State operations, moving them a little further away from direct State control into some sort of quango is a stepping stone towards privatisation. All the commercial pressures that drive companies towards privatisation will now begin to operate on Shannon because its most profitable component has been removed and because the hopes for a major expansion in passenger numbers are absolute fantasy, particularly against a global background of falling passenger numbers and economic crisis in this country and in Europe.

The idea that Shannon Airport will be able to increase civilian passenger numbers significantly is pie in the sky. What will happen is that Shannon Airport will be pushed into further dependence on US military traffic. This process has been apparent for quite a while, but it will accelerate now. If one were a conspiracy theorist - I am not - one would wonder whether matters such as this were discussed by the Government with US Secretary of State, Hillary Clinton, during her visit last week. There is certainly no doubt about the key role Shannon Airport has played in facilitating the US war machine nor about how important the US Government considers Shannon to be in propping up its war machine. It was no coincidence, for example, that when President Obama was visiting Moneygall he made a point of saying how important Shannon Airport was and how grateful the US Government was for the facilitation of the US military there. With the economic viability of Shannon Airport seriously under question, undermined and under pressure as a result of the Government’s proposal, the pressure to expand its facilitation of the US military machine will increase significantly.

It is worth pointing out what the terrible cost of this has been for a country that is supposed to be militarily neutral and which has asserted in its Constitution that we should in no way play any part in facilitating military conflict on the international stage or participate in wars. For ten years now, since the horrors of the 9/11 obscenity that took place in New York and the war on terror that ensued, we have seen the barbaric war in Iraq claim 1 million lives or more, tens of thousands of lives claimed in Afghanistan and the abomination of the US rendition programme, where the most powerful and supposedly most democratic and civilised state in the world engaged in routine kidnap and torture of alleged terrorist suspects and maintained places like Guantanamo Bay, where people are left for years without trial. The fact that Shannon Airport is part of that architecture is appalling. Our current President has been very forceful on this over the years and has called for an end to it. The Labour Party, prior to the election, said it was utterly opposed to the use of Shannon Airport to facilitate the US war machine, yet here we are about to adopt a measure that will put further pressure on Shannon Airport to depend on this traffic in order to sustain itself as a viable entity.

With the austerity, the economic crisis and all the other terrible things happening in society, this matter will pass under the radar for most people. In some ways this is understandable, but it is vital to register opposition and protest against this move and its implications in terms of deepening Ireland’s involvement with the US military machine as it continues to engage in its brutal war mongering in Afghanistan. This comes at a terrible cost to the people there. We know economic crisis and military conflict go together historically. Sadly, given the deepening global economic crisis and the huge instability we see in areas like the Middle East, it is quite probable we will see further military ventures conducted by the United States over the coming
years. Again, Ireland will be involved in those as it is becoming a kind of outlying military base for the United States war machine. This motion, to separate Shannon Airport from the Dublin Airport Authority will move it even further in that direction.

I oppose this motion strongly and appeal to the Government to understand that what airports should be is part of our vital civilian infrastructure. They deserve to be subsidised - this goes for Knock and other small airports - because they are part of our vital infrastructure. They should not be dependent on the toings and froings of the global market and certainly should not be dependent on the war machine of the United States or anywhere else.

**Acting Chairman (Deputy Paudie Coffey):** I call Deputy McNamara, who will share his time with Deputy O’Mahony. Is that agreed? Agreed.

**Deputy Michael McNamara:** I thank the Chair for the opportunity to speak on this important motion for the constituency I represent, Clare. I understand the Opposition spokesperson, who is also from the constituency, Deputy Dooley, has outlined his opposition to this measure. I do not wish to characterise unfairly what he has said and I understand his opposition is two-fold, first he is concerned that the plan is overly ambitious and second, that Aer Rianta International will remain with the Dublin Airport Authority. I note the Deputy assents to that characterisation of his opposition.

**Deputy Timmy Dooley:** The second part, not the first.

**Deputy Michael McNamara:** I will deal first with the criticism that the plan is too ambitious. I make no apologies for the fact the plan is ambitious. I recognise there is a risk. There is always a risk when one tries to do something. Abraham Lincoln said that when one tries, there is always the danger one will fail, but if one does not try, it is certain one will fail. I am very much heartened by the fact the Government has an ambitious plan for Shannon Airport. This plan seems to be successful to date and I hope it will be successful into the future.

Like me, Deputy Dooley will know there is not unanimity in any party on any issue, be it a budget or be it the separation of Shannon Airport from the Dublin Airport Authority. He will also know that the mayor of Clare, a decent man, speaking about the planned separation, said recently:

Any airport that relies on a single airline for a large proportion of traffic leaves itself open to a collapse of business if that operator pulls out. We have seen this happen in Shannon in the past, but I believe recent service announcements by Delta, Aer Lingus and United Airlines herald a new beginning at the airport.

I thank the mayor of Clare for putting his constituency and the future of Shannon Airport above narrow party interests.

**Deputy Timmy Dooley:** The Deputy will be aware that all happened under the current regime.

**Deputy Michael McNamara:** I also thank the mayor of Ennis for doing likewise, when he urged everyone to get behind plans for the independent Shannon Airport, saying it is critical for the local economy and employment in the town.

With regard to Aer Rianta International, I wish to cite a recent article by Mr. Liam Skelly, a former director of Shannon Airport. He lives in the same parish as I do and he knows Shan-
non Airport intimately. Speaking about the debate which took place on the State Airports Act, a long time ago when Deputy Dooley was a Senator, he said the solution proposed and to be voted on was as follows: Dublin Airport was to get immediate autonomy with enhanced status. Shannon and Cork airports were to get a kind of satellite status and the Aer Rianta International division of Shannon Airport was to be gifted to Dublin Airport, now called Dublin Airport Authority, the accumulated profits at 2004 amounting to €104 million, to be included. He said the Dublin Airport Authority was to be gifted the deeds of the Great Southern Hotels and the Aer Rianta International investments in Birmingham and Hamburg, both of which were to be sold a few years later for €355 million. He believed any reasonable person who tried to analyse what was happening could only come to the conclusion that the real agenda being pursued was geared to the enhancement of Dublin Airport. It was clear to him that Shannon and Cork airports were seen as no more than a sideshow in the whole affair and that if either of them had anything of value, it would be taken from them. Mr. Skelly said “the treatment meted out to Shannon through the State Airports Act was nothing short of appalling.”

**Deputy Timmy Dooley:** He was right.

**Deputy Michael McNamara:** He was.

**Deputy Timmy Dooley:** That is why it never happened.

**Deputy Michael McNamara:** The Deputy voted for it. It happened on his watch.

**Deputy Timmy Dooley:** It did not. It will come to fruition today when the Deputy and his colleagues vote for it.

**Acting Chairman (Deputy Paudie Coffey):** Will the Deputy, please, resume his seat?

**Deputy Timmy Dooley:** On a point of order-----

**Acting Chairman (Deputy Paudie Coffey):** I will not take a point of order.

**Deputy Timmy Dooley:** On a point of order to Deputy Michael McNamara-----

**Acting Chairman (Deputy Paudie Coffey):** I have asked the Deputy to resume his seat.

**Deputy Timmy Dooley:** Is it open to me to offer Deputy Michael McNamara a point of order and give him an opportunity to accept it?

**Acting Chairman (Deputy Paudie Coffey):** No, it is not, unfortunately. The Deputy has had his 15 minutes to contribute.

**Deputy Timmy Dooley:** Deputy Michael McNamara can accept my point of order.

**Deputy Michael McNamara:** I have no objection to the Deputy raising a point of order with the Chair.

**Deputy Timmy Dooley:** Will the Deputy accept a point of order from me?

**Deputy Michael McNamara:** It is not for me to accept a point of order. It is a matter for the Chair.

**Acting Chairman (Deputy Paudie Coffey):** Please, Deputies.
**Dáil Éireann**

**Deputy Michael McNamara:** Deputy Timmy Dooley is correct when he says the State Airports Act was an abomination for Shannon Airport.

**Deputy Timmy Dooley:** The Deputy and his colleagues are implementing today what Mr. Skelly was concerned about in 2004. The Deputy is helping to put it through.

**Acting Chairman (Deputy Paudie Coffey):** I ask the Deputy Dooley not to interrupt.

**Deputy Michael McNamara:** It did not happen on the Government’s watch. The Government’s ambitious plan for Shannon Airport has been welcomed by the mayor of Clare and the mayor of Ennis. I want the plan to succeed. We are not here to talk about the State Airports Act which was passed a very long time ago.

**Deputy Timmy Dooley:** We are giving effect to it.

**Deputy Michael McNamara:** We are here to talk about the future. I look forward to the future of Shannon Airport with hope.

**Deputy Timmy Dooley:** Given that the Deputy is a lawyer, I am surprised by his lack of knowledge about how legislation works.

**Deputy Michael McNamara:** Like my colleague, Deputy Carey, and everybody else on the Government benches, I will happily face the electorate and be judged on the success of Shannon Airport and every other issue on which I vote in this House.

**Deputy Timmy Dooley:** I want to correct the record. The Deputies must understand that the State Airports Act 2004 will-----

**Acting Chairman (Deputy Paudie Coffey):** Please, Deputy.

**Deputy Timmy Dooley:** The State Airports Act 2004 will come into effect today when Deputy Michael McNamara presses the “Yes” button.

**Deputy Michael McNamara:** I have mentioned what Mr. Liam Skelly thinks.

**Deputy Timmy Dooley:** The Government is giving effect to what he was concerned about.

**Deputy Michael McNamara:** The Deputy voted for it.

**Deputy Timmy Dooley:** It is unbelievable.

**Deputy John O’Mahony:** I hope I can bring some reason to the debate to which I am glad to contribute. The Shannon and mid-west region welcomed last week’s announcement by the Government that Shannon Airport was to be separated from the Dublin Airport Authority, that Shannon Airport was to receive support and incentives and that its debt would be written off. This is being done to arrest the decline of the airport which has lost over 100 million passengers since 2007. Any such development anywhere on the island would have to be welcomed as long as it led to the creation of jobs, etc. However, it should not be done at the risk of undermining or destabilising any adjacent airport. In this instance, the two closest airports are Cork Airport and Ireland West Airport Knock. I will bow to Deputy Jerry Buttimer’s knowledge of Cork Airport, the virtues of which he has espoused.

I want to concentrate on Ireland West Airport Knock. If certain things are not done, the
airport could be undermined or destabilised. The Minister and the Government need to take a number of actions to ensure this does not happen. An overall plan for aviation is needed. The Booz & Company report recommended that this be done before the separation of Shannon Airport from the Dublin Airport Authority. We are familiar with some previous aviation decisions that were badly thought out. For example, the last Government built terminal 2 for passengers who never arrived. I ask the Government to engage in a meaningful way with Ireland West Airport Knock in order that a long-term plan can be agreed and supported and the airport’s potential can be fully explored and exploited. In this context, I was glad to facilitate last Wednesday the appearance before the Joint Committee on Transport and Communications of the management of Ireland West Airport Knock, at which meeting the officials outlined their plans for the airport. Similarly, I welcome the Taoiseach’s agreement to meet the board and management of the airport in the near future to listen to their plans and respond to them.

Everybody understands that in current economic circumstances, the Government is not in a position to write a cheque for €100 million for Ireland West Airport Knock. If the authorities at the airport are to proceed with confidence and create further jobs in the environs of the airport, it is important for them to know there is a definite plan that will be supported. Ireland West Airport Knock employs 100 people and supports a further 900 jobs in the wider region. It would be inconceivable if an airport which has been praised by many stakeholders in aviation and government circles were to be punished in any way for the success it has achieved up to now. Ireland West Airport Knock is in a good place, but it needs certainty and a plan that will allow it to develop on the basis of its recent growth. Passenger numbers increased by 11% in 2011, which is in contrast to all other airports in Ireland. In 2012 almost 700,000 passengers will use the airport which will enjoy 5% growth. It has been referred to as a model lean, mean airport, with a small management team that is ready to deliver on the huge potential of the north-west region.

People might accuse me of approaching this issue from a parochial perspective simply because I represent the Mayo constituency in the House. Ireland West Airport Knock is as important to the north-west region as Shannon Airport is to the mid-west region. My mission is to ensure the airport is supported and allowed to grow in order that it will reach its potential by accommodating 1 million passengers in the not too distant future. The Minister, Deputy Leo Varadkar, and many involved in the aviation industry have referred to it as a lean low-cost airport, with a small managerial hierarchy. Its operational subvention per passenger is 87 cent, which is in contrast to subsidies of €6 or €8 per passenger paid to the State’s regional airports. The aviation industry is of significant importance to the future of the country. Ireland West Airport Knock is of substantial importance to the north-west region because it provides the accessibility needed if the potential of the region is to be developed. It is very important for us to secure its future by drawing up a definite plan that will be supported by the Government.

**Minister of State at the Department of Transport, Tourism and Sport (Deputy Alan Kelly):** I thank all the Deputies who contributed to the debate on the motion. Some of those who spoke were passionate. I am glad that there is so much interest in the success of Shannon Airport. It is important not only to the people of the mid-west but also to the people of the entire western hinterland. I will respond to some of the points made by various Deputies.

Like everyone else who has commented genuinely on this matter, I appreciate the historical achievements of Aer Rianta International which has been a success story for many years. It was always the intention that Aer Rianta International would remain within the ownership of the Dublin Airport Authority. It can maximise its potential by benefiting from the funding,
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borrowings and balance sheet capacity of the authority. Aer Rianta International’s retail business is integrated with that of the Dublin Airport Authority. It benefits from the group’s buying strategies, expertise and purchasing power. This integrated business model also delivers significant corporate management expertise to Aer Rianta International, including in the areas of information technology, treasury, finance, legal risk and governance. Aer Rianta International is an integral part of the Dublin Airport Authority group at this stage. If the financial viability of the Dublin Airport Authority were to be compromised as a result of its separation from Shannon Airport, that separation could not happen. That is why it was always intended that Aer Rianta International would stay within the authority.

In fairness to Deputy Timmy Dooley, his comments are well received. He knew what was envisaged when he voted for separation in the context of the 2004 legislation, as Deputy Michael McNamara said.

Other Deputies raised the issue of the impact of this decision on other airports, particularly Knock Airport. I was surprised by some of the comments, although I accept the views are genuinely held. I do not believe this should be an either-or situation. Competition is healthy. This is about increasing the total passenger numbers, particularly into the airports along the west coast.

I fail to see why a number of Deputies did not recognise the fact that the State contributes a lot to Knock airport in particular - over €40 million since 1993.

Deputy Dara Calleary: That is the wrong figure.

Deputy Alan Kelly: We can go into that. In fairness, if the management wants to talk to the Department, the Minister or myself in regard to that subsidy and how it should work, or the various different subsidies the airport has received through the years, the doors will be open for it to do that. Comments have been made in this House and outside that this could in some way be against state aid rules. That is absolutely not the case.

Deputy Dara Calleary: The Minister of State should check the PSO.

Deputy Alan Kelly: Some Deputies, although not as many as I would have thought, made reference to the issue of the workers in this scenario, particularly those from Shannon Airport and Shannon Development, whose current terms and conditions are to be transferred - although, to be fair, this was enshrined in the 2004 Act. Discussions have taken place with ICTU, which will have representation on the implementation steering group that is being established, as it will also have on the future board. It is important to acknowledge the workers in both organisations who have contributed much to the region and to broader policy in the country. I know this as I live and work among them, and many of them live quite close to me. It is important that the terms and conditions are transferred over.

There are great possibilities for the mid-west with the changeover in regard to the future work of Fáilte Ireland and Enterprise Ireland in the region. There have been some positive developments in the budget with regard to enhancing this decision on the future of the airport - for example, many of the budget activation measures and the aviation incentives with regard to capital schemes to construct hangars and other ancillary facilities and to finding other funding sources for the airport. These will be expanded on by the Minister for Finance in the near future.
A number of Deputies made reference to the projected passenger numbers, which are ambitious, although I make no apology for that. We cannot continue on as we are, with 1.5 million passengers this year. I also point out that there have been a number of recent announcements about the airport, such as that from United Airlines, and also from Aer Lingus in regard to Faro. These announcements are positive for the airport and will have a huge impact on the mid-west, although I note they will not have an impact on Knock. While the passenger numbers are ambitious, they are achievable.

What we are aiming for is the creation of an international aviation services centre that can generate non-passenger revenue. We have MOUs for 850 jobs, which I presume everyone in the House welcomes. We are also looking to develop more than 3,000 jobs in the next five years, and I am sure the Deputies opposite will be quite visible in welcoming those jobs when they materialise.

There is great capacity at Shannon Airport, which is a unique airport and one of which I am very supportive. It has the longest runway in Europe, it has pre-clearance and it has lands available to it. We have to leverage those competitive advantages, which is what this strategy is all about.

Deputy Ellis said the Labour Party was in favour of privatisation. I genuinely do not have a clue what he is referring to. If he can find one such utterance in regard to Shannon Airport, he might show it to me, as I do not believe it is there.

Deputy Dessie Ellis: We will see it in the future.

Deputy Alan Kelly: Deputies Niall Collins and Timmy Dooley referred to the impact on the mid-west, and particularly to PayPal. If we have a stronger airport into the future, which we will have under this process, we will have a greater opportunity to attract inward investment.

Deputy Timmy Dooley: It is a big “if”.

Deputy Alan Kelly: I am sure the Deputy will accept that. Unfortunately, I do not have time to address the other contributions. I very much support the motion. This is a great policy for the airport. We cannot stand still or just continue on as previous Administrations did. We need to put a plan together. This is a fantastic plan and one that will be successful. I ask the House to support the motion.

Amendment put:

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**Amendment declared lost.**
Question put: “That the motion be agreed to.”

The Dáil divided: Tá, 83; Níl, 36.

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Twomey, Liam.
Varadkar, Leo.
Wall, Jack.
White, Alex.

Tellers: Tá, Deputies Paul Kehoe and Emmet Stagg; Níl, Deputies Seán Ó Fearghail and Michael Moynihan.

Question declared carried.

Sitting suspended at 1.30 p.m. and resumed at 2 p.m.

Ceisteanna - Questions

Priority Questions

Garda Policing Plans

51. **Deputy Niall Collins** asked the Minister for Justice and Equality his plans for the closure of Garda stations in 2013; his plans for Garda recruitment; his plans for the total number of Gardaí in 2013, 2014 and 2015; and if he will make a statement on the matter. [55542/12]

**Minister for Justice and Equality (Deputy Alan Shatter):** The policing plan for 2013, which I laid before the House last week, outlines the Garda Commissioner’s proposals for the continued reorganisation and consolidation of the Garda station and district network. Until this year, the Garda station network was essentially the same as the RIC network which obtained in 1922. Such a large-scale static deployment of resources is no longer appropriate, particularly as the transport and communications infrastructure has been transformed. The Garda Síochána has a class-leading police computer system, a state-of-the-art digital radio system and a transport fleet which is currently receiving significant investment. The new Garda roster being piloted at present provides a better match between Garda availability and policing demand. All of these developments enable the Garda Síochána to be more mobile and flexible and to deliver a more effective policing service.

We must be honest about the level of policing service that was capable of being provided from the stations that were and are to be closed. Of the 100 stations to be closed next year, 98% are open only on a part-time basis, 94% are open for three hours a day or less, 88% are served by 1 garda and only 5% are served by three or more Garda personnel. Of the 39 stations closed this year, eight were not actually open at all and had been surreptitiously closed under the watch of previous Governments. Their closure was a paper exercise which simply recognised reality.
Following the closures in 2013, there will still be 564 Garda stations in the State. This will still be significantly more per capita than is the case in comparable jurisdictions, such as Northern Ireland, where there are 86 stations for a population of 1.5 million, and Scotland, where there are approximately 340 stations for a population of 5.2 million.

Some critics have complained that the station closures will save only small amounts of money, but this completely misses the point. The point is to make the best use of our well-trained gardaí and, in particular, to maximise the amount of time they spend performing operational duties. The Garda Commissioner, in his professional judgment, has concluded that a more effective and efficient policing service can be provided through the proposals to close these stations and to merge 28 Garda districts into 14. These proposals, along with the other proposal to close the public counters in seven other stations at night, will free up gardaí for front-line service in the communities concerned. This is all the more important at a time of decreasing Garda numbers. It is worth recalling that it was the previous Government that undertook to reduce Garda strength to 13,000 as part of its commitment to the troika to reduce public service numbers overall. The previous Government also introduced the moratorium on public sector recruitment, the result of which has been that no trainee Garda has entered the Garda college since May 2009.

Current Garda strength is 13,450. This is supplemented by approximately 2,000 civilian support staff and 1,000 Garda reserves. I will remain in dialogue with my colleague the Minister for Public Expenditure and Reform on the issue of Garda resources, but what is vital now is that the still-significant resources of the force are used with maximum efficiency and to the greatest effect. That is why the reforms being introduced by the Garda Commissioner are essential and should be supported by all Members of the House.

Deputy Niall Collins: When they come to write the political review of the year, the Minister, Deputy Shatter will, as a result of how he disseminated this information on budget day last week, be dubbed the most cowardly Minister. It was an exceptionally cowardly act, in the middle of the busiest political day of the year, to announce the closure of up to 100 Garda stations throughout the country in the manner in which he did without affording Members any real opportunity to debate the matter in the House, other than by means of tabling parliamentary questions. That is why I tabled this priority question today. The Minister has missed the point completely. It is not a question of freeing up Garda resources and, in order that they might perform other duties, members of the force. Gardaí are already performing such duties. What is at issue here is the fact that many of the stations it is proposed to close are open only on a part-time basis. Such stations are there in order that the force might show a presence in communities, both urban and rural. People must realise that these closures do not just relate to gardaí and stations in rural areas. The presence to which I refer and the relevant Garda infrastructure are to be removed from communities. The deterrent they offer will also be removed as a result, which is regrettable.

An Leas-Cheann Comhairle: Will the Deputy please pose a question?

Deputy Niall Collins: This is part of a larger agenda on the part of the Government, which has done the same with small schools and community welfare offices, has closed down bank branches and is merging credit unions. Essentially, this Administration is sucking essential services out of communities throughout the country.

An Leas-Cheann Comhairle: Will the Deputy frame a question?
Deputy Niall Collins: It ill behoves the Minister to cite what was done by previous Governments. In 2010, when he was Opposition spokesperson on justice, the Minister stated: “We presently have 14,500 members of An Garda Síochána and it is of crucial importance that the number be maintained”. He went on to state that a reduction in this number would “obstruct the battle against crime” and said “I predict that tonight drug gangs will be toasting justice minister [Ahern]”. The latter will also be drinking a toast of thanks to the Minister, Deputy Shatter-----

An Leas-Cheann Comhairle: Will the Deputy please pose a question to the Minister?

Deputy Niall Collins: -----for reducing the presence of An Garda Síochána throughout the country. The Minister has still not indicated what will be the minimum number of gardaí on the force. That number could potentially drop below 13,000.

An Leas-Cheann Comhairle: I must call the Minister.

Deputy Niall Collins: Up to 1,200 members of An Garda Síochána can retire in the coming 12 months.

An Leas-Cheann Comhairle: I must call the Minister.

Deputy Niall Collins: It takes two years to train new members.

An Leas-Cheann Comhairle: Deputy Collins must conclude.

Deputy Niall Collins: I want to make a point.

An Leas-Cheann Comhairle: No, the Deputy may not do so. There are only six minutes per priority question.

Deputy Niall Collins: It was exceptionally cowardly of the Minister to make the announcement in this regard on budget day.

Deputy Alan Shatter: The Deputy should not try to engage in name-calling or use political bombast in order to cover up the reality that when in government, his party signed up to the agreement with the troika-----

Deputy Niall Collins: As the Minister well knows, we did not sign up to closing Garda stations.

Deputy Alan Shatter: ------and to reducing the numbers within the Garda Síochána to 13,000 by the end of 2013. In addition, his party did not have the courage and commitment to reform the Garda station infrastructure and network. Is the Deputy seriously suggesting that it would be in the interests of good policing for us to retain a police station network and a Garda structure based on decisions relating to locations, etc., which were made by the British Government in colonial times? Is he suggesting that, at a time when Garda numbers are being reduced as a result of the financial disaster that hit this country as a consequence of the appalling decisions made by his colleagues when they were in government, we should keep trained members of the force unnecessarily behind desks in buildings when they could be out policing local communities? Does the Deputy not have the decency to acknowledge that a large number of members of the force could contribute to the provision of front-line services but are currently unable to do so because they are confined to small Garda stations? Will he acknowledge that a station that opens for three hours or less in the morning does not make any substantial contribu-
tion to law enforcement or to protecting the community?

**Deputy Niall Collins:** It is about providing a presence. Does the Minister not appreciate that?

**Deputy Alan Shatter:** In so far as the Deputy is alleging that there will be any diminution of Garda services, I must inform him that this has not been the case in the context of the closures that have occurred to date. There will instead be an enhanced service on offer as a result of the fact that members of the force will be available to communities.

Unlike my predecessor, I have made resources available. This year, for example, I spent €4 million on the purchase of 213 new vehicles in order to upgrade the Garda fleet. Some €5 million has been allocated to me for 2013 and this will allow for the purchase of a substantial number of additional vehicles.

It was perfectly appropriate and correct that the announcements to which the Deputy refers were made on budget day, the day on which the Estimates relating to the Department of Justice and Equality were published. On that day we were having regard to the resources available in each Department under the terms of the Estimates and how the Department of Justice and Equality - which will have €62 million less in 2013 than in 2012 - along with the Garda Síochána, was to ensure that resources were wisely used.

**Deputy Niall Collins:** It ill behoves the Minister to cite the example of Northern Ireland and Scotland as a reason to support this crazy decision which he knows is wrong. He also knows that 40% of the population of this country resides outside the greater Dublin area and it is they who will be most affected by this decision. He has also closed down Garda stations in the greater Dublin area in Stepaside, Kill-O-the-Grange, Rush and Whitehall, to name but a few. He should not tell the House that this decision is to do with smarter policing. He knows full well - the Garda Commissioner has referred to it - that this is a political choice. The Minister should not attempt to hang the decision on the Garda Commissioner by saying it was contained in the draft policing plan which he presented to him. The Minister had the option to accept, amend, reject or ask for a redrafting of that plan. We know that the considerations were not financial ones. We all know the figures.

**An Leas-Cheann Comhairle:** Could the Deputy ask a question, please?

**Deputy Niall Collins:** The Minister’s decision means he has removed the Garda presence from communities all over the country. If he thinks that is a positive policing innovation then he is completely out of touch. I reiterate that this decision had nothing to do with financial considerations. It was very cowardly of the Minister to announce these closures by way of e-mail. Why did he not come into the House where they could be debated?

**Deputy Alan Shatter:** We are now having a debate on the matter. I am sorry if the Deputy is so agitated and excited that he thinks it is cowardly of me to answer his questions-----

**Deputy Niall Collins:** I am reflecting what communities think about it.

**Deputy Alan Shatter:** I think the wider community has far greater insight than the Deputy. The wider community understands a number of facts. People understand that we have an agreement with the troika on which we are dependent for public funding.-----

**Deputy Niall Collins:** The closure of Garda stations is not in the agreement.
An Leas-Cheann Comhairle: One voice, please, Deputy.

Deputy Alan Shatter: I do not interrupt the Deputy. Perhaps he would do me the-----

Deputy Niall Collins: There is nothing in the troika agreement about closing Garda stations.

An Leas-Cheann Comhairle: This is Question Time, Deputy Collins. The Minister has the floor.

Deputy Niall Collins: He should be truthful in what he is saying. He should stick to the facts.

Deputy Alan Shatter: The Deputy seems to believe it adds to the credibility of what he says if he just shouts across the floor. I ask the Deputy to do me the courtesy of allowing me to respond to him. The facts are quite simple. We are dependent on the troika. The agreement was entered into by his party. It envisages a substantial reduction in public expenditure. Like all Departments, my Department is affected. The Garda Síochána is also affected. The Deputy’s colleagues when in government indicated that Garda numbers would be reduced to 13,000. They took no steps of any description to reform the Garda districts, the Garda network or to ensure that well-trained members of the force were available to engage in front-line policing. What we have done with the operational advice of the Garda Commissioner and on his operational recommendation ensures that we are maximising as much as possible the professional expertise of members of the force by making them available to local communities-----

Deputy Niall Collins: Closing down Garda stations is not making them available.

Deputy Alan Shatter: -----and available to work in crime protection and crime detection. We have recognised a reality which the Deputy has failed to recognise, which is, that a single garda sitting for three or four hours during a morning in a Garda station does not contribute anything of major operational value to crime protection or crime detection. With a reduction in resources and in Garda numbers, we are using the expertise of the force to the maximum benefit of the community.

Deputy Niall Collins: It means they will be sitting in community centres instead.

Penalty Point System

52. Deputy Pádraig Mac Lochlainn asked the Minister for Justice and Equality if he will provide an update on any internal inquiry currently being conducted following reports from a garda whistle blower (detail supplied) that a number of persons had penalty points written off; if he has met with the Garda Commissioner regarding same; and if he will make a statement on the matter. [54672/12]

Deputy Alan Shatter: The allegations referred to by the Deputy are not that some people have had penalty points written off, but that in a number of cases members of the Garda Síochána have inappropriately cancelled fixed charge notices, mainly for speeding. The allegations appear to be made on the basis of records of cancellation on the Garda PULSE system. Fixed charge notices are an alternative to prosecution. They give a motorist the opportunity to
acknowledge the offence, pay the fixed charge and, where the offence is a penalty point offence, incur the appropriate penalty points. If the motorist does not pay the fixed charge, he or she will in the normal course be prosecuted for the alleged offence.

With regard to the cancellation of fixed charge notices, it appears from media reports of recent days, and comments made in Dáil Éireann, that there is an assumption that any termination of a fixed charge notice is illegal and that any individual who is the recipient of such notice which is subsequently cancelled is being afforded special treatment. Both assumptions are incorrect. I am concerned that the outcome of the investigation being conducted into the allegations is being unfairly prejudged and I would urge caution in this regard.

There can be circumstances where the fixed charge notice may be cancelled in accordance with Garda procedures drawn up in light of legislative exemptions and prosecutorial guidelines. Termination or cancellation occurs where it is believed the evidence would not sustain a prosecution or a prosecution would not be appropriate, fair or proportionate. Decisions on terminations or cancellations are governed by Garda policies and procedures, framed around the legislatorial and prosecutorial guidelines issued by the DPP.

Members of the Garda Síochána at the rank of superintendent district officer or inspector acting district officer, therefore, have discretion to authorise cancellation in appropriate circumstances of fixed charge notices. These can include situations where, for example, exemptions apply in relation to emergency vehicles; where there are evidential difficulties, such as where the registration number registered by a speed camera does not correspond to the vehicle in question; where there are emergency medical circumstances such as, for example, a medical certificate relating to the wearing of seat belts; a sick child being driven to hospital; an imminent birth; a medical professional rushing to a sick or elderly patient; a driver of an ambulance response vehicle. Access to terminate a fixed charge processing incident through PULSE is restricted to users with a rank of inspector or higher.

Additional information not given on the floor of the House

I confirm that these allegations were forwarded to my Department by the Department of Transport, Tourism and Sport in September, and, subsequently, by the Department of the Taoiseach, also in September. Following consideration of the documentation the allegations were forwarded to the Commissioner last October. The Garda Commissioner has appointed an Assistant Commissioner to conduct an examination and to report on the allegations. I have received an interim report from the Commissioner, but I will not be making any comment on any of the allegations until the final report is available. These allegations are being taken seriously and are being thoroughly investigated. However, it would be premature and wrong to assume that all of these cancellations of fixed charge notices were inappropriate. I caution against any rush to judgment before all the facts are known. As the Garda Commissioner has said, this would be unfair both to members of the Garda Síochána and the motorists concerned. We must await the outcome of the investigation, which as the Commissioner has said will be both comprehensive and rigorous. I have every confidence that the investigation directed by the Commissioner into the allegations will be conducted professionally.

Deputy Pádraig Mac Lochlainn: The Minister will agree that this is a very serious issue relating to public confidence in the Garda Síochána. I agree that a superintendent has the power to cancel penalty points on receipt of an appeal in writing which outlines the grounds why the points should not be applied. As the Minister has outlined, this is justified in some instances.
However, there is no clarity for these decisions. It is also not clear whether the internal Garda report will be published. I ask the Minister to confirm that he will publish the report and that this practice will cease immediately. I note that Conor Faughnan regards this matter as very serious. The Garda Síochána needs to take it seriously and to be aware of the damage. Even if 20,000 of the 50,000 cases were found to be not in accordance with the criteria or not lawful, this would amount to €1.6 million of taxpayers’ money. Perhaps the most important issue is that of public confidence. The public must know that the playing field is level for everyone, that it does not depend on status. Unless there are exceptional grounds such as those listed by the Minister in his reply, penalty points cannot be written off. The fine must be paid and the penalty points must be applied.

Deputy Alan Shatter: It is of the utmost importance that the integrity of the fixed charge system is preserved. When the Deputy said this must stop, I presume it is not his view that where there are appropriate circumstances for a fixed charge to be cancelled, that it should not be cancelled. I gave the Deputy instances of the type of circumstances that can arise. The Deputy may be interested to know that in the three and a half year period from 1 January 2009 to 30 June 2012, a total of 1,460,726 fixed charge notices were issued. The allegations I have received, when examined, apply to fewer than 300 incidents. These are allegations. From the interim report I received, I have noted that some of the cancellations of fixed-charge notices relate to ordinary individuals who are not VIPs or other such individuals. At least one person has been very unfairly named in this House. The individuals to whom I refer are those in circumstances in which a car identified as speeding is not the actual car owned by an individual who has received a ticket. There have been other instances, including one in which a young child was being taken to hospital in an emergency.

I take allegations of this nature with the utmost seriousness, as does the Garda Commissioner, who has appointed an assistant commissioner to conduct an investigation and report on the allegations. My Department received the allegations last September and they were referred to the Garda Commissioner in October after they had been considered. I have received an interim report from the Commissioner, but I will not be making any comment on any of the allegations until the final report is available. These allegations are being taken seriously and investigated thoroughly, but it would be premature and wrong to assume that all cancellations of fixed-charge notices were inappropriate. I would caution against any rush to judgment before we know all of the facts. As the Garda Commissioner has said, this would be unfair to both members of the Garda Síochána and the motorists concerned. I urge Deputies to await the outcome of the investigation that is under way. When the outcome of the investigation is known, I will bring it to the attention of Members.

In so far as there is any suggestion that the Garda is not doing its job properly in regard to speeding, fixed-charge notices and the road traffic legislation, Members should note the interesting statistics on total annual road fatalities between January and the end of November in each of a number of given years. At the end of November 2007 there had been 300 fatalities on the roads. At the end of November 2011 there had been 168, and at the end of November 2012 - this year - there had been 152. One hundred and fifty-two people too many lost their lives on our roads this year, but the decreasing number of fatalities indicates that the Garda takes very seriously the application of the road traffic regulations to individuals. The vast majority of individuals are aware of this, and the vast majority of those who receive a fixed-charge notice pay the fine. However, we must preserve a system in which there is a basis for cancelling notices where they are issued inappropriately or disproportionately or where a mistake is made.
Deputy Pádraig Mac Lochlainn: Everybody agrees that there ought to be an arrangement for exceptional circumstances. I am asking whether the Minister is seriously suggesting there are just 300 questionable cases, not 50,000, that must be examined. Regardless of the percentage, 50,000 represents a high volume of cases, which needs to be considered. I would like to have heard from the Garda Commissioner prior to the process. There is a paper trail with 50,000 written appeals in line with the guidelines and criteria. The Minister’s statement that he has every confidence that there are only a few questionable cases is not in accord with what we are hearing. This is a very serious matter. We need to end the arrangement whereby one can make a telephone call to have one’s details removed from the computer. From now on, we need clear written criteria that will apply on a case-by-case basis and in which every citizen can have confidence.

The points system, including the option of paying an €80 fine, has saved considerable court time and prevented considerable expenditure. It has the confidence of the public. The problem that has arisen is serious and could undermine the system. The Minister must move swiftly to deal with the issue.

When will the report by the assistant commissioner be completed? When will the Minister bring it before the House and make the recommendations? When will the disciplinary measures be taken, if necessary?

Deputy Alan Shatter: The individual who has made complaints in this area has made a calculation of the alleged total number of fixed-charge notices cancelled. The calculation, as furnished in the allegation I saw, gave rise to an assumption that every single cancellation was inappropriate and due to some inside influence. Let me make it very clear that on my watch as Minister for Justice and Equality I will not accept the preferential treatment of any individual. I want every individual to be treated fairly under the law and to have his good name protected in circumstances in which there is no wrongdoing. As I said to the Deputy, there is an assumption that if a fixed-charge notice is cancelled, there has been wrongdoing. This is not the case. There are strict guidelines, to which I made reference in my reply. It is important that the guidelines be adhered to. In that context, it is important that the investigation that is under way be comprehensive and completed fully, and that the full story, rather than a story based on an assumption, become known. It should not be assumed once a fixed-charge notice is cancelled that there has been some wrongdoing, because that is not the case. If it turns out that there has been wrongdoing, so be it. There should be transparency in this regard and I have no difficulty with it; I am merely asking Deputies to be cautious in what they say until we see the outcome of the investigation. I expect to have the outcome early in the new year. We all have information with some individuals named therein. I ask Deputies to desist from naming individuals or attempting to name them in this House or outside it on the assumption that the individuals have been guilty of some wrongdoing. If one has truly been given names of individuals, one will know that some of the fixed charges that have been cancelled relate to individuals who are not celebrities or others known to the media. They are probably not known to the people who received the information. Some are individuals who wrote genuinely to the Garda authorities having received a fixed-charge ticket. They may have explained their circumstances or raised an objection which, having been examined by the Garda authorities, was regarded as valid.

There should be transparency. The public must be reassured that the fixed-charge notice system applies without fear or favour to everybody in the State, regardless of who he is, the
position he holds, the job he does or whether he is known. Should it appear that there are procedural arrangements that need to be tightened up or that a different approach needs to be taken, I assure the House that I will communicate my view thereon to the Garda Commissioner. In the meantime, the Garda Commissioner must be allowed to facilitate the assistant commissioner who is investigating these matters to complete the investigation.

**Deputy Pádraig Mac Lochlainn:** I asked whether the Minister will publish the report.

**An Leas-Cheann Comhairle:** I believe the Minister dealt with that.

**Deputy Alan Shatter:** I said to the Deputy that I will publish the outcome of the investigation that is under way.

**An Leas-Cheann Comhairle:** I understood that.

**Prison Visiting Committees Expenditure**

53. **Deputy Maureen O’Sullivan** asked the Minister for Justice and Equality if his attention has been drawn to the disparities between the Inspector of Prisons’ report on St. Patrick’s Institution, Dublin and the Visiting Committee Report of 2010; the location at which it is planned to accommodate 18 to 21 year olds, who would currently be residing in St. Patrick’s Institution (detail supplied), after 2014; and if he will make a statement on the matter. [54640/12]

**(Deputy Alan Shatter):** The Deputy will know that for many years I expressed concerns about St. Patrick’s Institution and believed it was an inappropriate facility for children. I was instrumental in ensuring that the programme for Government included a specific commitment to end the practice of sending children there. I visited St. Patrick’s within two weeks of my appointment and I met the Inspector of Prisons at his request in early May last to discuss the matter with him.

I published the St. Patrick’s visiting committee report for 2010 on 18 November 2011. As stated in its report for that year, the committee had met monthly and carried out some 48 random unannounced visits during the year. In that context, it reported on a number of issues and developments generally within the prison relating to accommodation, kitchen and gymnasium facilities, staffing, education, the library, workshops and facilities generally.

The inspector’s report, which I published last October, raised serious issues and major concerns, including weak management, the behaviour of some prison staff, the culture in the prison, the inattention to human rights norms, prisoners on protection and the prevalence of drugs. The inspector concluded that there has been a culture in St Patrick’s which resulted in the human rights of some prisoners - children and young adults - being either ignored or violated. The inspector also reported that the visiting committee appears to be carrying out its mandate under the relevant legislation and that its chairman had raised a number of issues with him. An action plan is now in place implementing all of the inspector’s recommendations, with more than 80% of the recommendations having been implemented to date.

I have yet to publish the visiting committee’s annual report for 2011. In light of the inspector’s report, I asked if the committee would consider the issues raised by the inspector and whether it would wish to comment on its contents in the context of its report for 2011. I will publish its report when I receive its response.

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As the Deputy is aware, the Government committed in the programme for Government to ending the practice of sending children to St. Patrick’s Institution. The practice of sending 16-year-old boys to St. Patrick’s ceased on 1 May 2012. From that date, all newly remanded or sentenced 16 year olds have been detained in the child detention facilities at Oberstown, Lusk, County Dublin. The detention of children at St. Patrick’s Institution will end with the provision of more appropriate accommodation and regimes in the new detention facility at Oberstown by mid-2014. Last week, the Government allocated €20.4 million in capital funding for 2013 to the Department of Children and Youth Affairs to enable this project to proceed.

Additional information not given on the floor of the House

In the interim, the Irish Prison Service is devising a specific strategy for the management of young offenders, working with its partners and other agencies to ensure that the regime for young offenders is age-appropriate and that best practice is observed. Central to this strategy is enhanced co-operation with the Irish Youth Justice Service, including the placement of a number of care staff from the child detention school to work alongside prison staff in St Patrick’s. It is intended that this will take place in mid-January 2013. In addition, the feasibility of accommodating some categories of the 17-year-old age group in the child detention schools before mid-2014 is being actively examined.

As part of this strategy, the prison service will also review the overall approach taken to the placement of 18 to 21 year olds, in line with my intention to introduce primary legislation for the purpose of closing St. Patrick’s Institution as a detention centre for persons aged 21 and under.

Deputy Maureen O’Sullivan: The positive message from the Minister’s reply is that he acknowledges what other reports, including the Whitaker report and the reports of the Ombudsman for Children, prison chaplains and the Jesuit Centre for Faith and Justice, have highlighted since 1985, namely, that there is an appalling breach of the human rights of young people in St. Patrick’s. What is the long-term plan to provide for those under the age of 21 there, of whom there are currently approximately 160, including 14 who are young women? International best practice indicates that those under 21 should not be detained in the same prisons as adults. The need for the immediate publication of reports has been highlighted and there should be no delay in their publication. That is my first point - that reports should be published in a timely way. My other question is whether the reports will go directly to the Oireachtas. There is an acknowledgement of wrongdoing on the part of the personnel in St. Patrick’s, but there are also questions to be answered by the Department of Justice and Equality and the Irish Prison Service.

Deputy Alan Shatter: It is my intention to introduce legislation, which is also referenced in the programme for Government, under which the visiting committee reports will be submitted directly to the Inspector of Prisons, and if members of visiting committees have concerns about any institution they visit during a year they will have direct contact with the Inspector of Prisons. Under the new legislation, it will be the inspector who publishes the visiting committee reports and engages in any follow-up that may be necessary.

