



DÍOSPÓIREACHTAÍ PARLAIMINTE
PARLIAMENTARY DEBATES

DÁIL ÉIREANN

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

Ceisteanna - Questions	2
Priority Questions	2
Horse Slaughter Standards	2
Sugar Industry	5
Fishing Industry Development	6
Disadvantaged Areas Scheme Payments	8
Fishery Harbour Centres	10
Other Questions	12
Common Agricultural Policy Reform.	12
Agriculture Schemes Expenditure	15
Agriculture Schemes Payments	16
Topical Issue Matters	18
Leaders' Questions	20
Ceisteanna - Questions (Resumed)	26
Northern Ireland Issues	26
G8 Summit	34
Order of Business	40
Energy Security and Climate Change Bill 2012: Second Stage (Resumed) [Private Members]	46
Ministerial Rota for Parliamentary Questions: Motion	48
EU Readmission Agreements: Referral to Joint Committee	49
Topical Issue Debate	50
Cash for Gold Trade	50
Development Contributions	53
Lourdes Hospital Redress Scheme Eligibility	58
Promissory Notes: Motion	60
Margalen Laundries: Motion [Private Members]	82

DÁIL ÉIREANN

Dé Máirt, 12 Feabhra 2013

Tuesday, 12 February 2013

Chuaigh an Leas-Cheann Comhairle i gceannas ar 2 p.m.

Paidir.
Prayer.

Ceisteanna - Questions

Priority Questions

Horse Slaughter Standards

115. **Deputy Éamon Ó Cuív** asked the Minister for Agriculture, Food and the Marine if any complaints were made to his Department in 2011 and 2012 in relation to non-compliance with the highest standards of traceability and standards in the slaughter of horses in licenced slaughter houses; if so the number of such complaints and their nature; the action taken by his Department to deal with these complaints; the irregularities found; and if he will make a statement on the matter. [7271/13]

Minister for Agriculture, Food and the Marine (Deputy Simon Coveney): Under EU law, responsibility for compliance with food safety and traceability requirements rests, in the first instance, with food business operators. This is augmented by official controls, applied at different stages in the food supply chain.

My Department implements official controls in regard to horse identification at marts and other sales venues, abattoirs and points of entry to the country. All equines, which include horses, ponies and donkeys, are required to be identified in accordance with EU and national legislation. Equines issued with a passport after 1 July 2009 must have a corresponding microchip implanted by a veterinarian. It is recorded in the passport and creates a link between the passport and the animal. The passport includes information on any veterinary medicines ad-

12 February 2013

ministered to equines. An equine for slaughter for human consumption must be accompanied to the slaughterhouse by its passport, and the information on the passport determines whether the animal can be slaughtered for human consumption. Horses treated with certain veterinary medicines such as phenylbutazone, known in the industry as “bute”, are permanently excluded from the human food chain in order to protect human health, and the passport of the horse in question is endorsed by the prescribing veterinary practitioner to this effect.

My Department has detailed procedures for the slaughter of horses in abattoirs under its supervision and has communicated these and the checks required both to its staff and the business operators. It has liaised with passport-issuing agencies in Ireland and has developed protocols to allow abattoir operators to check the details of passports with these agencies to seek to ensure that they are valid and that only those horses eligible for slaughter are slaughtered. Where forged or tampered passports accompanying horses to slaughter are detected, it is the policy that such animals are destroyed and removed from the food chain.

I can confirm that my Department has received a small number of complaints in this area. While the Department does not comment on ongoing investigations, appropriate corrective action is taken if non-compliance is detected. I can advise that during 2011-12 my Department issued two compliance notices to horse slaughter plants; the approval of one slaughter plant was temporarily suspended and the approval of another was voluntarily suspended. The approval of one organisation, the Irish Cob Society, to maintain a stud book and issue horse passports was revoked last autumn.

Additional information not given on the floor of the House

Ongoing vigilance is maintained regarding official controls in this area. In that connection, the European Communities (Equine) (Amendment) Regulations, S.I. No. 371/2012, introduced recently, provide for the updating of S.I. No. 357/2011, European Communities (Equine) Regulations 2011, to strengthen the powers of the Minister relating to approval of an issuing body for equine passports, authorised officers and prosecutions relating to equine identification. My Department is developing a central database of horses which will involve migration of selected data from passport-issuing organisations to the Department. The database will be populated with information provided from the databases maintained by the passport-issuing organisations; by the Department from records obtained from sources such as slaughter plants and knackeries; and by local authority veterinary inspectors in respect of records maintained at appropriate slaughter plants.

Deputy Éamon Ó Cuív: It took the Minister a long time to come to the point. The question asked if complaints had been made and what action had been taken. The Minister might give further information about how many complaints have been made, when they were made and what action was taken. Was the suspension of one of the organisations from issuing passports related to the issue of traceability of horsemeat or were there other reasons? Regarding the two factories that are no longer allowed to slaughter, will the Minister give an outline of the broad reasons for that and whether it was related to traceability? Can the Minister further confirm that he is 100% satisfied there is no possibility of microchips and passports not matching? Even where they are matching, I am told that the microchips can be bought quite easily and it is easy enough to ensure the passport is amended to match the microchip. Is the Minister absolutely satisfied that the system dealing with horsemeat for the food chain is as secure as that for cattle or sheep?

Deputy Simon Coveney: They are fair questions. First, with regard to the removal of the issuing agency, there are about seven bodies that can issue equine passports in Ireland. They are in different areas, such as sports horses and warmbloods. Horse Sport Ireland is the main one along with Weatherbys, but there are others in specialist areas. We removed the Irish Cob Society from that approved list because the Department was not happy that the procedures we expect of those organisations would be followed. We are making changes in this area at present because concerns have been expressed and there is anecdotal evidence that passports for horses are too freely available. We now require all the agencies to provide all their data to a centralised database to which the Department will have access, to ensure we know exactly who is issuing what and to whom. That is necessary.

Can I be 100% sure that no horse has a false passport? No, I cannot be 100% sure of that. However, we are putting as many checks in place as possible and if anybody has any evidence of horses with false passports we will follow up on it immediately. When concerns have been expressed, we have followed up on them. In the last two years I have done that personally with my veterinarians. Most recently, when the Ulster Society for the Prevention of Cruelty to Animals made a series of statements which resulted in understandable concern, on the following day I asked one of my advisers to meet the individual concerned, Mr. Stephen Philpott. The special investigations unit of my Department has subsequently followed the matter up with Mr. Philpott to establish if he has any proof to back up his accusations. We are determined to ensure that the abandonment of a great many horses by people who can no longer afford to keep them as a result of the recession does not result in any fraudulent or criminal activity. If people have evidence that concerns them, I ask that they bring it forward and we will investigate.

Deputy Éamon Ó Cuív: The microchip and passports arrangement was introduced in 2009 but there are a great many horses in the system which predate that year. When horses are brought to slaughter, is every carcass checked for the presence of bute to ensure that no carcass containing that substance, which is very dangerous to humans, gets into the food chain? Does the Minister propose to introduce a centralised system as exists for cattle to issue identification to all equines in the State to ensure there is no fudging or uncertainty? The public would like to be absolutely reassured, not only because of the horsemeat scandal but so that all horses can be tracked and identified. As the Minister said, there are a great many issues around horses.

Deputy Simon Coveney: It is important to separate the issues of the horsemeat scandal we are currently investigating and the question of whether we have appropriate checks in place to ensure that any horse slaughtered for human consumption has a valid passport and microchip. There is no evidence at the moment to suggest that there is any connection between horses that have been slaughtered in Ireland and the finding of horsemeat in Irish meat products. Nevertheless, the Deputy's question on what we are doing to ensure that horses are slaughtered properly, professionally and have appropriate passports and microchips is a perfectly valid one. Horses that do not have passports and microchips and which were not required to have them before 2009 cannot enter the food chain under the current rules. We carry out checks on a random basis in factories where we test meat for the presence of bute. We have asked local authorities to increase checks for bute in the facilities supervised by them and we have increased checks in facilities supervised by the Department for the very reasons outlined by Deputy Éamon Ó Cuív.

Only two factories continue to slaughter horses in Ireland as a number of factories decided to move away from that business. The boning hall which had been boning out horses has ceased to do so in recent weeks. Both slaughter houses which continue to slaughter horses have been under local authority supervision but the Department is taking over their supervision now. The

12 February 2013

larger exporting factories involved in the slaughter of horses had been supervised by the Department in the same way that beef factories were, while smaller operations were under local authority supervision. I am now insisting that all slaughtering of horses is directly under my Department's supervision. That will mean a permanent veterinary presence, which is required to be there anyway, for all horses being slaughtered. Obviously, the necessary checks and balances must be in place to ensure that no horse which lacks proper identification and paperwork enters the human food chain.