A review group is currently reviewing prison policy issues. As the Deputy will be aware, the construction of a new wing of the Midlands Prison is being completed and there are plans to build a new prison in Cork. When the new wing of the Midlands Prison is open and the new facility is constructed in Oberstown, I intend to take steps to bring about further reform in respect
of the 18 to 21 year olds at St. Patrick’s Institution, how they are dealt with and where they will be located. There is an issue as to whether we should be locating all 18 to 21 year olds in one facility. I have concerns about the need for additional facilities for young people who are in prison in order that we do the maximum possible to encourage them to desist from reoffending when released from prison.

We have made enormous strides in the past 18 months in this area. It is very much a work in progress. Issues have been neglected for many years and they cannot all be addressed in 18 to 20 months, but we are making enormous progress. I believe that by the time the Government has completed its term we will have an entirely different prison policy and a different approach to dealing with young people who have to serve sentences.

Deputy Maureen O’Sullivan: I represent Dublin Central and we know about the revolving door syndrome and the incidence of repeat offences. We should be all on the same wavelength in encouraging rehabilitation and ensuring conditions in prison facilitate it rather than hinder it. Will the Minister engage with those civil society organisations who are involved in the prison and speak with former prisoners to get their views on this? The Minister mentioned the establishment of a comprehensive complaints system and I believe he suggested 2015 in that context, but in the meantime, we do not want to lose the generation of young people who are in St. Patrick’s.

Deputy Alan Shatter: New arrangements have already been established with regard to a complaints system. On the question of meeting former prisoners, in the preparation of his report on St. Patrick’s Institution, the Inspector of Prisons not only visited the prison at various unexpected times of the day and night, including at weekends, but went to the trouble of meeting former prisoners from St. Patrick’s Institution. The important and detailed report he produced was the result of 14 to 16 months of focused work and engagement by him. We should be grateful to him for the important work he has done. We rapidly set up an action plan to ensure that all issues addressed by him and all the recommendations made by him would be fully implemented, and that is the road we are travelling.

Gangland Killings

54. Deputy Niall Collins asked the Minister for Justice and Equality the steps being taken to address the increase in gangland crime and murders over the past number of months; if his attention has been drawn to a recent United States Congressional Research Service report entitled Terrorism and Transnational Crime: Foreign Policy Issues for Congress, in which it cited US Department of Homeland Security authorities which found that the production, smuggling and sale of tobacco products, including genuine and counterfeit cigarettes, is a lucrative form of financing for organised crime as well as terrorist groups (details supplied): if he is satisfied that Garda resources are being adequately deployed to tackle this source of income for dissident republicans as part of their efforts to tackle gangland crime; if he has discussed the issue with the Revenue Commissioners and the Department of Finance; and if he will make a statement on the matter. [55543/12]

(Deputy Alan Shatter): I remain in ongoing contact with the Garda Commissioner about all aspects of serious crime and I can assure the House that the Garda authorities will continue to bear down heavily on the activities of those involved in gangland crime, including criminal terrorists.
I am aware of the US report to which the Deputy refers, and it confirms our long-standing knowledge of the involvement of terrorist groups in organised crime. It is clear that the paramilitary groups that wish to undermine the peaceful intent of the majority of people on this island have inextricable links to organised crime. Many of their activities, including drug smuggling, tobacco and fuel fraud and extortion, are plain, unvarnished criminality. Whatever veneer of patriotism these gangs of criminal terrorists may wish to employ, the fact is that organised crime is organised crime and they are up to their necks in it.

The only effective way to combat organised crime is by disrupting and prosecuting those involved in its operations, especially the drugs trade, which is at the heart of much of its profits. As the Deputy will know, extensive Garda operations have been launched against gangs and there have been significant drug seizures in recent months and weeks. These have included a major programme of more than 200 searches which were carried out nationwide under Operation Wireless, resulting in the seizure of a substantial amount of drugs and more than 100 arrests. Overall, the Garda Síochána seized drugs of an estimated value of €65.5 million in 2011, with drug seizures estimated at €90.4 million for the first nine months of this year.

Equally, the Deputy will be aware that the Garda Síochána has launched a series of sustained operations against the activities of criminal terrorists in so-called dissident republican organisations. As a number of people are facing charges in this regard, the House will appreciate why I cannot be more specific.

I am also advised by the Revenue Commissioners, which has the lead role in combating tobacco fraud, that in the period from January to October this year a total of 91 million cigarettes and almost 4,000 kg of tobacco were seized. In addition, during that period there were more than 100 convictions for smuggling or selling of illicit tobacco products.

Additional information not given on the floor of the House

Although we should not underestimate the difficulties the Garda authorities face in trying to prevent these criminal enterprises and in bringing their perpetrators to justice, I can assure the House that the Garda is determined, in co-operation with the PSNI and other relevant agencies, including the Criminal Assets Bureau and the Customs Service, to tackle robustly the activities of these criminal terrorists and the organised crime gangs with which they are inextricably linked.

Deputy Niall Collins: When the Garda Commissioner appeared before the Joint Committee on Justice, Defence and Equality recently, as the Minister will be aware, he outlined up to 25 criminal organisations operating in the State which are part of an organised crime network and gangland activities. It is mind-boggling to think that up to €860 million is being lost to the Exchequer by way of the illegal tobacco trade, fuel laundering, counterfeit goods, digital piracy and counterfeit medicines, apart from the illegal drugs trade, which is wreaking havoc in many communities throughout the country. People have asked me and others whether the State is beginning to lose the battle against these gangland criminals who are operating in Dublin and right across the country.

Linked to that, the Minister needs to nail his colours to the mast in stating what will be the minimum number of members of An Garda Síochána in terms of the strength of the force. How low will the Minister allow the numbers in the force to drop to before he states that is the minimum and that the force needs to be properly resourced by way of personnel? People are,
rightly, pointing out to me and others that the Minister engaged in a recruitment campaign for the Defence Forces which resulted in the recent recruitment of 600 personnel. While it is not fair to compare a member of An Garda Síochána and a member of the Defence Forces on a one-for-one basis as they provide different services, how are we to win the war against gangland crime and avoid gangland related murders?

We are seeing murders in broad daylight in the presence of minors and children nearly every day. These started well before the murder of Alan Ryan with the murder of Declan O’Reilly and other tit-for-tat murders, as well as the murder of the Northern Ireland prison officer David Black and last week’s murder. The Minister has cited several operations in which An Garda Síochána is engaged which have enjoyed a large degree of success. By how much does the number of personnel in the force have to be watered down before the Minister recognises the need to recruit new members? Will he recognise that up to 1,200 gardaí could retire in the next year and that it will take two years to train new recruits?

An Leas-Cheann Comhairle: I must call the Minister.

Deputy Niall Collins: Before he counters with the argument that it is all due to the memorandum of understanding with the troika, the Government can change it, as it has gone back on some of its original provisions.

Deputy Alan Shatter: The Deputy, sadly, is addicted to soundbite politics.

Deputy Niall Collins: No, I am not.

Deputy Alan Shatter: If the Deputy had listened-----

An Leas-Cheann Comhairle: Order, please.

Deputy Niall Collins: I am, sadly, addicted to facts and reality.

Deputy Alan Shatter: I have been asked questions, but I cannot respond if the gentlemen feels the need to keep on shouting at me.

Deputy Niall Collins: I am not shouting at the Minister.

Deputy Alan Shatter: If the Deputy wants an answer to his questions, perhaps he might do me the courtesy of staying quiet while I am replying.

Deputy Niall Collins: On a point of order, I am not shouting at the Minister. I am sticking to the facts.

An Leas-Cheann Comhairle: I have explained to the Deputy that there are six minutes per question. I have explained this to every Member and Minister.

Deputy Niall Collins: If the Minister wants to give an answer, he can avoid a personal insult. I know if he tries, he can do it.

An Leas-Cheann Comhairle: Will the Deputy, please, resume his seat?

Deputy Alan Shatter: If the Deputy was listening to my reply, he would have noticed that in the context of the success of An Garda Síochána, whereas there were drugs seized in 2011 to a value of €65 million, in the first three quarters of 2012 the figure came to €90.4 million. The
Garda has had an exceptionally successful year in targeting organised crime, those engaged in the sale of illegal drugs, tobacco smugglers and the subversive terrorists in our midst. The Deputy knows this and there is no sense of any description that the Garda is losing any battle. Instead, it is engaging in smart policing, specific and focused operations, as well as focusing on a broad range of issues within the criminal justice area. In the context of gangland crime, there are focused operations to curtail the activities of those engaged in gangs and bring them before the courts. The Garda has achieved enormous success in Limerick, for example, and over 60 gang members are now in prison.

The Deputy referred to recent events. However, as he knows, I am constrained in the House in saying anything about these events because of pending criminal prosecutions as a result of successful Garda investigations. It would be good if, for once, he acknowledged that we have a Garda force that is doing an extraordinary job and using its resources wisely. Like all other arms of the State, it has less funding available to it, but it is using existing funds more smartly and in a better and more targeted way than may have been the case seven years ago. The Deputy, in his addicted search for a tabloid headline, should restrain himself and avoid undermining public confidence in the work the Garda is doing and, for once, acknowledge it is doing an extraordinary job. Many of the force’s members, in the interests of the communities they serve, place their lives at serious risk.

**Deputy Niall Collins:** It would be good if, for once, the Minister was honest with the people. To what personnel level is he going to allow Garda numbers fall before he realises the force is reaching a stage where it cannot take on the forces working against the State? I am not casting aspersions on An Garda Síochána and have acknowledged all of its successes. What I want to see the force do is to eradicate the problem completely. Everyone is united on this point. To what number of gardaí will the Minister allow the force to fall? Why will he not take a realistic look at the numbers and resource the force, bearing in mind that the cost of gangland activity to the Exchequer is €860 million per annum?

When the Minister claims up to 60 members of criminal gangs in the Limerick area are in jail, I must remind him that is the case because of legislation introduced by the previous Government. He is very quick to claim the previous Government was not performing. All of these gang members are behind bars because of changes to criminal justice legislation introduced by the Minister’s predecessor.

**Deputy Alan Shatter:** We have similar numbers in the Garda Síochána to the numbers in 2007. Is the Deputy suggesting the Garda was not up to the job in that year? We have more members of An Garda Síochána today than we had at the height of the Troubles in Northern Ireland. An additional 213 Garda vehicles were purchased this year at a cost of €4 million. At a time of financial difficulty and when budgets are being trimmed, I have specifically allocated €5 million for the purchase of new Garda vehicles next year. The Deputy seems to resent the fact that the Defence Forces were allowed to recruit.

**Deputy Niall Collins:** I do not resent it. I was just pointing it out.

**An Leas-Cheann Comhairle:** Please, Deputy.

**Deputy Alan Shatter:** When I entered government, the Defence Forces had been-----

**Deputy Niall Collins:** On a point of order-----
Deputy Alan Shatter: The Deputy is at it again. He cannot resist.

Deputy Niall Collins: The Minister cannot claim I resent the extra numbers in the Defence Forces because I do not.

An Leas-Cheann Comhairle: We are over time on this question.

Deputy Niall Collins: People outside the House are rightly asking how the Minister can recruit an extra 600 personnel for the Defence Forces, yet he will not do the same for An Garda Síochána.

Deputy Alan Shatter: The Deputy cannot resist.

Deputy Niall Collins: Why will the Minister not answer that question?

An Leas-Cheann Comhairle: We are over time.

Deputy Alan Shatter: I know the truth is irritating, but the Deputy might let me finish.

Deputy Niall Collins: I know the Minister cannot answer the question.

Deputy Alan Shatter: I know the Deputy is upset when I tell the truth, but he might let me finish.

Deputy Niall Collins: I do not get upset.

Deputy Alan Shatter: When I entered government and had the privilege of being appointed Minister for Justice and Equality and Defence, I discovered in the defence area that the way funding had been allocated by the Deputy’s predecessors in government was to make a pretence of the amount available for the current members of the Defence Forces when in reality the Defence Forces were heading towards a position where their numbers would be lower than 8,000. The Government has provided for and guaranteed a strength of 9,500 personnel for the Defence Forces. As a consequence, I am proud of the fact that in 2012 we recruited 600 new members for the Defence Forces.

Deputy Niall Collins: Yet the complement of gardaí will fall below 12,000.

Deputy Alan Shatter: In the context of An Garda Síochána, the previous Government tied us to a position where we would be honour bound to reduce expenditure-----

Deputy Niall Collins: The Government can change this.

Deputy Alan Shatter: ----and a commitment was given that by the end of 2013 numbers in An Garda Síochána would reduce to 13,000. If the Deputy wants to be in denial, it does not matter how loud he shouts at me. These are the facts.

Deputy Niall Collins: The Minister has still not stated to what level he will allow the complement of gardaí to drop before he recruits more members.

Defence Forces Deployment

55. Deputy Tom Fleming asked the Minister for Justice and Equality if he will second Irish
army soldiers at corporal and sergeant level to act as assistance to the Garda Síochána unarmed for a period of two years following three months training and that they would be placed on foot patrol in areas of high crime in larger towns and cities. [54641/12]

(Deputy Alan Shatter): The delivery of a policing service is the statutory responsibility of the Garda Síochána and I have full confidence in its capacity to deliver that service efficiently and effectively. Where necessary, the Garda Síochána is assisted in carrying out certain specific duties by members of the Defence Forces in fulfilment of the role assigned to the Defence Forces to provide aid for the civil power. Pursuant to this role, the Defence Forces have several explosive ordnance disposal teams on call, 24 hours a day, seven days a week, to respond to requests received from the Garda Síochána for assistance in dealing with a suspect device or the removal of old ordnance. In addition, the Defence Forces provide assistance for the Garda Síochána in the operation of the Garda air support unit, the secure transport of cash throughout the State, the escort of prisoners and a range of other security duties. Outside of these areas of aid to the civil power, the distinction between the policing function of the Garda Síochána and the military function of the Defence Forces is an important one. Accordingly, I have no proposals for secondments along the lines referred to by the Deputy.

Deputy Tom Fleming: I have tabled this question because I seriously believe the Minister should redeploy those of higher rank in the Defence Forces. As these personnel are highly disciplined and trained, I am sure they would adapt easily to policing. They would be of great assistance in aiding the Garda, particularly, as Deputy Niall Collins illustrated, there is a significant crime wave, with many serious incidents taking place, especially in urban areas, larger cities and towns. This is a worrying aspect of what is happening in gangland crime as well. We should take recognition of this and we must take action. This is one method whereby we can do as much as possible to minimise the actions of terror that are occurring. I call on the Minister to seriously reconsider what I am putting forward.

Deputy Alan Shatter: I put it to the Deputy that the members of the Defence Forces have specific training and capabilities and it is important that they use those capabilities in appropriate circumstances. Members of the Defence Forces are not trained in the prevention and detection of crime. The training provided to members of An Garda Síochána is quite different from that provided to members of the Defence Forces, although in some areas they have joint concerns, including the possible impact of international terrorism on the country. The Garda Síochána has a particular role in this regard as do the Defence Forces. It would not be appropriate, as the Deputy has suggested, to deploy soldiers at corporal and sergeant level to act as assistants to the Garda Síochána for a period of two months following three months of training. It would be completely inappropriate. The training members of the Defence Forces get is very specific. It is important that we have a particular strength available within the Defence Forces for deployment either to assist the civil power or to deal with other domestic duties that arise and to engage in international peacekeeping and peace enforcement missions, as they do with great distinction in various parts of the world.

I return to what I said to Deputy Niall Collins. There are 13,450 members in An Garda Síochána currently. On top of this, there are in excess of 1,000 members in the Garda Reserve. Some 2,000 civilians are employed within An Garda Síochána and within the force there is the skill, expertise and resources required to address issues of criminality. I am sorry if I upset Deputy Niall Collins by saying it, but as a result of the closure of Garda stations which the Commissioner has determined to have no operational value we will be freeing more members of the force to engage in community policing and crime detection and prevention. I have every
Deputy Tom Fleming: Certainly, I agree with the views of the Minister regarding our peacekeeping forces, which have been active internationally. They have served the country well as peacekeepers. However, at this point there are approximately 10,000 personnel. I imagine that Border patrolling has been reduced to approximately nil.

The other point is the reality that we are a neutral country. I cannot see that we will be rolled over at any stage in an act of war in the medium to longer term. There is enough in the forces to redeploy some personnel. I am conscious of the rural Garda deployment situation. Defence Forces personnel could have a high-visibility presence in conjunction with the Garda and they could be under the supervision of the Garda. This would give the Minister an opportunity to release some of the Garda force to come to rural areas and to assist there. The force is under extreme pressure at the moment because of the indiscriminate closure of the many of our rural stations. People are living in fear and terror.

Deputy Alan Shatter: I caution the Deputy about talking about fear and terror. Let us get back to the discussion of the closure of Garda stations. Some 94% of the stations that have closed were open for no more than three hours and the vast majority of these were only open in the morning. They made no contribution of significance to crime prevention by their presence. The vast majority of burglaries take place in the late afternoon or evening time. Does the Deputy or any Deputy in the House really imagine that a rural Garda station open for three hours in the morning can make any contribution to crime prevention in these areas? Operation Fiacla is making a contribution to crime prevention and detection in these areas. It was put in place last February by the Garda Commissioner and has resulted in a substantial number of arrests, in the region of 3,500 arrests since the beginning of October. In the region of 1,700 charges have been brought against individuals purely by focusing on and tacking the area of burglary.

I realise the Deputy’s question is well meant but the Defence Forces, composed of the Army, the Naval Service and the Air Corps, perform distinct and specific functions entirely different from those of An Garda Síochána. Gardaí have particular training and skills which are important not only for crime detection and prevention but for the large array of laws that they must administer. That level of study could not be undertaken by any well-meaning member of the Defence Forces, even if it were desirable, within a three month period.

The concluding comment I wish to make and which is appropriate on this subject because it is not acknowledged enough is that I am conscious as Minister in both of these Departments of the extraordinary bravery not only of members of the Garda force in confronting subversion and organised crime within the country, but of the Defence Forces, in particular the explosive and ordnance disposal teams. There is no real public understanding yet of the extent to which some of those engaged in organised crime are resorting to the use of such ordnance and of the bravery of members of the specialist unit within the Army, which is regularly called out to dispose of pipe bombs and similar ordnance, the remarkable efficiency with which it does so, the extent to which these instruments are neutralised and the safety the unit provides for the community. It is in the connectivity between the distinct functions of the Garda and the specialist knowledge of the Defence Forces that the Defence Forces are playing a role in protecting the community and it is right that we pay tribute to the bravery of those who undertake these missions.
Equality Issues

56. Deputy Pearse Doherty asked the Minister for Justice and Equality his plans to reassure those with potential equality claims that their cases will continue to be processed in an effective way by the new Irish Human Rights and Equality Commission and by the Workplace Relations Commission, into which the Equality Tribunal is to be merged; and if he will make a statement on the matter. [54483/12]

Deputy Alan Shatter: I can provide absolute assurance to persons with potential discrimination claims under employment equality legislation and equal status legislation that they will, on the merger of the Equality Tribunal into the new workplace relations service, continue to be able to pursue formal complaints before the new body and that these complaints will be dealt with as effectively as by the Equality Tribunal. In addition, the new Irish human rights and equality commission, to be established on the merger of the Equality Authority and the Irish Human Rights Commission, will continue to provide advice and assistance to persons wishing to pursue such complaints, a role currently fulfilled by the authority. The new commission will have enhanced powers and functions and will be able to provide advice and assistance on both equality and human rights issues in an integrated way. These arrangements will make it easier for people to vindicate their rights by making our institutional arrangements clearer, thereby making it easier to navigate one’s way around the system.

Deputy Pádraig Mac Lochlainn: As the Minister is aware there has been serious concern in recent years at the cutbacks in funding to the Equality Authority. I know from previous answers from the Minister of his determination to ensure that the new human rights and equality commission will be properly resourced and independent in line with the Paris and Belgrade principles and so on. I listened to a powerful lecture yesterday evening by the President, Michael D. Higgins, on the overall subject. Will the Minister provide more detail about how an ordinary person, who may believe he is the victim of discrimination and who may wish to raise a case, will be resourced? Will independent assistance be given to him and will he be protected? What will be the role and function of the Equality Authority in ensuring this continues in the new structure to be established?

Deputy Alan Shatter: Before turning to the specific question raised by the Deputy, I wish to make a number of points which are important. The functions of the new Irish human rights and equality commission will involve a levelling upwards rather than downwards of the functions of the Equality Authority and the Irish Human Rights Commission. The purpose of the merger is to strengthen protection of human rights and equality in Ireland. Likewise, reform of the workplace relations institutions aims to deliver a world class workplace relations service and framework, incorporating all functions of the Equality Tribunal, which will serve the needs of employers, employees and consumers and provide maximum value for money. I fully support this reform. The Deputy will be aware that these two initiatives are being undertaken as part of the radical streamlining of State bodies, a key deliverable of the public service reform plan.

In the context of the workplace relations service, the Deputy will also be aware that this provision and the establishment of the service come within the remit of my colleague, the Minister
for Jobs, Enterprise and Innovation. The Equality Authority remains in place and procedures will remain the same until such time as the new body has been put in place. The new body, in respect of which I hope to publish the legislation as early as possible in the new year, will provide all of the backup currently provided by the Equality Authority for individuals who have a complaint in the equality area. The change being brought about means that instead of these issues being dealt with by the Equality Tribunal, they will be dealt with by the workplace relations service, which is important because on occasion a dispute or allegation in the labour law area can end up before two forums, namely, the Equality Authority and Employment Appeals Tribunal. The intention is to provide for synergy and a greater focus in this area, which will ensure that where more than one issue arises from an individual’s employment, the matter can be dealt with by one body. In the equality area the backup and assistance currently provided by the Equality Authority will continue to be available under the aegis of the new body.

Traveller Community Issues

57. **Deputy Dessie Ellis** asked the Minister for Justice and Equality his plans to introduce legislation to recognise Traveller ethnicity; and if he will make a statement on the matter. [54485/12]

**Deputy Alan Shatter:** I have no immediate plans to introduce such legislation, although, as I have indicated in the past, serious consideration is being given to the issue. I am aware of the long-standing wish of many Travellers that such status be granted, but there are some divergent views. I am also aware that the previous Government was of the view that Travellers were not an ethnic minority. Dialogue between staff of my Department and representatives of Traveller organisations has taken place in the past on the issue, for example, during the course of a seminar on the third State report under the Council of Europe Convention on National Minorities. In addition, earlier this year the National Traveller Monitoring and Advisory Committee, on which sit representatives of all the national Traveller organisations, as well as officials of the Department of Justice and Equality, established a sub-group specifically to consider the issue of Traveller ethnicity. Arising from the work of this group, among other things, a conference was held in Dublin Castle, supported by my Department. At this conference various aspects of the ethnicity subject were considered by a wide spectrum of opinion.

I remind the House that Travellers in Ireland have the same civil and political rights as other citizens under the Constitution. The key anti-discrimination measures, the Prohibition of Incitement to Hatred Act 1989, the Unfair Dismissals Acts 1977, the Employment Equality Acts and the Equal Status Acts, specifically identify Travellers by name as a protected group. The Equality Act 2004 which transposed the EU racial equality directive, applied all of the protections of the directive across all of the nine grounds contained in the legislation, including the ground of membership of the Traveller community. All of the protections afforded to ethnic minorities in EU directives and international conventions apply to Travellers because the Irish legislation giving effect to these international instruments explicitly protects Travellers.

I inform the Deputy that consideration of this issue remains ongoing with a view to ensuring full analysis of all aspects of the granting of ethnic status to Travellers is available to the Government when coming to a decision on the matter. I expect to publish the report of the conference early in the new year.

**Deputy Pádraig Mac Lochlainn:** There has been foot dragging on this issue for a long
time. Coming from the Traveller tradition - my mother and grandmother are Travellers - it is critically important that we define the rights and responsibilities of the Traveller community. This issue relates to their rights in terms of culture and their unique place in Irish society. When these have been firmly established and guaranteed, we can then deal effectively with the issue of responsibilities, as it applies to every citizen of the State. What consideration is being given to this matter? Is the Minister moving towards defining the Traveller community as an ethnic group within Irish society and has he been involved in consultations with the representatives of the Traveller community on the matter?

Deputy Alan Shatter: The purpose of the conference to which I referred was to allow for a wide exchange of views. I understand two speakers from the Traveller community spoke in favour of Travellers being identified as an ethnic minority, while one other spoke against this. Debate and discussion on the issue are ongoing. We must be careful that in taking this route we do not make decisions that will have unintended consequences. Other Departments are involved in the consultation process. It is hoped that when the report of the conference is published in the new year, it will lead to further discussion. I am conscious of the issues involved. However, we must ensure decisions are not made that separate Travellers from the wider community. All of the legislation to which I made reference, including the anti-discrimination legislation and the European Union directive which we have transposed in a specific way within legislation, has been designed to ensure Travellers are not discriminated as part of the wider community. An important question is what advantages there would be to the Traveller community being named as an ethnic minority. For example, there are particular difficulties within the Traveller community in that the estimated life span of Travellers is substantially lower than that of members of the settled community. The question that arises is whether a separate ethnic identity would bring about a change in this regard, or is there a need for other issues to be addressed? I am conscious that this is an important issue. However, I want to ensure it does not become a flag of convenience in that if a change is effected, the assumption will be that all is well with the world and there are no other issues to be addressed. I also want to ensure that if we go down this route, members of the Traveller community favour it and that it will not give rise to unintended consequences and create unexpected difficulties. This issue requires wide consultation with other Departments.

Penalty Point System

58. Deputy Michael McGrath asked the Minister for Justice and Equality the progress made in his Department’s investigation into the writing off of penalty points on certain persons’ records; and if he will make a statement on the matter. [55464/12]

68. Deputy Clare Daly asked the Minister for Justice and Equality if he has received information regarding the write off of a number of motoring offences for a person (details supplied). [54508/12]

96. Deputy Mick Wallace asked the Minister for Justice and Equality his plans to alter the method in which motoring offences are followed up by the Gardaí; and if he will make a statement on the matter. [54497/12]

104. Deputy Clare Daly asked the Minister for Justice and Equality the date on which he received information regarding the write off of substantial numbers of motoring offences by some Gardaí. [54507/12]
Deputy Alan Shatter: I propose to take Questions Nos. 58, 68, 96 and 104 together.

The allegations referred to by the Deputies are not that some people have had penalty points written off, but that in a number of cases members of the Garda Síochána have inappropriately cancelled fixed charge notices, mainly for speeding. The allegations appear to be made on the basis of records of cancellation on the Garda PULSE system.

Fixed charge notices are an alternative to prosecution and give a motorist the opportunity to acknowledge the offence, pay the fixed charge and, where the offence is a penalty points offence, incur the appropriate penalty points. If the motorist does not pay the fixed charge, he or she will in the normal course be prosecuted for the alleged offence. With regard to the cancellation of fixed charge notices, it appears from media reports of recent days and comments made in Dáil Éireann that there is an assumption that any termination of a fixed charge notice is illegal and that any individual who is the recipient of such a notice which is subsequently cancelled is being afforded special treatment. Both assumptions are incorrect. I am concerned that the outcome of the investigation being conducted into the allegations is being unfairly prejudged and I urge caution in this regard.

As I said earlier, there are circumstances where a fixed charge notice may be cancelled in accordance with Garda procedures drawn up in the light of legislative exemptions and prosecutorial guidelines. Termination or cancellation occurs where it is believed the evidence would not sustain a prosecution or a prosecution would not be appropriate, fair or proportionate. Decisions on terminations or cancellations are governed by Garda policies and procedures, framed around the legislative and prosecutorial guidelines issued by the DPP.

Garda superintendents, district officers, inspectors or acting district officers have discretion to authorise cancellation in appropriate circumstances of fixed charge notices. These can include situations where, for example, exemptions apply to emergency vehicles, or where there are evidential difficulties, such as where the registration number registered by a speed camera does not correspond to the vehicle in question, or where there are emergency medical circumstances such as, for example, a medical certificate relating to the wearing of seatbelts, a sick child being driven to hospital, an imminent birth, a medical professional rushing to a sick or elderly patient or a driver of an ambulance response vehicle. Access to terminate a fixed charge processing incident through PULSE is restricted to users with a rank of inspector or higher.

I can confirm that these allegations were forwarded to my Department by the Department of Transport, Tourism and Sport in September and, subsequently, by the Department of the Taoiseach, also in September. Following consideration of the documentation the allegations were forwarded to the Garda Commissioner in October last. The Garda Commissioner has appointed an assistant commissioner to conduct an examination and to report on the allegations. I have received an interim report from the Commissioner but I will not be making any comment on any of the allegations until the final report is available. I stress that these allegations are being taken seriously and are being thoroughly investigated. It would be premature and wrong to assume that all of these cancellations of fixed charge notices were inappropriate. I would caution against any rush to judgment before we know all of the facts. As the Garda Commissioner has said, this would be unfair both to members of the force and the motorists concerned. Let us await the outcome of the investigation which, as the Commissioner has said, will be both comprehensive and rigorous. I have every confidence that the investigation directed by the Commissioner into the allegations will be conducted with the utmost professionalism.
An Leas-Cheann Comhairle: I have three Deputies to call and I ask them to be brief as we are almost out of time. Also, this matter is the subject of a Topical Issue to be debated later. I call Deputy Daly first.

Deputy Clare Daly: Nobody is arguing that there should not be exemptions but rather about how the exemptions are applied. The idea that tens of thousands of cases - I have seen the evidence of it - have simply been written off for legitimate reasons is questionable and is in breach of Garda regulations which actually specify that the criteria are very limited. I do not know how the Minister can say that if people write to the Garda Síochána they can get their penalty points written off when in actual fact if people do write they are told that the system is based on motorists taking their penalty points and if they are not happy, going to court to debate the issue in open court. I ask the Minister to confirm the basis of the investigation he has launched. How many cases are being investigated and what are the findings of the interim report?

Deputy Mick Wallace: In June last year the Minister for Justice and Equality said that “Any member or civilian employee of An Garda Síochána who wishes to report in confidence about corruption and malpractice can be assured that any such report will be taken seriously and extensive protections will be given to him or her”. The two gardaí who came forward in January with allegations - not assumptions - of over 100,000 write-offs have received very little feedback and have had no recognition or protection. They have been ignored by the Government. The Minister is now trying to pretend that the Government heard nothing about this until September but the Minister first heard of this in January. It was raised with him again before Easter and in June and the Taoiseach was told about it in July. The Government has been sitting on its hands and this looks like a cover up.

Deputy Alan Shatter: I never cease to be amazed at people who are consumed by conspiracy theories.

Deputy Sandra McLellan: Maybe their theories are right.

Deputy Alan Shatter: I say to the Deputies yet again, very clearly, that the allegations they are referring to were made to the Department of Transport, Tourism and Sport and the Department of the Taoiseach in September. They were referred to my Department in September and in October they were referred to the Garda Commissioner and they are being thoroughly investigated. Deputy Daly has made the sweeping claim that all of the tickets allegedly cancelled were cancelled in breach of Garda regulations.

Deputy Clare Daly: I did not say that.

Deputy Alan Shatter: I wonder how she knows that because there are quite clearly a broad range of circumstances in which tickets can be properly cancelled and I have already given detail of those. I say to both Deputies that there will be no cover up, on my watch, of anything. I have the greatest confidence in the Garda Commissioner to ensure that these matters will be and are currently being properly investigated. There will also, on my watch, be no special treatment afforded to any individual whether he or she is a celebrity, a pal of someone or for any other reason. On my watch, the law will be properly applied. It is important that in dealing with this issue, like others, the gardaí have some discretion when, for example, a ticket is issued in circumstances where perhaps it should not have been issued - if it was the wrong driver or the wrong vehicle, the individual was driving an emergency service vehicle or a doctor was going to deal with an emergency in a hospital. There is a broad range of circumstances in which the
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gardaí can quite properly exercise discretion with regard to a ticket charge that was issued. I will give Deputy Daly an example. I can see the Deputy jumping up and down, shouting in circumstances in which the husband of a young pregnant woman who was about to give birth was sent a ticket because he got her to hospital just in time. In circumstances like that, of course the gardaí should be able to exercise their discretion.

Deputy Mick Wallace: We are not talking about such cases.

Deputy Clare Daly: That is not what we are talking about at all.

Deputy Mick Wallace: We are talking about 100,000 cases.

Deputy Finian McGrath: That is an awful lot of pregnancies.

Deputy Barry Cowen: The Minister is waffling now.

Deputy Alan Shatter: The numbers involved seem to grow every time Deputy Wallace says something.

Deputy Mick Wallace: We have seen the evidence of it.

Deputy Alan Shatter: The letter that I have seen, with certain allegations in it, is the letter that has been furnished to the Garda Commissioner. All of the allegations contained in that letter, I am advised, are being fully and properly investigated. As I said to Deputy Mac Lochlainn, it is likely that this investigation will continue into the new year because of the nature of the allegations made. When the outcome of the investigation is known, I will make it known to the House.

Topical Issue Matters

An Leas-Cheann Comhairle: I wish to advise the House of the following matters in respect of which notice has been given under Standing Order 27A and the name of the Member in each case: (1) Deputy Dan Neville - the societal stigma of mental illness and suicide; (2) Deputy Derek Keating - the increased incidences of tuberculosis throughout Dublin city and county; (3) Deputies Clare Daly, Mick Wallace and Joan Collins - the termination of motoring offences by members of An Garda Síochána; (4) Deputy Pádraig Mac Lochlainn - concern over the proposed closure of Garda stations and the scrapping of Garda districts; (5) Deputy Paul J. Connaughton - the closure of Garda stations in County Galway; (6) Deputy Jonathan O’Brien - the proposed increase in the pupil-teacher ratio from 17:1 to 19:1 in respect of post leaving certificate programmes; (7) Deputy Aengus Ó Snodaigh - the change to PLC teacher-pupil ratio; (8) Deputy Ciara Conway - the need to tackle the role of alcohol in acts of sexual violence; (9) Deputy Éamon Ó Cuív - the need to maintain the rural social scheme; (10) Deputy Aodhán Ó Riordáin - the need to address recent incidents of racism in Irish sport and to update legislation in this regard; (11) Deputy Charlie McConalogue - the impact of a number of cuts in budget 2013 on the further education and training sector; (12) Deputy Billy Kelleher - the need for the Minister for Health to provide more details about the health budget in 2013; (13) Deputy Brendan Smith - the outbreak of sectarian violence in Northern Ireland following last Monday’s meeting of Belfast City Council; (14) Deputy Robert Troy - the Supreme Court’s judgment in the case of Mark McCrystal and the Minister for Children and Youth Affairs, the Government of Ireland, Ireland and the Attorney General; (15) Deputy Mattie McGrath - problems with
the operation of the SUSI telephone line dedicated to Oireachtas Members; (16) Deputy Brian Stanley - the ESRI report on the number of jobless households in this State; (17) Deputy Kevin Humphreys - the need to introduce a regulator for the waste industry; (18) Deputy Dessie Ellis - the danger to rough sleepers in the State over the very cold winter period; and (19) Deputy Caoimhghín Ó Caoláin - the impact of changes to pupil-teacher ratios on PLC courses, and the total number of teaching posts, in the Cavan-Monaghan area.

The matters raised by Deputies Clare Daly, Mick Wallace and Joan Collins; Dan Neville; Ciara Conway; and Brendan Smith have been selected for discussion.

Leaders’ Questions

Deputy Micheál Martin: Most people across the country agree that last week’s budget was deeply unfair and a very brutal one on the poorest and lowest income families. Today sees the commencement of the Social Welfare Bill. What has emerged from all of the disarray within Government prior to the formulation of this particular budget is the absolute determination of the Fine Gael members of Government to protect, at all costs, the wealthiest in society. We were told over the weekend that the Labour Party members walked out of that fateful Cabinet meeting on the budget because of Fine Gael’s insistence that welfare rates across 31 schemes would have to be cut if the universal social charge was increased. This has been leaked authoritatively by the Taoiseach’s sources and Ministers. The Labour Party walked out at that moment against that insistence, but the big question is why it walked back in again.

Deputy Alan Shatter: No one walked out.

Deputy Niall Collins: That is because they stayed bought.

Deputy Micheál Martin: Did it walk back in to add taxes on lower paid workers and cut child benefit, jobseeker’s benefit and the respite grant for 77,000 people? In so doing it has broken every promise it made to the people of Ireland prior to the election. It is no wonder a newspaper columnist described it as a junta of Judases. There is a real sense of betrayal across the land given what has occurred. On Sunday the Minister for Communications, Energy and Natural Resources, Deputy Rabbitte, stated that Labour Party promises in advance of an election are always made to be broken.

The respite grant has been cut for 77,000 people. It is a slap in the face to these individuals and it undermines their value in society. Every Deputy in this House will say, either privately or publicly, that they would love to have that cut reversed because, on top of changes to home help hours, it attacks those with intellectual and physical disabilities, the frail and vulnerable elderly and those invalided at home, and it sends out a message that is appallingly mean-spirited and contemptuous. I ask the Taoiseach to agree with the vast majority of Members of from all parties in this House by, at the very least, committing to reversing this cut in advance of our deliberations on the Social Welfare Bill.

The Taoiseach: I would not believe all that I read in the newspapers.

Deputy Niall Collins: I would not believe Time magazine.
The Taoiseach: The Deputy’s acceptance of newspaper reports as the truth is far removed from reality.

Deputy Billy Kelleher: I would not believe Fine Gael’s manifesto either.

Deputy Micheál Martin: Or that of the Labour Party.

The Taoiseach: The position is that a number of weeks before the budget was presented by the Minister for Finance, Deputy Martin and others put forward the proposition that the old age pension was going to be cut-----

Deputy Micheál Martin: I never said that.

The Taoiseach: -----that the travel allowance was going to be cut, that the electricity allowance was going to be cut-----

Deputy Sandra McLellan: It was.

The Taoiseach: -----and that the half-rate carer’s allowance and the bereavement grant were going to go.

Deputy Timmy Dooley: That was the Minister of State, Deputy Ring.

An Ceann Comhairle: Please allow the Taoiseach to continue without interruption.

The Taoiseach: This budget is not about any particular party; it is about our people and our country.

Deputies: Hear, hear.

The Taoiseach: The mess that was left for us to clean up requires difficult decisions that have an impact on people’s lives. Nobody denies that, but the point is that we have to make choices in a situation like this because our country will never be right unless we put order on our public finances and restore our economy to good health. In that sense the Government set out with a deliberate decision to take more than €500 million from those who can best afford it. That will apply now and for the future. I think the Deputy shares that sentiment and he possibly expressed it.

I understand from speaking to carers that this is difficult. The point, however, is that the carer’s package and the carer’s allowance have been protected because we value what the carers themselves expressed in producing and publishing the report on carers and what they require earlier this year. As long ago as 2006, Deputy Martin’s party in Government spent €128,000 on a report about this and then did nothing about it. The Minister of State at the Department of Health, Deputy Kathleen Lynch, has worked assiduously on this since last year and, working with the carers’ associations and groups, produced the fine report which we would like to see implemented, although, unfortunately, financial circumstances do not allow us to do everything we would like.

The carer’s package and the home care package have been untouched. The carer’s allowance is untouched. The question of the half-rate carer’s allowance is untouched. The respite grant has been reduced to 2006 and 2007 levels. It would be nice for the Minister for Finance to stand up and have the opportunity on budget day to give out increased facilities for a range of sectors. That is just not possible. I accept it has an impact on a number of people but the vast
majority of social protection allowances have not been touched. The Government focused on two areas in so far as social protection was concerned but our remit has been to protect the vast majority of the rates paid under social protection and the vast majority of the allowances and facilities that are currently available.

Deputy Micheál Martin: Another columnist this morning described the interview that the Taoiseach conducted last Wednesday evening regarding the budget as “a stream of banal inanities”, a “crumbling of language” and a load of “inarticulate drivel”. I would not apply all of that to what the Taoiseach has just said but I would apply it to the initial part of his response.

Deputy James Reilly: It sounds more like Deputy Martin.

Deputy Micheál Martin: We did not predict anything that he suggested. At exactly this moment last year, he reversed the budget decision on the disability allowance and DEIS schools. The Minister for Education and Skills apologised for his attack on carers. He has yet to apologise to the students of Ireland but at least he apologised to DEIS schools for his attack and he reversed that measure. A majority in this House want the respite grant cut to be reversed. The Taoiseach can reverse it and even a marginal increase in the universal social charge would enable him to do so. However, he seems determined to continue on and suppress dissent, as is evident in the ramming through of this measure this week with the guillotining of the Social Welfare Bill and, on Friday, other measures. He appears to want to hammer Labour Party backbenchers into submission. Why is he doing this? Is it to protect the highest paid in the land? That is what he has leaked across the board. To protect the highest paid in the land he is prepared to stand over this and he will brook no dissent from Labour Party backbenchers or anyone else.

Deputy Alan Shatter: One would think Deputy Martin was not in the previous Government.

An Ceann Comhairle: We are now over time. Will the Deputy adhere to the Chair’s ruling?

Deputy Micheál Martin: He is parading around as some sort of new Ireland chancellor, determined to get his way and giving in to nobody.

Deputy Alan Shatter: The Deputy has learned nothing from being in Government.

Deputy Micheál Martin: I urge the Taoiseach to stand back, reflect on his decision and reverse this cut because it sends out a message that the budget is mean-spirited and shows utter contempt for those who care for the less well off and most vulnerable in our society.

The Taoiseach: The Deputy could refer his words to his own actions, with his inarticulate drivel and his untruthful and hypocritical comments about the property tax, which he signed up to but does not want introduced yet. In the middle of a children’s referendum he circulated leaflets in his constituency stating it was the wrong time to do something he signed on for and designed himself.

Deputy Jerry Buttimer: Hear, hear.

The Taoiseach: As I pointed out, the carer’s strategy was agreed and published by the Minister of State at the Department of Health in conformity with what the carers themselves expressed as the principal issues.
Deputy Micheál Martin: On the respite grant.

The Taoiseach: The estimated expenditure in 2012 on carers is more than €771 million, with €509 million being spent on carer’s allowance, €24 million on carer’s benefit, €135 million on the respite care grant and €103 million on the domiciliary care allowance. That represents an increase of more than €20 million on expenditure in the carer area compared to 2011. More than 51,000 people receive the carer’s allowance - which was not touched - of whom almost 22,000 get the half-rate carer’s allowance in addition to other social welfare payments at an annual cost of €90 million. More than 1,600 people receive the carer’s benefit and the numbers in receipt of carer’s allowance have increased by more than 150% over the last decade, from 20,000 in 2001 to 52,000 in 2011. Expenditure on the carer’s allowance scheme has increased by more than 220% over that period.

Deputy Micheál Martin: Over the decade.

The Taoiseach: I do not accept the Deputy’s question about unpicking elements of the budget. His attack on the Labour Party is utterly hypocritical and opportunistic. He is under pressure from his colleagues on the far side of the House.

Deputy Micheál Martin: Is that the note from the Minister, Deputy Rabbitte?

The Taoiseach: He chose to pick on the Labour Party.

Deputy Micheál Martin: The poor Labour Party.

The Taoiseach: The budget presented by the Minister for Finance is not about the Fine Gael Party or the Labour Party; rather, it is about Ireland and its people.

Deputy Niall Collins: It is about protecting the rich.

Deputy Micheál Martin: It was the Taoiseach who leaked it. He told the journalist.

The Taoiseach: It is about the Government having the conviction and the courage to clean up the inordinate mess left behind by the most incompetent, out of touch, arrogant Government of the past 50 years.