Sugar Industry

116. **Deputy Martin Ferris** asked the Minister for Agriculture, Food and the Marine his views on the prospects for the reopening of the Irish sugar beet sector. [7360/13]

Deputy Simon Coveney: As Deputy Martin Ferris will know, there are a number of interest groups in the State which would like to see the return of a sugar refining industry, not least farmers who want to grow sugar beet both as a valuable cash crop and as a valuable break crop in arable farming. That is even more important, given the potential for new greening measures in the Common Agricultural Policy reform process. I am very supportive of these efforts, but two things need to happen before we see a new beet factory built in Ireland. First, Ireland needs to have a quota to produce sugar or else we need to have no quotas in the European Union.

There is a European sugar quota regime in place. As Ireland was compensated to get out of sugar production a few years ago, under EU rules, we cannot produce sugar, even if we wanted to and had the capacity to do so. That sugar regime is due to end in 2015. My position is that we should do away with sugar quotas post-2015 and that countries such as Ireland should be able to produce sugar if they can put together a business case to do so and get investors to support it. That is unlikely, however, because there are strong vested interests who want to see a sugar quota regime continue in place. Sugar quotas will end at some stage between 2015 and 2020. I have repeatedly asked that if the sugar quota regime continues after 2015, countries such as Ireland which have been compensated to get out of sugar production but only until 2015 should be given a limited sugar quota for their own domestic use in order that they can get back into producing sugar.

The second point is that there needs to be a business case made, backed by investors and, presumably, banks, to make it possible to spend the €200 million required to build a sugar factory and an ethanol plant. Two very credible feasibility studies were published last summer and my job is to meet the first challenge to try to get a quota or secure the absence of quota to allow these proposals to press ahead if it is economically viable to do so. That will be determined by the price of sugar internationally.

Deputy Martin Ferris: The Minister is as aware as I am and many other Deputies of the dishonest grounds on which the quota was abolished in 2006 when Greencore and the then Minister for Agriculture, Mary Coughlan, claimed the European Union was forcing the closure. The European Court of Auditors subsequently rubbished this claim. The Minister has mentioned the value of growing sugar as a break crop and its value as a cash crop, particularly for small farmers. He has indicated that he supports the effort to procure a quota from 2015 onwards if the European Union will not abolish the quota regime. Is he prepared to put his full weight behind this effort to try to get a quota for producers who are intent on growing beet again? Will he indicate the size of quota for which he would be looking and how many jobs

this would create and the knock-on value to the economy in general?

Deputy Simon Coveney: They are all valid questions, but I have made the case to the Commission, formally and informally. I have speaking notes to show that I have raised this issue at Council meetings. There are one or two other countries in a similar position, Slovenia probably being the best example. Countries that continue to have large sugar quotas and industries are anxious to protect the *status quo* because last summer the value of sugar reached new highs, with processed sugar reaching a figure of over €700 a tonne. A rule of thumb would be that as long as the price of processed sugar stays above €500 per tonne, the feasibility studies I saw last summer stack up in terms of the viability of building a plant to produce sugar and ethanol for over €200 million and actually being able to pay that money back. We are two stages away from that, however. My job is to focus on getting a compromise agreed between those countries - some of which are powerful - that want to see sugar quotas retained because it protects the EU sugar industry, and other countries that, because of the global shortage of sugar, want a free market on the world stage so that the EU can trade in the market. I want the industry to press ahead with this proposal, if it is feasible, and I do not want quotas inhibiting that. We will try to achieve this in the Common Agricultural Policy, CAP, negotiations. That is not going to be easy, however. It is difficult to put an exact figure on the number of jobs that could be created but it would be a significant industry.

Deputy Martin Ferris: The Minister said there was a global shortage of sugar. This would be a persuasive argument in getting the EU to tap into that market. The fact that we hold the EU Presidency gives us an ideal opportunity to push this forward and a quota will be made available to Ireland and other member states seeking one. The Minister believes the quota will be gone before 2020. How confident of that is he?