Deputy Timmy Dooley: Surpassed only by the Government.

The Taoiseach: We will do this, taking into account the circumstances in which so many find themselves. People all over the country say to me that they know difficult decisions must be made in the interests of all the people.

Deputy Billy Kelleher: Sarah Palin would not be a patch on the Government. Fine Gael is the Tea Party.

The Taoiseach: I would love to be able to say to the Deputy that instead of cuts in this area, the reverse will happen, but that is not the case. The budget is about freeing the economy and opportunities for the many hard-pressed middle income families who will never get out of this rut unless the Government makes hard decisions in the interests of all the people and the country.

Deputy Timmy Dooley: Never, not with the way the Taoiseach answers questions.
Deputy Niall Collins: Blame the Labour Party when it is on the backs of carers. Is that it?

The Taoiseach: It ill behoves the Deputy to attack the Labour Party, in particular, as if the budget belongs to it.

(Interruptions).

The Taoiseach: The budget is about the people and the country. We will stand over it and attempt to implement these decisions with care, compassion and consideration and in the best way possible.

Deputy Timmy Dooley: The Government drove a stake into the heart of the Labour Party.

The Taoiseach: We have protected the majority of allowances paid under the social protection code. I have given details of the increased figure of €20 million and indicated where it will be spent next year.

Deputy Micheál Martin: We had the most regressive budget last year and again this year.

Deputy Michael Healy-Rae: Things are bad now.

Deputy Gerry Adams: It is more in sadness than in anger that I must say the Taoiseach just does not get it. The budget is all about the Fine Gael Party and the Labour Party. It tells us everything we need to know about the two parties. There is huge anger among the people about the cuts and the new taxes the Government has introduced to target citizens who are unable to pay. It is not that they will not pay, they cannot pay. I was at a public meeting last night in Dundalk when I saw raw emotion and despair. I heard a mother say women had a sense of failure in having to admit they could not feed their children. That is what she said. People are deeply incensed by the cuts to child benefit and the back to school allowance, by the taxing of maternity benefit, the increase in PRSI, increased prescription charges and the tax on the family home. However, what has really incensed them, although they are not affected, are the cuts to the respite care grant, through which the Government is picking the pockets of 77,000 citizens. The respite care grant is hugely important to the families involved. Leaving aside the ethics, cutting the grant is bad economics. If the State had to pay for the care the families concerned provide 24 hours a day, seven days a week, it would not be able to bear the cost. If the Taoiseach does not get this - sitting in a row of millionaires - it is because he is taking home €200,000 a year. Therefore, he does not understand what it is like to have to get kids back to school.

Deputy Paul Kehoe: We do not have a house in the North and the South.

An Ceann Comhairle: Please allow the Deputy to continue.

Deputy Gerry Adams: Those listening to the Taoiseach will not be encouraged that he has a sense of their plight. Ministers take home over €3,000 a week. The Government has broken the cap for special advisers and refuses to consider alternatives. If I was to bring in the woman who spoke last night and she was to plead with the Taoiseach to reverse this cut, would he do it? On her behalf, I ask him to reverse it. There are alternative ways of raising the money. Will the Taoiseach consider reversing this dreadful cut which will affect people who just cannot afford to take it?

The Taoiseach: I was in Phibsboro last Saturday with Deputy Paschal Donohoe when I met some of Deputy Gerry Adams’s supporters on the street who were handing out leaflets attack-
ing the Labour Party, but these supporters were not able to answer any question about any of the issues mentioned on the leaflets regarding the fantasy economics in which Sinn Féin was engaged. The Deputy has made a disgraceful comment about Ministers. I assure him that none of them was funded by the assets of Northern Bank.

**Deputy Pádraig Mac Lochlainn**: Here we go again.

**The Taoiseach**: Deputy Gerry Adams knows very little about taxation matters if he makes a comment like the one he has just made. However, I will not go back over history to hear the Deputy expound on many elements of the truth. It ill behoves him to talk about the raw emotion of women, in particular, having regard to some of the incidents that occurred in his lifetime and with which he was associated, which resulted not in just raw emotion but which had tragic consequences. I will not take that from the Deputy and it is beneath him to carry on like that.

Carer’s allowance in Northern Ireland is £58.45. Having made the decision on the bigger issue to sort out the public finances and put the economy in shape for the future and having made decisions on child benefit and the respite care grant, the carer’s allowance, the carer’s package, the homecare package and the half-rate carer’s allowance all remain untouched. The respite care grant stands at a figure of €1,375, although for many, this is not enough and never will be. I have given the Deputy the numbers for those in receipt of the allowance. As he is aware, payment of the allowance is unconditional because of our appreciation for what carers actually do. This is reflected in the carers’ strategy which was published by the Minister of State, Deputy Kathleen Lynch, earlier this year and accepted by all and which we would like to see implemented.

As the truth goes, although this might be scarce in the Deputy’s repertoire, financial circumstances do not permit us to pay all we would like to in these difficult days. It is not a case of elements of the budget being reversed on a whim. This has been a very difficult budget to put together and we recognise it is trying for many, but we must get the country out of its difficulties. As I said to Deputy Micheál Martin, over €500 million extra will come from those who can best afford to pay.

**Deputy Gerry Adams**: I never thought the Taoiseach would make me laugh on this day, but his stupid remark about the Northern Bank in response to a serious question made me laugh. Second, he referred to events in my life and women. That is below him and diminishes the office he holds. Sinn Féin Members and I are here with a mandate. We have been mandated to raise the issues we are raising. The Taoiseach was never given a mandate to do what he is doing. He was not sent here to cut the allowances of carers. He was not sent here to cut child benefit or maternity benefit. He asked for and was given a mandate to do the exact opposite. He can be tough with the people concerned and say the things he does across the floor, but he kowtows to his masters in Europe. He kowtowed to the big bankers and the golden circles who got us into this difficulty. He should cut out the waffle and the rubbish and answer the question. He should show some compassion. He says the budget is difficult for him, but, with respect, it is not the least bit difficult for him. This is the easy choice to make, to tackle those who are not organised and who are vulnerable and on the margins.

**Deputy Alan Shatter**: If the Deputy had showed compassion 15 or 20 years ago, it would have made a big difference.

**Deputy Gerry Adams**: The difficult choice is to tackle the powerful elements. However,
it is the interests of the more powerful that the Taoiseach’s party acts and - shame on it - that increasingly the Labour Party acts. I noted the Taoiseach’s defence of the Labour Party. I asked him a question. I asked him if he would listen to the woman who spoke at last night’s public meeting in Dundalk if she was standing here today appealing to him to reverse this cut. He will not listen to me - he prefers to mess about and rubbish what I say - but surely he will listen to this woman, at least.

The Taoiseach: I meet carers from all over the country. I know the pressure and stress they are under. I know the pressure and stress many in mortgage distress and negative equity are under. I know the difficulties of those who are unemployed who lost their jobs and cannot find new work. I know the despair in the minds of some young people who are choosing to emigrate because they cannot see a future.

Deputy Gerry Adams: The Taoiseach should do something about it.

The Taoiseach: The Government must attempt to deal with all of these circumstances and problems. There is no easy solution to the range of problems the Government faces. With respect to all of those who went before me, few of them ever had to face the scale of the economic challenge we now face. In response to the Deputy’s comment about his past business, I had this out with him a number of weeks ago. I would love to hear him speak the truth about some elements of his past.

Deputy Gerry Adams: If the Taoiseach arranges a special debate, we can talk about that issue.

An Ceann Comhairle: Will the Deputy, please, resume his seat?

Deputy Gerry Adams: We are talking about carer’s allowances, for which the Taoiseach is responsible.

Deputy Alan Shatter: The Deputy is good at giving it, but he will not respond to it.

The Taoiseach: Deputy Gerry Adams has made the charge; he should now cut out the waffle and engage in some straight talking. Perhaps some day he might tell the truth about the tragedy, the remorse and the compassion that should have been shown to Jean McConville.

Deputy Ray Butler: Maybe some day.

The Taoiseach: Maybe Deputy Gerry Adams might do that some time.

Deputy Gerry Adams: I will express, as I have done before-----

Deputy James Bannon: The Deputy should not shake his hand in the Chamber.

Deputy Gerry Adams: -----my sincere regret for what happened to Jean McConville.

Deputy Ruairí Quinn: The Deputy was never a member of the IRA.

Deputy Gerry Adams: I will ask the Taoiseach again to deal with-----

An Ceann Comhairle: Will the Deputy, please, resume his seat?

Deputy Gerry Adams: A Cheann Comhairle, when this issue was raised before, you said to me you would ensure these types of things were not said in the Chamber.
Deputy Simon Harris: Does the Deputy think people should not be allowed to tell the truth?

An Ceann Comhairle: I ask Deputies to ask questions rather than answering them.

Deputy Gerry Adams: On a point of order, a serious charge has been made by the Taoiseach.

Deputy Ray Butler: It is the truth.

Deputy Gerry Adams: A Cheann Comhairle, you are there to defend my right to represent the mandate I was given by asking questions of the Taoiseach.

An Ceann Comhairle: There are other ways of dealing with the issue.

Deputy Gerry Adams: I did not raise it.

Deputy James Reilly: The Deputy asked a question and received an answer he did not like.

An Ceann Comhairle: There are other ways of making the point-----

Deputy Gerry Adams: What are they?

An Ceann Comhairle: -----without breaching Standing Orders.

Deputy Gerry Adams: I am not breaching them.

An Ceann Comhairle: If the Deputy wishes to come to my office-----

Deputy Gerry Adams: I went to your office before.

An Ceann Comhairle: -----I will outline the way he can do it.

Deputy Gerry Adams: I want the Taoiseach to withdraw that remark.

An Ceann Comhairle: That is a matter for the Taoiseach. I cannot force anybody to do that.

Deputy Gerry Adams: I know you cannot force anybody, but the Taoiseach is diminishing his office.

An Ceann Comhairle: Can we get back to Leaders’ Questions, please?

Deputy Gerry Adams: It is so easy for people to make------

An Ceann Comhairle: The time allowed has expired. We are four minutes over time.

Deputy Gerry Adams: -----totally unsubstantiated allegations in order to disguise their own responsibility------

An Ceann Comhairle: Will the Deputy, please, resume his seat?

Deputy Gerry Adams: -----for what they are doing to working people in the State.

Deputy James Reilly: It is the hypocrisy that is the issue.
Deputy Gerry Adams: The Minister should not dare to talk about hypocrisy.

Deputy James Reilly: Why not?

Deputy Pádraig Mac Lochlainn: The Minister is talking about hypocrisy - God almighty.

Deputy James Reilly: Will I find myself in trouble in a dark alley some night?

Deputy Pádraig Mac Lochlainn: All of the backbenchers who are heckling are going to the newspapers to say they will confront the Minister about all of these cuts and how much they care about carer’s issues.

An Ceann Comhairle: Would the Deputy mind-----

Deputy Pádraig Mac Lochlainn: This is their chance to show they care, but instead they are heckling.

An Ceann Comhairle: I ask the Deputy to respect the Chair.

Deputy Pádraig Mac Lochlainn: It is a nonsense-----

An Ceann Comhairle: I am trying to maintain order.

Deputy Pádraig Mac Lochlainn: -----that all of these hecklers are telling their local newspapers how much they care.

An Ceann Comhairle: Will Deputy Gerry Adams ask the person beside him to behave himself?

Deputy Pádraig Mac Lochlainn: They do not care a damn. We will see in a few days time how they will vote.

An Ceann Comhairle: I remind Members to co-operate with the Chair. The Chair cannot operate if Members do not adhere to the rules that give them two minutes in which to ask a question, three minutes for the reply and one minute for a supplementary question. I ask both sides to stick to this.

Deputy Gerry Adams: On a point of order, the Ceann Comhairle has spoken about keeping to the rules.

An Ceann Comhairle: I will not ask the Deputy again.

Deputy Gerry Adams: If the Taoiseach can make the type of remark he made-----

An Ceann Comhairle: I will suspend the sitting if the Deputy does not resume his seat.

Deputy Gerry Adams: I want the Taoiseach to withdraw his remark.

An Ceann Comhairle: I will suspend the sitting. Will the Deputy, please, resume his seat?

Deputy Gerry Adams: No, I will not.

An Ceann Comhairle: Then I suspend the sitting for ten minutes.

Sitting suspended at 3.45 p.m. and resumed at 3.55 p.m.
An Ceann Comhairle: I call Deputy Boyd Barrett.

Deputy Gerry Adams: On a point of order-----

An Ceann Comhairle: What is your point of order, Deputy?

Deputy Gerry Adams: I would like you to ask the Taoiseach to withdraw his remark-----

An Ceann Comhairle: That is not a point of order. I have asked you to obey the Chair. I have called Deputy Boyd Barrett. If you continue to interrupt, I will have to ask you to leave the House.

Deputy Gerry Adams: A Cheann Comhairle-----

An Ceann Comhairle: Please co-operate with the Chair. We have had enough damage done today.

Deputy Gerry Adams: Can I just-----

An Ceann Comhairle: I have called Deputy Boyd Barrett. It is not a point of order.

Deputy Gerry Adams: Excuse me, can I please make my point?

An Ceann Comhairle: Please resume your seat, Deputy.

Deputy Gerry Adams: Can I please make my point?

An Ceann Comhairle: Will you please resume your seat and adhere to the wishes of the Chair?

Deputy Gerry Adams: Then tell me what procedure I can use to ask you very reasonably-----

An Ceann Comhairle: If you care to come to me afterwards, I will advise you as best I can.

Deputy Gerry Adams: Let us do it openly.

An Ceann Comhairle: Excuse me. We will not lecture the Chair as to how-----

Deputy Gerry Adams: I am not lecturing the Chair; I am asking you a question.

An Ceann Comhairle: Will you please resume your seat? I am on my feet. I will not be lectured. I have called Deputy Boyd Barrett. I have told you that if you wish to come to see me, I will go through the issue with you and we will see what we can do. I have called Deputy Boyd Barrett and that is it.

Deputy Gerry Adams: I am looking for guidance.

A Deputy: The Deputy needs a map to his office.

An Ceann Comhairle: Otherwise, you will be asked to leave the Chamber because you are ignoring the Chair. You cannot question the authority of the Chair like this. I call Deputy Boyd Barrett.

Deputy Gerry Adams: I am making a request of the Chair-----
An Ceann Comhairle: I have told you what it is.

Deputy Gerry Adams: I am making a request of the Chair to ask the Taoiseach to withdraw his remark.

An Ceann Comhairle: You are not making any request at all. I ask Deputy Boyd Barrett to resume.

Deputy Richard Boyd Barrett: I am sure the public looking on find this whole spectacle pretty depressing.

Deputy Emmet Stagg: They will be delighted when they hear the Deputy.

Deputy Timmy Dooley: It is about to get worse.

An Ceann Comhairle: Will Deputy Boyd Barrett please get on with his question and not add petrol to the flames?

Deputy Richard Boyd Barrett: I am not going to do that. The people of this country are not worried about political spats between parties-----

An Ceann Comhairle: Will you please ask your question? You have two minutes and you have already lost 18 seconds.

Deputy Richard Boyd Barrett: The people of this country are not interested in political spats at the moment, they are interested in survival, a fact confirmed by the ESRI today, which shows that more than one in five households in this country suffers from joblessness and they are doubly and trebly hit by having to support large families and support disability and by being concentrated in low paid work. The report reveals the shameful fact that, contrary to the Taoiseach’s repeated claims we are in a better position than Greece or Spain, Ireland is one of the most, if not the most, unequal societies in Europe.

The Taoiseach’s budget has chosen to attack precisely this group yet again. He has attacked children, he has attacked women, he has attacked the disabled and he has attacked low paid workers. In many cases, it will be the same households hit from the left, hit from the right, hit from the middle and stabbed in the back with these cuts to vital supports and to the income they desperately need to keep their heads above water, despite the solemn promises made by the Taoiseach to prioritise the disabled and made by the Labour Party three days before the general election that it would not touch child benefit.

Can the Taoiseach seriously claim this budget is fair? Is he not ashamed to have betrayed the trust of the people who voted for him and the people who voted for the Labour Party in visiting these attacks on precisely the groups he promised he would protect?

The Taoiseach: The mandate given to this Government comprised of two parties, the Fine Gael Party and the Labour Party, is to deal with the problem that our country faces. That problem is that our finances were way out of line and the structures and the way business was being conducted in this country could not, cannot and will not continue in that fashion. This Government has a mandate from the people to sort that out and give our country back to our people. Far from assuming that if we leave things as they are, they will rectify themselves, they will not rectify themselves - even the Deputy knows that.
Let me repeat the facts. The Deputy and others, prior to this budget, were out on the streets, as they are perfectly entitled to do, saying that all of these allowances would be decimated, savaged or abolished. In fact, the old-age pension was not cut in the budget, free travel was not cut, the carer’s allowance was not cut, the half-rate carer’s allowance was not cut and home care packages were not cut. In the area of social protection, the Government increased the ceiling of expenditure and added a further €100 million in order to protect the issues we are concerned about. It is not a case of deciding that one can increase everything that is there. I understand, as does the Deputy, the pressure that many people are under. He rightly raises the report published today in respect of joblessness in this country. That is what this budget is actually about - jobs and opportunities and giving small and medium enterprises, the backbone of any economy, the chance to flourish and prosper. That is why the Minister for Finance made no bones about his inclusion of a particular package for small and medium enterprises so that our economy can be driven to rise towards prosperity and employment for the future.

Creating employment is the focus when I meet my colleagues at the European Council, when we speak of the fact that unemployment among young people is at 58% in Greece, 50% in Spain and 29% here, while it is virtually nil in Austria and a number of other countries. That is what the European Council and we in this country must focus on - giving these young people hope and an opportunity to see that where one makes decisions with a view towards a thriving economy, that employment, opportunity and work will follow. When I visited Nypro in Bray some days ago, I saw all the young engineers, the vast majority from this country, creating the future in terms of the concepts they translate into reality. That goes back a number of years to a different Minister who made the decision to establish Science Foundation Ireland and invest for the future in mathematics, science, research and innovation. That is paying dividends now.

What the Minister for Finance did in this budget was place a deliberate focus on jobs and job opportunities. The vast majority of hard-pressed, middle-income families and those who are out of work will never have the opportunity we all want them to have unless we change the way we do business and unless we can grow our economy. That is why the competitiveness rating of our country has increased and interest rates internationally for borrowing have fallen. That is in the interests of people having confidence in our indigenous economy to spend, have access to finance and have assistance from the State facilities to maintain and grow their employment numbers and change direction. That is what the budget is about. It is not about any individual party in this House; it is about Government working for the people of Ireland and our country.

Deputy Richard Boyd Barrett: People are protesting today and they will be protesting tomorrow, Thursday and Friday. These protestors understand that unlike the Clearing House Group, whose members sit down with officials of the Department of Finance and script the budget for the Government, their voices are not being listened to. Did the Taoiseach read what the ESRI said today? It said that people are trapped in unemployment because they have all the extra burdens of large families to support, because of a dysfunctional social welfare system which puts obstacles in the way of getting back to work, and because of the lack of child care facilities and public services. The Government has made all of those issues worse through, for example, cuts in the income disregard for lone parents, in the back to school allowance and in child benefit. All of those measures further trap these people in poverty.

My question to the Taoiseach is very simple. Does he accept that his party has betrayed the solemn promises it made in the last election to protect the vulnerable, particularly the disabled,
and that the Labour Party has betrayed its absolutely explicit and solemn promise not to cut child benefit? This Government is turning on the people to whom it made these promises. Does that not make him ashamed? Does he not agree that it discredits the entire political system?

**The Taoiseach:** The Deputy seems to have forgotten that this is the first Government to have appointed a senior Cabinet Minister to deal with children and youth affairs. He conveniently forgets, for instance, that this budget protects the free preschool year for children. He conveniently forgets that the budget introduced an extra 6,500 after-school places for young children so that mothers and fathers will have a better opportunity to balance their home and working lives in such a way as to ensure their children receive the attention they require. It is a case of focusing on the circumstances in which our country finds itself, on what we must do to get our economy back on track and on where jobs can be created. The Deputy can talk until he is blue in the face but our country is going nowhere unless we deal with the question of employment and how we can achieve a reduction in unemployment. That means jobs being created, small and medium enterprises being allowed to flourish, our country’s attractiveness as a place for investment from abroad continuing strongly, and the continued capacity of this country to export our goods abroad. That is why, for example, the rebate for hauliers, who have to transport all of the products we produce for export, was included.

This was a budget about the people and our country and central to that, whether the Deputy likes it or not, is that we must prioritise job opportunities and the facilities for work and employment creation. That is the central focus of the budget. I appreciate the difficulties that many hard-pressed families have to contend with. These are the circumstances the Government has to deal with following the legacy left to us. We will deal with it. There are opportunities up ahead but sometimes, as the Deputy knows, tough decisions must be made in the interests of the overall good of our people and our country. I commend the people on their patience in understanding that sometimes these things are necessary.

**Ceisteanna - Questions (Resumed)**

**Official Engagements**

1. **Deputy Micheál Martin** asked the Taoiseach the number of non-party political events which he has attended in each month during 2012 which have been handled by the protocol section of his Department; and if he will make a statement on the matter. [47363/12]

2. **Deputy Gerry Adams** asked the Taoiseach the role of the protocol section of his Department in organising non-party political events. [55213/12]

**The Taoiseach:** I propose to take Questions Nos. 1 and 2 together.

The table sets out the information sought by the Deputy up to the end of November 2012. It has been the long-standing practice for the protocol section to assist the Taoiseach in regard to his or her official domestic engagements. This involves liaising with event organisers on a programme for the event and subsequently attending the event in order to ensure its organisation is, from the Taoiseach’s perspective, in keeping with the dignity of the office.

None of the staff in the protocol section has any involvement in engagements of a party po-
Dáil Éireann

It is not the practice for them to attend events in my constituency other than those of national significance.

Taoiseach’s domestic engagements involving protocol section 2012

<table>
<thead>
<tr>
<th>Month</th>
<th>Number of Engagements</th>
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<tbody>
<tr>
<td>January</td>
<td>8</td>
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<td>February</td>
<td>29</td>
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<td>March</td>
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<tr>
<td>November</td>
<td>22</td>
</tr>
<tr>
<td>Total</td>
<td>251</td>
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</tbody>
</table>

Deputy Micheál Martin: I have not yet seen the table referred to in the reply. It is a good thing for a Taoiseach to make himself or herself available for a large number of events, but there is an important question as to whether this Taoiseach is focusing on events where he will not be challenged in any significant way. Last Sunday, for example, the Society of the Irish Motor Industry said it was thrilled by the unprecedented level of access which it has had to the Taoiseach’s office. Its representatives were very happy to be able to influence the budget in this way. Will the Taoiseach explain why he did not give the same level of access to any group involved in respite and caring issues? The disgraceful and avoidable cuts, in particular to the carer’s respite grant, announced last week could have been avoided if the Taoiseach had spent less time on photo opportunities and more time talking to people, such as those in the carers’ groups. It is not about publishing fine reports and strategies but about what it is like on the ground for someone looking after a loved one at home, perhaps a person with a physical or intellectual disability. It is about getting a real sense of what the cut in the respite grant means to these people, both in terms of their weekly income and the degree to which they are valued as key members of our society who are doing exceptional work and thereby preventing the State having to intervene at an early stage.

In my view, the Taoiseach’s focus is wrong and is more about photo opportunities than dealing with the groups who are bearing the brunt of the attacks reflected in the budget.

The Taoiseach: I am not sure what the Deputy is getting at. I do not recall meeting the Society of the Irish Motor Industry for photographs. The table I have details 251 engagements, from January to the end of November. Most of them involved issues of employment and job opportunities. As the Deputy knows, one goes to Cork or Clare or wherever, where there is a list of invitations to attend other events but one cannot be at all of them. During the course of the year, I met a number of caring organisations and groups who deal with the elderly, young people or very young children. It is not a case of not wanting to meet any of these groups. The actual responsibilities clearly rest with the Ministers and Ministers of State in question who are involved in the issues on a full-time basis. As the occasion arises and if an opportunity presents
itself for me to meet groups or organisations, I am only too happy to oblige. However, one can never get around to meeting as many as one would want to, nor does one wish to take from the important work Ministers and Ministers of State have to engage with in the performance of their duties.

**Deputy Gerry Adams:** The Taoiseach stated he had a table of these events. Perhaps he might give us a random example of the type of non-party political events the protocol department is involved in organising.

**The Taoiseach:** In November, for example, I opened the new UCD student centre; attended the European Parliament conference of presidents of the EU; had an EPP meeting in Government Buildings; launched an event celebrating 50 years of the Arts Council’s collection and marking 60 years of the Arts Council; opened the Riverbank Centre; attended the official opening of Croí House in Galway which does such important work in heart research and assisting patients; attended the official reopening of the community centre in Galway, which was also attended by many others. I attended the ceremony for the presidential distinguished service awards to the Irish abroad. In addition, and apart from the preparations for the EU Presidency, I met different Prime Ministers and ambassadors. As an example of a non-political issue, I launched the archives of the Lensmen organisation, featuring photographs from 1950. The archive has more than 3 million photographs, taken from the 1960s to the 1980s. There is a whole range of non-political events one attends in the course of one’s duty.

As to anything I might have time to attend in my constituency, the protocol section of the Department of the Taoiseach does not involve itself in anything of a local political nature, nor does it attend at party political events that may arise. Over the years it has never been the function of that section to involve itself in or attend at any such functions.

**Deputy Micheál Martin:** I have not seen the table but appreciate it is normal and therefore do not complain about it. I will look at it later. However, I am conscious that the Justice for the Forgotten group has made numerous attempts to seek a meeting with the Taoiseach. It represents relatives of victims of the worst atrocities that occurred during the Troubles in Dublin and Monaghan. Last week was the 40th anniversary of the 1972 bombings. These people are at a loss to explain why the Taoiseach will not meet them. I tabled this issue in Question No. 31 but as we may not get that far today I would appreciate if the Taoiseach were to give a commitment to meet that group. He has met with other groups on the island and this group deserves to be met although so far it has only had refusals. I find that unacceptable and inexplicable so I ask the Taoiseach to reconsider, reflect on it and perhaps agree to meet the Justice for the Forgotten group.

**The Taoiseach:** I will. The impediment is time. I commit to meeting the Justice for the Forgotten group. I have a number of groups to meet and have no difficulty with this one. I hope we may be able to do this early in the new year.

**Deputy Gerry Adams:** I have a letter from the Taoiseach’s Department refusing a meeting with Justice for the Forgotten. I am glad he has changed his mind. I raised the matter recently with the Taoiseach in the Chamber but he did not seem to know much about it. I would also have appreciated the opportunity to pursue the possibility of a meeting with people from Ballymurphy. I thank the Taoiseach for his answer. It is good that he will meet the Justice for the Forgotten group.
At the risk of being ruled out of order I give notice to the Ceann Comhairle, fraternally and respectfully, that under the Order of Business I intend to return to my request that the Taoiseach withdraw his remark.

**The Taoiseach:** I like to think we can meet as many groups as is possible. As I observed to Deputy Martin, we will make arrangements to meet the Justice for the Forgotten group. If there are particular issues that Deputies Martin or Adams wish to raise before I do so I would be happy to hear from either of them. I reiterate I have asked my Department to pencil in a time and date for a meeting with the members of the Ballymurphy community, arising from the incidents that occurred there many years ago.

**Social Partnership**

3. **Deputy Gerry Adams** asked the Taoiseach if he will provide an update on his process of social dialogue. [47414/12]

4. **Deputy Gerry Adams** asked the Taoiseach the groups he has met as part of his process of social dialogue. [49776/12]

5. **Deputy Micheál Martin** asked the Taoiseach the progress there has been on his plan to abolish the National Economic and Social Development Office and place the National Economic and Social Council on a statutory basis; and if he will make a statement on the matter. [50873/12]

6. **Deputy Micheál Martin** asked the Taoiseach if he has met the social partners recently; and if he will make a statement on the matter. [52234/12]

7. **Deputy Gerry Adams** asked the Taoiseach his plans regarding the future of the National Economic and Social Council. [52243/12]

111. **Deputy Richard Boyd Barrett** asked the Taoiseach if he will report on any recent or planned meeting with social partners; and if he will make a statement on the matter. [55523/12]

112. **Deputy Richard Boyd Barrett** asked the Taoiseach if he will report on any recent or planned social dialogue with civil society groups; and if he will make a statement on the matter. [55524/12]

113. **Deputy Richard Boyd Barrett** asked the Taoiseach if he will provide a list of the groups he plans to meet as part of his commitment to social dialogue; and if he will make a statement on the matter. [55525/12]

**The Taoiseach:** I propose to take Questions Nos. 3 to 7, inclusive, and 111 to 113, inclusive, together.

As I have stated previously, although the Government does not intend to return to the rigid social partnership structures of the past we do recognise the contribution that social dialogue can make to maximising common understanding across all sectors of society, as we respond to the many challenges facing the country. As part of this process, the Government continues to have regular interaction with representatives of all sectors of society. This interaction and exchange takes place primarily with the Ministers and Departments who have the functional
responsibility in the relevant area.

In addition, I meet with many relevant groups during the course of my work. For example, since I last replied to this question on 10 July, I met the Irish Exporters Association on 18 July; the director general of IBEC and the general secretary of ICTU on 20 July; and the Small Firms Association on 6 September when I launched its national small business awards 2013. I attended the IBEC annual dinner on 13 September and met representatives of the IFA at the Irish Embassy in Paris on Friday 28 September. I also had a short meeting with an IFA delegation on the margins of the European Council last month and I met with the Irish Creamery Milk Suppliers Association on 29 November. On 11 October, along with the Minister for Public Expenditure and Reform, I met the implementation body under the Croke Park agreement, which includes representatives of the public service trade unions. In addition, I met the EuroCommerce Board on 28 September and I will meet the General Secretary of the European Trade Union Confederation on 18 December.

Multilateral engagement between sectors and the Government also takes place through the National Economic and Social Council, which comes within the remit of my Department. The council has an extensive work programme and continues to provide a valuable forum for dialogue on the economic, social and environmental challenges facing the country.

Last July the Government agreed to the recommendations of a review of the National Economic and Social Council and the National Economic and Social Development Office, undertaken by my Department. It was agreed to dissolve the NESDO but to retain the NESC as the statutory body. The review also recommended a number of measures to streamline and improve the operation of the NESC and achieve further efficiencies, in addition to the 60% reduction in the grant-in-aid funding since 2008. Work to implement the outcome of the review, including development of the necessary legislation, is under way in my Department.

**Deputy Gerry Adams:** The public service unions have agreed to engage in initial discussions with the Government in respect of its proposals for an extension to the Croke Park agreement. It would be useful to obtain some notion of the current position with regard to these discussions. Are the Taoiseach and his Department involved in them? If not, are they kept up to date on progress? The Taoiseach will be aware of the clear view articulated by Jack O’Connor, general president of SIPTU and a member of the Labour Party - this is a view I share - that the budget targets low and middle-income families. Will this make it more difficult to reach agreement with the unions? It is interesting that the budget for health for 2013 contains estimates in respect of €450 million in pay-related savings. The Department of Health has also suggested that some 3,500 jobs be cut from the health service. Have these staffing reductions been discussed with the unions? Will they not involve further cuts to front-line staff? Given that there is an excess of pay and pensions at the very top of the public sector, including among politicians, what process is being pursued in respect of this matter? It would be useful if the Taoiseach provided an update on these matters.

The Taoiseach uttered a few sentences with regard to the review of the NESC. If I understood what he said correctly, this review has already begun. Perhaps he might elaborate further on the position in this regard, particularly as I tabled a specific question on the matter.

**The Taoiseach:** As the Deputy is aware, the NESC reports directly to the Department of the Taoiseach in respect of the efficient development of the economy and the achievement of social justice. It also provides a forum for engagement between the Government and the social part-
ners in respect of economic, social and environmental issues. The NESC also has responsibility in respect of sustainable development following the dissolution of Comhar. As already stated, the review carried out in respect of the NESDO and the NESC revealed that the latter continues to provide that forum and that is why it still has an important role to play. The changes that will be made will be of assistance in this regard.

The NESC has provided successive Governments with excellent research and analysis on economic and social issues of significant national importance. In 2011, the Government requested the NESC’s secretariat to produce independent analysis of policy options in regard to Ireland’s greenhouse gas emissions in the period 2013 to 2020 and to develop a long-term socioeconomic vision to sustain a transition to a low carbon future by 2050. Obviously, it is impossible to have detail about the latter at this point. The first part of the NESC’s work in this regard was completed in June and the second will hopefully be completed in the not too distant future. In 2012 the NESC published several important studies on the topic of maintaining quality and standards in some of our more important public services. Clearly, it is vital that the highest standards will apply and will be translated into real effect.

Will the NESC continue to function as an important entity? Yes, it will. The Government accepted the key finding of the review to the effect that the NESC still has a valuable role to play. Work is being undertaken in respect of legislation in this regard at present. I asked the NESC to focus in its work programme on the more immediate and shorter-term issues, to publish more frequent and shorter reports and to reflect the varying views of its members. Sustainable development is being integrated into the work of the NESC and this will hopefully be of assistance in the context of expanding the expertise and knowledge available to assist in the process of economic recovery.

The objective of the changes arising from the review carried out in respect of the NESC is hopefully to assist it in having flexibility in fulfilling its key role. The review highlighted rigidities relating to the structures of the NESC which should be addressed. As the legislation is prepared, I hope these matters will be dealt with and will be the subject of discussion in the House. As the Deputy is aware, the NESC is funded by a grant-in-aid from the Department of the Taoiseach. The allocation for 2013 will be €2.17 million, which represents a 60% reduction since 2008 and a 20% reduction since 2010. The 2013 allocation includes provision in respect of five members of staff who are on secondment to the Departments of the Taoiseach and Finance.

The Deputy referred to the Croke Park agreement. The Minister for Public Expenditure and Reform was mandated by the Government to meet the trade unions in order to discuss the evolution of the agreement, the current version of which concludes in 2014. The Minister has set out what he expects to achieve from the discussions into which he has entered. The second annual report relating to the Croke Park agreement was published in June and it shows that the agreement continues to make an important contribution to our economic recovery. It contains a number of important things. Some €900 million in sustainable pay and non-pay savings were successfully delivered in the second year of the agreement. Under the agreement’s redeployment provisions, thousands of staff are being moved within and across sectors to areas where they are most needed. This process has proven to be very successful. The implementation body noted that the pace and ambition of the change needs to be systemic to address fully the challenges that lie ahead.

Is the Government committed to the Croke Park agreement? It is clear that the savings to be
obtained under the agreement must be accelerated and enhanced. They must also be discussed in considerable detail. The Minister for Public Expenditure and Reform has invited those who represent the members of the public service to discussions on a new agenda for improvements in productivity, the work of public servants and reductions in the cost of the delivery of public services in quite a number of areas. That invitation was issued in light of the Government’s determination to meet the challenge posed by the fiscal consolidation required in the period 2013 to 2015 in order to reduce the deficit to below 3% of GDP by 2015. This is an enormous challenge but it also reflects a shared ambition to build on the substantial contribution made by public servants to Ireland’s ongoing economic recovery. The scale of work committed to by so many public servants in recent months has been outstanding. Many of them worked very late into the night in a range of Departments as they prepared the Estimates relating to the budget and dealt with other matters relating to the difficult economic circumstances in which we find ourselves.

I wish to provide some examples of the reforms that have taken place. The establishment of the Department of Public Expenditure and Reform, which is dedicated to reducing public expenditure to more sustainable levels while carrying out reforms to and improving our public services, represents a major shift in the way we approach the delivery of public services. The legislation relating to whistleblowers is being progressed. In addition, significant initiatives have been undertaken in respect of shared services and the redeployment of staff. The programme in this regard is extensive and implementing it has presented different challenges. Significant sick leave reforms have been introduced in the public service. A new Government economic and evaluation service has been established. Greater transparency is available through freedom of information legislation. Deputy Martin has often raised this matter. The top level appointments committee, TLAC, has been reformed. This year and last year, the Minister for Public Expenditure and Reform and I met with the Croke Park implementation body following the publication of its progress reports. The purpose of those meetings was to assess the extent of reform carried out. We want the reform programme to be implemented in full and in an accelerated fashion. The Minister for Public Expenditure and Reform is currently in discussions with the trade union movement. These talks will be extensive and significant, dealing as they do with what can be achieved with regard to public sector costs and the costs of public services. These matters are important factors to aid growth in the economy.

Deputy Micheál Martin: I refer to the nature of the Government’s dialogue with the social partners and also with outside groups and bodies. The four members of Government who form the economic management council have not got a grip on the key economic targets or even the budgetary process. I outlined this argument in my reply to the Budget Statement last week. Part of the problem is that the council appears to dismiss the role of outside bodies in challenging the statements made by Ministers. For example, there has been no challenge to the notion of a macro need to cut the deficit, but everyone outside the Government believes it should be done in a fairer way. The ESRI commented on last year’s budget as being the most regressive and unfair of the past five budgets. This year’s budget, in my view, is also very unfair. It is difficult to believe that any Government could come up with such an unfair budget if its members had been actively engaging with groups outside of the political sphere. If they had spoken to the many health organisations, groups representing patients and stakeholders in the health system, they would have realised the current chaos in the governance of the health system and the significant impact on front-line services of decisions taken by the Minister for Health, Deputy Reilly.
The Taoiseach referred in his reply to the reform programme and the freedom of information legislation. I spoke to nurses last week who told me that they can no longer speak up on behalf of patients. They are witnessing patients being put at risk. They have told me they will be penalised if they speak out - that the HSE has imposed a gagging order on them and they are not allowed to speak out. I met nurses at an INO function for nurses and midwives. They are extremely frustrated and angry about the situation and about their inability to say it as it is. All the talk about whistleblower legislation means nothing to people at the front line.

The same applies to the freedom of information provisions. The only reason I have raised the issue of freedom of information in the House is that it is the only avenue remaining to the Opposition to get information about Government decisions. The problem is that the information is provided three or four months too late because Ministers - including the Taoiseach - will not provide information on key budgetary decisions. It took us months last year to access information on the pension fund and to find out that the Minister for Social Protection had deep reservations and misgivings about the levy on pensions. That information was stifled and was not released.

The Taoiseach’s new approach to dialogue is not working. I refer to examples in the areas of health and education. In my view, last year’s cuts to DEIS schools and to the disability allowance would not have happened if he had been having meaningful discussions with stakeholders in education. School principals had to raise the issue with Deputies, with the result that the Minister apologised and reversed the cuts to DEIS schools. The Taoiseach should talk to groups and listen to the people at the front line who help the weakest in society and who seem to be bearing the brunt of this. The same applies to the Croke Park agreement. The bottom line is that services come first and highly paid individuals second. That seems to be the sequence, as things are turning out. I am not advocating a return to social partnership; I advocate a more realistic engagement with representatives of those at the front line. It would serve the Government well to do this. It would enable it to avoid imposing the current unfair taxes and cuts which, in the main, affect middle- and low-income groups rather than higher-income groups and the wealthy.

I will give an example from the education sector. The colleges of further education suffered a sneaky and underhand cut in the budget with the raising of the pupil-teacher ratio from 17 to 19. This sector has been central to the provision of pathways in education which enable people to gain a qualification so that they can move on to third level.

An Ceann Comhairle: I suggest the Deputy ask a question.

Deputy Micheál Martin: That budget measure could have the effect of wiping out courses in colleges of further education. If the Government - and, particularly, the economic management council - had engaged in proper structured dialogue with stakeholders in the first instance, these kinds of cut might have been avoided. The students in this case are vulnerable and need more protection than most.

The Taoiseach’s current dialogue with groups external to the Government is not working. The Government is becoming progressively out of touch with the reality of people’s lives.

The Taoiseach: I do not accept that view. Ministers, Ministers of State and chairpersons of the relevant Oireachtas committees have open access to groups, organisations and individuals from all over the country. We are all aware of the range of challenges faced by people, be
it negative equity, unemployment, emigration, disillusionment or any of the sensitive areas covered by the Department of Social Protection. We have listened to people with regard to employment and the expansion of small and medium enterprises. The Government has offered assistance. The package for small and medium enterprises was developed as a result of discussions with those on the front line in which we listened to their proposals. The Minister for Jobs, Enterprise and Innovation, Deputy Bruton, listened to people and as a result he established the microfinance agency. This is how the partial loan credit guarantee scheme was initiated. That is why we continue to engage with the lending institutions so that they will meet the lending targets. The imposition of further taxes on jobs and employment will restrict the economy and reduce consumer confidence. We know this as a result of engaging with and listening to people.

Deputy Martin’s point about engaging with groups and organisations is relevant. I remind the Deputy that when his party was in Government we had an endless conveyor belt of money. However, despite social partnership and the listening exercises, and given all the wealth and the available information, his party still cut the disability allowance, the carer’s allowance and the carer’s benefit. The pension for the blind was cut twice and the Christmas bonus was abolished. That was against the background of the interaction in question and a flood of money that had never been seen before in Ireland.

Deputy Micheál Martin: That is not true.

The Taoiseach: I am not blaming the Deputy.

Deputy Micheál Martin: We increased the payments dramatically, including the respite grant, when the money was available.

The Taoiseach: The decisions were taken by the previous Government. It is a case of determining how best to avail of the opportunity to engage with and listen to people. The responsibility of the Government is not just to engage and listen but also to bring forward propositions to act upon.

I have tried to achieve the best impact from the Cabinet sub-committees I chair in order that their members will have timelines in regard to the priorities with which we must deal. The members meet every month, as the case may be; therefore, they are clearly aware that there is a need to deliver and make the necessary decisions. The next meetings of the committees will be on Monday.

The Deputy and I know that circumstances are far from being right in a number of areas. We must and will rectify this. That is why I say to Ministers and public servants directly that we need improved performance in meeting our targets. This requires engagement, listening and action.

In the context of preparing for the EU Presidency and dealing with the economic problems the country faces, a great deal of time is taken up in dealing with the serious challenges that arise. From my interaction with so many groups, I realise it is necessary to have responsibility allocated to various Ministers and Ministers of State. In taking on responsibility, they can report on where the Government can decide to take action. It is always difficult, as the Deputy knows, when drafting a budget, to make decisions that are in the interests of the country generally. I hope the presentation of the budget next year will be very different because of the movement in Europe to have much earlier presentation and engagement with the Houses of the Oireachtas in order that people will see at a much earlier date the layout and have an opportunity to express
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their views, be they good, bad or reflective. These are important considerations.

I would like to believe that the Freedom of Information Act actually works and that it has been extended to so many areas is in the interests of citizens and public representatives alike. We will never get this 100% right. It is a case of determining the most effective way to interact with organisations, agencies, groups and individuals to obtain their ideas for improving the lot of the country.

With regard to the process of engagement which involves the Minister of State, Deputy John Perry, so many businesses are indicating what the Government needs to do. I cannot allow circumstances in which I am forced to impose extra taxes on employment because I am struggling as I am. Until such time as confidence is restored in the indigenous economy – there are signs of this, which I am sure we will all welcome – it is a case of being as free as possible to prosper and develop.

Deputy Richard Boyd Barrett: I ask the Taoiseach about his prospects for engagement with outside parties in the context of framing the budget. Is it not the case that, when examining the balance struck in the past two budgets, he has been listening to some groups very seriously and not listening to others? We know from last year that the Clearing House Group, comprising banks and speculators, precisely the sorts of people who caused the crisis, has privileged and institutional access to the Government. The group is chaired by the Department of Finance and comprises Barclays, Bank of Ireland, Citigroup and a range of other financial interests. The budgetary submissions of these bodies are included in the Budget Statement almost word for word and the Taoiseach trenchantly defends their demands. He makes their demands to have no increase in corporation tax and no financial transaction tax red-line issues and fights for them trenchantly. When groups representing the less well-off, the disadvantaged, the disabled and the low-paid make representations to him asking for a different balance to be struck in the budget and taxes on wealth and profit as an alternative to attacking the poor, the less well-off, the disabled and the vulnerable, the voices that always win out with the Government are those of the financial services sector, multinationals and the super-wealthy. Why does he defend so trenchantly the demands the latter make in their budget submissions and ignore the pleas of those representing the least well-off who wish for a different type of budget that focuses on protecting the vulnerable, prioritising investment in job creation and having a tax system that shifts the burden of austerity onto those who can afford it rather than those on the breadline?

The Taoiseach: I noted the Deputy’s comment on engagement with outside bodies. He is incorrect to state the Clearing House Group includes speculators. Perhaps he would like to expand on this when he asks me his next question. I am not sure what speculators he is talking about.

Deputy Richard Boyd Barrett: State Street is a speculator.

The Taoiseach: The Clearing House Group is not chaired by the Department of Finance but by the Secretary General of the Department of the Taoiseach for very good reason.

Deputy Richard Boyd Barrett: I apologise; it is even closer to the Taoiseach.

The Taoiseach: This is in order that we can have a very clear understanding of what these employers of thousands say about the state of the economy and Ireland’s position on European and eurozone difficulties, etc. It is not a case of trenchantly defending the claims of those who attend meetings of the Clearing House Group but of the Government having had a very clear
position for a very long time on the rate of corporation tax and not increasing it beyond 12.5% or reducing it. The tax rate has been steady, stable, transparent and very effective.

The Government has taken the view, although not on account of interaction with a particular group, that while there is stamp duty on financial transactions, it would not favour a financial transaction tax for very good reason. I pointed out previously that the application of a financial transaction tax in Ireland and not in London would place the International Financial Services Centre in Dublin which employs over 30,000 people at a competitive disadvantage. Bearing in mind the incoming Irish Presidency of the European Union and the enhanced majority voting arrangements, we will not restrict the 11 or more countries that wish to participate in a financial transaction tax from so doing, provided we are clear on the detail of what is involved.

I do not accept the Deputy’s contention that there has been no interaction with low-paid workers, the less well-off, the disabled, the vulnerable and the isolated and that we do not take into account their very legitimate and sensitive concerns. That is why the vast majority of social protection measures have not been touched. With regard to carers, an additional €20 million has been allocated for the overall group, including carer’s benefit, the carer’s package and half-rate carer’s allowance. I outlined already to the Deputy the fact that the social protection facilities for pensioners and those in the social protection area remain untouched, despite the fact that some commentators and people who know all the answers before they are ever decided had a very different view.

I also point out to the Deputy that those whom he calls “super-wealthy” are the people who can afford to pay more and they are being hit with a bill of more than €500 million extra. That is a clear demonstration of the Government’s recognition that those who can pay more should pay more and will pay more. The engagement of the Government, its agencies and Ministers with all the organisations and groups around the country is work that goes on all the time. I am sure that if the Deputy were to look at the engagement list of Ministers and Ministers of State during the past quarter he would see evidence of that in every town and county in the country, where it is a regular and indeed daily operation. I will be honest and say that not all of that becomes a reality, but the fact of the matter is that voices were raised with regard to lower paid workers, those on the minimum wage and those who were not required to pay the universal social charge. In that sense, there is also a recognition that we need to do something to get people off the unemployment list and into work, that those in lower-paid areas can have an opportunity to do better and that extra jobs can be created. That is why I made no apology for the fact that a central feature of this budget is a focus on the expansion and development of the small and medium enterprises sector. That is one of the central planks of the recovery of the Irish economy and it will be created by those doers, by those people who want to move on-----

Deputy Richard Boyd Barrett: We all want to move on.

The Taoiseach: -----change direction, employ more people and provide jobs for those people to whom the Deputy referred.

Deputy Gerry Adams: I would not hold my breath waiting for any of that to materialise. The reason I asked a specific question about the groups the Taoiseach has met as part of the process of social dialogue was to get a sense of the Government’s engagement with civic society and with the voluntary and community sector. If, as the Taoiseach said, his outreach was and is significant, then the cuts in the budget are all the more reprehensible. If his Ministers were meeting these groups, as he said they were, there is absolutely no excuse; he cannot plead
ignorance. They are bound to have told him the effects of the cuts in respite care, child benefit, the back-to-school clothing and footwear grant and so on. On the other side of the picture, there appears to be access for the movers and shakers - the elites - to interact with the Government. I make that general response to what the Taoiseach said.

I asked a specific question in my initial response to the Taoiseach’s answer. I pointed out that the health budget for 2013 contains estimates of €458 million in pay-related savings and that the Department of Health has proposed the cutting of 3,500 jobs. My specific question was whether these matters had been raised or discussed with the union, to which the Taoiseach responded that the Minister for Public Expenditure and Reform, Deputy Howlin, had set out the requirements. Could the Taoiseach clarify that? Has he said to the trade union movement that in this sector of the public service he wants to implement €450 million of pay-related savings and remove 3,500 jobs? Did he discuss this with the unions, or did the Minister, Deputy Howlin, or someone else discuss with them what impact these cuts, particularly to front-line staff, would have in the delivery of the services they are charged with providing for citizens?

The Taoiseach: As I said to the Deputy, the voluntary sector contributes an enormous unpaid value to the State. This is evident, as the Deputy is well aware, across every town and parish in the country every weekend and every night, when many people voluntarily give of their time and commit to working with young people and various groups throughout the country, receiving nothing in return. Many of them do that because they have been doing it for years and because they are involved in a movement. They express their commitment to public service in that fashion, which is absolutely to be commended. Ministers who have been dealing with this area continually point out the value of volunteerism. Clearly, the old concept of the meitheal, of which the Deputy is well aware, has not gone away and is very strong in Ireland today. It is something we commend and that we want to continue to foster, and if facilities and assistance can be given by Departments and State agencies to make that happen, so much the better.

It is not the case that I only meet the movers and shakers, as the Deputy calls them. I meet members of chambers of commerce around the country and the agricultural sector, which is still the largest carrier of manufacturing jobs throughout the European Union. I am glad to see the extent of research, innovation and investment that is taking place in that sector because that means jobs, employment and circulation of money in local economies, which is to be strongly supported and commended. I meet the American Chamber of Commerce on a reasonably regular basis every few months to monitor what is happening on the world markets with regard to the global products they manufacture here and export. It is important to reflect the issues they see arising in a European context and beyond, because of the number of jobs - more than 100,000 - that are supported by that kind of investment in the country. I know the Deputy does not object to that.

The Minister for Public Expenditure and Reform has set out his targets in dealing with the trade unions. When I met the Minister and the implementation group, our view was that we have recognised the contribution the Croke Park agreement has made to industrial peace and stability in the country and the very significant changes in the public service that have been made by agreement and through implementation by public servants. I pointed out previously how many people have had to change rosters, drive to new places of work, deal with changed responsibilities and deliver a greater and more efficient service with fewer facilities and resources than they had in the past. That is to be commended. The Minister, Deputy Howlin, is engaging with the trade union movement to talk about not only what we said to the implementation group - that we want to see the Croke Park agreement implemented in full with more ambi-

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tious and accelerated targets - but also the requirement for up to €1 billion in extra savings to be
achieved incrementally by 2015, which is a big challenge and will have a particular impact on
the Department of Health and a number of other Departments. The Minister is conducting those
discussions with the trade union movement and I am sure that when he next takes questions he
will be happy to take more detailed questions on the progress of those discussions.

**Deputy Micheál Martin:** I asked a question on the consultation there had been with social
groups to gain a full understanding of the reality of the impact of the cut to the respite grant for
people on the ground. Has the Taoiseach met the Carers’ Association recently?

Did the Taoiseach meet with the federation of organisations involved in disability for exam-
ple? We learned in the past week that the Economic Management Council did
not even consult with other Ministers on the budget, never mind consulting with
the whole range and plethora of outside groups. What we have been told is that the
last two Ministers to be told were the Minister for Social Protection, Deputy Burton, and the
Minister for Health, Deputy Reilly. Everything was going smoothly until they were consulted
and other issues were put on the table such as the cutting of welfare rates across 31 schemes.

The National Economic and Social Council is there to facilitate dialogue. The Govern-
ment is meant to be putting it on a statutory footing and getting rid of NESDO, the National
Economic and Social Development Office. It seems, however, the Taoiseach is not having any
proper sense or measure of the impact his Government’s decisions are having on a variety of
groups across society. That is why, for example, in August representatives of the Centre for
Independent Living had to picket overnight outside Government Buildings. We have reached
a sorry pass when people with significant physical disabilities who require assistance to live
independently had to camp outside Government Buildings to get their point across. It is a sad
state of affairs when we have representatives of carers outside Leinster House today complain-
ning about an unnecessary cut to the respite grant. That cut does not have to go ahead as there
are plenty of alternatives to find the €26 million involved. All of this speaks of an inadequate
structure of dialogue that is not giving the Government any sense of the impact on the ground
that these decisions are having. Otherwise, the Government would not have proceeded with
these cuts.

It must be remembered the ESRI stated the last budget was the most unfair of the previous
five. This budget is perceived as extraordinarily unfair. It taxes low incomes more than higher
incomes. It cuts child benefit and, as a result, larger families on low incomes will suffer badly.
It hits the jobseeker with a benefit cut after six months. It cuts prescription charges. I met a
pensioner last week who told me the Government has hit him for an extra €20 a month with this
particular cut. He has prescriptions for seven items and his wife is on other medication. That
is the equivalent of a cut in the old age pension when the Taoiseach claims the Government has
not cut old age pensions.

**An Ceann Comhairle:** Can we have a question, please?

**Deputy Micheál Martin:** Any pharmacist will tell one that many pensioners are on con-
siderable amounts of medication, yet the Government has substantially increased their burden.

I do not see any strategy emerging from the Government for a broad-based or fair approach
to society. The absence of-----

**An Ceann Comhairle:** Sorry, Deputy; could you put a question?
Deputy Micheál Martin: -----structured dialogue with the social partners is evident. As I asked in my question, when did the Taoiseach last meet with them? I am conscious the Taoiseach has used up 20 minutes in his replies. The pattern of Taoiseach’s Question Time is how long the Taoiseach can filibuster before the rest of us can get in.

Deputy Bernard J. Durkan: Deputy Martin has had good practice of it himself.

The Taoiseach: I will be a little quicker if Deputy Martin wants.

The Economic Management Council is a very effective method of streamlining positions in this case. We do not want to have endless meetings taking place about different issues.

Deputy Micheál Martin: Fair enough but the Taoiseach had no discussions at all.

The Taoiseach: The Minister for Social Protection has had detailed meetings and discussions with the organisations and groups who deal with those in receipt of special protection. She can also give detailed accounts of when and where these meetings took place, as well as the issues which arose. Following that, each Minister had a bilateral engagement with the Minister for Public Expenditure and Reform about the ceilings to be laid out and the issues to be presented in regard to their budget for 2013. It is true that following all these engagements core payments were protected, those on the minimum wage were progressed and those who are in the lowest level of employment were exempted from the universal social charge, USC. There was a real attempt made in the budget to progress the jobs agenda and employment opportunities and, to put it mildly, to focus on small and medium-sized enterprises.

Pharmacists have rung me up to tell me it was about time somebody did something about prescription charges because of the level of over-prescribing that takes place. The Minister for Health and his Department are now focusing on an analysis of general practitioner prescribing. Trends become obvious very quickly, with particular GPs in some areas continuing to prescribe enormous amounts of medication.

Deputy Micheál Martin: That is a separate matter.

The Taoiseach: While some of this is warranted, there are also trends which should be identified. This is an impact upon the charges and the cap that applies thereof.

I hope that for 2013 the presentation of the budget will be much earlier. In accordance with the European progress being made here-----

Deputy Barry Cowen: I hope we will have a fair budget.

The Taoiseach: -----we will have a much earlier discussion in the House about overall figures.

Deputy Micheál Martin: Will the Taoiseach give it a miss? We have heard all this for two years and it has got worse.

Deputy Bernard J. Durkan: We had 15 years before that with Deputy Martin.

Deputy Frances Fitzgerald: Deputy Martin should remember we had it from his party for 12 years.

The Taoiseach: The Deputy comes in here all the time claiming he, of course, could change
Deputy Micheál Martin: The Taoiseach should look at the Order Paper for the week and then talk about debate.

The Taoiseach: This goes back to the Deputy’s business of how he signed on for a property tax, he designed it but he does not want it yet as it is not the right time to introduce it.

Deputy Micheál Martin: We did not design it.

The Taoiseach: This is what the Deputy has been at.

Deputy Micheál Martin: The Taoiseach should not mislead the House.

An Ceann Comhairle: Please, Deputy.

The Taoiseach: Deputy Martin signed on for the property tax, he put it into the memorandum of understanding with the troika and suddenly he does not want it. He is now telling me these measures are easy to redesign and restructure. That is not the way. The edifice begins to crumble when one does that, a point Deputy Martin knows well.

Deputy Micheál Martin: The edifice nearly crumbled last Saturday week across there.

Deputy Paul Kehoe: Deputy Martin should look at bank politics.

The Taoiseach: There are difficult decisions to be made. I recognise that, as does everyone else, but they have to be done in the interests of the country.

Deputy Micheál Martin: Yes, but the Taoiseach does not make them.

Deputy Paul Kehoe: What about the bank guarantee?

Deputy Bernard J. Durkan: We had 15 years of Deputy Martin and his party in government making no decisions.

An Ceann Comhairle: That concludes Question Time for today. We now move on to the Order of Business.

Deputy Gerry Adams: Before we move on to the Order of Business, I want to raise a point of order.

An Ceann Comhairle: Yes, Deputy. What is your point of order?

Deputy Gerry Adams: I want to make a point of order while you are in the Chair, a Cheann Comhairle, and while the Taoiseach is still in the Chamber.

Given his defamatory remarks earlier, I want to repeat my request that the Taoiseach be asked by you, a Cheann Comhairle, to withdraw those remarks.

An Ceann Comhairle: What remarks are you referring to, Deputy?

Deputy Gerry Adams: I am referring to the remarks he made about Jean McConville and the defamatory allegation that I was in some way involved in that poor woman’s death.

An Ceann Comhairle: Unfortunately, I am not in a position to interpret what the Taoiseach
did or did not say. The only thing I can suggest is that if a rule has been broken, then you must give me some time to examine the blacks so that I will know whether a rule has been broken. If so, I will take appropriate action.

**Deputy Gerry Adams:** A Cheann Comhairle, can I just elaborate on my point, please? I was making a perfectly salient and pertinent point earlier about the Government’s budget, particularly its effect on the carer’s allowance, child benefit and other matters. Not through bad temper or a slip of the tongue, the Taoiseach made his remarks, which were quite a deliberate and cynical attempt to distract attention from these measures and to exploit the sufferings of people in the North as a means of doing that.

Can I draw your attention, a Cheann Comhairle - he knows this better than me, if I may say so - to Standing Order 59, which states:

(1) A member shall not make an utterance in the nature of being defamatory

The Taoiseach also knows this. It continues:

and where a member makes such an utterance it may be *prima facie* an abuse of privilege, subject to the provisions of this Standing Order.

(2) (a) If the defamatory nature of the utterance is apparent at the time it was made during the course of proceedings, the Ceann Comhairle shall direct that the utterance be withdrawn without qualification.

I asked you twice, a Cheann Comhairle-----

**An Ceann Comhairle:** I ask the Deputy to go on and read the rest of the Standing Order.

**Deputy Gerry Adams:** I will.

(b) If the member refuses to withdraw the utterance without qualification the Ceann Comhairle shall treat the matter as one of disorder: Provided that the member may claim that the matter be referred to the Committee on Procedure and Privileges in which case no further action shall be taken thereon by the Ceann Comhairle at that point.

**An Ceann Comhairle:** Hold on a second.

**Deputy Gerry Adams:** Gabh mo leithscéal. The pertinent point is that it says the Ceann Comhairle shall direct that the utterance be withdrawn without qualification and I asked the Ceann Comhairle to do that. I am here with a mandate.

**An Ceann Comhairle:** I know you are here with a mandate. I am here with a mandate as well in the Chair, to be fair. Sorry, Deputy; I ask you to resume your seat for one moment.

**Deputy Gerry Adams:** I am not standing, a Cheann Comhairle-----

**An Ceann Comhairle:** I am here to keep order and if someone is out of order I will correct them, but if you are making an allegation that the Taoiseach made a defamatory remark, I am saying to you that I will examine the record and if I believe a defamatory remark has been made, then I will take appropriate action. That is what I have said and that is the way it is. I am moving on to the Order of Business.
Deputy Gerry Adams: A Cheann Comhairle-----

An Ceann Comhairle: That is it.

Deputy Aengus Ó Snodaigh: A Cheann Comhairle-----

An Ceann Comhairle: I am sorry. That is it. We are not having a debate on this.

Deputy Aengus Ó Snodaigh: I am not going to have a debate. I refer the Ceann Comhairle again to Standing Order 59. It states that if a Member-----

An Ceann Comhairle: I know about Standing Order 59.

Deputy Aengus Ó Snodaigh: If a Member highlights an issue at the time when the remark is being made, it is in the Ceann Comhairle’s gift at that stage.

An Ceann Comhairle: Sorry, Deputy.

Deputy Aengus Ó Snodaigh: At the time the request was being made the Ceann Comhairle was shutting down our leader and telling him to sit down and be quiet and whatever.

An Ceann Comhairle: Deputy, please resume your seat.

Deputy Aengus Ó Snodaigh: He was highlighting that a remark had been made and the Ceann Comhairle was not taking it on board at the time.

An Ceann Comhairle: Deputy, please resume your seat. There is a procedure to be followed here and I will follow the procedure.

Deputy Aengus Ó Snodaigh: That was following the procedure. If you had allowed the Member to put his point at the time-----

An Ceann Comhairle: You can question it and raise it at the standing Committee on Procedure and Privileges if you are not happy. I have already told the Deputy in question that I will examine the blacks and if I believe that a defamatory remark has been made I will take appropriate action.

Deputy Aengus Ó Snodaigh: We will accept that but that is after the fact. If the Ceann Comhairle had listened at the time it could have been dealt with at that stage.

An Ceann Comhairle: Now, please resume your seat and we will get on with the business. I call on the Taoiseach to present the Order of Business. Thank you.

Deputy Gerry Adams: A Cheann Comhairle, can I make another point, please?

An Ceann Comhairle: No, Deputy, please. It is almost 5.15 p.m. There are other Deputies who have matters to-----

Deputy Aengus Ó Snodaigh: They have not been defamed.

Deputy Gerry Adams: This is from the salient rulings of the Chair to assist the Ceann Comhairle-----

An Ceann Comhairle: I do not need a lecture about salient rulings.
**Deputy Gerry Adams:** I am not trying to give the Ceann Comhairle a lecture.

**An Ceann Comhairle:** I am making a ruling and I have made a ruling.

**Deputy Gerry Adams:** I am standing up for myself. It says that when a Member is making a disclaimer against an allegation made against him, he should be given a good hearing.

**An Ceann Comhairle:** Yes.

**Deputy Gerry Adams:** I do not consider-----

**An Ceann Comhairle:** I am giving you a good hearing.

**Deputy Gerry Adams:** The Taoiseach knows better. Rather than go through this row - I do not want to be fighting with the Ceann Comhairle - the Taoiseach should be a man and withdraw that remark.

**An Ceann Comhairle:** I have already made my ruling. I have said if a defamatory remark has been made and if I see that from the blacks then I will take appropriate action. We are moving on to the Order of Business. It is 5.15 p.m.

**The Taoiseach:** I had no intention of making defamatory remarks about anyone. My comments were made in the context of the raw emotion that Deputy Adams referred to.

**Deputy Gerry Adams:** They were not.

**The Taoiseach:** Of course Deputy Adams has a legitimate mandate to be here but I made my comments in respect of what he was saying.

*Written Answers follow Adjournment.*

**Order of Business**

**The Taoiseach:** It is proposed to take No. 14, motion re referral to joint committee of proposed approval by Dáil Éireann of the Horse and Greyhound Racing Fund Regulations 2012; No. 15, motion re referral to select sub-committee of proposed approval by Dáil Éireann of the National Pensions Reserve Fund Act 2000 (Suspension of Exchequer Contributions) Order 2012 and Taxation Agreements; and No. 5, Social Welfare Bill 2012 - Order for Second Stage and Second Stage. It is proposed, notwithstanding anything in Standing Orders, that the Dáil shall sit later than 9 p.m. tonight and shall adjourn not later than 10 p.m. and that Nos. 14 and 15 shall be decided without debate. Private Members’ business, which shall be No. 94, motion re confidence in the government, shall take place on the conclusion of the opening speeches of No. 5 or at 7.30 p.m., whichever is the later, and shall adjourn after 90 minutes if not previously concluded.

**An Ceann Comhairle:** There are three proposals to be put to the House. Is the proposal that the Dáil shall sit later than 9 p.m. tonight and adjourn not later than 10 p.m. agreed to?

**Deputy Micheál Martin:** It is not agreed. We are opposing the Order of Business today as a protest against how the House is being dealt with and organised this week. There is an extraordinary attempt to suppress any meaningful articulation of issues around, for example,
the Social Welfare Bill. It is being rammed through the House utilising the guillotine approach. On Friday we will have a property tax Bill. What the hurry with that is I simply do not know because it is not due to come in until next May, but the Government seems intent on ramming it through by next Friday at 6 p.m.

Our spokesperson has estimated that in respect of the amendments tabled for the Social Welfare Bill each Deputy will only have 13 minutes and there are probably only four or five Deputies who will get in on Committee Stage. This is aside from any other Member who many wish to speak independently of the spokespersons from the main Opposition parties.

In the programme for Government, the Government promised more effective financial scrutiny, that the Dáil would be in a position to hold the Executive to account and that it would tackle the extensive overuse of guillotines. The Chief Whip and Minister of State, Deputy Kehoe, said the overuse of the guillotine was one of the great frustrations for Deputies. It will be used in abundance this week to ram the budget through. The only conclusion we can come to is that the reason this is being done is to ensure Labour Party backbenchers and some Fine Gael backbenchers do not get another weekend at home prior to any further decisions having to be made either in the Social Welfare Bill or regarding budget decisions.

**Deputy Derek Keating:** It is as a result of Fianna Fáil’s incompetence.

**Deputy Micheál Martin:** The Government wants to ram this thing through this week, suppress dissent and use the guillotine until it gets this thing safely through by Friday evening.

**Deputy Gerry Adams:** I rarely have much sympathy for An Teachta Martin’s view of what the Government is doing because, after all, it is implementing Fianna Fáil policy, but in this case I believe he has a point. We made it clear last week following the time set aside for the X case and A, B and C v. Ireland debate that none of our Teachtaí Dála wanted to speak on that issue, that we had said what we wanted, and that we thought the time should be set aside to talk about the budget and these scathing cuts. We actually suggested that it should be done yesterday, on Monday. I am advised by our Whip that the Government Whip came in and just upended all of that. The whole thing is running on a conveyor belt with the Government - we saw what occurred earlier - refusing to allow Oireachtas Members to advise on our view of the budget and to allow us try to get the Government to change its mind on aspects of the budget to which, we believe, there are good alternatives.

**Deputy Richard Boyd Barrett:** I add my voice to the protest against the guillotine being imposed on this issue. In the programme for Government, the Taoiseach promised a democratic revolution, no less, a new type of politics and a new level of accountability. We are discussing a Bill that will touch deeply on the lives and quality of life of vast numbers of our most vulnerable citizens. I appeal to the Taoiseach at the least to be true to his word on allowing real debate, accountability and transparency on these most important and sensitive of matters and to allow a more open-ended discussion and certainly not to try to truncate the debate on these issues. The Taoiseach would be doing himself a favour if he did so and if he showed some willingness to listen to the views of the public and those affected on this issue. It would not be a climbdown. Rather, it would show a little courage from the Government if it allowed for a debate and, God knows, even better, it would allow time for the Government to reconsider some of these measures.

**The Taoiseach:** The Dáil sits until 11.15 p.m. tomorrow night and until 2 p.m. on Thurs-
day to deal with the Social Welfare Bill. It has to go to the Seanad next week in order that the
calculated rates of unemployment assistance and social welfare protection can take effect on 1
January.

Deputy Micheál Martin: It can be changed.

An Ceann Comhairle: We cannot have a debate on this.

Deputy Micheál Martin: I do not want a debate. This is a serious issue.

An Ceann Comhairle: You cannot hop up and down on the Order of Business. There is a
procedure.

Deputy Micheál Martin: There will be agriculture questions at 8.50 p.m. on Thursday
night.

An Ceann Comhairle: Thank you.

Deputy Micheál Martin: That is how farcical and ridiculous this entire programme is for
the week.

An Ceann Comhairle: That is a separate issue. You can take that up through your Whip.

Deputy Micheál Martin: It can be changed.

Deputy Paul Kehoe: Deputy Martin should look back at the record of his Government.

An Ceann Comhairle: Deputy, please resume your seat.

(Interruptions).

Deputy Micheál Martin: Never mind anything else. The Government should do what it
said it would do.

Deputy Paul Kehoe: Deputy Martin should look back at his record.

Deputy Niall Collins: The Government should do what it said it would do.

An Ceann Comhairle: Deputy Martin, please resume your seat. You have had your say on
proposal No. 1.

Deputy Micheál Martin: We have not had our say. We want a reasonable opportunity to
debate the Social Welfare Bill which we are not getting.

An Ceann Comhairle: The proposal is that the Dáil shall sit later than 9 p.m. tonight and
shall adjourn not later than 10 p.m. Now, please resume your seat.

Deputy Micheál Martin: Deputy Keaveney wants to speak. Deputy McNamara wants to
speak.

An Ceann Comhairle: I am now putting the question.

Deputy Micheál Martin: They will not get any opportunity to discuss it.

Deputy Paul Kehoe: They will.
Deputy Micheál Martin: They will not.

An Ceann Comhairle: Please resume your seat, Deputy.

Deputy Micheál Martin: The Chief Whip is ordering business but there is no consultation with anyone.

An Ceann Comhairle: Will the Deputy please resume his seat?

Deputy Micheál Martin: The Chief Whip is not consulting anybody. It is his way and no one else’s.

Question put: “That the proposal for dealing with the late sitting be agreed to.”

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Mr. Eamon Gilmore: As the House is aware, the Chief Justice’s judgment is significant in various respects. Firstly, he referred to the judgment of a previous case involving the competence of the Government in its handling of the children’s referendum. In that case, the Government’s handling of the referendum in terms of the booklet, website and advertisement failed the test of being fair, equal and impartial. The Chief Justice also drew a contrast between how the Government approached the material and how the Referendum Commission dealt with it, in terms of the neutral manner in which the commission pursued its work. The Constitution belongs to the people and no Government has the right to allocate to itself either funding or the capacity to take the decision away from the people and into its own hands.

Ms. Frances Fitzgerald: It is a serious judgment.

Mr. Eamon Gilmore: It is.

An Ceann Comhairle: This is not Question Time.

Deputy Micheál Martin: I know that, but this is a serious issue-----

An Ceann Comhairle: I know that too. I appreciate that, Deputy.

Deputy Micheál Martin: -----that goes to the very heart of our Constitution. It is the question of who decides how to change or amend the Constitution. It is a serious judgment,
and I ask the Taoiseach, in line with commitments in the programme for Government, to pro-
vide special time, early in the new Dáil session, for a full debate on this judgment. I ask that
the Minister concerned come before the House to answer questions on it and that the role of
the Attorney General be fully clarified. The Minister for Children and Youth Affairs, Deputy
Fitzgerald, and the Minister for Tourism, Transport and Sport, Deputy Varadkar, both blamed
the Attorney General at the time. They said the Attorney General had scrutinised the material,
but if one reads the judgment, it seems that a very amateur-----

An Ceann Comhairle: Deputy, we cannot deal with this on the Order of Business.

Deputy Micheál Martin: -----and incompetent approach was adopted by the Government,
in which it broke every rule in the book in terms of the material it published.

An Ceann Comhairle: All of these matters can be discussed when the issue is debated in
the House.

Deputy Micheál Martin: We have been fobbed off before. When the initial judgment
came out we had no debate. In the Seanad they had a special notice question immediately on
the publication of the first judgment. There has been no meaningful discussion in the aftermath
of the referendum about what was a serious breach by the Government-----

An Ceann Comhairle: Thank you, Deputy Martin.

Deputy Micheál Martin: -----regarding the holding of the referendum and the material it
published.

The Taoiseach: I am conscious of the fact-----

An Ceann Comhairle: Taoiseach, the Deputy has made a request for time. That is all it is.
It would be better if this was done through the Whips.

Deputy Micheál Martin: There is nothing done through the Whips.

An Ceann Comhairle: The normal procedure is that if a Deputy wants a debate, he or she
asks for it at the Whips’ meeting.

Deputy Micheál Martin: It does not happen. The Chief Whip-----

An Ceann Comhairle: That is the normal procedure. However, the Taoiseach wishes to
respond.

The Taoiseach: I should remind the House that there will be a court case about this matter
in January. The Government is carefully studying the Supreme Court judgment which clarifies
how it can make information available to the electorate during a referendum. The judgment in
the McKenna cases stated the Government had a duty to provide information for the electorate
and clarify issues that might arise during the course of a campaign without advocating a particu-
lar position. The Government welcomes the fact that the Supreme Court has for the first time
since the judgment in 1995 provided guidelines on the application of this important principle.

Deputy Micheál Martin: Get off the stage.

The Taoiseach: The court has unanimously acknowledged that the principle enunciated in
the McKenna judgment stands as firm as ever, but that the methods by which information is
conveyed are very different from those which applied in 1995. It has found that the Government, in attempting to fulfil its duty to inform the people, strayed beyond the boundary of providing information for the electorate. It has also found that the Government at all times acted in a bona fide manner and that all the publications were issued with a view to informing the electorate about the referendum. The Government is committed to working within the parameters of the judgment delivered today in the context of future referendums and will carefully study the conclusions of the court.

In respect of the stability treaty - the Lisbon treaty - when Deputy Micheál Martin was Minister for Foreign Affairs he sent his own document which indicated that it had been produced by the Department of Foreign Affairs and set out what the stability treaty involved in a situation where there was no court judgment. It was much more obvious in terms of information.

**Deputy Micheál Martin:** Was it really?

**Deputy Timmy Dooley:** Stop the spin.

**The Taoiseach:** What he sent on the Lisbon treaty in 2009-----

**An Ceann Comhairle:** We cannot restate documents in the House.

**Deputy Micheál Martin:** The Government issued its materials after the writ was moved.

**Deputy Alan Shatter:** It was done in the same way on the advice of the then Attorney General.

**An Ceann Comhairle:** I call Deputy Gerry Adams.

**Deputy Micheál Martin:** A disgraceful performance.

**The Taoiseach:** Do not come out with that one.

**Deputy Timmy Dooley:** The Taoiseach is not at the Ballinasloe horse fair.

**Deputy Micheál Martin:** He changes the story all the time.

**An Ceann Comhairle:** Please allow Deputy Gerry Adams to make his point on the Order of Business.

**Deputy Micheál Martin:** The Taoiseach should acknowledge that he was wrong.

**Deputy Mattie McGrath:** Admit it.

**Deputy Paul Kehoe:** It is like Deputy Micheál Martin’s property tax leaflet.

**Deputy Gerry Adams:** Tomorrow the report of Desmond de Silva, QC, on the murder of the human rights solicitor Mr. Pat Finucane will be published in London. This will be followed by a formal statement by the British Prime Minister. The process put in place by the British Government is in direct breach of the Weston Park agreement between it and the Irish Government and against the wish of the Finucane family for a fully independent inquiry. I recognise this is a very busy week, but I ask that time be made available in the next few days for the Dáil to hear short statements by Government and Opposition Members on the issue.

**The Taoiseach:** I am not sure how we might arrange this. I spoke to the Deputy Prime Min-
ister, Mr. Nicholas Clegg, about the matter in Oslo yesterday. The Prime Minister is to make a statement to the House of Commons tomorrow. As an interested party in so far as the Government is concerned, I expect that we will have access to the report a very short time before the Prime Minister speaks on it. I do not know what is contained in the report and will wait to find out. As Deputy Gerry Adams will be aware, for a long time this House has taken a unanimous view arising from the Weston Park agreement that whatever Judge Cory recommends should be followed through. This principle has been followed by the Government in respect of the Smithwick tribunal and we have consistently called for a public inquiry into the murder of Mr. Pat Finucane. I may have an opportunity to speak to the Prime Minister tomorrow and will wait to find out what is in contained the de Silva report, the view of the Finucane family and what is contained in the statement made in the House of Commons. I will try to facilitate the Deputy.

**Deputy Gerry Adams:** Perhaps on Thursday or Friday evening.

**The Taoiseach:** I will have to attend a European Council meeting in Brussels to deal with other matters. I will see what the Whips can arrange, even if it is for a short period.

**An Ceann Comhairle:** The time allowed for the Order of Business has expired.

### Tributes to Staff Member

**The Taoiseach:** Sitting in the Chamber is Mr. Barry Whelan, a quintessential Dub from Drimmagh who is retiring today from his position as usher. Barry has given good service in the 21 years since 1992. On behalf of all Members of the House and his wife, Anne, his children, David, Sandra and Iain, and his little grandson, Matthew, I take the opportunity to wish him the very best. I thank him for his service, for what he has done for all Members and the many visitors to Leinster House and for his courtesy, efficiency and professionalism. I wish him good luck for the future in whatever he chooses to do in his spare time. May he enjoy a long, healthy and happy life in the company of his wife and family.

**An Ceann Comhairle:** I join the Taoiseach in wishing Barry a happy and long retirement. I hope he breaks the pension fund and enjoys himself.

**Deputy Micheál Martin:** On behalf of my party, I thank Barry for his unfailing courtesy. I ask him to avoid watching “Oireachtas Report” every evening.

**An Ceann Comhairle:** I am sure that is the last thing on his mind.

**Deputy Gerry Adams:** Ar mo shon féin agus ar son Sinn Féin, go n-éirí an t-ádh le Barry, a bhean chéile agus a theaghlach. Gabhaimid míle buíochas leis.

### Road Traffic (Amendment) Bill 2012: First Stage

**Deputy Anthony Lawlor:** I move:

That leave be granted to introduce a Bill entitled an Act to introduce criminal offences concerning vehicle mileage and related matters.

**An Ceann Comhairle:** Is the Bill opposed?
Minister of State at the Department of the Taoiseach (Deputy Paul Kehoe): No.

Question put and agreed to.

An Ceann Comhairle: Since this is a Private Members’ Bill, Second Stage must, under Standing Orders, be taken in Private Members’ time.

Deputy Anthony Lawlor: I move: “That the Bill be taken in Private Members’ time.”

Question put and agreed to.

Horse and Greyhound Racing Fund Regulations 2012: Referral to Joint Committee

Minister of State at the Department of the Taoiseach (Deputy Paul Kehoe): I move:

That the proposal that Dáil Éireann approves the following Order in draft:

Horse and Greyhound Racing Fund Regulations 2012,

a copy of which Order in draft was laid before Dáil Éireann on 6 December 2012, be referred to the Joint Committee on Agriculture, Food and the Marine, in accordance with Standing Order 82A(4)(j), which, not later than 18 December 2012, shall send a message to the Dáil in the manner prescribed in Standing Order 87, and Standing Order 86(2) shall accordingly apply.”

Question put and agreed to.

Draft Orders: Referral to Select Sub-Committee

Minister of State at the Department of the Taoiseach (Deputy Paul Kehoe): I move:

That the proposal that Dáil Éireann approves the following Orders in draft:

(i) National Pensions Reserve Fund Act 2000 (Suspension of Exchequer Contributions) Order 2012,

(ii) Double Taxation Relief (Taxes on Income and Capital Gains) (Arab Republic of Egypt) Order 2012,

(iii) Double Taxation Relief (Taxes on Income and Capital Gains) (State of Qatar) Order 2012,

(iv) Double Taxation Relief (Taxes on Income and on Property) (Republic of Uzbekistan) Order 2012,

(v) Double Taxation Relief (Taxes on Income and on Capital) (Swiss Confederation) Order 2012,

(vi) Exchange of Information Relating to Taxes (San Marino) Order 2012, and

(vii) Mutual Assistance in Tax Matters Order 2012,
copies of which were laid before Dáil Éireann on 7 December 2012 and 10 December 2012, be referred to the Select Sub-Committee on Finance, in accordance with Standing Order 82A(3)(b) and (6)(a), which, not later than 20 December 2012, shall send a message to the Dáil in the manner prescribed in Standing Order 87, and Standing Order 86(2) shall accordingly apply.”

Question put and agreed to.

Message from Select Committee

An Ceann Comhairle: The Select Committee on Agriculture, Food and the Marine has completed its consideration of the Animal Health and Welfare Bill 2012 and has made amendments thereto.

Estimates for Public Services 2012: Message from Select Committee

An Ceann Comhairle: The Select Sub-Committee on the Environment, Community and Local Government has completed its consideration of the following Estimate for Public Services for the service of the year ending 31 December 2012: Vote 25 - Environment, Community and Local Government (Supplementary).

Topical Issue Debate

Road Traffic Offences

Deputy Mick Wallace: Earlier today the Minister seemed to downplay the significance of the allegations reported by the two Garda whistleblowers. There also seem to be some discrepancies with regard to the timescale on this issue. The Minister says he only received news of this in September. I note that on the Matt Cooper show on Thursday, the Minister said he had sight of the documentation in question in early October. However, an e-mail from the confidential recipient, Oliver Connolly, to the garda in question, dated 21 June, stated that he personally delivered the garda’s previous e-mail communication for the attention of the Minister and that he met previously with the Minister, just prior to Easter, regarding the matters of concern to the garda and presented his confidential report. It went on to say that he was doing what he could. In July another e-mail to the garda, from the assistant private secretary of the Taoiseach, following the garda’s having written to the Taoiseach to alert him of the issues, stated that the Taoiseach had asked the secretary to refer to the garda’s recent e-mail, the contents of which had been noted. It went on to say that the Taoiseach had asked the secretary to say that he had forwarded the garda’s e-mail to his colleague, the Minister for Justice and Equality, Deputy Alan Shatter, for his attention and consideration. Furthermore, it stated the Taoiseach had asked the Minister to respond directly to the garda on this matter. This e-mail was dated 25 July 2012. As far back as February, when the garda went to the confidential recipient, the confidential recipient said to him that he believed the garda and thought the Commissioner had a case to answer. He said he thought the garda had the evidence. He said they had destroyed the garda, that a man only has
his reputation and that if he, the recipient, was asked, he would say the garda was only standing up for what was right.

Obviously, the confidential recipient gave the report to the Minister and he passed it on to the Garda Commissioner. As a result, what we got was the Commissioner investigating himself. I believe it is time for a public inquiry, because the notion of the Garda investigating itself is not on.

**Deputy Clare Daly:** On Friday, the Garda Commissioner, Martin Callinan, released a press statement saying there could be no question of what has been described as a culture of non-enforcement of penalties being tolerated. That is exactly the situation being spoken of. That is the only explanation for the termination of 100,000 parking, penalty and motoring offences. It is the only explanation for one senior garda being responsible for terminating 1,000 cases. Despite what the Minister said earlier, the Garda circular dealing with ticket cancellation policy, Circular 45/09, is incredibly restrictive and would not account for the number of cases terminated.

I agree with Deputy Wallace. The only conclusion we can draw is that this issue is being deliberately downplayed. The Commissioner has had this information since January. This is a Commissioner appointed by the Minister, whose contract has been extended beyond its normal life. Is it a coincidence that after the “Prime Time” programme last Tuesday, a confidential Garda memo, which I have here and which was sent to every member of the force, warned gardaí not to release Garda information to any external party, under pain of criminal prosecutions? The same memo said that the use of PULSE records would be audited and monitored in order to protect the reputation of An Garda Síochána. In other words, this memo was trying to intimidate whistleblowers, who are lawfully entitled to go to Members of the Oireachtas.

How can the Minister get to the truth when the Garda Commissioner has known about this since January and has done nothing about it? He was warned about perversion of the courts of justice by senior gardaí on a massive scale, as was the Minister. We need a full public inquiry into these allegations. The PULSE system needs to be seized, and IT specialists should be sent in to retrieve this information in the interest of road safety and revenue to the Exchequer.

**Deputy Joan Collins:** The Minister says we are making big assumptions on this issue and that this is an everyday occurrence. That cannot be the case considering the number of cases Deputy Daly has mentioned as having been taken off the system. From the information we have seen, it seems there has been malpractice and systematic abuse of the system.

This is not a question of a few celebrities such as Ronan O’Gara, Paul Williams or Mary Devins, whom I mentioned last week, or other judges or multiple gardaí.

**Acting Chairman (Deputy Joe O’Reilly):** The Deputy cannot name names in the House.

**Minister for Justice and Equality (Deputy Alan Shatter):** I must object. This is outrageous. The Deputy is deliberately trying to force the recording of names, contrary to the rules of this House, into the record, to the detriment of individuals who cannot defend themselves.

**Deputy Joan Collins:** The Minister is the person who is supposed to protect the people and the law of this State. This is not a question of individuals.

**Acting Chairman (Deputy Joe O’Reilly):** I ask the Deputy to resume her seat. It is not
permitted to name people in this manner. I ask her to resume her seat and call on the Minister to reply.

Deputy Joan Collins: Why is that?

Acting Chairman (Deputy Joe O’Reilly): The Deputy has named people in the House, which is an abuse of privilege.

Deputy Joan Collins: It is not an abuse of privilege. Perhaps the Acting Chairman should check that with the Ceann Comhairle. I do not think it is.

Deputy Alan Shatter: The Deputy knows it is. It is outrageous.

Deputy Joan Collins: We have taximen who have lost their ability to protect their livelihoods because of penalty points.

Acting Chairman (Deputy Joe O’Reilly): I remind the Deputy that the naming of persons outside of the House is specifically regulated by Standing Orders and by the rulings of the Chair. The general practice is that such persons should not be named or referred to or identified, particularly where to do so would be an unreasonable invasion of privacy or where the reference could be in the nature of being a defamatory utterance under Standing Order 59. The persons who may be involved in the matter of penalty points, as raised in questions, are not guilty of any wrongdoing and are entitled to have their good names preserved. Therefore, I ask the Deputy to resume her seat as naming names is unacceptable.

Deputy Joan Collins: Well, I call for an independent public inquiry on this important issue.

Deputy Alan Shatter: I want to put on the record that the behaviour of the Deputies is outrageous. There is a pretence at wanting a public inquiry, but in fact what the Deputies want is a hanging. They want to make allegations, to prosecute them and to assume everyone is guilty. Why? Because they are the recipients of allegations.

All of the issues raised by the three Deputies relate to the same topic which was discussed earlier this afternoon on Question Time. I am conscious of this issue and of its importance. There is little I can say on the matter that has not already been covered. However, in the context of an issue raised by Deputy Wallace, it is true and correct that these matters came to my Department in September and it is true and correct that I did not have sight of them until early October. The reason for that is, as the Deputy may have noted, that I was unwell for a two-week period and was not in a position to deal with matters for those two weeks. I presume that is not an issue about which the Deputy cares greatly.

The allegations referred to by the Deputies are not that some people have had penalty points written off, but that in a number of cases members of the Garda Síochána have inappropriately cancelled fixed-charge notices, mainly for speeding. Of course, if they were cancelled, the result would be that penalty points were not applied. The allegations appear to be made on the basis of records of cancellation on the Garda PULSE system. The Deputies seem to be of the view that the Garda PULSE system should be accessible by anyone and that all information from it should be distributed, not just to Members of this House, but to members of the media. Clearly, that has happened in this case and that is a gross violation of confidentiality in the context of the workings of the system.

Fixed-charge notices are an alternative to prosecution and give a motorist the opportunity to
acknowledge the offence, pay the fixed charge and, where the offence is a penalty point offence, incur the appropriate penalty points. If the motorist does not pay the fixed charge, he or she will in the normal course be prosecuted. With regard to the cancellation of fixed-charge notices, it appears from media reports of recent days and comments made in the House that there is an assumption that any termination of a fixed-charge notice is illegal and that any individual who is the recipient of such notice which is subsequently cancelled is being afforded special treatment. Apparently, the view is that any individual who has such notice cancelled should be named and shamed in this House, which is a total disgrace. The assumptions made by the Deputies are incorrect. I am concerned that the outcome of the investigation being conducted into the allegations is being unfairly prejudiced and I urge caution.

It seems not only that the Deputies want to impugn the entirety of the Garda Síochána, but also that they now have the Garda Commissioner in their aim.

I emphasise that the allegations that are the subject of this Topical Issue came to the notice of my Department in September and to my personal notice in early October. As far as I know and have been advised, the allegations were not brought to the notice of the Garda Commissioner until we wrote to him. The same individual may have been making complaints about other matters to the confidential recipient. As far as I know, they were not these matters.

Following the introduction of fixed charges, the Garda established a policy and procedures on the termination or cancellation of fixed-charge notices. They were set out in 2005 in the third edition of the full user manual on policies and procedures in the fixed-charge processing system. In essence, the policy and procedures give district officers, inspector acting district officers and the inspector in the fixed-charge processing office the authority to cancel fixed-charge notices, in line with the policy and procedures framed around legislative exemptions contained in road traffic legislation and regulations and in conjunction with the specific guidelines issued by the Director of Public Prosecutions. Specific procedures are in place for the cancellation of these notices.

Deputy Clare Daly: Exactly.

Deputy Alan Shatter: The cancellation policy also seeks to reflect the guidelines of the Director of Public Prosecutions for prosecutors and the Garda declaration of professional values and ethical standards, both of which govern other factors that adhere to the principles of fairness and proportionality and provide that in pursuing their public duties, gardaí are required to adhere to the principles of legality and apply the law in a manner that is fair, equitable and appropriate to the particular circumstances of individual cases. In essence, termination or cancellation occurs where it is believed the evidence would not sustain a prosecution or a prosecution would not be appropriate, fair or proportionate. Gardaí at the rank of superintendent, district officer or inspector acting district officer have the discretion to authorise cancellation in appropriate circumstances. I illustrated some of these circumstances during Question Time. There are exemptions relating to emergency vehicles or in cases where a medical necessity has resulted in an individual speeding. I want to absolutely confirm that these allegations will be fully and properly investigated. The result of the investigation will be made known. There is no question of a conspiracy or cover-up, regardless of how much the Deputies want to advocate that there is.

Deputy Mick Wallace: I have not insinuated in any way that none of these terminations
should have happened. I have said that the scale is frightening and merits serious investigation. It looks as if there is a serious delay in dealing with it. The termination of fixed penalty notices was mentioned in the original correspondence in January. The notion of hanging people is not something I am remotely interested in. I am not worried about the individuals who are on the list. I am worried about the massive scale of it and the implications for road safety and the running of the Garda Síochána.

**Deputy Clare Daly:** On the day the extension of penalty points into other areas is being discussed, it is absolutely critical that a transparent system is in place and that residents and citizens can stand over it. We are not making any assumptions. We are alleging, based on evidence we have seen, that a culture exists that allows one to have one’s motoring offences and penalty points written off as long as one knows gardaí. That has been confirmed to me in the correspondence I have received from numerous gardaí in the past week or more. It is not the case that there was just one whistleblower - there were two. Information on ticket-fixing was brought to the attention of the whistleblower by the second person in April of this year. Nobody is saying there are no exceptions, or there should not be any exceptions. That does not explain how a judge who sits in judgment on other people could have three instances of termination, how one garda could write off a thousand cases or how 200 Garda cases could be written off over an August bank holiday weekend. I remind the House that citizens who have eight or ten penalty points have loaded insurance premiums because they do not have the benefit of knowing a garda. On the basis of what the Minister has said and in light of his inaction and that of the Garda Commissioner since January, it seems that the blue wall of silence, which the Minister spoke out about in the aftermath of the Morris tribunal, is still in place. The Minister has done nothing to protect honest gardaí who want to clean up the situation.

**Deputy Joan Collins:** I will be brief. Deputy Daly has made most of the points I wish to make. We need a public inquiry to reveal any discrepancies or malpractice that might exist in the system. If the Minister is so confident that such practices are now taking place, he should have no problem clearing the way for such an inquiry to take place. It would be good for the country if people were to be assured that there is not one law for well-connected and wealthy people and another law for the ordinary Joe or Mary who happens to find himself or herself in circumstances in which penalty points might be applicable. The ability to work of people in the taxi industry, for example, can be affected in this way. That has to be addressed. The system has to be seen to be fair, clean, open and transparent. Everybody who has penalty points should have to appeal them in the proper way.

**Deputy Alan Shatter:** I reiterate what I said during Question Time. Everyone should be treated equally and fairly in the context of this matter. I am simply not prejudging the allegations that have been made, which is what the Deputies are doing. As I read it, the express allegation - or certainly the implication - is that anyone who has had penalty points or fixed charges set aside has benefited from wrongdoing.

**Deputy Clare Daly:** No.

**Deputy Alan Shatter:** That is the way the allegation is framed. The Deputies know that. It is the story they are trying to put out. If there has been wrongdoing and fixed charges have been improperly set aside, of course I would want to know about it and there should be transparency about it. If some kind of corrupt culture exists, we would want to know about that too. I do not know that to be the case. It is being investigated by an assistant commissioner. Specific procedures, legal provisions and guidelines from the Director of Public Prosecutions ensure there
are circumstances in which fixed-charge notices are terminated. That has been entirely ignored in the allegations that have been made, although I have put it on the record of the House. It was not contained in the letter setting out the allegations. The allegation is that as part of a widespread conspiracy, tens of thousands of fixed charges are being written off. In the context of what has come from a person whom I assume to be a member of the Garda Síochána, there is no acknowledgement of what the legal position actually is.

I understand from the Garda Commissioner that 1,460,726 fixed-charge notices were issued in the three and a half years between 1 January 2009 and 30 June 2012. The documentation forwarded to the Commissioner contained 402 allegations. When an examination of the allegations identified some that had been duplicated, the number of actual allegations listed was reduced to 197. While many of the listed allegations mentioned specific instances, in some cases instances were mentioned without any details being provided. Several allegations are not quantifiable because they are quite vague, merely citing hundreds of cases. Allegations that can be followed up from the information supplied will be examined. I want to make it absolutely clear that there will be no cover-up of anything on my watch. I have asked for this matter to be fully investigated and for me to receive a report on it. When I am in a position to report to the House on the outcome of the investigation, I will do so. If I form the view that something unsatisfactory is arising in the context of the outcome of the investigation, I will ensure it is addressed. I want to assure people outside this House that if they receive a fixed charge, it is a serious matter and they should meet the payments due on the fixed charge. If there are extenuating circumstances and there is a valid reason for them not to pay the fixed charge, I remind them that a procedure whereby they can set out the issues they want to raise with the Garda Síochána and seek to have the fixed charge set aside has been in place for many years. If they believe it is not fairly dealt with, they are under no obligation to pay the fixed charge. The alternative is that the Garda can issue a summons and the matter can be properly dealt with independently before the courts.

**Mental Health and Suicide**

**Deputy Dan Neville:** I thank the Ceann Comhairle for allowing me to raise this very important issue regarding the treatment of and discrimination against those who suffer from mental health conditions and the families of those who have completed suicide. It involves the use of negative labels to identify people with mental health problems and has its roots in fear and misunderstanding. Many hold negative opinions towards people with mental health problems because they do not understand the issues involved and rely on myths and misconceptions. The core issues arising from social stigma are that in general people have little understanding of mental health problems and much of the information they have is factually incorrect. Anxiety, fear and avoidance are common feelings experienced by people with mental health problems and discrimination is imposed on them. People with mental health difficulties must enjoy the same rights on an equal basis with all others in society.

Stigma can be deeply hurtful and isolating and is one of the most significant problems encountered by people with a mental illness. Learning to live with mental health problems is made more difficult when somebody experiences the prejudice caused by stigma which can be used to exclude and marginalise. The prejudice and fear caused by stigma may and does prevent people from coming forward to seek the help they need. It can also frustrate those who look for improvements in mental health services because the stigma prevents those affected...
from demanding that proper services be made available. It can also stop people offering help or being supportive, inhibit people in getting the jobs they are qualified to do and prevent people with mental health problems from playing an active role in the community.

The See Change programme introduced by the previous Government is a targeted programme under which excellent work is done but much more needs to be done. The Minister of State might outline the budget for next year and the projected outcome this year of the programme which campaigns for the promotion of understanding of mental health issues and a reduction of the stigma attached. It does this through a targeted, community-driven approach and has the potential to effect change within society and help to lay the necessary foundations for a real and positive transformation of how mental health problems are perceived.

St. Patrick’s Hospital published the findings of a survey in September which showed people tended to understate the level of stigma, given the fact that many who respond to such surveys do not want to admit to holding negative views. Over 20% of those surveyed believed those with mental health problems were of below average intelligence; 40% considered seeking help for a mental health problem to be a sign of personal failure; 66% experienced a reluctance to hire a person with a history of mental illness, believing him or her to be unreliable; while 30% said they would not be willing to accept someone with a mental health problem as a close friend. Amnesty International found in its research that 94% of those who suffered from a mental health problem had experienced unfair treatment; 70% concealed mental health problems; 50% had stopped having close relationships; 60% had stopped working; and 40% had stopped engaging in education. This is an indication of the level of stigma in society towards those with mental health problems.

Minister of State at the Department of Health (Deputy Alex White): I thank the Deputy for raising this important issue. Learning to live with mental health problems is extremely difficult, but, as the Deputy said, this difficulty can be compounded when someone experiences, at first hand, the prejudice caused by stigma. We know the stigma attached to mental ill health and suicidal behaviour presents one of the biggest challenges to prevention and that it encourages intolerance and prejudice. Stigma can affect all aspects of life, limiting access to employment and housing, harming social relationships and reducing self-esteem. Fear of being labelled as having a mental health problem also reduces the likelihood that individuals with mental health difficulties will seek treatment. The national stigma reduction campaign, See Change, launched in 2010 is working to change these attitudes in order that every person in Ireland can be positive about his or her mental health problems. The target groups identified in the first phase of the campaign include young males aged 18 to 24 years, people in the workplace and farmers and individuals living in rural communities.

To build on its baseline research conducted for the campaign in 2010, See Change recently commissioned Millward Brown Lansdowne to carry out a nationally representative survey of Irish attitudes towards mental health problems. The findings of this survey show there is an increased willingness to seek professional help and that an increased number of Irish people admit to having some experience of mental health problems, either themselves or through others. The survey also found there was increased awareness and understanding of mental health, mental health problems, stigma and support services. However, it also found there was a greater reluctance to be open and disclose information on a mental health problem in personal and professional relationships.

For its part, the HSE, through the National Office for Suicide Prevention, co-ordinates two
national mental health awareness campaigns, the Your Mental Health campaign and the Let Someone Know campaign, which have been shown to be effective in changing the population’s knowledge and attitudes to mental health and encouraging people to talk about their mental health and well-being. In challenging the stigma associated with suicide and mental health issues the language used by the media is also hugely important. Headline is Ireland’s national media monitoring programme which is working to promote responsible and accurate coverage of mental health and suicide related issues within the media. It aims to highlight mental health issues and address the stigma attached to emotional distress, suicidal behaviour and mental illness through the promotion of responsible media coverage.

Eliminating stigma is not going to happen overnight. Reducing it was one of the priorities identified in the programme for Government. I reiterate the commitment of the Government and, in particular, the Minister of State, Deputy Kathleen Lynch, to promoting change in attitudes to mental ill health and ensuring people in distress do not feel isolated and alone.

Deputy Dan Neville: I thank the Minister of State for his reply. I agree with him that language is very important in how we address the issue. For example, how does a person with a mental health condition feel when he or she is referred to as a madman, barmy, off the wall or a nutcase? All of these terms stigmatise and the same is true when it comes to suicide. To say someone had “committed” suicide can be very upsetting for some of the bereaved because it is no longer a crime or a sin, although it never was a sin under the test applied by the churches. As one does not commit either a sin or a crime, why do we still use the word “commit”?

I welcome the announcement that the €35 million promised by the Government on an annual basis to develop community mental health teams and improve services, as outlined in A Vision for Change, will be ring-fenced again next year. This may have been missed in the aftermath of the budget. I commend the Minister of State, Deputy Kathleen Lynch, on her success in ensuring that this particular Government commitment was honoured in 2012. In regard to the commitment to approve the filling of 414 posts in 2012 for the purposes of implementing objectives under the €35 million funding programme, I understand that 17 posts have been filled to date and 270 offers of employment have been accepted. Those appointments are proceeding and staff are expected to commence work this month. It seems clear, however, that the full allocation of €35 million cannot have been spent because the staff were not in place in time. Will the Minister of State indicate the status of the funding which was not spent as a consequence of this delay? I accept that such delays may arise, but the question is whether these particular moneys were transferred to other areas within the mental health sector or were instead moved out to other sectors of the broader health service.

Deputy Alex White: I thank the Deputy for giving us the benefit of his knowledge and insight on this issue. His point regarding the importance of language is well made. I agree fully that care must be exercised in this regard, even in respect of the individual words and phrases used to describe particular situations. At the same time, we must take on board the reluctance people sometimes feel when it comes to articulating their views and experiences in this area. As such, our efforts to exercise caution in the language we use and to urge others to do the same should not go so far that they run the risk of shutting down any type of discussion. In other words, taking care about the language and expressions we use must not prevent us from having a sufficiently frank and open debate, whether in this House, in the media or elsewhere. Having said that, I very much take the Deputy’s point regarding the great hurt that can be caused when factual misunderstandings and so on arise.
I thank the Deputy for his acknowledgment that the allocation of €35 million for measures set out in A Vision for Change will be maintained next year, notwithstanding the very considerable demands on the funding of mental health services. I am pleased to confirm that this funding, ring-fenced as it is for 2013, will be of enormous benefit in terms of achieving our objectives in this area, objectives that the Government shares with the Deputy.

Sexual Offences

Deputy Ciara Conway: A damning and disturbing report published yesterday by Rape Crisis Network Ireland, RCNI, raises the issue of the role of alcohol misuse in acts of sexual violence. We are all aware that there is a major problem of alcohol abuse in our society. As we enter the festive season, evidence of that will, unfortunately, show up at huge cost in waiting rooms and hospitals throughout the country.

RCNI provides an excellent service to people who are subjected to one of the most serious crimes in our society. Its latest report issues a stark warning that our refusal to tackle binge drinking has contributed to the incidence of acts of sexual violence, predominantly against women. According to Alcohol Action Ireland, 76% of all rape defendants had been drinking at the time of the alleged offence. In addition, RCNI’s research shows that alcohol not only plays a large part in sex attacks but also skews attitudes to both victims and perpetrators. It is a grossly unfair paradox that victims who consumed alcohol prior to being assaulted are often assumed to bear greater responsibility for the ordeal of the sexual crime committed against them while, on the other hand, perpetrators who consumed alcohol are somehow assumed to hold less responsibility for their actions than perpetrators who were sober when the crime was committed. This prevailing attitude towards perpetrators and victims, respectively, is a cause for great concern.

Last week’s budget included a raft of measures in regard to alcohol, including a timely and appropriate increase in VAT. I am disappointed, however, that we have not seen action on proposals for a regime of minimum pricing. It is intolerable that large retail multiples which engage in below-cost selling are entitled to a VAT rebate on such sales. While I acknowledge that my colleague, the Minister of State, Deputy Alex White, is keen to bring forward a minimum pricing strategy, I am concerned at the rather non-committal answer given on this matter by the Minister for Health, Deputy James Reilly, in response to a recent parliamentary question. Vague suggestions that something will be done at the earliest opportunity are simply not good enough.

The role played by the misuse of alcohol in sexual violence must be addressed if we are to meet our human rights obligations. That is the kernel of the issue. The executive director of RCNI, Ms Fiona Neary, said yesterday that there was a relationship between prevailing attitudes to women, sex and alcohol consumption and decisions to carry out acts of sexual violence. As she outlined in a submission to the Oireachtas Joint Committee on Justice, Defence and Equality earlier this year, the impact of alcohol consumption patterns in our culture, combined with victim blaming, can leave young people vulnerable to sexual violence. Research shows that 45% of rape complainants and 40% of suspects in this country were binge drinking before the incident of sexual assault. That is a stark and disturbing figure.

Deputy Alex White: I thank the Deputy for raising this important matter. The role played by alcohol in acts of sexual violence is undeniable. A fact sheet published yesterday by RCNI
details various aspects of this serious problem, and I have carefully considered its recommendations. These include a call to limit the availability of alcohol, a proposal that marketing of alcohol should be regulated, or better regulated, and support for the introduction of alcohol pricing policies.

In addition to this and similar reports in the past, the report of the national substance misuse strategy steering group was launched earlier this year. The group was charged with identifying actions to deal with the harm caused by alcohol use and misuse. In its report, a series of harm patterns and the impacts of alcohol and alcohol misuse were identified. We were informed, for example, that 88 deaths every month in 2008 were caused by alcohol and that one in four deaths among young men are estimated to be due to alcohol, which compares with one in 12 deaths due to cancer and one in 25 due to cardiovascular disease. We learned that alcohol was a contributory factor in half of all suicides and incidents of deliberate self-harm and also increases the risk of more than 60 medical conditions, including some cancers. Alcohol misuse was associated with 2,000 bed occupancies every day in acute hospitals, with a quarter of injuries presenting to emergency departments and with 7,866 admissions in 2010 to specialised addiction treatment centres. In addition, alcohol was identified as a trigger in a third of domestic abuse cases in 2005. Alcohol abuse cost the health care system €1.2 billion in 2007, in addition to an estimated €1.19 billion in the same year arising from alcohol-related crime. The steering group noted that 1.5 million Irish drinkers consume alcohol in what they describe as a “harmful pattern”.

One of the studies that informed the work of the steering group was the 2009 report entitled Rape and Justice in Ireland, a national study of survivor, prosecutor and court responses to rape by Conor Hanly and others. This study shows that decisions on the consumption of alcohol made by both men and women can have the effect of facilitating the incidence of rape and making the detection and prosecution of sexual crimes more difficult. It indicates, moreover, that alcohol consumption affects decisions on whether to report alleged rape. Taking this together with all the other evidence considered by the steering group, it is clear there is an irrefutable need for action to be taken across a number of policy areas, including pricing, access, availability and marketing of alcohol. In this context, I assure the Deputy that real and tangible proposals are currently being finalised on foot of the recommendations of the substance misuse report. I intend to submit these proposals to the Government for consideration and approval as soon as possible. I reiterate that these proposals cover all the areas mentioned in the report, including legislation on minimum unit pricing - in other words, setting a statutory floor price per unit of alcohol; the issue of access and availability of alcohol, covering structural separation in retail units where alcohol is sold; and advertising and sponsorship.

I and my officials are in continuing discussions with the Departments of Justice and Equality, Transport, Tourism and Sport and Communications, Energy and Natural Resources on aspects of these proposals. These ongoing discussions relate in particular to structural separation, sponsorship, and advertising. Obviously, the Government’s main preoccupation in recent weeks has been with the budget, and so these discussions have not yet been concluded. However, I expect to make progress on this important and necessary plan of action early in the new year, when a package of proposals will be brought to the Government for decision. I emphasise that I have the full support of the Minister for Health, Deputy James Reilly, with regard to proceeding with this plan of action.

In the meantime, work on developing a framework for the necessary legislation is continuing. For example, a health impact assessment is being commissioned in conjunction with
Northern Ireland as part of the process of developing a legislative basis for minimum unit pricing. Scotland commissioned the same sort of assessment before it drafted its legislation on minimum unit pricing a short time ago. This North-South health impact assessment will study the effects of different minimum prices on consumption, together with their likely economic impact. I am personally deeply committed to the introduction of minimum unit pricing, but I want to ensure we do this properly and in a way that will withstand legal challenge.

Deputy Ciara Conway: I welcome the reply of the Minister of State and his commitment to legislate for minimum pricing of alcohol. I have some final points. Where alcohol consumption was known, almost 90% of defendants in rape trials had been binge drinking. Ten percent of all reported cases involved a complainant who was incapable of offering consent because of alcohol consumption. Alcohol has been identified as a contributing factor in 97% of public order offences, as recorded by the Garda Pulse system. One in 11 people in the past year said that they or a family member had been assaulted by somebody under the influence of alcohol. Almost half of the perpetrators of homicide were intoxicated when the crime was committed.

We are paying a very high price with people’s lives in regard to our inaction on alcohol. In my view, some of the utterances about loss of revenue to sporting organisations because of advertising or marketing curtailment cheapen life when we see how alcohol contributes not only to the commission of sexual assault but to the loss of people’s lives as a result of the misuse of alcohol. We cannot leave this go any longer. I welcome this statement and look forward to working with the Minister of State in the new year to ensure legislation is introduced on this issue.

Deputy Alex White: I will add some brief references to the Government’s policy as it relates to the issue raised by the Deputy. In March 2010 the Government launched a four-year strategy to provide a framework for sustainable intervention to prevent and respond effectively to domestic, sexual, and gender-based violence. COSC is the national office established in 2007, under the aegis of the Department of Justice and Equality, to ensure the delivery of the Government’s strategy on domestic, sexual and gender-based violence. The HSE launched its own policy on domestic, sexual and gender-based violence in 2010. The principal actions of this policy are in line with the Government’s strategy. Recently, the national director for children and family services, who has lead responsibility for this area, established a national office for domestic and sexual violence within the HSE. Currently, the HSE funds 16 rape crisis centres, 20 crisis refuges and 27 support services, including two national representative bodies - Safe Ireland and RCNI. The total cost of these in 2011 was almost €20 million. Some €4.5 million was specifically provided by the HSE to fund sexual violence services in 2011.

Again, I reassure the Deputy and the House that the Government is fully committed to addressing the problem of domestic, sexual and gender-based violence. Our alcohol strategy, as identified by the Deputy, will constitute one important element of this work.

Northern Ireland Issues

Deputy Brendan Smith: I appreciate the presence of the Tánaiste to take this Topical Issue matter.

The scale of the challenge facing Northern Ireland was laid bare during recent weeks. The rampant violence, lawlessness and intimidation we have witnessed is symptomatic of a prob-
lem which has come to the fore on the streets of Belfast in a profoundly depressing way in the course of the past week. There have also been unwelcome incidents in Derry, Armagh and elsewhere. As I see it, if politics in Northern Ireland is not demonstrably and tangibly about bread-and-butter issues it turns very quickly into shouting and roaring about flags, emblems, parades and all the things that have scarred public life in that area for far too many people for far too long. All of us in this House recognise that this part of Ulster was deprived of normal politics for many decades.

If loyalist gangs are able to burn the offices of political opponents, issue death threats, close schools early and cause economic havoc in the run-up to Christmas without sanction, all ostensibly in support of a proposition from Unionist parties that was democratically defeated in Belfast City Council, there is something seriously wrong within the leadership of Unionism. This leadership must demand the ending of all street protests once and for all. Every political party must condemn in the strongest possible manner this totally unacceptable behaviour. Similarly, if republican politics in the North has not evolved beyond the point at which a change in the timetable for flying a British flag and the naming of playgrounds are celebrated as major victories, serious questions should be raised about the kind of leadership that is being given and how much serious thought is going into defining republicanism in a post-Good-Friday-Agreement world. That is unless, at some level, it suits the dominant leadership of the Unionist and Nationalist blocs that their society, the media and the political establishment continue to be seized by the images and rhetoric of flags and emblems. Some would ask whether it is entirely unreasonable to worry that arguments about flags and emblems are being tacitly encouraged as a distraction from the fact that politicians are not delivering on the issues that make an actual difference to the quality of people’s lives. Those who are interested in real politics wonder where are the campaigns to highlight the fact that Northern Ireland suffers from unforgivably high levels of child poverty and economic inactivity.

Throughout my constituency of Cavan-Monaghan, small businesses and retailers are struggling to keep their heads above water. For them, Christmas is the make-or-break time when they need to make sales. Similarly, for the workers they employ it is a chance to make a few extra bob for the Christmas holidays or to secure their employment for the coming year. I can only begin to imagine how disastrous closing down Cavan or Monaghan town for a week in the immediate lead-up to Christmas would be for jobs in my area. This is exactly what is happening in Belfast city centre. How many families are quietly and helplessly seeing their livelihoods being threatened in Belfast as this failure of politics continues?

Our party leader, Deputy Micheál Martin, expressed an opinion on what is happening in the North only to incur a raft of the usual criticism from both dominant political parties in Stormont, parties that seem to be content with the frozen status quo. The peace process is not about two permanently opposed entrenched blocs occasionally flaring up into violence. It must be - and is - about more than that. The Good Friday Agreement was achieved with the work, effort, commitment, diligence and tenacity of so many people on this island, as well as the work of Mr. Blair, who was head of the British Government at the time. The aim of the peace process was always intended to be more than just an absence of violence. The people of the North deserve a political system that delivers progress and demonstrates that politics works. In other words, it is about making their lives better.

Tánaiste and Minister for Foreign Affairs and Trade (Deputy Eamon Gilmore): I thank the Deputy for raising this issue. The return of violence to the streets of Belfast, the intimidation of public representatives and the attacks on members of the Police Service of Northern
Ireland, PSNI, during the past eight days are matters of deep concern to the Government, Members of this House and Irish people everywhere who support the peace process. The scenes of violence and intimidation remind us of the need for steady support for the peace process and the principles of the agreements and the visions they offer of a society based on respect for difference and tolerance for the traditions and multiple identities on the island.

As the Deputy is aware, the protests followed a decision by Belfast City Council on Monday, 3 December on future arrangements for the flying of the Union flag over City Hall. I note that the motion passed represented a democratic and legitimate compromise and that the regime for flying the flag on designated days applies elsewhere in Northern Ireland to flags flying over public buildings and offices. I accept and support the right of people to protest peacefully, but violence and attacks on political representatives, places of worship and the police are totally unacceptable. In particular, I condemn the attacks that have taken place on the homes of elected representatives of the Alliance Party and their families and the death threats issued against the deputy leader of the Alliance Party, Ms Naomi Long, MP, who represents the people of east Belfast. Such threats are appalling, disgraceful and totally unacceptable. They are an attack on democracy and have no place in the politics of the island. Other dreadful incidents have included the burning down of an Alliance Party office in Carrickfergus and, most seriously, an incident last night in which a petrol bomb was thrown into a police car outside Ms Long’s office in east Belfast. The PSNI is treating the attack as attempted murder. To date, 32 PSNI officers have been injured in protest-related violence. The ongoing violence is causing disruption to business and community life. As the Deputy stated, we should spare a thought for retailers in Belfast who have been particularly affected in the final weeks before Christmas.

The Taoiseach and I discussed this matter with the US Secretary of State, Hillary Clinton, when we met her on Thursday last. I have spoken to the Northern Ireland Minister for Justice and Alliance Party leader, Mr. David Ford, MLA, and conveyed to him the support of the Government for the PSNI and solidarity with those members of his party who have had to endure assaults on themselves, their families and property. I also discussed the situation with the Secretary of State for Northern Ireland, Ms Theresa Villiers, MP, this afternoon. Officials from my Department continue to remain in close contact with members of the political parties in the North, the PSNI and British officials and have been monitoring events closely during the last week.

This is the moment for responsible political leadership and we must all be conscious that our interventions should seek to calm rather than inflame tensions. I welcome the unanimous motion passed by the Northern Ireland Assembly yesterday morning which unequivocally condemned the rioting and the campaign of violent attacks on elected representatives and expressed sympathy to all those who had been attacked or threatened. I support those who have called on the leaders of loyalism to exert their influence and defuse the spiral of violence which is endangering life and the rule of law.

Last week was a great opportunity to showcase progress in Northern Ireland with the visit of Ms Clinton. The census figures released today show a very different Northern Ireland, one where the numbers in employment have increased by 14% since the previous census was conducted. That is double the rate of population increase. They also show a society which is not only more prosperous but which is also increasingly at ease with a complex sense of identity and which is less inclined to define itself with simple labels - British or Irish, Catholic or Protestant. Northern Ireland has developed a justified reputation for dynamism. This is underlined by the opening of flagship visitor attractions at the Giant’s Causeway and the Titanic Quarter, the
hosting of the Irish Open at Portrush and the fact that Derry will be European City of Culture next year. These are precious gains, the result of long and patient efforts by individuals across society. The Government will continue to do all in its power to protect these gains and build on them and to support the political leaders in Northern Ireland as they work to move beyond the current tensions. We will remain heavily engaged in the ongoing work of securing the peace, conscious that, while great progress has been made, more needs to be done to realise the objective of a truly reconciled society on the island.

**Deputy Brendan Smith:** I welcome the Tánaiste’s reply. A number of weeks ago at a committee meeting to discuss the Estimates we discussed the huge progress made on the island since the signing of the Good Friday Agreement. I referred to the constant need for vigilance, but little did I think we would see a return to headlines such as “Democracy under attack”, which appeared in this morning’s edition of the *Irish News*, or to loyalists trying to kill police officers. A number of my fellow members of the Joint Committee on the Implementation of the Good Friday Agreement and I recently travelled to east Belfast to meet various groups. Loyalist leaders conveyed to us their concern about the need for further investment in their areas and progress to be made in education and the creation of employment opportunities. It was made clear to us that some of the communities in these areas were very poorly represented. I understand the Tánaiste visited a number of the communities in question in the same week we made our trip. It is welcome that he has conveyed the concerns of the Republic to the Northern Ireland Minister for Justice, Mr. David Ford, MLA, about the attacks on the Alliance Party and the threats made to some of its elected representatives. As the Tánaiste noted, in the past week we have again witnessed violence, intimidation, a series of illegal protests, arson attacks on political offices, thuggery outside Belfast City Hall and the putting in place of illegal roadblocks. We all genuinely believed these were things of the past. The Government must remain ever-vigilant in ensuring constant contact is maintained at political and official level in order to see to it that the current tensions will be eased. The Unionist leadership must give a clear message to the thugs to whom I refer that there is no place in the Ireland of today for street protests of this nature or such inappropriate and despicable behaviour.

**Deputy Eamon Gilmore:** I agree with the Deputy that there has been great progress in Northern Ireland. There must be constant vigilance in order to ensure peace is maintained and built upon. That is why I remain in regular contact with the Secretary of State for Northern Ireland, the First Minister and the Deputy First Minister. My Department maintains regular contact with the political parties and members of civil society in Northern Ireland and has been closely monitoring the events which have taken place during the past eight days. As stated, we continue to stand together with the people of Northern Ireland to ensure they will never again suffer through violent conflict. The Government condemns the outbreaks of violence on the streets of Belfast and the attacks on members of the Alliance Party and PSNI officers. The parties in Northern Ireland must learn to resolve issues around flags and symbols in a respectful and consensual way.

On the release earlier today of the Northern Ireland census figures, I highlight the fact that this matter cannot just be about arithmetic, with the larger group, in whatever form, holding sway at the perceived expense of the minority. Abuses by the majority are what gave rise to the Troubles and we must guard against any perception that one community will lose out as the religious composition of Northern Irish society evolves. The principles of tolerance and respect for difference and diversity are fundamental to the Good Friday Agreement. The clearly expressed wish of the majority of the people in Northern Ireland is that there should be peace.
and stability. That is what the wider community and its political representatives have been working towards. It is important that the tremendous progress made towards the normalisation of the security situation in Northern Ireland since the signing of the Good Friday Agreement is sustained and enhanced.

**Social Welfare Bill 2012: Order for Second Stage**


**Minister for Social Protection (Deputy Joan Burton):** I move: “That Second Stage be taken now.”

Question put:

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Tellers: Tá, Deputies Paul Kehoe and Emmet Stagg; Níl, Deputies Aengus Ó Snodaigh and Catherine Murphy.

Question declared carried.

Business of Dáil

An Leas-Cheann Comhairle: I call on the Minister of State at the Department of the Taoiseach to make an announcement.

Minister of State at the Department of the Taoiseach (Deputy Paul Kehoe): It is proposed to postpone the commencement of Private Members’ business until the main spokespersons have contributed to the debate on the Social Welfare Bill.

An Leas-Cheann Comhairle: Is that agreed? Agreed.

Social Welfare Bill 2012: Second Stage

Minister for Social Protection (Deputy Joan Burton): I move: “That the Bill be now read a Second Time.”

The main purpose of the Bill is to give effect to some of the measures announced in the Budget Statement last week. Our twin objectives in the budget have been to ensure those in most need of the support of the Department of Social Protection are protected the most and that the Department does everything it can to get people back to work. That is why we are transforming the Department from being a mere provider of income support to an effective and engaged public employment service that assists people on the live register or otherwise far from the labour market to start their progression back to work, train-
ing or a job placement. That is why we will be providing 10,000 new places on employment schemes next year and opening many new Intreo offices.

Fianna Fáil’s utter failure to introduce meaningful reforms to the social welfare system to encourage work was highlighted today in the ESRI research on jobless households. Fianna Fáil’s toxic legacy is writ large in every damning finding of the ESRI, not least the astonishing fact that between 2004 and 2007, at the height of the boom, the share of households defined as jobless recorded a double digit increase to reach 15% of all households. The average across the eurozone in 2007 was just below 10%. Therefore, during the period of economic expansion from 2004 to 2007 Ireland was one of the few countries in the European Union to experience an increase in the proportion of jobless households. This occurred despite Ireland recording the highest rate of employment growth in the European Union over the previous decade. At the same time, the tendency of jobless households to be in poverty was reduced owing to very significant increases in welfare rates. Members will recall that the then Taoiseach, Bertie Ahern, former Minister Mary Harney and others in the then Government travelled the world inviting workers to come to Ireland to work. The only places they did not visit were the local social welfare and FÁS offices. Doing so would have given employment opportunities to people on the live register. This, in a nutshell, was Fianna Fáil’s approach. There was no problem to which the solution was not to spend more money. Instead of Fianna Fáil introducing the kinds of reforms introduced in other European countries to change from passive to active welfare states, including job search assistance, education, training, skills development and work support services such as child care, it had no ambition whatsoever for the unemployed. The Government has greater ambition for those citizens who are unfortunate enough to be unemployed. It views each individual on the live register or otherwise distant from the labour market as an untapped resource and a future employee who will participate in the rebuilding of the country and its economic recovery. That is why we are moving from a passive to an active welfare state.

As Deputies are all too well aware, Fianna Fáil’s largesse in everything means the State has been spending far in excess of its revenues for several years, but it cannot continue to do so indefinitely. Deficits must be financed through borrowing – currently at a rate of approximately €46 million per day – but there is no queue of lenders willing to lend to Ireland in the quantities needed or at anything approaching a reasonable interest rate. Even when Ireland returns fully to the markets, deficits will add to the stock of debt owed by the State. Increasing debt will increase the interest we must pay now and in the future, thereby reducing the amount of money available for public services and productive investment.

In 2012 the deficit will be more than €13 billion, equivalent to more than 8% of GDP. With the single exception of Spain, which has a similar level of deficit but a lower stock of debt, no other EU state is adding to its debt more quickly than Ireland, despite the huge efforts that have been made so far. Discussions are continuing in relation to the promissory notes and other aspects of the banking debts imposed on the State by Fianna Fáil. I am confident that a positive outcome will be achieved that will contribute to achieving these aims and reducing the burden on the taxpayer.

This is the background against which the Government has had to frame the 2013 budget. It has been necessary both to increase tax and other revenues and to reduce expenditure. Spending on social protection accounts for nearly 37% of current Government spending and given the background I have outlined, it is simply not possible to exclude social protection schemes and services from consideration when it comes to cutting back on expenditure, nor is it possible to exclude PRSI from consideration when it comes to raising badly-needed revenue.
I fully realise that nobody in this House would want to cut social welfare and I certainly do not wish to cut child benefit, the respite care grant or the duration of jobseeker’s benefit. We are all aware of people who are struggling to make ends meet, pay bills and put food on the table. The social protection system is an expression of solidarity with those who are less well off than ourselves. It supports social cohesion but it also sustains economic activity by maintaining incomes in times of recession. Securing the long-term viability of the social protection system is a vital goal that serves the interests of society as a whole, and not just those who directly benefit from social welfare payments.

I have long been of the view that the burden of resolving the financial crisis should not fall disproportionately on those who are dependent on social welfare for their income, whether they be pensioners, parents, children, the unemployed or people on a disability payment. People rely on social welfare as a safety net when they become parents, retire or become ill or injured. The unemployed rely on the social welfare system both as a safety net while they are unemployed and as a springboard to help them get back to work, education or training when they have been unlucky enough to lose their jobs. I also believe that social protection spending acts as a very important stimulus, as the money we pay out is recycled back into the economy. People spend their social welfare payments on themselves and their families. The money they spend supports shops and other businesses in their communities.

The comprehensive expenditure review, published last year for the period 2012 to 2014, provided for a reduction of a further €540 million in expenditure by the Department of Social Protection in 2013 as its contribution to the reduction in current expenditure of €1.7 billion envisaged at that time. However, the Government has decided that the adjustment to social welfare spending will be €150 million less than previously agreed. This means I am introducing savings measures of €390 million next year compared with the original figure of €540 million announced this time last year.

As I mentioned earlier, it is not possible to entirely avoid cuts in social protection this year. However, while social protection accounts for almost 37% of spending, it will account for less than a fifth of the total savings in current expenditure in 2013. This has allowed me again to preserve the core weekly payment rates while at the same time providing for the increasing numbers of pensioners, who represent a real demographic bonus to Ireland. We have more older people and they are living longer. That is something we as a society should celebrate, but it has a cost in terms of the social welfare budget. While I understand the disquiet felt by those affected by the measures in this Bill, it is also fair to point to the large numbers of social welfare recipients whose incomes are entirely unaffected by the budget because their payments have been preserved. For the second year in a row, there has been no across-the-board cut in weekly payments, which is a considerable achievement. This can be compared to the €16.30 per week cut which Fianna Fáil imposed on carers and people with a disability as well as jobseekers.

People can continue to rely on their basic weekly payment, which is essential in order that they can have a sense of security regarding their income. Pensioners and all those under the age of 66, such as people with disabilities and jobseekers, will have their weekly payments fully maintained. As a result, spending on social protection will again be more than €20 billion in 2013. Fianna Fáil’s proposal for 2013 in its national programme for recovery was a spend of €18.5 billion - that is, additional cuts of a further €1.5 billion over what the Government has unfortunately had to face.

Deputy Bernard J. Durkan: Hear, hear.
Deputy Joan Burton: Members can understand the high priority the Government continues to give to the area of social protection for people relying on a social welfare income in these very difficult times.

The Government’s determination to protect the most vulnerable welfare recipients by maintaining the level of core payment rates is strongly informed by the significant contribution of social transfers to poverty reduction in Ireland. As Members may be aware, official data show that in the last year for which figures are available, social transfers reduced income poverty by 60%, from 40% to 16%. If pensions are included, the impact on poverty reduction rises to 68%. As such, our welfare system plays a vital role in minimising poverty, and Ireland’s performance on this score is the best in the European Union. This performance is rarely given adequate recognition in public debates about the impact of the economic crisis on the most vulnerable.

In that regard, I wish to acknowledge the support I received from the Opposition last week when I presented a request for a Supplementary Estimate to the Dáil. While we differ on many issues, it is clear that there is support on all sides of the House for the social solidarity that spending on social protection represents.

I am also pleased to have secured €30 million in new spending on employment programmes and child care places. This investment is consistent with the Government’s priority of getting people back to work or getting them back to education or training in order that they will improve their chances of getting a job in the future. I hope that if this programme proves successful it will be seen as a small but progressive first step on the road to building a social protection system that will ultimately provide our citizens with better services.

Turning to the specific contents of the Bill, it provides for the following changes arising from budget 2013: changes in certain pay-related social insurance, PRSI, contributions; a reduction in the maximum duration of jobseeker’s benefit; changes in the assessment of income from farming and fishing for means-tested social assistance payments; a reduction in the monthly rate of child benefit; a reduction in the respite care grant; abolition of the employer rebate in respect of statutory redundancy lump sum payments paid to employees; and facilitation of the recovery of a greater amount of overpayment through weekly deductions from social welfare payments. The Bill also provides for a number of miscellaneous amendments to the social welfare code, which arise mainly from a budget 2012 measure to provide for a new structure of reduced rates in the case of contributory pension schemes.

I propose to introduce major reforms to pensions policy next year, following publication of the OECD review of the pensions landscape in Ireland, which is due in April. As Members will be aware, I have previously signalled concerns about the current rules for the distribution of assets in the wind-up of defined benefit pension schemes that are underfunded. Earlier this year I commissioned a technical report to explore the possible options, which I expect to receive presently. This is a complex area and there are no easy options. However, it is clear the current method of distribution of pension funds when a scheme is being wound up is inequitable. I have also been struck by the consensus among certain pension stakeholders on the need for change. As such, once I receive the technical report, I will bring proposals to Cabinet with a view to amending the current order of priority in the social welfare and pensions Bill that I will introduce in the first half of next year.

Cuts have to be made and given the level of expenditure on child benefit, which is over €2 billion or 10% of all expenditure, it has not been possible to avoid some reductions in the ben-
efit in this budget. Despite the budget reductions, our child benefit rates remain high in international comparisons and are still above the rate that prevails in the UK and Northern Ireland. There, the rate for the first child is approximately €110 per month, with a lower rate for second and subsequent children, at approximately €72 per month. Child benefit is a universal payment generally paid to mothers of all income levels. I am determined that any future reform of child benefit will preserve that principle of universality. I have had the opportunity to speak to many women on this issue and I know most favour the retention of a strong universal payment. In particular, it is worth bearing this in mind when one considers that our nearest neighbour, a country that can print its own money and is not in hock to any troika, will remove child benefit in its entirety from families that might be considered middle-income with effect from next year. Is this the system Sinn Féin would like to emulate here?

In line with commitments contained in the programme for Government, I established the advisory group on tax and social welfare last year. The group has presented its report to me and I intend to publish this in the new year. Following publication of the report, I will bring it to the Joint Committee on Jobs, Social Protection and Education so there can a full and informed public debate on the options regarding the future structure of child benefit, specifically with regard to taxing, means-testing or other structural reforms.

The Department will spend €775 million on carers in 2013, €5 million more it is spending on carers this year. There are no changes to the half-rate carer’s allowance scheme, which is highly valued by more than 20,000 carers. However, the respite care grant will decrease from €1,700 per annum to €1,375 per annum. This will mean the rate will still be ahead of the €1,200 which applied in 2006 when the Celtic tiger economy was at its peak.

Since I came to office, tackling fraud and improving control have been priorities for me. I am introducing measures to enable the Department to recover overpayments more quickly from those who have incurred them. At present, repayments of overpayments are frequently made at a level of €2 per week. This means in reality that some overpayments take years to repay, if indeed they are ever repaid. As well as providing savings, this measure will send a strong message that there is an obligation to return money owing to the Exchequer. There is an obligation on the citizen, as well as the Department, to ensure only entitlements due are received and what is not due is returned for the benefit of others. The Bill provides that up to 15% of the personal rate can be withheld to repay an overpayment. I am conscious that some overpayments occur because of departmental error. While all overpayments must be repaid, including those that arise because of a departmental error, it is not my intention for people to face hardship as a result of these new arrangements. The particular circumstances of each case will be considered before the repayment amount is determined. However, with regard to those who have been found guilty in court of having deliberately defrauded the taxpayer by abusing the social welfare system, I regard the 15% limit on deduction to be reasonable in those circumstances. This will be deducted from the personal rate, which means it will not affect other payments for dependants, children or child benefit. For example, the personal rate for a jobseeker is €188. If a jobseeker is involved in defrauding the system, up to now we can only recover the amount overpaid at €2 a week, a rate which many regard as a joke. We will now be able to recover a modest amount which will help recover the overpayment and act as a deterrent to fraud.

I will be tabling three amendments to the Bill on Committee Stage: to provide that Sunday be counted as a day of employment for jobseeker’s payments, to provide for the postponement of the implementation dates of changes in respect of one-parent family payment, and to provide for changes in the household budgeting scheme for local authority rents. The first change will
provide that Sundays will be taken into account for the purposes of determining entitlement to the jobseeker’s benefit and jobseeker’s allowance schemes. Under the current legislative provisions, a person can, in general, qualify for jobseeker’s benefit or jobseeker’s allowance where he or she is unemployed for at least three days in any period of six consecutive days. However, Sundays are not counted for this purpose. This means that where a person works on a Sunday, this day is neither treated as a day of employment nor a day of unemployment for qualification purposes. These current legislative provisions are based on the historical notion of a six-day working week in which Sunday is a day of rest. These changes bring the jobseeker’s benefit and jobseeker’s allowance schemes into greater alignment with the current operation of the labour market by counting Sundays in the determination of entitlement to jobseeker’s benefit and jobseeker’s allowance. Only people who work on Sundays and claim a jobseeker payment in respect of other days are affected by this measure.

The change in the provisions with regard to the one-parent family payment will defer the dates on which the age reductions from 12 to seven years for entitlement purposes are to apply from the beginning of January in 2013 and 2014 to the beginning of July in each of those years. It will also extend the period over which the transitional arrangements for the continued payment of one-parent family payment are to apply from the end of December 2014 to the beginning of July 2015. This is to provide more time for the creation of additional child care places, as I promised last year when introducing the Social Welfare Bill 2011.

The household budgeting facility, in which a person can opt to have a specified amount of his or her social welfare payment deducted by An Post and paid to certain utilities and to local authorities, will be extended by the introduction of new provisions specific to payment of rents to a housing body. Tenants of local authority accommodation in receipt of a social welfare payment may opt to have a portion of his or her social welfare payment paid to a local authority in respect of rent. Local authorities will require tenants of local authority accommodation in receipt of social welfare payments to sign up to the household budgeting facility before being offered accommodation. Tenants will require the consent of the housing body before being allowed to withdraw from the arrangement and such consent shall not be unreasonably withheld.

Some of the savings achieved by these measures will be redirected to provide additional spending in the key areas of job supports and child care supports. An additional €14 million will be allocated for after-school child care places targeted at primary school children. The places are aimed at low-income families in which the parents are availing of an employment opportunity. This initiative is part of the Government’s overall strategy to support parents in low-income families to take up employment and to solve the problem of the extraordinarily high number of jobless households. A child in a jobless household is at major risk at being poor for the rest of his or her life.

An additional €2 million will be allocated to expand the school meals programme, which aims to provide food to children. It is exemplified by the hot breakfast clubs with which many Members are familiar. A total of €2.5 million will be allocated to a new area-based approach to child poverty initiative, which is being worked on by the Minister for Children and Youth Affairs, Deputy Fitzgerald, the Tánaiste and many Deputies to bring joined-up thinking to how a series of agencies interact to provide services to children and families who may be in some difficulty in a given area.

I am using €11 million of the savings from the jobseekers’ measure to make a major expansion to our employment and internship programmes. An additional 2,500 places for JobBridge
internships will be provided in 2013, an additional 2,500 places are being made available for the Tús scheme in 2013, the community employment scheme is to benefit from an additional 2,000 places in 2013 and a new local authority social employment scheme offering an initial 3,000 places will be introduced in 2013. These additional places on employment and internship schemes complement the child care measures to which I referred earlier.

Overall, expenditure on working age employment supports has been increased by €95 million to €1.05 billion in 2013. The Department is becoming active in helping people to get back to work and consequently it is important that we have places to offer to people who, for the most part, are desperately anxious to get back into work, especially those who have been out of the workforce for a long time. Many of these places can be used in conjunction with the very good initiatives developed by my colleagues, the Minister for Education and Skills, Deputy Quinn, in particular Springboard and the back to education initiative.

I will now outline the main provisions of the Bill, which is in three parts and 14 sections. Part 1 contains preliminary and general provisions. Part 2 contains amendments to the Social Welfare Acts, including several amendments to the contributory pension schemes arising from the budget 2012 decision to provide for a new structure of the reduced rates of state pension (contributory) and state pension (transition).

Section 5 reduces the amount of the annual respite care grant by €325 from €1,700 to €1,375. The new rate will apply to all claimants who qualify for the annual respite care grant, which is paid as a cash sum, in June 2013 and in each subsequent year. Section 6 provides for the abolition of the weekly PRSI-free allowance of €127 with effect from 1 January 2013. Section 7 increases the rate of assessment of self-employment income from farming and fishing from 85% to 100% in the case of the farm assist, jobseeker’s allowance, pre-retirement allowance and disability allowance schemes. In addition, it provides for the abolition of the annual child-related income disregards. These changes will take effect from April 2013.

Section 8 reduces the monthly rate of child benefit by €10 per child in respect of the first, second and third child. From January 2013, the monthly rate for each of the first three children will be €130 per month. Section 8 also provides for a reduction in the monthly rate of child benefit by €10 per child, to €130, in respect of the fourth and each subsequent child from January 2014. Section 10 provides for an increase in the minimum rates of the pay-related social insurance contribution paid by self-employed contributors with effect from 1 January 2013. It will go up from €253 to €500. The position is similar in respect of voluntary contributions as set out in section 11. Section 12 reduces the duration of jobseeker’s benefit from 12 months to nine months in the case of people who have paid at least 260 PRSI contributions and from nine months to six months in the case of people who have paid less than 260 contributions. These changes will take effect from April 2013 and will apply to new claimants.

Section 13 sets out the recovery of over-payments. It provides for a deduction of up to 15% of a liable person’s relevant personal weekly rate of social welfare payment. A person will not be entitled to compensate for any over-payment deduction from her primary social welfare payment by seeking an additional payment of supplementary welfare allowance. Increases payable in respect of a dependent adult or child or those relating to child benefit are not affected. Section 14 amends the Redundancy Payments Act 1967 by abolishing the rebate paid to employers in respect of statutory redundancy lump-sums paid to their employees. Rebates will continue to be available to employers on or after 1 January 2013 on statutory lump-sum payments made to employees who have been made redundant before 1 January 2012 at a rate of 60%, and on or
after 1 January 2012 but before 1 January 2013 at a rate of 15%.

These are the main provisions. Since I became the Minister for Social Protection I have been mindful of how crucial our social welfare expenditure has been in protecting the most vulnerable and in minimising poverty during the economic crisis. The remarkable poverty reduction impact of welfare in Ireland has greatly underpinned social cohesion in contrast to other countries affected by the economic crisis in which we have seen a good deal of violence on the streets.

I am mindful of the impact on family living standards from high unemployment, falling incomes and over-indebtedness. I am focusing on people returning to work by providing an extra 10,000 child care places. Fortunately this November, 11,000 more people went back to work than in November 2011 and 7,000 more than in November 2010. Each time someone goes back to work the Exchequer gains by up to €20,000. This, along with securing the Social Insurance Fund cap, is how we protect the social welfare structure in place in Ireland while making it responsive to help people get back into a job or, to use President Obama’s phrase, to become job ready. This is the purpose of the Social Welfare Bill and all the reforms we have undertaken since we came into Government.

**Deputy Willie O’Dea:** I propose to share time with Deputy Barry Cowen if he appears in the Chamber.

The central defence made by the Minister is that core social welfare rates will remain unchanged. Like many things, that is not completely true but it is partly true. I wish to draw the attention of the House to a phenomenon known as the poverty line. The poverty line is an internationally accepted standard. It defines the minimum income that a family in particular circumstances will need to live in conditions of decency and dignity. For a single adult living alone in the country the poverty line is €208 per week, precisely €20 per week more than the rate of jobseeker’s allowance or jobseeker’s benefit, to which he would be entitled. In the case of two adults, the joint income falls €32 per week below the poverty line. To say that we have kept rates intact and that we have not driven people further into poverty is something of a hollow boast.

Since the downturn in the economy in 2008 there have been eight austerity budgets in total. The ESRI, Social Justice Ireland and several other organisations, which have no political axe to grind and no affiliation to any party on this or the other side of the House but simply tell it as they see it, have stated unequivocally that last year’s budget, the first introduced by this Government, was the first to be regressive in its scope.

Social Justice Ireland and a number of other organisations, which have no political axe to grind and no affiliation to any party but simply tell it as they see it, have stated unequivocally that last year’s budget, the first introduced by this Government, was regressive. While previous budgets were cruel and harsh and they hurt a great number of people, they were at least progressive.

According to the Economic and Social Research Institute, ESRI, as a result of last year’s budget the income of the poorest 40% of households decreased by between 2% and 2.5% while the income of the richest 30% decreased by only 0.7%. As stated by Social Justice Ireland and the ESRI, in its initial report, all the indicators are that this budget continues the trend of favouring the better off at the expense of the less well off. In its commentary on the budget, Social
Justice Ireland said:

Budget 2013 is unjust and regressive. For the second year in a row this Government has introduced a budget which is deeply regressive both socially and economically. Socially, it hits people on low income more than the better off. The cumulative effect will be devastating.

It could be devastating. For example, one family could be hit by some or all of the following: the reduction in child benefit, abolition of the PRSI allowance, the property tax, the trebling of prescription charges, the cuts to the back to school clothing and footwear allowance, abolition of the back to education allowance and the increase in the drug repayment threshold. For a family which is already vulnerable and in poverty, the cumulative effect of these changes, on top of last year’s changes, will be a devastating affect on its already precarious situation.

As regards the poverty line and basic social welfare rates in this country, some recipients of social welfare do not rely totally on their basic social welfare payment. Some receive ancillary benefits such as the respite care grant, living alone allowance, fuel allowance, free travel allowance and free household benefits and so on. In most cases, the net effect of these ancillary benefits is to bring people close to the poverty line. Rarely do they bring people over that line. These are the precise benefits which the Government has targeted.

The Government has stated that it intends to make the following savings in 2013: €17 million from cuts to the back to school clothing and footwear allowance, €4 million from the cuts to the farm assist scheme, €33 million from cuts to jobseeker’s benefit, €6 million from cuts in social welfare exceptional needs payments, €11 million from cuts to the back to education allowance, €26 million from cuts to the respite care grant and €81 million in total from cuts to household benefits, including electricity and telephone allowances, which amounts to a grand total of €178 million in savings. On 8 November last my colleague, Deputy Sean Fleming, asked the Minister for Finance, Deputy Noonan, by way of parliamentary question what would be the yield to the Exchequer if the rate of universal social charge on the incomes of employees and the self employed which exceed €100,000 were raised. The proposed increase in this regard was 3% on the part of their income which exceeded €100,000. The Minister replied stating that such an increase would yield €200 million to the Exchequer. The sum of €200 million exceeds €178 million. We understood from the media that it was the policy of the Labour Party to support this proposal and to have this increased universal social charge imposed on high earners. Had the Labour Party not caved in but succeeded in doing this, the Government would have had €200 million extra to play with and none of these cuts would be necessary.

The Government was faced with a simple choice, namely, to increase tax on high earners or punish the poor. The Government chose the latter option. That choice was not dictated by the troika, the IMF, EMU, EFSF, ECB and so on. It was the choice of Government. It had freedom of choice to take a little more from the rich or take a lot, relatively speaking, from the poor and it chose the latter. I do not propose to embarrass the Minister by quoting all that she and the Labour Party said prior to the last election. However, I will say this. Many of the votes which the Labour Party - I know this because I canvassed in many areas outside of my constituency - received in the last general election were based on its promises not to cut child benefit. That is a fact.

A previous Administration, led by Fianna Fáil, made a choice which I believe was the wrong one. When faced with a situation whereby child care was grossly under-developed and
the choice was to invest in the development of a proper child care system or increase child benefit substantially to enable people pay for child care themselves it chose the latter option. While there were arguments on both sides and the issue was well debated internally, the then Government opted for the latter choice. It would not have been my choice but that was the choice made. The result is that child care in this country remains grossly underdeveloped. An OECD report in 2012 estimates that families with children in this country spend up to 41% of their disposable income on child care, which is double the OECD average. Child care is a significant cost for families. This has come about not by chance but because of a deliberate decision. One either has the money to pay for child care or one has a properly developed system that does not cost too much. If we continue on the current course we will have neither. That is the reality. In 2010, the then Fianna Fáil led Government increased child care benefit by approximately 300%. This was recognised by the current Minister, Deputy Burton, when on 10 December 2010, almost two years to the day, she stated:

I congratulate Fianna Fáil on past increases in child benefit. Child benefit has succeeded in lifting children out of poverty.

Barnardos has stated that the combined cuts to child benefit and the back to school clothing and footwear allowance this year will cost the average family with three children €606 per annum on top of the additional cost of €383 per annum last year, which when combined amounts to almost €1,000 per annum. The Irish League of Credit Unions published a survey recently which stated that 2 million people, half the population, have only €100 per month disposable income left after they meet all essential bills. These two reductions amount to 60% of that sum. Taking this change, in conjunction with the tax on maternity benefits and the cut in the back to school clothing and footwear allowance, Ms Niamh Ó Ceallaigh, spokesperson for a leading parent’s group, said it is as if the Government does not want women to have children. Allied to the cuts in child benefit is the decision to tax maternity benefits. This will affect 46,000 women and will yield €40 million for the Government, which means that on average a woman who gets pregnant and has a child will be €833 per annum worse off. What I object to most about this change is the spurious reason for it given by the Minister for Finance on budget day. He said the measure is designed to correct an anomaly in the tax system. He also made the point that other short term social welfare benefits are counted for tax purposes and maternity benefit was not. If it is an anomaly in the tax system, it is one with which we have lived for many years. It is coincidental and surprising that just as the country is at its nadir and women are under the worst possible pressure the Minister falls in love with uniformity in the tax system and makes this change.

This has nothing to do with anomalies or uniformity in the tax system. This is a direct increase in taxation to prise an extra €40 million out of women from the allowance they receive before and after they give birth to a child.

The Minister will be aware of the public’s view on the cut to the respite care grant. It is cruel, callous and beyond the bounds of decency. The Government has spun that there is no reduction in the basic carer’s allowance but there is because everybody in receipt of carer’s allowance is automatically entitled to the respite care grant. The carer’s allowance is €204 and the respite care grant works out at €32.50 per week, giving a carer’s payment of €236.50 per week. That has been reduced by €6.50 per week. There are also approximately 5,000 people in the country who are in receipt of the respite care grant and who, for one reason or another, do not qualify for the carer’s allowance at all. Those people are suffering a cut of up to 20%. I believe that for the sake of €26 million, this is unconscionable, frankly.
The Taoiseach told us on the Order of Business this morning that the Government spent €770 million on carers this year. Even if it did, the contribution of carers, which has been independently costed, is reckoned to be worth about €5 billion to this country. Carers should be cherished. We are told that the budget cannot be unravelled and that for the sake of €26 million in a financial adjustment of €3,500 million, the whole budget will come crashing down. Who seriously believes that? It is doubly ironic that this change has been announced in a week in which the HSE advertised for 35 leadership coaches, if you please, to help managers with the personal transition that might happen if they are promoted. The HSE wants 35 leadership coaches to help the people promoted to cope with promotion. It is a classic case of insiders looking after insiders and to hell with the needy. I could quote many things from many newspaper articles about this particular change but will just quote the editorial from the Irish Examiner of Monday last which says:

All of us are prepared to make sacrifices to rebuild our economy but that does not mean supporting cruelty. There were very many difficult measures in Wednesday’s budget but cutting the carer’s allowance is too cruel and unfair. Do the right thing, Taoiseach, and drop this proposal; find the money elsewhere. You know where to look.

And so say all of us. Of course, that respite care grant cut would not have been necessary if the Government had been prepared to increase slightly the USC on the better off.

When we look at the change to jobseeker’s benefit, we really get into the Alice in Wonderland world of language, where a word “means just what I choose it to mean - neither more nor less”. Fine Gael is committed to not increasing tax, while the Labour Party is committed to not reducing social welfare benefits. An increase in the USC is an increase in tax, but an increase in PRSI is not an increase in tax at all, particularly if one does it by way of withdrawing an allowance. As far as social welfare is concerned, the Government is not reducing jobseeker’s benefit but is cutting the time for which such benefit is paid. Therefore, a cut in the period during which something is paid is not equivalent to a reduction but I beg to differ. It is outrageous that somebody who has put up five years of stamps, which is 260 contributions, will be taken off jobseeker’s benefit after nine months. I am informed by many social welfare officers throughout the country that many of the wives and spouses of those people have low-paid, menial and sometimes part-time jobs and of course, the jobseekers will be assessed on that income and that is the purpose of this. This is allied to what was done to 130,000 casual workers last year when they were moved, in the blink of an eye, from a six day week to a five day week - a surreptitious cut.

Last year children aged two to four no longer qualified for the back to school clothing and footwear allowance. It was cancelled for those children. When this Government came into office, the allowance for children aged between four and 11 was €200. Now it is €100, which is a reduction of 50%. The allowance for a child over 12 years was €305. Now it is €200, which is a reduction of more than 33%. This is an allowance that only the poorest get and therefore, only the poorest are hurt by this cut. I note that the Minister said there is a lot of good value in the shops and that people can shop around. The last time I heard of any politician uttering such sentiments was when Margaret Thatcher was in power in Britain and approximately 4 million people were unemployed. The high priest of the Tory right, Norman Tebbit, who was the Employment Secretary, suggested that the unemployed were lazy, shiftless people who should get on their bikes and get a job. This is the Irish version of get on your bike. I would expect it from the Tory right in the United Kingdom but to hear it coming from a Minister who describes herself as a socialist is a surprise indeed. The Children’s Rights Alliance asked a very simple
question: how is this change in the best interests of children. It is a simple question and the silence is deafening. This cut could also have been avoided by a slight increase in tax on the rich.

The back to education allowance has been cut even though the programme for Government states that the coalition would “expand eligibility for the back to education allowance”. In substitution for weekly social welfare payments, there was a books and materials allowance of €500. Last year, that was reduced to €300 but this year it has been reduced to zero. I repeat, the programme for Government contained a commitment to expand eligibility for the back to education allowance. I consulted a dictionary at the weekend in search of a definition of the word “expand” and found amplify, augment, broaden, increase, grow, magnify and multiply. The dictionary also gave opposites for “expand” which included abbreviate, condense, decrease, reduce, shorten and shrink. Therefore, according to the Oxford English Dictionary, the Government has done precisely the reverse of what it said it would do. Does the Minister really want to encourage young people into the system or not? This represents a barrier to young people, many of whom are from disadvantaged backgrounds, who want to take the initiative and return to education and learn new skills. In addition, of course, there is a sneaky cut to €160 per week for anyone under 21 who goes into the back to education system. The Minister need not think that cut slipped by us either.

The household benefits package has been savaged to the extent of about 30%. The old, infirm and vulnerable will now have to get on their bikes and shop around in the same way. We proposed that the Department of Social Protection would do the negotiating with the various utility providers. As I understand it now, it will be up to people to negotiate themselves. The possibility of some of the elderly I know, who are living alone and who have a very scant knowledge of computers, going online to shop around is very limited indeed.

The budget also includes a €6 million cut to the exceptional needs payments fund. Within the last ten days we learned through the media that community welfare officers who distribute exceptional needs payments have been writing to charities such as the Society of St. Vincent de Paul to ask them to help out some of their clients because they have not enough money in the exceptional needs fund to pay them. I know of charities in my own city that are much smaller and much less well known than the Society of St. Vincent de Paul, to whom people have been sent by community welfare officers working for this State. The people involved are very deserving cases but the welfare officers have no money left to help them. They are asking charities to give hampers to people for Christmas and so forth. What is the Government’s reaction? To cut the exceptional needs fund by a further €6 million.

We are all familiar with Charles Dickens’ *A Tale of Two Cities*. What we have reached now, unfortunately, at this point in our history, is a tale of two countries, or maybe even a tale of three countries. On one side we have the wealthy and the protected elite, whose privileges are protected and left intact. On the other side, we have over 700,000 people, or one in six - it may even be one in five now given the age of the data - who are living below the internationally defined poverty line and the internationally defined standard of dignity and decency. At least 250,000 of these are children. That poverty line, below which they are living, has actually come down by 10% since 2009.

Yeats wrote a poem about a man who was trying to impress his chosen woman. After telling her what he could do if he was wealthy, he admitted “But I, being poor, have only my dreams”. The sad fact is that as 2012 expires and we slip into 2013, the poor people of Ireland do not even have dreams because many of them are living in abject poverty without hope or
belief that they will ever escape the conditions to which they are shackled. These are the very people who are most targeted by this budget. The Government has asked them to contribute the most to pay for mistakes in which they played no hand, act or part. It could have avoided making matters worse in the budget but it spurned the opportunity to do so. President John F. Kennedy said in his inaugural speech more than 50 years ago, “If a free society cannot help the many who are poor, it cannot save the few who are rich”. The last two budgets have taken an enormous step towards a cruder, meaner, harsher and more pitiless society.

I leave the last word to Social Justice Ireland, which stated:

The choices Government is making are undermining Irish society and dismantling the social model that has underpinned Ireland’s development for more than half a century. Fair and balanced development is being replaced by choices that are producing a deeply divided two-tier society.

The Government has no mandate to make societal choices that move Ireland in this direction.

That is a damning indictment of the Labour Party.

Deputy Barry Cowen: I thank Deputy O’Dea for affording me time to speak on the Social Welfare Bill 2012. When a Member opposite told me last week that by virtue of my surname I was not entitled to speak, I expected that would be the end of the matter. However, the sort of nasty and insulting behaviour that was directed against not only me but also my predecessors of the same name, both living and deceased, has been extended to the majority of this House by the proposal to apply a guillotine. Perhaps the guillotine is being used in the fear that Government Members will repeat in the House the misgivings about the Bill that they have expressed elsewhere. If they spoke on the Bill in the House they may end up convincing themselves to vote against it. They are insulting their constituents by taking that path. Their constituents passed judgment in the last election by defeating our party while giving a massive majority to Fine Gael and the Labour Party.

That election was preceded by a severe but progressive budget, as noted by the ESRI. More than €8.5 billion was taken out of the economy but the ESRI found it fair because the pain was shared progressively. Various sections of Irish society, including carers, gave the Government a mandate based on the promises it made prior to the election. I witnessed candidates from the parties now in Government announce to public meetings of carers in my constituency that there was a softer and easier way. The bailout would be renegotiated and bondholders would be burnt. This Government would not burn a sod of turf. Now we hear different mantras. The Government claims that it inherited the mess and that it is someone else’s fault. It made the promises because that is what one does during an election. I would have thought the situation was too serious for that sort of codology.

I was elected to this House by my constituents, despite my name but because of Fianna Fáil’s record in my constituency and on the basis that I would represent the fears and aspirations of those who elected me. Last night, I met with representatives from a carers’ association based in my constituency to hear their concerns at first hand, as I did two years ago when the electorate passed judgment on my party. They told me that the respite care grant does not necessarily pay for holidays. It is not modest. It pays for the day-to-day expenses incurred by carers and those for whom they care. They have been affected by other measures contained in the budget.
and this Bill. In addition to what Deputy Rabbitte has described as a modest cut, they face cuts to the household benefits package and increases to their ESB and telephone costs. They are affected by the property tax and must pay more car tax if they are lucky enough to have one. If they are caring for a child they are affected by cuts to the children’s allowance. They are hit by 200% increases in prescription charges. One individual told me last night that charges had increased from €12 to €19, on top of the €650 for dividing the respite care over one year to make it more modest than it already is. They face higher college fees despite the Trinity College pledge by the Minister for Education and Skill, Deputy Quinn and cuts to the back-to-school allowances. Add them up and they come to a lot more than a modest €300.

Carers told me they are robbing Peter to pay Paul. They feel insulted, used and let down. They have to fight for everything they get. They fight their way through carers’ allowance applications and the appeals process. The medical card system has gone to pot. They fear for what will happen to them after the loss of another 3,000 workers from the health service next year. Further covert cuts on expenditure have yet to be announced by the Department of Health and other Departments. Young carers are worried about their future because they see nothing but barriers - most of them financial - in their way. Carers are now facing mental health issues because of the situation in which they are placed.

This Bill has aptly been described as mean spirited. That opinion is shared by some members of the Government. I appeal to them to reflect the opinions, fears and anxieties of their constituents, as they were asked to do. There is no shame in voting against the Social Welfare Bill that the Cabinet has put before this House. In doing so they will be sending the Cabinet back to find other ways to close the gap, which we all accept has to be done. We proposed a costed system which would make the changes to the universal social charge which the Minister, Deputy Burton, failed to get through Cabinet because of the party that stands over her. If she was forced to make those changes, she could still retain a majority in this House and remain in Government. Nobody would say shame on her for that. They will commend her by virtue of the circumstances in which we find ourselves as a country.

We represent the fears, anxieties and hopes of the people who elected us. I have been told in no uncertain terms to speak in this House at the expense of my colleagues who cannot speak because of the guillotine that the Government has introduced. It is one thing for Ministers to shut their own people up but we on this side of the House will not stand idly by any longer. I appeal to all Members, particularly those on the opposite side of the House, to vote in accordance with the will of their constituents against this Bill.

Deputy Aengus Ó Snodaigh: I dtús báire, ba mhaith liom a leagan amach go bhfuil Sinn Féin go huile agus go hiomlán i gcoinne an Bhille Leasa Shóisialaigh seo. Ba mhaith liom an deis seo a ghlacadh comhghairdeas a dhéanamh leo síud ar fad a bhi lasmuigh den Teach seo, the Carers Association, lucht cúraim agus iad síud atá éagumasach, a sheas amuigh ansin uair nó dhá uair an chloig inniu chun agóid a dhéanamh agus chun impí ar Theachtaí an Rialtais tarraingt siar ón gcinneadh a dhéantar sa Bhille seo mairid le faoiseamh an respite care grant. Mo náire é an Rialtas seo gur chuirsé othall ar na daoine seo seasamh sa bhfuachtar ar lá mar seo agus go mb’eigean dóibh siúd atá ag déanamh tréan oibre nach bhfuil an Stát sásta a dhéanamh ar phinginí beaga teacht amach agus agóid a dhéanamh i gcoinne cinnidh atá á dhéanamh ag an Rialtas.

I do not know where to start, but I will try to go through some of the points concerning the Social Welfare Bill. I have already described this as one of the meanest and most despicable
social welfare Bills since I have been elected, but the fact it comes from a Labour Party Min-
ister is even more appalling. Though this does not surprise me, it is a surprise for many of my
constituents who voted two Labour Deputies into office from the constituency. The same hap-
pened across the country. Many people who cast a vote for the Labour Party are appalled at the
Minister and by the decisions she and the Government are taking in this Bill.

I will remind the Minister of what she said about child benefit just a short three years ago.
She said this at a time when Fianna Fáil was preparing to cut child benefit. I will not let Fianna
Fáil off the hook either, but having listened to the two previous contributions here, I welcome
its conversion to the commitment to defend and protect the low-paid, the vulnerable and those
dependent on social welfare. However, I remain suspicious of their motives, given what they
did in their austerity budgets. The Minister said in December 2009:

The Irish tax code is a funny thing. It can recognise, and has recognised, Pino Harris
and his yacht, Christina O. It recognises stallions at stud. It also recognises high-achieving
sportsmen, heritage properties, writers and artists. However, it does not recognise children,
the cost of raising a child and the burden that places on the incomes of parents who are tax-
payers. ... A person or couple who work and have a child pay the same amount of tax as an
individual or couple with no dependent children.

Child benefit is keeping many families afloat. ... Child benefit is keeping bread on the
table. It is paying the food bills of a significant number of families who have had a massive
reduction in their income. ... Child benefit is, has been and will continue for a long time to
be mainly an issue for mná na hÉireann and their children. That is why it is so vulnerable.

These are laudable words. I wish the Minister would live up to those words at this stage.
Fast forward from then and what has the Minister done since she came into Government. She
has taken advantage of that vulnerability, sure it is only the women and children, only mná na
hÉireann.

The Minister has cut child benefit two years running, with the backing of her party. If this
measure is passed, she is withholding the life raft child benefit is for many families with chil-
dren. She is taking bread off the tables of those families and out of the mouths of children. The
Labour Party made pre-election promises to protect child benefit and low family incomes. It
bought the election with those promises. Those promises and the promises made in the pro-
gramme for Government to protect the vulnerable have been broken time without number.

The Labour Party is not alone in this. I remember two years ago when the right wing
blueshirts with whom the Labour Party is in government also spoke out in favour of carers.
I refer to Deputy Michael Ring, who is now a Minister of State in the current Government.
Speaking about carers in 2010, at a time when the then Fianna Fáil Government was cutting
financial support for carers, he said:

It is outrageous that the Government has targeted the carers in this budget. The carers
are those who work for their social welfare payment and I am disappointed that the Minister
and the Government could not have excluded the carers as these people need help more than
anybody. Fine Gael believes we should support carers. It makes sense that carers are sup-
ported in the work they do because they save the taxpayer money in the long run. If carers
are not supported they will experience physical, financial and emotional hardship and event-
tual burnout. The result of this is that the cared-for person will end up in expensive hospital
or nursing homes and the State will have to pick up that tab.

Fast forward and what is Fine Gael doing, along with the Minister? It is cutting support for these same carers by cutting the respite care grant. Do the Minister or any of her colleagues in government not see the difference between what they have said and what they are doing? It is hypocritical in the extreme to say one thing and just a few short weeks later change in the way they have.

What the hell. Look at the attitude of the Minister for Communications, Energy and Natural Resources, Deputy Rabbitte. They are only election promises; they are there to be broken. Why bother about them at all? Why are people getting heated about them? They are only election promises. I am sorry, but they were more than election promises, because they were included in the programme for Government. The Minister gave the commitment in the programme for Government and in this House that she would not cut the vulnerable and that she would not cut core social welfare rates. Every social welfare payment is a core payment for those who receive it.

It is not just the Labour Party that has failed to live up to its commitments. One need only look at the comments made by a Fine Gael Minister of State, Deputy Shane McEntee, not two or three years ago, but this week. How out of touch he and other members of Fine Gael are with the reality of life for those dependent on social welfare, particularly carers who must scrape by on little to look after a loved one 24/7. What he had to say was: “You could stay in a top hotel for €700 a week. People just have to get on with it.” Carers cannot get on with it. They have a duty to their loved ones. They are, as the Minister said in the past, our unsung heroes. What a way to treat heroes, kick them while they are struggling. It seems that in the opinion of the Government, carers have been living it up for years at the expense of the State.

It is time the Government got real. It is time it got in touch with some of the people who were outside the gates of the Oireachtas today or with people across constituencies who have been ringing Labour Party and Fine Gael backbenchers, and perhaps Labour Party and Fine Gael Ministers. They have been explaining the full effects not only of the cut to the respite grant but also all of the other social welfare cuts and changes that will affect their lives by reducing the little amount of money on which they have to survive on a daily basis. Many people, especially in rural Ireland, use the grant to keep their cars on the road so that they continue to have the ability to bring the people for whom they are caring to and from hospital or the doctor.

Some Labour Party backbenchers have tried to suggest in the newspapers and in this House that all of this is the fault of the Minister, Deputy Noonan. They want us to believe that the Minister, Deputy Burton, has been fighting the good fight. I suggest she has been well knocked out at this stage. If she was in a boxing ring, the fight would be over in the first round. She has failed miserably to do the only task she was given, which was to protect the vulnerable people in our society who depend on the State because they have fallen on bad times or by virtue of their disabilities. She should have protected their social welfare rates and thereby ensured they could continue to have some dignity in their lives. I believe some Labour Party backbenchers, in particular, have some type of a backbone. We will see later on. I appeal to them to examine their consciences. If they have any integrity left, they should vote against these measures. That is the challenge.

I did not expect a great deal from the Minister, Deputy Noonan. I remember his treatment of Brigid McCole. When she was in distress, he approached her with extreme callousness and
inhumanity. The public expected more from the Minister, Deputy Burton, and her party in light of what she has said in the past about the value of social welfare to families and the wider economy. The knock-on effects of these cuts will destroy local economies because any remaining spending power will be gone. Some towns have a 25% unemployment rate. Many people in those communities are pensioners who also depend on social welfare. The sleeve little cuts that are being made here, there and everywhere will affect their lives. The increase in the prescription charge, for example, will take money from the pockets of pensioners and medical card holders. Those who used to benefit from the drug repayment scheme will lose out because the Minister has bounced that up again. It is another example of money being taken from the pockets of people who depend on the State to ensure they do not have to pay too much for medicine. They are not getting any such thing. If the Government concentrated more on addressing the availability of generic drugs, perhaps these issues would not have to be considered at all.

I am calling on Labour Party backbenchers, in particular, to live up to their promises by voting against this measure tomorrow and on Thursday. I am sick and tired of listening to some of them bleating on about their consciences while continuing to endorse the Government by voting with it. It is not good enough for them to bleat on about how unfair this budget is while voting for it in order to stay within the Parliamentary Labour Party and the party itself. One of the Minister’s former colleagues, Deputy Shortall - the Government managed to do the dirt on her - has said this budget is an “assault on families” and is as unfair as any we have seen in recent years. She has argued that the budget protects the wealthy and thereby proves that ordinary people will suffer as long as Fine Gael’s ideology dominates the Government. The chairman of the Labour Party has referred to the “cumulative effect on working families” of the child benefit cut and the PRSI changes and called aspects of the budget “regressive”. He said that in certain areas, the Government did not make the correct choices in the budget. If he chooses to vote against this budget, he will send the Government back to the drawing board. It should have started from a different platform altogether by protecting and enhancing the dignity of those who are unfortunate enough to have to depend on the State, rather than by imposing cuts on them.

When my constituency colleague, Deputy Eric Byrne, was trying the other night to worm his way out of his responsibility for whatever position he is adopting - I assume he will support this Government as he has always done - he said it is not over until the fat lady sings. I am sorry to say that offers no hope to carers. The only way he can live up to that comment is by voting against this budget. I do not believe the Minister is going to sing in this instance. Along with her colleagues, she has been shouting the odds and saying “No, No, No” in a manner that is worse than Margaret Thatcher, who was mentioned by a previous speaker. When will the Minister get a heart? If she does not listen soon to the people who elected her, it will be too late for her and at the next election her party will suffer the consequences of its decision to slaughter the livelihoods of many people who depend on it.

I would like to read from some of the many e-mails I have received from people whose despair is captured in their comments. I assume the Minister has received ten times more correspondence from people who are absolutely distressed as a result of last week’s budget. One woman’s e-mail states:

I am devastated here after listening to the budget. I have twins in pre-school. I still only have 10 hrs a week as a home help so if you do the maths over half my wages goes on child care, not including how expensive it is to clothe two at one time. I also have a son in primary school and I dread next September with 3 uniforms, tracksuits, shoes and books to
fork out for. I don’t know how to cut my cloth any more. Please help women like me keep our heads above water.

Another one of the e-mails I received reads:

The little people are screwed yet again. Totally disillusioned with this country. I’m a mother of 2 sets of twins. Never looked for anything from this country. Very hard to envisage us staying here. It’s impossible as time goes on. It’s just hit after hit. So disappointed.

I could read from many other e-mails in the same vein. This budget, like the last budget and the one before that, will force many families to emigrate. Since this Government came into power, it has forced many families out of this country. Another e-mail states:

I am fully aware that as a country we have an awful mess that we have to clean up, but I am totally honest when I say that most families that I know use child benefit to pay essential bills each month. Why does the government not go after the wealthy in this country as they seem to not be struggling as much as us ordinary people? In fact I can never remember a time during the boom when I or anyone I know had money to throw around. It may have been a boom, but I honestly think this was only for a small few.

Another mother e-mailed me to say:

Today is a grim day for us mothers. All that shower of thieving gets are short of doing is either dropping poor or middle class families off at the major ports in Ireland and sending us away on coffin ships. It’s a disgrace.

Another e-mail captures some of what I have already said and much more:

As a disabled person, I don’t know if I will be able to keep up my regular medication because of the increases. How can I get to the doctor when I can’t afford road tax as it is? Cuts in the household benefits package will cripple me. I’m already seeking help from SVP, what do I do now?

A final e-mail reads:

I don’t think the current powers realise the amount of people in their 30s that are taking their lives because they can’t survive in this country. I hit rock bottom myself in September and driving my car into a wall was the only way out I could think of. Thankfully I thought about my children and the fact that they would be left parentless if I was gone, but what can I offer them? In a country that is anti-mothers and anti-children, the only option is to leave.

They are not the only cases where there was depression and despair and where I had to comment that they needed help other than a few words from myself.

I will deal with the many specifics of the Bill on Committee Stage, although the time allocated to Committee Stage is also quite restricted. I call on all Members to pause and reflect on those quotes I gave, and not just bin them because they are opposed to the Government. Members should read them and think. These are ordinary working class and even middle class men and women who are struggling badly.

Despite contrary promises, the Bill cuts core social welfare payments and rates. It cuts the respite care grant, child benefit and jobseeker’s benefit, which are all core social welfare rates.
It increases PRSI contributions for the low paid and for self-employed people with very low incomes. I have tabled amendments aimed at removing all of these cuts from the Bill. I have also tabled progressive amendments to show where the Minister can find some of the money she has sought to rob from those like the carers, the disabled and those dependent on social protection. I have shown how it is possible to raise €55 million through the social welfare (amnesty) Bill and further moneys through changes to the PRSI regime, as well as through control savings and a third rate of employer’s PRSI, where it is possible to raise €91 million without drastically affecting employment or employers. In addition to those savings, which are internal to the Minister’s departmental budget, I have, with my party, produced a detailed budget, costed by the Department of Finance in reply to parliamentary questions, which clearly shows that every cut to social welfare contained in this budget could have been avoided and is detrimental to local economies.

As I said, I listened here to the Fianna Fáil Members, who have been trying to put out the message of their opposition to these cuts. We need to look at their record also, and I know the Minister’s backbenchers will probably have a go at them. However, there is a world of difference between Fianna Fáil’s pre-budget submissions and our own. In terms of social welfare, the only proposal Fianna Fáil costed amounts to a fresh cut. Despite the growing evidence that the last round of rent supplement cuts are causing homelessness, Fianna Fáil proposed to save €25 million by cutting the scheme further and hiking the individual contribution yet again.

Speaking of that, only last week in this Chamber, the Minister showed how much she was in denial of reality when she said she was not aware of the wide-scale and widespread practice of under-the-counter payments to landlords. I do not know what planet she is living on as that has been a practice for years, but it has increased because of her changes to rent supplement last year. There has been a growth in homelessness caused by the fact people cannot afford the under-the-counter payment or the difference between what they receive in rent supplement and what the Department has been giving them.

I want to examine the combined record of the Fianna Fáil Government and this Government over recent years.

**Deputy Willie O’Dea:** What about Sinn Féin’s record in the North?

**Deputy Aengus Ó Snodaigh:** We will get to that again. You should listen to your record for a moment, Deputy O’Dea.

**Acting Chairman (Deputy Thomas P. Broughan):** The Deputy should speak through the Chair.

**Deputy Willie O’Dea:** It is one policy here and another in the North. Tell us about the Sinn Féin policy in the North.

**Deputy Aengus Ó Snodaigh:** Fianna Fáil cut the weekly working age payment rates twice. Fianna Fáil abolished the Christmas bonus.

**Deputy Willie O’Dea:** The Shinners are the only people who-----

**Deputy Aengus Ó Snodaigh:** Fianna Fáil cut child benefit across the board. However, it is the current Government which cut child benefit for later children and abolished the grants for multiple births that were payable at birth, four and 12 years of age. Fianna Fáil announced
the end of the smokeless zone fuel allowance top-up but it was the current Minister who implemented it, and she also cut the fuel allowance by six weeks. In budget 2012, the Minister introduced a tax on illness benefit from the first day whereas the first six weeks used to be exempt. From January 2009, under Fianna Fáil, illness benefit was limited to two years maximum for a person with 260 paid contributions and one year for someone with between 104 and 260 contributions, whereas it had been available indefinitely until then. The treatment benefit scheme was cut by Fianna Fáil in budget 2010 and again by this Government in this budget.

**Deputy Willie O’Dea:** The Deputy promised me he would tell us about the North.

**Deputy Aengus Ó Snodaigh:** Labour and Fine Gael cut the redundancy rebate for employers, which is one of the scandalous cuts.

**Deputy Willie O’Dea:** He said he would tell us about the North.

**Acting Chairman (Deputy Thomas P. Broughan):** Please, Deputy O’Dea.

**Deputy Aengus Ó Snodaigh:** The fact a Labour and Fine Gael Government cut the redundancy rebate for employers from 60% to 15% is scandalous. Who did this affect? It affected employers but it also affected those people who they were getting laid off because they no longer got any top-up over and above the two weeks statutory payments to which they were entitled.

In 2009, Fianna Fáil cut rent supplement by 8% and reduced the maximum rent caps. In budget 2012, the Minister cut the supplement further and she also abolished the concurrent payments so lone parents and people with disabilities are now effectively excluded from CE schemes.

Having said all that, I welcome Deputy O’Dea’s conversion to supporting the low paid and the most vulnerable in our society.

**Deputy Willie O’Dea:** Here is the guy who has one policy in Newry and another in Dundalk. I welcome his conversion to democracy. We have ways of-----

**Deputy Aengus Ó Snodaigh:** Thank God, you will never be in government again if you keep up your attitude of being two-faced in this Chamber and outside.

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

**Deputy Willie O’Dea:** Two-faced? You could give lectures on being two-faced, you hypocrite.

**Deputy Aengus Ó Snodaigh:** Lig dom ar dtús------

**Deputy Willie O’Dea:** Your friends were caught in a van with items to commit crime. You come in here and talk. You hypocrite. One policy in Dundalk and one in Newry.

**Acting Chairman (Deputy Thomas P. Broughan):** Deputy O’Dea should speak through the Chair.

**Deputy Aengus Ó Snodaigh:** I heard Deputy O’Dea describing his visit to a dictionary not so long ago. I wish he would visit it and see what “hypocrite” means.
Dáil Éireann

Deputy Willie O’Dea: Look in the mirror and you will see what it means.

Acting Chairman (Deputy Thomas P. Broughan): Will Deputy Ó Snodaigh address the Social Welfare Bill?

Deputy Aengus Ó Snodaigh: I will address it. Ba mhaith liom filleadh arís ar an mBille. Níl aon dabht ar bith orm-----

Deputy Willie O’Dea: One policy in Dundalk and one in Newry. That is hypocrisy. You do not have to go to any dictionary.

Acting Chairman (Deputy Thomas P. Broughan): Order, please, Deputy O’Dea.

Deputy Aengus Ó Snodaigh: Tá mé chun déileáil leis an mBille seachas an mbladaráil atá ag teacht as béal an Teachta.

Deputy Willie O’Dea: That is hypocrisy of the highest order. They are hypocrites.

Deputy Aengus Ó Snodaigh: Ná bíodh dabht ar bith ar éinne sa Dáil faoi cad go díreach a bheidh i gceist má chaithean siad vóta i bhfábháir an Bhille seo. Déanfaidh an Rialtais cinnte de go mbeidh cáin ar liúntas máithreachais. Beidh an Rialtas ag fail réidh le faoiseamh PRSI. Déanfaidh siad réabadh ar liúntas leanai. Beidh gearradh de beagnach 20% á dhéanamh ar an ndeontas faoisimh a fhaigheann cúramóirí.

This is one of the lowest and meanest budgets and this Bill is draconian in all its provisions. How out of touch with reality the Minister is in this regard. I believe she has an opportunity to reflect on it. I appeal to her to talk to the Chief Whip to delay this until such time as she has managed to grapple with her conscience and come in here with a Bill that supports and protects those people who are on social welfare in this State.

The Minister said in her speech: “While I understand the disquiet felt by those affected by the measures in this Bill, it is also fair to point to the large numbers of social welfare recipients whose incomes are entirely unaffected by the budget because their payments have been preserved”. There is no social welfare recipient in this State who has been unaffected by this budget. The Government has by its measures in the Social Welfare Bill, and the other measures it has promised, dipped into their pockets and it is screwing ordinary people in this society. It was only some weeks ago that Ministers were out campaigning for a “Yes” vote in the referendum on children’s rights, a proposal I supported. The Government promised that children would be defended and resources put in place to that end. Among the first actions it has taken, however, has been the reduction in child benefit, the back to school clothing and footwear allowance and funding to VECs. Every one of these measures is an attack on the children this Government undertook to defend and protect in the recent referendum campaign.

Deputy Joan Collins: I propose to share time with Deputies Maureen O’Sullivan, Finian McGrath, Mick Wallace, Catherine Murphy, Luke ‘Ming’ Flanagan, Seamus Healy and Mattie McGrath.

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

Deputy Joan Collins: It is a pity the Minister, Deputy Joan Burton, is not present in the Chamber for my contribution and those of my colleagues. The ESRI report published today includes shocking data on the concentration of unemployment and poverty in this State. In 2010,
we are told, 22% of households included no adult in employment. The report shows that disadvantaged communities were excluded from the boom. In fact, from 2004 to 2007, the number of households with no working member doubled to 15%. Nobody in these communities went mad or engaged in spending sprees. None of them purchased second properties. The banks did not throw money at them, but they are now taking the brunt of budgetary measures through the reductions in social welfare provision.

The children of these households are entirely dependent on social protection, including child benefit, the back to school clothing and footwear payment and the fuel allowance. These cuts, together with the cuts in respite provision and home care packages, the abolition of the PRSI allowance and the introduction of a property tax, will have a huge impact on people. Consider, by contrast, the case of Google, which, in the past seven years, has contributed only 0.14% of all tax revenue, or €10 million per year. Yet the Government chooses to go after those who can ill-afford to support any further cuts in their income. I had hoped to ask the Minister, Deputy Burton, to take a few moments to consider the Google statistic in the hope she might be able to identify the inherent inequality. Every member of the Government would do well to do the same.

In its election manifesto the Labour Party gave an undertaking, as one of the main features of its campaign, that there would be no reductions in child benefit payments on its watch. In last week’s budget it did precisely what it promised not to do. It is an absolute disgrace. The Labour Party warned voters before the election that Fine Gael in government would reduce child benefit provision by €252 per year, but its promise to prevent such a move has not been met. A family with two children is facing a reduction of €242 next year. Since 2008, this Government and its predecessor have overseen a loss of €2,500 per year in child benefit for a family of four. The Minister claims that those who rely on a social welfare payment will be protected, but there is absolutely no evidence of this in the decision to reduce the entitlement to jobseeker’s benefit from 12 months to nine. People who have paid their tax and social insurance are seeing their entitlements curtailed. There is no excuse for these measures because alternatives were available. The Labour Party has made its choices in government and the people will make their choices in the future.

Deputy Maureen O’Sullivan: I have no doubt that people were very generous when the Society of St. Vincent de Paul held a collection in every parish throughout Dublin last weekend. Some weeks ago I visited the Capuchin day centre in Smithfield where the effects on their services of the recession and Government cutbacks are very visible. These two organisations have in common that they are now seeing people who had never previously availed of their services. The challenges they and other organisations, such as Simon and Focus Ireland, are facing are great. They do fantastic work, but in a truly civilised and humane society the State would look after the poor and marginalised in a meaningful and adequate way. Instead, the Government is introducing measures that will only increase the demand for these organisations’ services.

This is why equality-proofing of budgets is vital. An effective social impact analysis of each spending measure and reduction should be undertaken as a matter of course. This would give an accurate indication of the proportionality of impact on the better-off, who we are repeatedly told are bearing their fair share. The fact that this budget imposes greater hardship on certain groups makes it very unfair and regressive. The Minister, Deputy Joan Burton, emphasised that social welfare rates have been maintained, but people must now do more with those payments. The reductions in child benefit will take immediate effect, but there is no information on when measures to offset those reductions for the disadvantaged will be introduced or what form they
will take. A family of four will lose €58 per month as a consequence of this budgetary measure. While some will be able to absorb that reduction, it will be a massive loss for others.

People with disabilities, whether mental, physical or both, and their carers have enough stresses in their lives and must support a higher cost of living, yet they are being subjected to a reduction of 20% in the respite care grant. There is no recognition that carers save the State money. If every carer in the country were to refuse to look after their family members, which, of course, they would never do, we would soon see the massive sums of money involved. At the same time, €55 million was found for the bloodstock industry. I would not mind so much if this allocation included a social responsibility levy for people with a gambling addiction, but there is no such conditionality attached. Meanwhile, the back to education initiative has done great work in Dublin Central in offering people a second chance, but provision under that scheme is also reduced.

On the increased powers for recovering overpayments, it is clear that nobody supports fraud. However, a weekly payment must not be allowed to fall below what is appropriate and necessary for a basic standard of living. In this regard, the deduction ceiling of up to €28 per week seems very high. I hope we will see the same zeal and rigour in pursuit of those who have engaged in tax fraud at corporate level.

The north inner city training centre is a special place which offers great opportunities for training and education. There must be positive discrimination for lone parents, of whom we have a higher number than the national average.

Everything that we predicted would happen has happened in terms of Dublin City Council’s decision to privatise waste collection in its area. We are seeing the introduction of new charges. This experience should be borne in mind when considering any similar privatisation initiative.

I conclude by pointing out that yesterday was World Human Rights Day. There is little evidence in this budget of any respect for the human rights of people on low to middle incomes, the unemployed, senior citizens and persons with disabilities.

Deputy Finian McGrath: I have spent a great deal of time in the past seven to ten days meeting people with disabilities and their carers to discuss their concerns regarding the budget. The legislation before us today is unjust, unfair and serves only to deepen further the divide in society. The choices that could have been made to protect the vulnerable were not taken. The Bill reflects a direction by Government that will create a more unjust society and shows we are a long way from a democratic and inclusive republic.

The harrowing cuts to home care provision, particularly the respite care grant, will cause untold hardship for thousands of carers and must be reversed. The massive 20% reduction in the respite care grant must likewise be rescinded. These measures are an insult to carers who have given up work to care for elderly parents and disabled children 24 hours a day, 365 days of the year and, in so doing, are saving the State considerable sums of money. There are close to 5,000 people who receive no other support from the State and are solely dependent on the respite care grant. They will be hit very hard by the sharp and sudden reduction in their income. An annual payment of €1,700 is not a great deal, yet it has now been reduced by €325 to €1,375.

Other cuts that will have a major impact on the most vulnerable are the increase in prescription charges and the reduction in the household benefits package. The imposition of a carbon tax on solid fuels at a rate of 10% per tonne from May 2013 and 20% per tonne from May 2014
will cut €22 million out of the system. These changes will impact on the ability of people, especially the elderly, to heat their homes adequately. The measures set out in this Bill will have an enormous effect on people’s lives. It is very frustrating to hear the Government talking about its commitment to protecting the vulnerable. It is particularly irritating to hear Labour Party Members prattling on about human rights on the international stage while their party in government hammers the rights of the disabled, carers and the elderly in this country. What planet are they on?

I met a group of carers at the gates of Leinster House today, many of them exhausted. They surely have enough on their plates without having to protest in this manner. They all asked me to fight on their behalf. I, therefore, urge the Minister of State, Deputy John Perry, and the Government to listen to their needs and roll back this legislation that provides for cuts to the respite care grant. Let the Government be brave, tough and strong and come up with other options to stop the cuts. It is not rocket science; many Deputies have brought forward other funding proposals to resolve these matters. Let us have compassion and common sense and, above all, listen to carers, the disabled and senior citizens. That is all I ask for in the debate on the Social Welfare Bill. Family carers provide €4 billion worth of care every year and are on call 24 hours a day, 365 days a year. Let us give them dignity and respect and in the coming days look at changing the Bill. If the Government does not do this, I will vote against it. It is time to end the talk and stand with carers, the disabled and senior citizens.

Deputy Mick Wallace: The Minister for Social Protection, Deputy Joan Burton, began by stating, “Our twin objectives in the budget have been to ensure those in most need of the support of the Department of Social Protection are protected most and that the Department does everything it can to get people back to work.” Sadly, the Bill fails in both respects. If anybody believes more people will be working in December 2013 than in December 2012, I beg to differ.

On the issue of those in most need of help, I have received an e-mail today from a family, the Johnstons, in County Wexford who have two autistic children. They outlined how the budget would impact on them. The reduction in children’s allowance will be €456; the property tax will result in the payment of an extra €150 on what they paid this year; there will be an extra €80 on road tax; the reduction in the respite grant will amount to €650; and the increase in PRSI for the family member working will be €300. Therefore, the total loss for the year will be €1,636, a sum they cannot afford. They added:

Our eldest son, Evan, has been on a priority waiting list for respite care since September 2012. Since then, he was allocated one day of respite care which made a huge difference for this family. He benefited greatly from the experience and his behaviour improved for many days afterwards, improving the lives of all of us. Even if Evan is given access to more days in respite, we still have another autistic son to care for. The respite service would help us a great deal if we could access it in Wexford. It would not cure him but it would help just one more struggling family.

After its announcement the Minister, Deputy Joan Burton, then on the Opposition benches, stated the budget for 2010 would leave Irish society more divided than ever. I agree completely that it did. Sadly, the budget for 2013 will do the same. There has not been a serious attempt to challenge the massive levels of inequality in society which should be our biggest challenge, given that most of us accept there is a massive level of inequality. A recent OECD report showed that the gap between the incomes of the top 10% and those of the bottom 10% had multiplied by a factor of 14 in the past 25 years, which is incredible. We are moving in the wrong
direction. The chances of achieving social solidarity which used to be the reality in days gone by are disappearing. It goes without saying that in unequal societies the fate of young people is directly linked with how their parents get on, which reinforces a vicious cycle of poverty. I cannot think why the Government did not apply the simple measure of adding 3% to the USC for those who earn more than €100,000. That some members would balance a 3% reduction in social welfare against that measure is something I cannot understand.

**Deputy Catherine Murphy:** I met a woman outside Leinster House earlier today who told me she had less freedom than an inmate in Mountjoy Prison. Her home has to be locked down 24-7 because she cares for her young adult son who is autistic and presents such a flight risk that the Garda helicopter has had to be deployed. He requires adult services, but nothing is available to him. Any home help the family has received has been withdrawn. The woman concerned has not had a night out in six years and put herself through hoops to be here today. The respite care grant is paid annually and not spent in a frivolous way. Any presentation of it being used for holidays or treats grossly misrepresents the reality. The woman concerned is from the Tánaiste’s constituency.

I refer to the advertisement on child benefit mentioned which was carried only days before the general election and in full knowledge of what the memorandum of understanding with the troika contained. It was not picked from thin air but was long-standing policy of the Labour Party. I refer to a debate sponsored by that party in 2009 in which the Tánaiste said the then Government had mortgaged our children’s future for decades to come in the form of NAMA and was robbing from children to pay the banks. He continued:

One can only tap the same source for so long before it runs dry. Child benefit is not, as some would characterise it, a contribution towards the luxuries of life for the overwhelming majority. It is money which parents count on to pay for child care, trips to the doctor and food and clothing for their children. For ten of thousands of families in this recession it is a crucial source of household income with just about keeps them afloat.

Those are fine words, but it is deeds that count. In the same debate the Minister, Deputy Joan Burton, stated, “In this country child benefit is society’s contribution to rearing our next generation.” She referred to the Scandinavian countries and continued, “Rather than a race to the bottom as regards child welfare, we should try to model ourselves on the best practice throughout the European Union.” Shamefully, it seems we are being led in a race to the bottom. Had the Labour Party told parents prior to the last general election they would have their child benefit cut, had it refused to sign the student pledge, had it told the electorate that two years on from the general election it would be Frankfurt’s way that would win, with €8.1 billion in the budget to be spent to service the interest on the national debt, would it have received the same level of support? What I cannot understand is that this is not even about self-preservation. This will not be forgiven or forgotten. People expected better from the Government. They trusted parties such as Fine Gael and the Labour Party with their votes. The Government often arrogantly describes itself as a “national” Government, but tonight it is an absent Government. Its huge majority is being used as a sledgehammer, not against the banks or the troika but against those who cannot fight back. It is an absolute disgrace.

**Deputy Luke ‘Ming’ Flanagan:** I would like to have more time, but, unfortunately, the Government does not like dissent or to hear about the reality. The Minister for Social Protection, Deputy Joan Burton, stated social protection had high priority in the Bill. I wonder how that fits in with a quote from one of the organisations affected by the budget which stated the
Minister was “breaking the backs of those who need a break”. How does that fit in with giving social protection high priority?

The Minister has confirmed that she will cut the respite care grant. I understand Fine Gael is pushing her around. However, even in the area of economics, this does not add up. I know Fine Gael does not care about people; it only cares about money; therefore, I will try to appeal to it. This measure will cost us money. A woman outside Leinster House involved in the protest last week told me that she was on the edge and that removal of part of this grant might push her over the edge. If she went over it - believe me, she looked as if she was on the edge because her voice was trembling - she told me it would cost the State €300,000 to take care of her two children and it would not do as good a job as she did.

Perhaps the Minister does not believe what I am saying. I will tell her a story about someone else because I know she does not have any respect for me:

I have just spent this evening between helping my ten year old learn his lines for his Christmas play and trying to decide which of the medications I am prescribed by my consultant neurologist I really need. The levy on each item is now €1.50 as opposed to 50 cents.

This person continues:

Eight items are without doubt a necessity I cannot live without. So I set about trawling through the other meds to see what can be axed. So an MS patient with severe kidney impairment and kidney disease, I was thinking I can’t cut out my antibiotics. I may, in fact, get septicemia, not nice. I better keep them because they are prolonging my life.

Pain relief. I have many levels of pain and all need to be controlled. I am not going to try to describe it. The choice I am left with [the Minister should remember that she had choices and this is the choice with which she left this woman] I may in fact, as my budget may not allow me to sustain the money it requires to keep my pain at bay, have to do without.

At the top of the first page of the Minister’s speech it states “Check against delivery”. I suggest that she check it against reality and against the promises she and her party made.

I am not appealing to Fine Gael because its members do not give a damn. I am appealing to the socialists in respect of the promises they made before the general election. We know that the Labour thinking on those promises runs to the effect “Is that not what one does during a campaign?” The answer in that regard is “No, it is not”. That is sick and I hope the Minister is proud of herself.

Deputy Seamus Healy: This Social Welfare Bill is shameful, offensive and deeply unfair. It shows that the Labour Party has completely lost touch and has turned its back on its founders, its members and the general public. If the party had even a modicum of decency, it would ensure the Bill was withdrawn immediately.

What Barnardos has said about the budget and its impact on family incomes, namely, that the Government’s measure of success is pushing more families into poverty, is instructive. It also referred to the measures in the budget as being “regressive, unfair and unsustainable”. A man by the name of Fergus Finlay, the chief executive of Barnardos, former adviser to the Labour Party and probably still a member thereof and one of those put forward as a possible
candidate to stand for the party in the recent presidential election said that what is being done in respect of child benefit is “a blunt and brutal attack on family incomes with no sense of fairness or equity”. That is a perfect description of what is being done, which is a complete breach of the commitments and promises made by Labour during the general election campaign. According to this sign I have in my hands, Labour promised to protect child benefit.

An Leas-Cheann Comhairle: A Member may not display material in the House.

Deputy Seamus Healy: It is absolutely shameful that the commitments and promises Labour made during the election campaign are being broken at will.

In the context of the reduction in child benefit, some 200,000 children are living in poverty. In the budget, the Government has cut the child benefit for a family with six children by €606 per annum. This is in addition to last year’s cut of €383 which was introduced by the same Minister. There are also proposed cuts to the back to school allowance and the early childhood supplement.

The proposal in respect of the respite care grant is cruel, mean, penny-pinching and counterproductive and should be reversed immediately. Carers do major work and they save the State some €4 billion each year. They work for €1.21 per hour or for a half-rate of 61 cent per hour. Carers are finding it difficult to continue and their health is breaking down. The respite care grant is absolutely essential to them and the reduction to it should be reversed. I received a telephone call from a constituent earlier today which illustrates how the social welfare system is being dismantled by the Minister. The person in question applied for a carer’s allowance for their young quadriplegic son some 51 weeks ago and has not obtained a result as yet. That is the absolutely damning evidence which exists in respect of what is happening in the area of social welfare.

Deputy Mattie McGrath: I compliment the Minister with regard to JobBridge, Tús and the community employment, CE, schemes. These have long provided valuable and badly-needed services for elderly and vulnerable people. I sympathise with the Minister in that she is trying to deal with colleagues in government who have no interest in or respect for ordinary people. Fine Gael will never have an interest in or respect for such individuals. It is the party of the landed gentry and the big shots and always has been. We expected that Labour would protect those to whom I refer.

Deputy Dinny McGinley: The Deputy must be joking. What he is saying is rubbish.

Deputy John Perry: Rubbish.

Deputy Mattie McGrath: May I have the floor please, Leas-Cheann Comhairle?

An Leas-Cheann Comhairle: The Minister of State should stop interrupting.

Deputy Mattie McGrath: I reiterate that Fine Gael has never had and never will have respect for ordinary people.

Deputy Dinny McGinley: I am not of the landed gentry or a big shot. I am sure my upbringing was more humble than that of the Deputy. Although I accept that I do not know what was the nature of his upbringing.

Deputy Mattie McGrath: Fine Gael treats them like little peasants. What else could we
expect from the Minister of State who has been stung by the reaction to the budget?

**An Leas-Cheann Comhairle:** The Deputy should address his remarks through the Chair.

**Deputy Mattie McGrath:** If Fine Gael and Labour backbenchers have any conscience, they will not pass this Bill.

**Deputy Dinny McGinley:** Deputy Mattie McGrath should ask his friends over there from where I came. I worked for what I have got in this world.

**Deputy Mattie McGrath:** They should face the people rather than retreating into hiding and taking down their Facebook pages. They are running away from the people.

**Deputy Dinny McGinley:** Bullshit.

**Deputy Mattie McGrath:** Is that decent language? Is the Minister of State allowed to use such language?

**An Leas-Cheann Comhairle:** Will the Minister of State withdraw that remark?

**Deputy Mattie McGrath:** He is full of it himself so I will not ask him to withdraw it.

**Deputy Dinny McGinley:** I will withdraw the word but not the sentiment.

**An Leas-Cheann Comhairle:** I thank the Minister of State.

**Deputy Mattie McGrath:** The Minister of State is full of it himself so I will not ask him to withdraw it. I will not mention the word at all. The Minister of State cannot take the heat. If it is too hot in the kitchen, he should get the hell out.

**Deputy Dinny McGinley:** I will get the Deputy out of it first.

**Deputy Mattie McGrath:** I respect the Minister for Social Protection, Deputy Burton, who is trying to do her best for ordinary people. However, she is being bullied by Fine Gael. The Government recently introduced legislation which is designed to protect children’s rights, mar dhea. However, what is being done in the Bill before the House is an attack on families, women, children and the very weakest in society. Those opposite robbed the money we provided for the Referendum Commission in respect of the referendum on children’s rights. The Government stole that €1.1 million and used it to publish its own magazines and propaganda. The Minister of State can put that in his pipe and smoke it. We will deal with that matter tomorrow and in the coming days.

**Deputy Dinny McGinley:** What about the €41,000 allowance the Deputy receives?

**Deputy Mattie McGrath:** With regard to the attack on child benefit, on families, on the respite grant and on carers-----

**Deputy Dinny McGinley:** What about the €41,000 the Deputy receives? What has he been doing with that money for the past ten years?

**Deputy John Perry:** Tell us about the €41,000.

**Deputy Mattie McGrath:** Dún do bhéal, más é do thoil é. Carers in this country do valuable work and they expect to be supported. These frightened and vulnerable people should not
have been obliged to arrive at the gates of Leinster House today, some of them with their charg-
es in wheelchairs, in order to beg us to embarrass the Government into rowing back on this cut.

(Interruptions).

Deputy Mattie McGrath: The Government rowed back on cuts to education last year and I appeal to it to row back on this one. It is taxing the humble bag of coal and funeral hearses. The next thing it will do is tax people’s funeral shrouds. Those in government are messers.

Deputy Dinny McGinley: The Deputy is a messer.

Deputy Mattie McGrath: They will not get away with what they are doing. They can run but they cannot hide. Go raibh maith agat.

An Leas-Cheann Comhairle: The Deputy has one minute remaining.

Deputy Mattie McGrath: I have a minute left. I thought my time was up.

An Leas-Cheann Comhairle: I am obliged to be fair. The Deputy has one minute.

Deputy Mattie McGrath: Go raibh maith agat. The carbon tax was increased in the budget and this means the cost of a bag of coal will rise by €1.50 next May. In addition, a bale of briquettes will increase by 50 cent. People are buying single bales of briquettes in order to heat their homes for a day. This shows how badly off they are and the Minister of State and the Minister, Deputy Burton, are aware that this is the case.

I appeal to Labour Deputies and, indeed, those in Fine Gael to search their consciences. The latter never had consciences so they are unlikely to develop them now.

Deputy John Perry: What about the Deputy’s own conscience?

Deputy Mattie McGrath: I appeal to those opposite to reject the Social Welfare Bill. I also appeal to the Minister to renegotiate the position and to take the money required from the rich and from those earning over €100,000 per year. Carers do a great deal of work and the cut to their respite grant should be reversed. I am proud to wear the badge of the Carer’s Association each day.

I notice the Minister of State is off now, ag rith as an Chamber. He can run but he cannot hide.

Deputy Dinny McGinley: I will be back in two minutes.

Deputy Mattie McGrath: He will be back.

Debate adjourned.

Estimates for Public Services 2012: Message from Select Committee

An Leas-Cheann Comhairle: The Select Sub-Committee on Health has completed its consider-
ation of the following Supplementary Estimate for public services for the year ending 31 December 2012: Vote 39 - Health Service Executive.
An Leas-Cheann Comhairle: I call Deputy Pearse Doherty to move the motion. I understand the Deputy is sharing time with Deputies Ó Caoláin, Crowe, Colreavy, McLellan, Martin Ferris and Healy-Rae.

Deputy Pearse Doherty: I move:

That Dáil Éireann has no confidence in the Fine Gael and Labour coalition Government; which has failed to fulfil its obligations to make political decisions and choices which benefit the citizens of this State.

It is disappointing that there is no senior Minister present for the debate. This is a simple motion which states that the House has no confidence in the Government because Fine Gael and Labour have failed in their obligations to make political decisions and choices which benefit the citizens of this State. When this Government was formed, there was enormous hope and expectation that things were going to be different. In the months following the formation of the coalition, that hope and expectation was slowly dashed. As Fine Gael and Labour began to break successive election promises and commitments in the programme for Government, public confidence in this Administration began to ebb away.

What the Government did on Wednesday last opened the floodgates to deep disappointment and burning anger. Across the State, people of all political persuasions and none have lost confidence in the Government. The Sinn Féin motion is simply an echo of the frustration and disillusionment felt by hundreds of thousands of ordinary people across the State. It is a reflection of the anger of ordinary people who are asking themselves why Fine Gael and Labour lied to them and why the parties now in Government made pre-election promises on child benefit and property tax only to break those promises within months of taking office. Pre-election promises may mean little to politicians like Deputy Pat Rabbitte or his colleagues in Cabinet. Those promises are the reason the voters chose one candidate or one party over another.

For almost a week now, my offices in Leinster House and Donegal have been inundated with calls from angry and upset people, not just constituents of mine but people from across the State. Some of them want to vent their anger, some want to explain the human impact this budget will have on their lives and all of them feel that this Government has let them down and betrayed them.

Budget 2013 marks the total betrayal of the election promises of this Fine Gael and Labour Government. I could give countless examples of why Members on both sides of the House should vote no confidence in this Government. Tonight I will focus on three examples: the cut to the carer’s respite grant, the cut to child benefit and the family home tax. Last Wednesday, a woman from County Sligo telephoned my office. She was in tears. As a blind pensioner who lives alone in a rural area her telephone and broadband are her lifelines to the outside world. They are not a luxury but are vital for her to live. Through her tears she said that if the cuts to the telephone allowance went ahead she would not be able to afford her telephone and Internet service. She would be cut off, isolated and her quality of life would be destroyed. This is the human face of this Fine Gael and Labour budget.

Today I had the great privilege of talking to the carers who gathered in front of Leinster House calling for the reversal of the cut in the carer’s respite grant. They are all remarkable
people. Each of them told a different story of how this cut would impact on them and the loved ones they care for. As the protest came to an end and after many hours of carers standing in the freezing cold, I invited some of them to come in and warm themselves with a cup of tea before they headed home. Caroline from Dublin was one of them. I had never met her before. She told me her own personal story. Caroline is wheelchair-bound. She lives with a debilitating and progressive disease yet she is a woman with remarkable strength and courage. I initially thought that Caroline was the person being cared for but in fact Caroline is the carer. She lives alone with her 75 year-old mother who suffers with Parkinson’s disease and is a diabetic. Caroline administers her mother’s dialysis each day at home. She spoke about the challenges of being wheelchair bound, of getting her mother out of bed, washing, showering and dressing her every day and of all the other duties.

While she started telling the story with the kind of humour that comes naturally to a daughter talking about caring for her mother, her eyes welled up and she broke into tears. She asked why the Government valued her so little. She said that she hated the way this Government made her feel about herself. Caroline is a 24 hours a day, seven days a week carer. Her mother would be unable to function without her support. Every day, Caroline has the strength and courage to carry out the countless invisible tasks of a carer so that her mother can live with dignity. This is the human face of budget 2013. This is the real consequence of Fine Gael and Labour’s proposal to cut the respite care grant. For every cut to a vital support there is a story like Caroline’s. This is what Fine Gael and Labour are doing to the people they promised to protect.

This is a budget that attacks carers, the sick, older people, children and families. It is a budget that will increase financial hardship and poverty for tens of thousands of families. The cuts to child benefit, the back-to-school clothing and footwear allowance and the taxing of maternity benefit are all anti-child measures.

During the general election campaign, the Tánaiste, Deputy Eamon Gilmore said there would be no cuts to child benefit under his watch, that this was a red line issue for the Labour Party. If any of its Deputies bothered to turn up to listen to this debate, I would not have to explain to them the difficulties and the impact this will have on children and families. They know only too well. That is the reason this issue was a central part of their election campaign. How does the Labour Party expect those families who will be affected by this cut, particularly those who voted for the party on the basis of this promise, to have any confidence in it?

I will now deal with the family home tax. The Government claims it is a property tax but this is not true, it is a tax on the family home. A total of 170,000 families are in serious mortgage distress. Hundreds of thousands of them are in negative equity. Tens of thousands of people paid huge sums in stamp duty at the height of the boom. A total of 1.8 million households have less than €100 per month after essential bills are paid. Fine Gael and Labour campaigned on a promise to assist those who are struggling to pay their mortgages. They promised to ease their burden. Instead, the Government has slapped a tax on the family home on top of all the other stealth taxes and charges contained in the budget. The Government could have introduced a wealth tax, making those with the most pay the most. It could have cut the lavish pay of politicians, senior civil servants and bankers. It could have introduced emergency legislation to claw back the massive pensions paid to the bankers and former Cabinet Ministers who wrecked the economy. Instead, Fine Gael and Labour chose to hit carers, the sick, children and families. They chose to behave just like Fianna Fáil before them.

These are just three reasons why the public has lost confidence in this Government. It has
lost confidence because the Government made a choice to make ordinary people pay for the bad decisions, the failed policies and the stroke politics of Fianna Fáil and their crooked banker and developer friends. This is what budget 2013 is about. There is no doubt that Fine Gael and Labour have broken their contract with the people. They have ridden roughshod over their election promises. They have torn to shreds their programme for Government commitments. They have destroyed the hopes and expectations of the entire population. This is the reason Sinn Féin has tabled this motion of confidence in the Government tonight. The Government never had the support of Sinn Féin but now it has lost the support of the people. I urge the House to support this motion.

Deputy Caoimhghín Ó Caoláin: I will begin my contribution with a quotation.

I spent half an hour outside the gates of Leinster House today with parents of disabled children who are having their respite services removed ... It is very clear that these parents are under terrible pressure. Due to a penny wise, pound foolish HSE initiative, which the Minister approves, they will lose their respite care. Parents who are getting on in years cannot cope without it and will give up, much and all as it will hurt them to do so, and these children will end up in full-time care, costing the State many multiples of the money required to provide respite care.

Those are the words of Deputy James Reilly, then Fine Gael health spokesperson, speaking in this House on 7 July 2010. This is the Minister who, with his Cabinet colleagues by means of budget 2013, has cut the respite care grant, in one of the meanest attacks on the vulnerable in many years. The Minister is also trebling prescription charges for medical card-holders. The quotation I have cited was from the debate on the Bill introduced by the former Minister, Mary Harney, to impose prescription charges.

In that debate Deputy Reilly also stated:

The Bill is vehemently opposed by the Opposition with good reason. It will be aimed at the most vulnerable, sickest and weakest in our society. [...] Anything that discourages people from taking their medicine results in them falling ill, developing complications and having to attend hospital, often being admitted. A single day in hospital more than wipes out the cost of drug treatment for an entire year for the vast majority of people. These might be savings in theory but, as has so often happened previously, they might transpire not to be savings at all. [...] This 50 cent charge might not appear to be much to the Minister or me, but it is for many low income families. International research shows that any disincentive for people to take medicines should be avoided, as certain patients will inevitably end up in hospital.

Every word of this is as true today as it was on 7 July 2010, yet the Minister has increased the charge from 50 cent per item to €1.50 and has increased the monthly maximum to €19.50, in addition to increasing the drugs payment scheme limit to €144. A Government that repeatedly trumpets its belief in the crucial role of primary care in our health system has undermined primary care with this rise in drugs charges for patients.

Last week the Minister for Public Expenditure and Reform, Deputy Brendan Howlin, claimed in a radio interview that the Labour Party did not commit to the reversal of the prescription charges. That is not true. In Labour’s “Plan for Fair Health Care”, published on 8
February 2011, it is stated:

Medical card holders qualified for free drugs until this Government introduced a 50 cent per item prescription charge in 2010. Labour in government will remove this charge.

This was less than two years ago. Last Wednesday, Labour’s commitment was blatantly broken. The words of Labour Party health spokesperson Deputy Jan O’Sullivan in the debate on prescription charges in the Dáil on 7 July 2010 are still true:

The people who will be affected by it are the poor and the sick and they are not the people who should have charges imposed on them because of the drastic situation in our public finances. They are the very opposite of those who should have to pay.

The Bill copper-fastens the inequalities in our society.

I pointed out in that debate that when Government representatives were challenged, their main argument was that the charge was one of only 50 cent per item and a maximum of €10 per month. I said that was pure deception because the Bill in question empowered the Minister at any time in the future to make regulations to vary the charges. I said we knew that that Minister and future Ministers would increase the prescription charges for medical card holders and I predicted that would happen if the Bill were passed. Deputy Reilly, who is now the Minister, agreed with me on the floor of this House, pledging to reverse the charge. Of course, the then Minister, Ms Mary Harney, gave no such undertaking. I little thought that, within such a short time, I would be standing here protesting over the trebling of this very charge on prescriptions by the Fine Gael-Labour Government. In opposition, the parties promised to abolish it.

I have gone into detail on this one aspect of the budget because it illustrates clearly that the Government is not only grossly unfair but also grossly dishonest. The Minister for Communications, Energy and Natural Resources, Deputy Pat Rabbitte, confirmed this by letting the mask slip on “The Week in Politics” last Sunday when asked if he had not violated Labour’s election commitment that, by voting for the party, it would protect child benefit. He replied: “Isn’t that what you tend to do during an election.” Shame on all in government. The Government should go, and go now.

Deputy Seán Crowe: At the last general election, the people overwhelmingly rejected the policies of the Government of Fianna Fáil, the Green Party and the Progressive Democrats.

Deputy Derek Nolan: And the Deputy’s plans.

Deputy Seán Crowe: My plans were not rejected at all; I actually got elected. Irrespective of that, there is a consensus among the electorate and political commentators that the last Government stayed too long in power, lost touch with people, ignored the escalating financial crisis and, believing its own propaganda, assumed was good for at least another term in office. People voted for a fairer and better way, a change and an alternative. Unfortunately, they have not seen that change or alternative. The Government got elected on the back of promises it made to an electorate that expected and demanded a new approach.

During the general election campaign, in 2011, the current Government parties promised to protect working families and vulnerable citizens from unfair policies and measures that would drastically affect their living standard. However, the ink was hardly dry on the programme for Government when the current Government began its assault on working families and those on
low and middle incomes. The Government promised to oppose any attempt to introduce cuts to child benefit, yet, in the next couple of days, it proposes to cut child benefit and penalise families who are hanging on the edge of a financial cliff. We heard the Minister for Communications, Energy and Natural Resources say at the weekend that one tends to do this during an election campaign. When the governing parties entered office, they parked their election promises and somehow buried the legitimate aspirations of the electorate.

Cuts to child benefit, no matter how they are wrapped up and presented, are plainly and simply wrong. The cuts are anti-child and anti-woman and penalise large families. They will push even more families, including children, into poverty.

I find it repugnant and difficult to listen to well-meaning Government Members who defend in this Chamber policies that they were elected to overturn and reject. They are actually implementing the policies of the preceding Government. At the weekend, a Minister seemed to have no problem with all these social welfare cuts. He stated: “When the facts change, I change my mind.” I question what that means.

The reason circumstances have not changed is that the Government has failed to negotiate a deal to remove the burden of private banking debt from the shoulders of taxpayers. During the election campaign, Deputy Eamon Gilmore, now Tánaiste, proclaimed voters had a choice between Labour’s way and Frankfurt’s way. Is this budget Labour’s way? That is the question people are asking. Where is Labour’s stamp on the budget? In government, it has refused to impose losses on unsecured, unguaranteed senior bondholders at Anglo Irish Bank and Irish Nationwide Building Society. The State will pay €3.1 billion to Anglo Irish Bank on 31 March 2013 and €4 billion to Bank of Ireland in May 2013. The Government cut child benefit, introduced a family home tax and reduced respite grants to carers while giving the unsecured bondholders a free pass to as much of the Irish people’s money as they wanted. This is the crazy point and what is annoying the people. The Government parties said one thing and did the opposite. That is what is killing people who are suffering in their homes.

One has only to walk outside Leinster House to see the change that has happened under the current Government. One can see in the doorways the number of people sleeping rough on the streets. The Minister of State, Deputy McGinley, will note the increasing number. This is the responsibility of the people in this House. We have failed the homeless. Christmas is approaching and they have no roof over their heads.

The cruellest cut of all is the cut to the respite care benefit. It represents the difference between sanity and insanity for some families, as we all know. We all rightly praise the carers but ultimately the Government is cutting the respite care benefit.

I described the position of students during the week. We are starving them out of education through the budgetary cuts and the delays associated with the SUSI programme. We need to reconsider the budget as there is no fair provision. The Government says it is a fairer budget but there is nothing fair about it. The Government needs to think again about it.

Deputy Michael Colreavy: The spring of 2011 was a time of political excitement. After 14 years of mis-government, which left a legacy of political corruption, service malfunction and financial destruction, there was a chance of a new start.

The general election in 2011 was an exciting time for me, as a first-time TD, but it was also an exciting time for the Irish electorate who were crying out for change from the tried and failed
ways of the previous Government. During the election campaign I recall that Fine Gael and the Labour Party tried to outdo each other in portraying themselves as being different from the Fianna Fáil-Green Party Government. The change of government seemed to herald a new dawn, a new way of governance. Perhaps I was a little naive but I believed the now-Taoiseach when he said on my first day in the Dáil that there would be openness, transparency and a willingness to work with the Opposition parties and Deputies in the interests of the Irish people. Were we really going to see the promised democratic revolution? After nearly one year and nine months in government my only question is: where is its democratic revolution?

I will read a summary of an e-mail I received from a distressed constituent last week. It states:

This time twelve months ago my father was diagnosed with Alzheimer’s disease. He was a decent hard-working man who provided for his family and paid his way all through his working life. Over the past year the situation has become increasingly difficult. My elderly mother is now my father’s carer. My father is in need of 24-hour care and attention. The situation is so severe that my mother’s dress size has reduced from size 14 to a size 8 in one year. My father is still very physically active despite his disease. From early afternoon until his bed time at 10.30 p.m. he walks laps of the house, attempts to go home even though he is already at home and is constantly anxious about the farm that he has retired from. He has very poor co-ordination due to the medication that he is on and is prone to accidents. Only last week he fell and cut his cheek.

Daily tasks are now a struggle for him. Shaving has left him with many cuts and scratches; finding the toilet has caused him problems and has led him to urinating in random places around the house.

His HSE transport to day services was withdrawn last month. My 72 year old mother, a frail nervous woman who was never the main driver, now has to drive Dad for respite care.

The only saving grace for my mother has been the respite care that my father has been receiving. My mother is 72 years old and these periods of peace are possibly the only reason she has not fallen sick herself. My mother is saving the state major money by caring for her husband at home and she is doing it because she thinks it is the right thing to do.

My question is this: is it part of Fine Gael’s and Labour’s democratic revolution to take respite care from this elderly woman? What is in the happy Christmas and new year greeting card to this couple? A reduction of €325 in the respite care grant, a increase of €250 to €350 in the family house tax, and a continuing reduction of respite care services and transport as the HSE and voluntary organisations struggle in vain to meet people’s needs with diminishing resources. The Minister’s only response when we in Sinn Féin point out that there are fair alternatives, choices that could be made, is for those on the Government benches to shout abuse at us - abuse that has nothing to do with the cases we put forward - just like their Fianna Fáil and Green Party predecessors. A merry Christmas and healthy and happy new year indeed. Shame on the Government.

Deputy Sandra McLellan: The motion proposing no confidence in the Fine Gael-Labour Party Government comes in the wake of one of the most savage budgets in the history of this State. This week will see a reduction in child benefit payments, cuts in the back-to-school clothing and footwear allowance and cuts to the respite care grant. The Government is clearly
anti-children. More importantly, it is anti the ordinary man and woman on the street who are struggling to make ends meet. Attacking the poor and the vulnerable, introducing measures that increase inequality and poverty, and protecting the rich and affluent by refusing to introduce a wealth tax are, by any standards, the hallmark of a vicious and cruel state. When these same facts are pointed out in this House, the Taoiseach, Deputy Enda Kenny, has no defence. Instead, his only response is to resort to personal insult, defamation and slander of my party’s leader, Deputy Gerry Adams. Let me tell him that the Irish people are not fooled by such diversionary tactics. They know only too well the lengths to which the Government is prepared to go to defend its own power and privilege and, more importantly, to protect the class interests of a rich and pampered minority of Irish society. On what basis, I might ask, has the Government reserved for itself the right to become the political and moral conscience of the Irish people? The Taoiseach presides over a Government that misled the Irish people and that has reneged on almost all of its election promises. He is the head of a party that has at its core a deep-rooted ideological belief that places the primacy of the market over the welfare and well-being of ordinary Irish men, women and children. If there is an ethical, moral and political bankruptcy present in this House, it is to be found not in the Sinn Féin Party but in Fine Gael and its lackeys in government, the so-called Labour Party. The country is led by a puppet Government that takes its instructions from the institutions of market capitalism. Let us not be under any illusion: Fine Gael and Labour Party politicians, by virtue of the policies they are now implementing, are nothing more than heartless, bureaucratic functionaries administering the Irish State in the interest of bondholders, speculators and a European political elite.

The Government has betrayed the Irish people and its own election promises. In terms of a vision or a plan, it is morally and politically bankrupt. It has one and only one agenda and that is to cling to power at all costs. To do this it is willing to cut child benefit when the incomes of households with children are already falling further and faster. The same households are three times more likely to be in debt arising from ordinary everyday living expenses than households without children. Yet, according to the Government, a family with children is fair game and it will be penalised. Even worse, if one is a carer who works 24 hours a day, seven days a week in the home, then in the eyes of the Government one is also fair game.

What type of government, one must ask, would go after two of the most vulnerable groups in Irish society - children and carers? The answer is simple: a Fine Gael-Labour Party Government that has turned its back on the people who elected it, that is politically bankrupt and that is prepared to wage war on the most vulnerable and powerless groups in Irish society. In the coming months the same Government plans to introduce a tax on the family home. It appears there are no depths to which the Government will not sink when it comes to attacks on the living standards of the vulnerable and the overworked. I call on the Government to do at least one decent thing since it came to power - that is, to reverse the proposed cuts to the carer’s respite grant.

An Leas-Cheann Comhairle: Deputies Ferris and Healy Rae are sharing time.

Deputy Martin Ferris: The performance of the Government since coming into office has been and continues to be disgraceful. It consists of a litany of broken promises and betrayal of the trust of the electorate. It has conducted its campaign with false promises that it has since betrayed. It has also betrayed the promise not to continue with the failed policies of Fianna Fáil. Unfortunately the Government continues on that path.

The Government has no mandate to punish or pauperise ordinary working-class people and
the less well off.

Nor has it the mandate to continue the failed policies of Fianna Fáil. The onslaught on unfortunate people dependent on State support and those organisations which deliver the support services to these people, which incidentally saves the taxpayer millions each year, are not on the Government’s radar. The Government’s actions confirm Fine Gael and Labour have an agenda against the less well-off. Whichever party is responsible for it, both parties are complicit by the fact they continue to penalise people with disabilities, students and families.

Along with all other sectors of the community, farmers were also negatively impacted by the budget. Among the areas where the axe fell were the disadvantaged area scheme, the sheep grassland payment and the suckler cow welfare scheme, as well as cuts to farm assist. These cuts will penalise less well-off farmers.

I wish to read into the record correspondence I, along with every other Member, received today, particularly for the attention of the Ministers opposite, Deputies Howlin and Varadkar and the Minister of State, Deputy O’ Dowd. The e-mail states:

My name is X and I am a lone parent, full-time minder to my two young daughters, Sarah, 12, years old and Amy, 15, years old. I am a former civil servant, retired early on health grounds and on a very small pension. Amy suffers from chronic complex congenital heart disease, is attending Crumlin for haematology services, dermatology services and specific dental services. Amy has also developed amiodarone-induced thyrotoxicosis, which at the moment, means fortnightly checks by the endocrinology team.

I would not know where to begin to try and describe to you what a day in the life of this household is like. Amy has had five open heart surgeries and 32 other surgical interventions, countless trips up and down to Crumlin. She has had two tours of duty in Southampton General Hospital lasting 2 months each, where they saved her life on several occasions. The HSE responded with a €1,000 grant to cover our costs, which ran in excess of €15,000. We have even spent Christmas Day in Crumlin, a memorable affair thanks to the staff of St. Brigid’s ward.

I will not get started on the HSE. They recently “lost” four completed application forms for Amy’s medical card which was due for renewal in February this year. Amy’s medical card was issued in May this year and is valid only to February 2013, whereby the whole game starts all over again. The absence of bad language in the last three lines is nothing short of miraculous.

So what is Santa bringing Amy and Sarah [me] this year: a reduction in child allowance; annual respite care grant reduced from €1,700 to €1,375; car tax increase; a reduction in the household benefits package; local property tax; prescription charges tripled; the threshold for the drugs payment scheme increased.

All of this is happening on the Minister’s watch. You are responsible for Amy’s well-being and her life. Your Government and those Members opposite who support it are directly responsible for what has happened in this case.

An Leas-Cheann Comhairle: Deputy Ferris, through the Chair please.

Deputy Martin Ferris: That is what has happened to a 12 year old child in this country.
That is what has been carried out in the name of this country by this Government.

**Deputy Brendan Howlin:** The Deputy is a disgrace.

**Deputy Martin Ferris:** That child is only barely surviving. Her father, a lone parent, is trying to ensure she does survive. She gets no support services from the State and the family was offered a measly €1,000 for treatment in the UK which cost €15,000. She has had five open heart surgeries along with 32 other surgical interventions. That is why I, this party and the people out there have no confidence in this Government. That is why the people are disgusted with the Deputies opposite for supporting the wrongs being carried out by the Government.

**Deputy Michael Healy-Rae:** I thank Deputy Ferris and Sinn Féin for sharing time with me.

Last year, at the opening of a care facility for helping people with special needs in Kenmare, County Kerry, when the Taoiseach met Donal Harrington, he put his hands around his back and told him not to worry as the Government would look after him and his wife. Donal is the full-time carer for his daughter, Georgia, who has special needs. They live in Hawthorn Woods, Kenmare and are a respectable family doing their best. Donal, like myself and others, took the Taoiseach at this word then. However, it turned out to be broken promise. The Taoiseach and the Government have taken a chunk of the respite care grant from the likes of Donal. It is a desperately needed grant. Every penny is accounted for and it is not a slush fund.

Our young people who are living in houses they cannot afford were promised they would be helped by Fine Gael and Labour if they were elected to government. Now, their children’s allowance has been cut and a property tax will be imposed on them by a Minister for the Environment, Community and Local Government who did not even have the courtesy to come into the Dáil last week for the budget. It is the first time in the history of the State that a property tax will be introduced and the Minister responsible did not see fit to stay in Ireland but had business to attend to in other parts of the world.

Our elderly people who built this country, and for whom we all have great respect, were promised they too would be taken care of. What have they got? They have to pay the property tax and endure cuts to their household packages. More broken promises. Promises made and promises broken.

The only thing our students did not get during the last election was a pledge written in blood. The Minister in question knew he would be Minister after the election but went ahead and signed a pledge declaring no cuts to student grants or an increase in fees if in power. The students bought it then. If I were a student, I would have bought it too. We all took it hook, line and sinker but Labour and Fine Gael will not catch them again. Promises made and promises broken.

Our farmers believed they would be taken care of by the Government. It must be remembered these are the people who have to put up with the worst type of weather with all types of problems facing them but they do not have the comfort of any agreement taking care of their income. They have been cut and cut again and now must suffer another €80 million to be cut from agriculture funding.

Rural Garda stations are being closed by a Minister for Justice and Equality whose breathtaking arrogance both inside and outside this Chamber is incredible – if one passed him on the corridor, one would note he is oozing arrogance. He sold out rural Ireland by closing down a
further 100 Garda stations when it will not save one cent. I have proof that it will actually cost more money to keep Garda stations closed rather than it would to keep them open.

At this stage, the public will remember for a long time the lies, the misleading and mistruths done by Fine Gael and Labour. Deputy Ferris and I know how Government party Members go to community meetings declaring about how they are all about standing with the people when in fact they will do the divil and all for the people. When they come up to Dublin, they forget all about it. They are delivering nothing at home only pain, hardship and misfortune. They are trying to give the impression they are doing something for the people when they are not. When they come up here it is a different story because we know it as we see it at first hand.

**Minister for Public Expenditure and Reform (Deputy Brendan Howlin):** I wish to share time with Deputies Varadkar and O’Dowd.

**An Leas-Cheann Comhairle:** Is that agreed? Agreed.

**Deputy Brendan Howlin:** I move amendment No. 1:

To delete all words after “Dáil Éireann” and substitute the following:

“has confidence in the Government as it deals with the current economic crisis in as fair a manner as possible, while prioritising economic recovery and job creation.”

It is usual when a motion of confidence is moved in this House that there is some expectation that it might be successful. This is not such an occasion. The motion before the House amounts to little more than political posturing by the Sinn Féin party.

**Deputy Jonathan O’Brien:** The Minister would know a lot about that.

**Deputy Brendan Howlin:** Sinn Féin is a party that complains about political decisions but has shown little or no capacity to make any decisions. Its policies are the stuff of fantasy. We can provide the policy document.

**Deputy Jonathan O’Brien:** Which part of it?

**Deputy Brendan Howlin:** That party claimed it would not accept one cent of EU or IMF funding.

**Deputy Martin Ferris:** We did not.

**Deputy Brendan Howlin:** When it comes to decision making-----

*(Interruptions).*

**An Leas-Cheann Comhairle:** The Minister, without interruption.

**Deputy Brendan Howlin:** We do not use vulgarity in this House, normally.

**Deputy Jonathan O’Brien:** The Minister has no problem cutting the carer’s allowance.

**An Leas-Cheann Comhairle:** We have had an orderly debate up to now.

**Deputy Brendan Howlin:** I know. Deputy O’Brien has no standards at all. When it comes to making decisions, Sinn Féin will not make them, at least in this part of the island. It makes
decisions in Northern Ireland but its members do not like to be reminded of them down here.

**Deputy Martin Ferris:** Does the Minister know where that is?

**Deputy Brendan Howlin:** In Sinn Féin land it is always someone else’s fault. The Government has been in office a mere eighteen months.

**Deputy Jonathan O’Brien:** That is too long.

**Deputy Brendan Howlin:** It inherited an economy in an EU-IMF programme. Even in the awful days of the 1980s we avoided that. It was an economy unable to sustain itself. It was an economy which, until that programme was agreed, would have run out of money to pay the wages of teachers and gardaí. It was an economy which would not have been able to pay any child benefit to any of its citizens or any pensions to its elderly. All of this was largely as a result of a decision taken by the Fianna Fáil Party when last in government, and supported by the sponsors of the motion, to socialise private banking debt and place it upon the backs of the people. Sinn Féin has a brass neck to move this motion.

After 18 months the Government’s stewardship is changing the country. The economy is on the road to recovery. Economic growth returned last year and the economy is set to grow again this year. Every programme target set has been met. Our deficit is coming down. This year’s target of 8.6% of GDP will be met. Our tax revenues are growing again. Our public sector is being modernised and industrial peace has been maintained. Our international reputation has been rescued. Our bond spreads have come down and we have secured independent funding in the markets for the first time in four years. We have introduced a jobs initiative and an action plan alongside a stimulus plan to invest in vital infrastructure and jobs. The last CSO quarterly household survey shows unemployment coming down for the first time in many years.

**Deputy Martin Ferris:** That is because people are emigrating.

**Deputy Brendan Howlin:** The recovery is under way precisely because the Government has taken difficult decisions. No one on this side of the House takes any pleasure in what has happened to our country or in the decisions we have had to take since coming into office to begin the process of rebuilding and recovery.

I stated in my budget speech last week that the people have endured a fiscal correction without precedent in any modern western economy. The people have done so with an amount of dignity and courage. Most independent commentators agree that the burden has been shared progressively throughout the social spectrum. Not every decision made by Government has been perfect; it never could be and never will be.

The State has responded to the crisis. In a recession, more is asked of the State and its public services, not less. We have tried to ensure the least well-off are protected as much as possible. I use the term “protected”, but no one has been immune. The scale of the crisis has ensured that much. Anyway, the people know we need to get out of this programme. They realise that failure to do so will not only delay restoring our economic sovereignty but will see further financial correction imposed upon us from outside the State, with little or no freedom and without the possibility of any Irish Government resisting. We need only look elsewhere in Europe to see that this is an inescapable fact. Moreover, the people realise that when the future of Europe is being discussed, Ireland needs to participate in the discussions without the constraints of being a programme member dependent on others. They know, too, that we are making slow and
painful progress and that this crisis has brought down an awful burden on the young people of our country. The people have no intention of allowing the agony to be prolonged. They expect, rightly, some generosity from our European Union neighbour countries because the young population of the State has paid the greatest price for the stability of the European banking sector. While the solidarity received thus far is welcome, it falls short of what we need and deserve.

We know that Ireland bears its share of responsibility for the mess we find ourselves in. Our people are paying a heavy price for these failures. However, the people know that systemic European weaknesses played a part in our banking and property bubbles. The Government expects our European partners to acknowledge as much.

The people know we have other problems to tackle and that the fiscal crisis is only the first of the hurdles we must overcome. Our unemployment problem remains. Today’s ESRI report reveals a particular problem involving non-working households which goes beyond the fiscal crisis and requires a measured and considered response. The people know that this fiscal crisis has caused legacy issues that will take us years to address. They know that what has happened in Ireland is both tragic and complex. It is trivialised by the motion before the House.

No change of Government would change the problems we must address as a nation. Are Sinn Féin or Fianna Fáil or both together offering such a solution to the people? Even after last week’s budget and the difficult decisions we made, we will borrow €1 billion plus per month next year to pay our bills. Sinn Féin’s response is denial. Its position is to ignore the problem, to hope it will go away and to tell the EU and IMF, as per the Sinn Féin pre-election submission, to take a hike and that Ireland will mind its own business.

This is a national Government committed to restoring our county’s fortune.

Deputy Martin Ferris: No, it is not a national Government.

Deputy Brendan Howlin: Two parties, of different ideological perspectives, have come together.

Deputy Jonathan O’Brien: It is not a national Government.

(Interruptions).

An Leas-Cheann Comhairle: The Minister, without interruption.

Deputy Brendan Howlin: That party believes it owns the word “nation” as well as our flag, but it owns neither. Two parties of different ideological perspectives have come together to pursue a single shared aim. Deputies on this side of the House who support the Government do so not because it is easy. It is not easy. They do so because they know the long-term interest of the people requires decisions to be taken because the country does not enjoy the resources it once had. They do so because they know the national interest is more important than their own careers or the advance of their party. They do so because they recognise the world that faces us as it is, not as others would pretend it to be. They are putting their shoulders to the wheel, not hurling abuse from the ditch. None of that can be said about this motion or the party that has moved it.

Minister for Transport, Tourism and Sport (Deputy Leo Varadkar): I wish to speak against the Sinn Féin motion and in favour of the Government amendment which expresses confidence in the Government as it deals with the current economic crisis. This is a good Gov-
As the Minister, Deputy Howlin, noted, it is a Government of national unity and is, therefore, unprecedented. For the first time in the history of the State, the two largest parties in the Dáil have come together to form a Government. The main party on the centre right and the main party on the centre left have come together to form a Government. That is not a normal thing to happen in a democracy but we do not live in normal times. We live in very difficult times and we are doing what is necessary. In coming together the two parties have given political stability to the country through to 2016. We have provided a strong enough majority in this House and the other House to make the necessary changes. It may be the case that along the way we lose some people, but we need to be in a position to be able to do that. We cannot have a Government dependent on a few Independents or in a minority position.

I acknowledge that we have made mistakes and that change has come too slowly, which frustrates people. I too am frustrated that this has been the case. Times are tough.

Unemployment has fallen to 14.6% and has now stabilised. The most recent quarterly national household survey indicates that for the first time since 2005, bearing in mind unemployment started to rise long before the recession occurred, the number of people unemployed is decreasing. This is not only because of emigration. We know from the same statistics that employment is increasing again for the first time, in particular in the private sector. While people will say that there are 26,000 fewer people in employment today than were in employment a year ago, this is because of the Government’s policy of reducing the number of people in the public service.

Deputy Martin Ferris: What about the 150,000 people who have left the country?

Deputy Leo Varadkar: Employment in the private sector is increasing. As stated by the Minister, Deputy Howlin, we now have growth as measured by GDP. Believe it or not - one would not believe it if one spent too much time reading the newspapers and listening to the media and I say that as a statement of fact rather than a criticism of the media - retail sales have increased for four months in a row, which has not happened for a long time. I sincerely hope this continues throughout Christmas and when the budget measures hit people’s pockets in January. Property prices are showing signs of stability. We have been, to a degree, able to return to the bond markets and tourism increased by 10% in 2011 and at worst figures this year will be flat. It is hoped they will increase slightly. Also, our international reputation has been restored. A year ago people talked seriously about Ireland defaulting but that is no longer the topic of serious discussion. A year ago we were part of PIIGS along with Portugal, Italy, Greece and Spain. That is no longer the case. People see a clear distinction between the countries of southern Europe and Ireland. This is important because it has allowed the IDA to have its best year since the late 1980s in terms of the creation of jobs in this country.

Deputy Michael Healy-Rae: We did not get one job in Kerry.

Deputy Leo Varadkar: It is also important because it has allowed us to become a credible
exporter again. Exports have not only recovered to where they were prior to the recession. We are now exporting more than we did before the recession began. That is not to diminish the difficulties which people are facing.

When it comes to motions tabled by Sinn Féin Members on this side of the House often, and for good reason, like to refer to Sinn Féin’s record in the North, the Troubles and the terrible things done in our name, without a mandate, in the 1970s, 1980s and 1990s. However, I will not speak about that tonight. Rather I will speak about Sinn Féin’s record in recent years since it formed part of the Government in Northern Ireland. Rates in Northern Ireland, which is the property tax applied in Derry and Belfast, are approximately £1,000 per annum per household. I know bin charges are included in that fee.

**Deputy Brian Stanley:** It is £700 per annum.

**Deputy Leo Varadkar:** It may well be £700 per annum for the average house. The sum of £700 is equal to about €900.

**Deputy Martin Ferris:** The Minister should read the list of what people get for it.

**Deputy Leo Varadkar:** That fee includes nothing else beyond bin charges. In the Republic of Ireland the property tax on the average house will be approximately €300 to €400 per annum.

**Deputy Brian Stanley:** The people will get nothing for it.

**Deputy Sandra McLellan:** They will not even get free bin collection or free water.

**An Leas-Cheann Comhairle:** There has been respect for the-----

**Deputy Jonathan O’Brien:** If the Minister is going to speak about the North he should at least get his facts right.

**An Leas-Cheann Comhairle:** There has been respect for speakers up to now. Please allow the Minister to continue as he has only five minutes remaining.

**Deputy Leo Varadkar:** I do know my facts.

**Deputy Jonathan O’Brien:** The Minister does not know his facts.

**An Leas-Cheann Comhairle:** The Minister, without interruption.

**Deputy Martin Ferris:** I will give the Minister the facts later if he wishes.

**Deputy Leo Varadkar:** I know it may be difficult for some Members opposite to understand it but this country is still a democracy and we are allowed to speak in our national Parliament. I did not interrupt any of the speakers opposite nor do I intend to do so as long as I am here for this debate.

At the same time, Sinn Féin members here called for a boycott of the household charge and are now calling for a boycott of the property tax.

**Deputy Jonathan O’Brien:** That is another falsehood. I ask the Minister to name one Sinn Féin Deputy who called for a boycott.

**An Leas-Cheann Comhairle:** Quiet, please.
Deputy Brian Stanley: That is false information.

Deputy Martin Ferris: That is not true. The Minister is making a false accusation.

An Leas-Cheann Comhairle: The Deputy will have another opportunity to speak tomorrow.

Deputy Leo Varadkar: In which case, a Leas-Cheann Comhairle, I am happy to clarify the record.

Deputy Brian Stanley: I call on the Minister to withdraw that accusation and to say which Sinn Féin Deputy called for a boycott.

Deputy Martin Ferris: Name the person.

An Leas-Cheann Comhairle: Deputies, please. Time for this debate is limited.

Deputy Brian Stanley: On a point of order, will the Minister say which Sinn Féin Deputy called for a boycott?

Deputy Brendan Howlin: Stop shouting down the Minister.

An Leas-Cheann Comhairle: There is only limited time for this debate. I call on the Minister to continue.

Deputy Brian Stanley: The Minister should deal with the facts.

Deputy Leo Varadkar: If the anti-democratic people across the floor would allow me to clarify I would be happy to do so.

Deputy Brian Stanley: We are anti-lies.

Deputy Leo Varadkar: May I speak?

Deputy Martin Ferris: The Minister should clarify the matter.

Deputy Brian Stanley: He should name the Sinn Féin Deputy concerned.

Deputy Leo Varadkar: I have been allocated ten minutes to speak but have not been allowed to do so by the anti-democratic forces in this House. I will clarify what I said. Sinn Féin is campaigning against the property tax and some elected representatives of Sinn Féin are boycotting that tax.

Deputy Brian Stanley: Which Sinn Féin Deputy called for the boycott? The Minister said a Sinn Féin Deputy had “called” for a boycott.

An Leas-Cheann Comhairle: This is not Question Time.

Deputy Leo Varadkar: I have clarified the matter. There is no greater act of disloyalty or infidelity to the State than that. These Sinn Féin representatives have no difficulty paying tax to Tory councils in Westminster. They pay Tory taxes on their empty apartments in Westminster and pay rates on their mansions in Northern Ireland yet they will not pay taxes that are due to local government and this State. Never has there been greater disloyalty and infidelity than that.
When it comes to welfare, in Northern Ireland, where Sinn Féin is in power, the minimum wage is £6.19 per hour for people over 21 years and is much lower for people below that age. In some cases, the minimum wage is just over £2 per hour. The carer’s allowance in Northern Ireland, where Sinn Féin is in power, is £58.42 per week. It is reduced if a person is in receipt of other welfare payments or income.

**Deputy Jonathan O’Brien:** By whom?

**Deputy Leo Varadkar:** That payment here is more than €200 per week. The State pension in Northern Ireland is £175.45 per week. Here it is €230 per week.

**Deputy Martin Ferris:** Who fixes that pension?

**Deputy Leo Varadkar:** As I understand it, based on research I have carried out, there is no respite care allowance in Northern Ireland. One has to apply to one’s health trust in respect of a holiday. When it comes to child benefit-----

*(Interruptions).*

**An Leas-Cheann Comhairle:** Deputy Ferris.

**Deputy Derek Nolan:** Sinn Féin takes credit for jobs but nothing else.

**An Leas-Cheann Comhairle:** Deputy Nolan, I can handle this.

**Deputy Leo Varadkar:** If there are any other examples as to why these people should not be allowed ever get into power, it is their failure to allow people to speak.

**Deputy Jonathan O’Brien:** That will not be the Minister’s decision.

**Deputy Leo Varadkar:** They cannot tolerate opposition or anyone who disagrees with their views.

**Deputy Jonathan O’Brien:** That will be the decision of the Irish people, not the Minister.

**An Leas-Cheann Comhairle:** Deputy O’Brien.

**Deputy Jonathan O’Brien:** I will not be lectured by the Minister.

**An Leas-Cheann Comhairle:** The Deputy will have an opportunity tomorrow to reply.

**Deputy Brendan Howlin:** Stop shouting people down.

**Deputy Jonathan O’Brien:** I will not be lectured by the Minister.

**Deputy Leo Varadkar:** This is the alternative to the current Government.

**Deputy Martin Ferris:** One would expect the Minister to tell the truth.

**An Leas-Cheann Comhairle:** I will have to suspend the House if this continues. The Minister has a minute and a half remaining.

**Deputy Leo Varadkar:** I thank the Chair for his protection. Thank God we have the protection of the Chair in this House and the protection of the Garda Síochána and Defence Forces because God forbid if people like Sinn Féin ever got into power.
Deputy Sandra McLellan: That is a disgraceful comment.

Deputy Leo Varadkar: Leas-Cheann Comhairle, I think you should suspend the House.

An Leas-Cheann Comhairle: Silence please, Deputies.

Deputy Leo Varadkar: As I said, there is no respite care grant in Northern Ireland and one has to apply to the health trust for a holiday. Child benefit in Northern Ireland is £80 for the first child, reducing to £60 for each subsequent child.

Deputy Martin Ferris: That is set by the British Government.

Deputy Leo Varadkar: The only interest Sinn Féin has taken in economic policy is to seek a transfer of corporate taxation powers to Northern Ireland so as to reduce corporation profit taxes for corporations. At the same time, it refuses to take an economic Ministry because it does not want to take responsibility for the measures in place in Northern Ireland. Sinn Féin will of course argue that it is only implementing Tory policies. In reality, Sinn Féin is party to a Government of a State which is dependant on Tory subsidies. When they have to balance the books in the way we here have to balance our books they will be reducing those already paltry welfare rates further.

In its pre-budget submission Sinn Féin proposed €3.5 billion in spending cuts and new taxes. Yet, it claims to be against austerity. Regardless of how one does it or dresses it up, the removal of €3.5 billion from the economy is austerity. Regardless of from whom one takes money, it will have a dampening effect on the economy. Sinn Féin can dress it up any way it likes. It is a pro-austerity party and should stop pretending otherwise.

Sinn Féin also proposed the taxing of pension contributions at the standard rate in its pre-budget submission. What does this mean? It means a pay cut for every public servant earning €35,000 per annum or more because they will be taxed at the standard rate on their pension levy. It means a pay cut for any private sector employee or self employed person who contributes to a pension because they will be taxed on their pension contributions. Sinn Féin wants pay cuts not only for the high paid but for everyone earning more than €35,000 per annum.

Deputy Martin Ferris: That is not true.

Deputy Leo Varadkar: It is true. Deputy Ferris does not even know his own party’s policies. It is hilarious that people like Sinn Féin think they could actually be involved in governing this country. Sinn Féin has also proposed new spending of €338.68 million on eight or nine specific areas. They do not include in any of those areas additional funding for local authorities, public transport, tourism, sport or the arts. They do not propose to reverse last year’s cutbacks to capitation, to agriculture or to the redundancy rebate, or to reverse the removal of the clothing and footwear allowance for two and three year olds. In fact, Sinn Féin’s pre-budget submission does not propose to reverse any more than nine of the cuts made by the Government last year. In reality, it actually now accepts most of those cuts, and that is reflected in their submission.

Deputy Martin Ferris: That is not true.

Deputy Leo Varadkar: Finally, to echo the words of the Minister for Public Expenditure and Reform, Deputy Howlin, the Government is doing the things it is doing not because they are easy but because they are hard. The Deputies in this House who support the Government do so not because it is easy but because it is hard. Often it is very hard to do the right thing.
Minister of State at the Department of Communications, Energy and Natural Resources (Deputy Fergus O'Dowd): When the Government came into office a year and a half ago the international ten-year rate for our bonds was about 15% and we could not borrow any more at that rate. All of these very difficult financial decisions have had to be made because we have surrendered our economic independence to the troika and we are bound by the conditions under which they lent to us. If there is any measure we can make of the changes that have taken place in the country since we came into power, it is that those ten-year bond yields were at 4.7% yesterday. There is increasing international confidence in the capacity of the Government to deal with our financial situation, to take the tough decisions that have to be taken and to work together, as we do, as a united Government to ensure that we create a future, particularly for our young people.

The emphasis in this budget, which has been missed by many people, is on creating the conditions to create more jobs. It is also about facing up to the question of how to increase inward investment. In the last 12 months the IDA has announced 11,000 new jobs as a result of foreign direct investment, which is the largest figure it has had in many years. There is also recovery in private sector job creation; in the last 12 months we have seen the creation of almost 20,000 new jobs, whereas in the previous few years we lost more than 250,000 jobs. We believe that the country is on course. The difficult decisions have been, are being and will continue to be made. It is like a ship turning around in the ocean - it is happening slowly but it is surely happening and the signs are very clear. When I go to Europe and meet my colleague ministers there is a universal acceptance among them that we are different from Greece, that we are meeting our requirements, tough as they are, and that we will stay the course.

One of the issues about which Sinn Féin has attacked us tonight is the property tax, which is effectively a wealth tax. The more one’s property is worth, the more one will have to pay. Is there anything more democratic than that? One pays according to the value of one’s property. I agree with Deputy Varadkar with regard to the property taxes in Northern Ireland. Let us be very clear on this. There are two parts to the property tax in Northern Ireland. The first is set by the Executive, which is the regional input. Then there is a local addition, which is made by each of the individual councils. In Belfast last year, Sinn Féin supported an increase in the local property tax of 2.5%. Not alone is the party not against the tax; it actually increased it. If one examines the property tax data on the Falls Road or any other road in Northern Ireland one can see that each property is listed by number and street name. One can also determine whether the owners have built an extension, whether the property has a garage and so forth, as there is a proportionate increase in the property tax if one improves one’s house in any way. The figure I was given for what each household pays in property tax is the equivalent of €1,200. How can Sinn Féin sustain opposition to an unfair household charge - and it was unfair - of €100 while at the same time increasing a tax of more than €1,000 in the North? That is the reality up there and that is the truth of the matter.

We are spending €1 billion more per month than we actually take in. How do we address that? Some people argue that we should tax those on higher incomes, but we do that already. The OECD has said that the Irish PAYE system is the second most progressive tax system in the world. The more one earns, the more tax one pays. That is fair and equal. At the same time, we must attract new businesses and investment. Our highest rate of tax is 52% at present but we are competing with other countries in Europe and around the world for inward investment and the income tax rate is a key indicator. We do not believe we should increase the higher rate of tax. We believe that the tax system we have is fair and proportionate in every respect.
I wish to focus on my own constituency, which also happens to be the constituency of Deputy Adams. Since we came to power almost 18 months ago, more than 2,000 jobs have been created in County Louth. In fact, one in every ten euro of inward investment is going to what is called the North-South economic corridor. Many people are missing what is really happening in our country and particularly on the Belfast-to-Dublin corridor. It is has a first-class rail system, a fantastic road network, ubiquitous high-speed broadband access and a massive potential to grow. There is a new synergy between Ireland, North and South, in terms of the realism of both Administrations, and by working together we can make even greater strides. Obviously, people coming to work in County Louth can come as easily from County Down as they can from County Dublin. That is how we are developing the region in which I live. That is the future for our country.

Having lived in a Border county all my life I know all about the horrors and the evils that existed, but I acknowledge and accept that Sinn Féin has moved on from that and I very much welcome that fact. Let us try to build and increase the bonds between North and South. That is the future for this country. Developments should also have an impact from Donegal to Louth and across all of the Border counties. There is room for new synergies in our health systems, North and South, and that is an area which is under active discussion. That is the way we must go. We are in a new Ireland. We are in a very difficult place financially right now but we are getting there and are working together.

The other issue I want to address is water reform. At present in the Republic approximately 54% of all treated water never gets to a tap. We spend €1.2 billion on our water infrastructure. Over the next few years we will create thousands of jobs through improving our water infrastructure, which is a very progressive move. We should stress the positive, stress the changes that are happening, look to the future, look to young people and put away all of this negative opposition for opposition’s sake. We must build on the good things about which we all agree and work together.

Deputy Billy Kelleher: In September, Fianna Fáil tabled a motion of no confidence in the Minister for Health, Deputy Reilly, because of his handling of the health services and Sinn Féin has now tabled a motion of no confidence in the Government. The reason we are speaking on this motion is not because of what happened yesterday or the day before but because of what was said by the two parties in this Government before the election. An analysis of the commitments made by Fine Gael and the Labour Party in advance of the election will show the extent of the betrayal in this budget’s measures on child benefit, the back to school clothing and footwear allowance, farm assist, jobseeker’s benefit, redundancy payments, supplementary welfare, back to education allowances, respite grants, household benefits packages and fraud and overpayment controls. This is another regressive budget.

Deputy Jan O’Sullivan: It is ironic to hear Fianna Fáil speak about betrayals.

Deputy Billy Kelleher: There is no point in dressing it up in any other way. It is regressive because those who are on lower pay and social welfare will have to pay proportionately more than those on higher income.

Deputy Jan O’Sullivan: Take all the measures into account.

Deputy Billy Kelleher: It is a mathematical fact, as has been pointed out by the ESRI in regard to last year’s budget. The Government’s statement of common purpose announces:
On the 25th February a democratic revolution took place in Ireland. Old beliefs, traditions and expectations were blown away. The stroke of a pen, in thousands of polling stations, created this political whirlwind. The public demanded change and looked to parties that would deliver the change they sought. [...] 

That is why Fine Gael and Labour, the two largest political parties in the State having achieved historic levels of support in the general election, now seek to use their mandate to form a Government for National Recovery.

Deputy Jan O’Sullivan: That is exactly what we are doing.

Deputy Billy Kelleher: The next line is important from the Labour Party’s point of view: “A Government that will be built on partnership and parity of esteem between our two parties.” This budget was a Fine Gael budget.

Deputy Jan O’Sullivan: That is not true.

Deputy Billy Kelleher: It completely stymied any attempt by the Labour Party to defend the vulnerable and those who need the support of the State.

Deputy Jan O’Sullivan: Fianna Fáil cut the social welfare rates by 8% in its last budget.

Deputy Billy Kelleher: That is a fact. Prior to going into government, the Labour Party promised it would not cut child benefit or social welfare rates. It would not even increase the price of a bottle of wine.

Deputy Jan O’Sullivan: It was not quite like that.

Deputy Billy Kelleher: It was as if Fine Gael wanted to rub the Labour Party’s nose in it. Fianna Fáil supports this motion of no confidence partly because we do not have confidence in the ability of the Minister, Deputy Reilly, to continue in office. He was supported by the Government in the vote on our motion of no confidence in him. The Labour Party lost a colleague in that vote.

Deputy Jan O’Sullivan: Fianna Fáil lost the vote.

Deputy Billy Kelleher: We lost the vote but the Minister of State, Deputy Jan O’Sullivan, lost a colleague. She is losing colleagues on a regular basis. We know we will not win the vote on this motion, but I assure her that when she meets the people on the streets, they will tell her they feel betrayed by the Labour Party. There is no point in it claiming the challenges are huge. It knew about these inordinate challenges when it gave its commitments.

The Minister for Public Expenditure and Reform is now taking credit for implementing the programme which his party claimed was the worst thing that could ever happen.

Deputy Jan O’Sullivan: We got it changed.

Deputy Billy Kelleher: It is little changed. The only changes have been made by Ministers who introduced savage cuts in areas where they could have been avoided.

Deputy Jan O’Sullivan: We restored the minimum wage.

Deputy Billy Kelleher: If the Labour Party wanted to look after the most vulnerable, it
would have fought tooth and nail for an increase in the universal social charge for those earning more than €100,000.

Deputy Jan O’Sullivan: We have taken €500 million from the rich.

Deputy Billy Kelleher: I am confident they would not begrudge carers and those who need respite care grants. It is shameful for the Labour Party to defend this budget when it threatened to walk out of Cabinet if it did not get its way. It walked back in rapidly when it thought it might be left outside the door.

This motion gives us the opportunity to hold the Government to account. The Oppositions should not be ridiculed for holding the Government to account because it is our duty to highlight and expose the massive U-turn by the Labour Party from what it said to what it has done. It was going to burn bondholders. The Tánaiste was like a modern day Genghis Khan about to sack Europe. He was on his way to Frankfurt, but nothing has been done. If the Government gets a deal on the promissory note, it will be because it has accepted the principle that Irish people will carry the burden of banking debt.

Deputy Jan O’Sullivan: We are not the ones who put it on the people. We voted against the guarantee.

Deputy Billy Kelleher: It is merely kicking the repayments down the road. The Labour Party stated clearly it would renegotiate banking debt and that it had no intention of adding it to our sovereign debt.

Deputy Jan O’Sullivan: Deputy Kelleher has some neck after what he did to the country.

Deputy Billy Kelleher: I have accepted what I did. I am on this side of the House and the Minister of State is opposite, but her party is in Government on a flawed mandate because what it promised and what it is doing are at variance. We support the motion for many reasons but primarily because of the Government’s attack on vulnerable people and because the Minister, Deputy Reilly, continues to sit at the Cabinet table. To those Government Deputies who are crying crocodile tears and promising to make every effort, I remind them:

When sorrows come, they come not single spies

But in battalions.

Deputy Éamon Ó Cuív: Ní fhéadfainn a rá ar chor ar bith go gcuireann sé áthas orm labhairt ar an rún, ach tá sé fior-thábhachtach go bhfuil an rún seo agus go ndeanfai scrúdú ar na geallúní agus an méad a bhí faithe i bhaineadh na Ríaltais seo sula ndeachas i gcumhacht agus ag aimsir iollghocháin deiridh.

The Government should do the honourable thing by seeking a fresh mandate. If recall elections were allowed in this country, it would have been recalled long ago. Despite its protestations, it knew before it came into office exactly what the financial situation involved. Right up to the election the parties now in power accused us of understating the financial difficulties we faced and that things were a lot worse than we claimed. Despite their concerns, however, they wooed the electorate with extravagant promises. I do not doubt that the Minister of State, Deputy Jan O’Sullivan, will protest that the Government is doing a good job in the circumstances and that the electorate realises that. If she believes that argument, she should go before the electorate, apologise for the fact that all the promises the Government parties made were
empty, and state that this time they are going to stand on the programme they are following, which happens to be the programme of the previous Government. They would then have an honest mandate rather than one built on a tissue of false promises.

The bank guarantee is a hardy perennial for the Government. Unlike its colleagues in Fine Gael, the Labour Party argued before the election that the guarantee should not have been provided, but it has since renewed the guarantee on two occasions. It was happy to accept the receipts from the guarantee, which totalled €1.2 billion this year, and it paid unsecured bondholders in full. It has failed to achieve any form of debt write-off from Europe and has tacitly admitted that it will never do so. It neglects to explain that if the banks had collapsed, their depositors would have lost their savings.

Under Fianna Fáil, anyone who bought shares in the banks that failed had his or her shareholdings wiped out. We did not guarantee shareholders in the banks and many ordinary people lost all of their money. With regard to subordinated bondholders, they received 10 cent in the euro and were virtually wiped out. Who did we save? We saved depositors in the banks. It is time for the Government and, in particular, the Labour Party to state they would have burned depositors in the banks. One might say we should burn tier one bondholders, but there are a number of snags with that theory. First, in Anglo Irish Bank, for example, some €50 billion of the funds belonged to depositors, as opposed to €10 billion in the case of tier one bondholders. Therefore, if we had burned tier one bondholders and the bank had been allowed to collapse, depositors would also have been burned. Furthermore, in law, tier one bondholders rate equally with depositors. Therefore, one could not burn one without burning the other.

With regard to Anglo Irish Bank bondholders, the Government knows now and could have known before the general election, if it had checked, that its bonds were not taken out in Ireland but in another jurisdiction. Therefore, there is nothing the Government can do to change the law and if it had defaulted, it would have been taken to court immediately in Britain for non-payment of the bondholders. Therefore, it has perpetrated a huge lie, shown by its own actions to be an untruth. The fact is that it has followed a policy of paying bondholders and renewing the guarantee. The saying goes: “Let me be known by my actions, not by my words”. The actions of the Government have validated those of the previous Government and shown the falsity of its stance when in opposition.

The issue of promises has been mentioned by my colleagues. Let us look at three of the main promises made. A promise was made with regard to the student charge, but the famous promise made at Trinity College Dublin has been totally broken. A promise was made on child benefit, curiously enough by the Labour Party, but it has been broken and smashed. The effect has been cumulative, such that the bigger the family, the harder the hit. I will speak more about this issue in the debate on the Social Welfare Bill tomorrow. A promise was also made with regard to income tax. I did not realise how many of the current Government were educated by Jesuits until the past few weeks. In their nice Jesuitical minds there is a fundamental difference between changing PRSI rates and changing income tax rates. However, as the ordinary public see it, it is all the same. It is money that comes out of their wage packets. Because of the way it was done, the same amount of money was taken from the person earning €400 a week and the one earning €4,000 a week.

As I said, if the Government believes its programme is right and the one the people want and voted for, it should have the courage and go and ask them. It should have an election, not based on the false promises it made - probably the greatest ever made in an Irish election - but
Deputy Jan O’ Sullivan: I heard somebody mention the 1977 general election.

Deputy Éamon Ó Cuív: The promises the Government parties made in the last general election place the promises made in 1977 in the tuppence ha’ penny place.

Deputy Finian McGrath: Outrageous.

Deputy Éamon Ó Cuív: If the Government really believes what it is doing is what the people want and voted for, what is its problem in asking them to vote on it? I know the answer. The answer is that it knows what I know, namely, that the people did not vote for what they are getting. They were misled in an outrageous abuse of power. However, as has been pointed out, the sheep will come here tomorrow and vote for the Government. I do not expect defections; I expect that they will hold solid. However, that does not justify morally the things done by the Government. In particular, it does not justify being elected with one clear mandate and implementing a totally different set of policies.

Deputy Maureen O’Sullivan: I do not believe anyone comes into the political arena to cause hardship and suffering, particularly to those at the lower end of the socio-economic scale or people with disabilities. The optimist in me believes in the essential goodness of people, which is why it is so difficult to understand the rationale behind some of the cuts introduced by the Government. I am not using this occasion to engage in political point scoring or trade insults or derision. However, I must think back to the short time I spent in the previous Dáil when the current Government parties were doing to the then Government what those on this side of the House are now doing to it. I wonder what it adds to confidence in the political system. I know difficult decisions must be made, but what proportionality and fairness lie behind the cuts the Government is introducing? It is creating a more unequal society.

The decisions to be made come down to choices. There are always choices, but some of the alternatives receive no airing or recognition. It was very disappointing to hear that organisations such as Social Justice Ireland which wanted to make lengthy submissions only received approximately six minutes to make two proposals. Therefore, there was no real engagement with civil society groups. However, there was real engagement with powerful businesses, lobby groups, interest groups and employers and we see how successful they were. This can remain a low tax country, while broadening the tax base and reforming the tax system to make it fairer. There are taxes on income, but tax receipts can be raised elsewhere, for example, through the 12.5% corporation tax rate. Even a small percentage increase in that rate and a modest financial transaction tax would have taken the vicious sting out of the budget and the harsh, pitiless decisions to cut the respite care grant, child benefit and other allowances to the needy would not have been required. There are alarming figures for what is being lost to Ireland and other countries in the developed and developing world because of transfer pricing and we are allowing the country be a tax haven.

I acknowledge one positive aspect of the budget, namely, the role played by the Minister of State, Deputy Alex White, in keeping the budget figure for the drugs task forces at 3%. I know there are challenges for these forces, but this is a positive move. I look forward to the Minister of State taking on the issues of the below cost pricing of alcohol and a tax on nutrition. These two measures would be along the lines of prevention. We must also stand up to the powers that be in Europe and not pay what is not our debt. I want the kind of society in which we live to be
socially inclusive and fair. Ach ní dóigh liom go bhfuil an buiséad seo cothrom.

Deputy Finian McGrath: I thank the Chair for giving me the opportunity to speak on the motion which expresses no confidence in the Government. I commend and thank Sinn Féin for bringing it forward because I, too, have no confidence in the Government’s ability to fulfil its obligations to make political decisions and choices that will benefit the citizens of the State. I say this for many reasons, but mainly because of its failure to deal with the issues affecting people in their daily lives. The Government has penalised citizens for the actions and the greed of others. Is it fair that cystic fibrosis patients, for example, should be sent home from St. Vincent’s Hospital in the middle of winter because there are no beds available in a new €22 million cystic fibrosis unit? Is it fair to cut the respite care grant by €325? Is it fair to cut the household benefits package? Is it fair to take €10 from the child benefit payment to the poorest families or low-paid workers? Is it fair to cut the telephone allowance by 50%, from €310 to €155 a year? Is it fair to cut home heating support payments for the elderly? Is this fair for the 57% of older people who suffer from a chronic illness, one third of whom have a disability? Is it fair to bring forward a budget that hits the poorest, while protecting the richest, making this a harsh society, and failing to stimulate our floundering economy?

Is it fair for a Government to be in breach of the United Nations Convention on the Rights of the Child, which undertakes to protect, promote and fulfil the rights of children, by introducing a budget that is out of step with this obligation?

I would like to conclude by quoting from a letter I received today from Mr. Eugene Dowl- ing who is the secretary of the Fine Gael branch in Dunboyne, County Meath and has a child with Down’s syndrome:

I am writing to you as a very concerned father of a Down’s syndrome boy. I am secretary of the Fine Gael branch in Dunboyne, County Meath, and I would know Minister Shane McEntee and Regina Doherty TD quite well and campaigned for them in the last election. For the first time ever, we won four seats in Meath East-West. I am particularly disappointed with this Government’s cut to the respite care grant. This is a savage cut of 19.1%, or €325, to the most vulnerable people in society. You promised to protect these people in your election manifesto, but all we get at ground level is a kick in the face.

This letter was not written by a member of Fianna Fáil or Sinn Féin or a supporter of an Independent Member. That it was written by a Government supporter speaks for itself. If a Fine Gael party officer has no confidence in the Government’s handling of the respite care grant issue, how can the Government ask anyone to have confidence in it? I, therefore, urge all Deputies to support the motion.

Debate adjourned.

The Dáil adjourned at 10.40 p.m. until 10.30 a.m. on Wednesday, 12 December 2012.