Deputy Simon Coveney: This issue is one of many that are being debated as we draw to a conclusion in the Council of Ministers on a negotiating position on CAP reform. Then we can go into a triologue process to agree in co-decision with the European Parliament what the CAP will look like for the next seven years. Hopefully, the Irish Presidency will be able to conclude all of that before the end of June. Sugar is one of the items under discussion and it is one of the four regulations on which we must achieve a common position. My view is clear on this. During our Presidency of the Council of the European Union, my job is to get a compromise with which everyone can live. Everyone knows the Irish perspective on this. We will see a compromise whereby there will be a midpoint between 2015 and 2020 - it will probably be closer to 2020 - for ending sugar quotas. My view is that they should be stopped after 2015, letting the free market take effect. If there is to be an increase in quota - which there needs to be - we would be looking for a quota sufficient for the Irish market for three or four years, namely between 180,000 and 200,000 tonnes. One needs such amounts to achieve economies of scale to produce sugar efficiently.

Fishing Industry Development

117. **Deputy Thomas Pringle** asked the Minister for Agriculture, Food and the Marine if he has any plans to make the creation of jobs a condition of grant aid under the seafood business development and seafood processing schemes operated by Bord Iascaigh Mhara to ensure that the maximum number of jobs are created and maintained in the seafood processing sector; and if he will make a statement on the matter. [6994/13]

(Deputy Simon Coveney): Our food industry is a high-growth area of our economy and the seafood processing sector is no exception. The sector has significant potential to increase revenues and employment in the coming years. I have on previous occasions referred to my commitment to ensure the maximum number of jobs are created and maintained in the seafood industry. Both Food Harvest 2020 and the action plan for jobs recognise that most of the potential for increased employment in the seafood industry is in the areas of processing and aquaculture. Food Harvest 2020 aims to increase employment in the seafood sector from the present total of approximately 11,000 to 14,000 by 2020 and to increase turnover from €700 million to €1 billion. The two targets are part of the same ambition to increase the size of the seafood industry and its contribution to our economy. It was the previous Government that put these targets in place, but this Government is happy to implement them and see them through.

Despite the severe effects throughout the economy of the current economic downturn, the processing sector has fared well in maintaining employment. Many progressive businesses in the processing sector have bucked the general trend in the economy and have been on a sustained growth and expansion path. CSO figures show that seafood exports were valued at €495 million in 2012, an increase of 18% from 2011.

I am advised by Bord Iascaigh Mhara that some 2,870 people are currently employed in the seafood processing sector. Arising specifically from an investment of €12.8 million by 18 seafood processing companies in 2012, with €2.6 million in financial assistance under the seafood processing business investment scheme, 296 additional jobs and increased sales of value-added seafood products of almost €105 million are expected to be created by 2015. This is a significant level of investment by any standards. Together with previous investment of €7 million by 21 companies in 2011 and €2.7 million by eight companies in 2010 with the support of the seafood processing business investment scheme the investment is setting a clear path to growth and expansion. I have recognised the success of the scheme by increasing its capital budget from €1.5 million in previous years to €2.5 million in 2013. I realise Deputy Pringle has a specific question on how we aim to prioritise these allocations and I will come back to the House on that.

Deputy Thomas Pringle: I asked this question because, as he will remember, in June 2011 the Minister launched a high level group report in Killybegs which outlined how 250 jobs would be created in the area in the following years in the seafood processing sector. It is remarkably difficult to find out or verify whether and where those jobs are being created. It appears that the grant announcements made are linked to creating a given number of jobs but those jobs are only aspirational and are not really a factor in deciding on grand aid. In fact, it seems more likely to be a nice add-on to any given announcement to say that it will create eight or ten jobs. In truth, that is not the purpose of the grant aid and it has led to a good deal of confusion among the public. There is a significant difficulty in Killybegs, Donegal at the moment because workers there are being paid off in factories and people cannot see where these jobs are being created. There is an issue with transparency and it must be addressed.

Deputy Simon Coveney: The grant aid is given out on the basis of two criteria. We are trying to modernise processing in Ireland to make it more efficient and competitive in order that we can process more fish here and land more fish caught by Irish trawlers and foreign trawlers. These changes are taking place and are evidenced by the increasing export figures.

We are also looking to invest in facilitating the sector that is adding more value to product. This is why I propose to increase the maximum grant rate available under the seafood process-

ing business investment scheme in 2013 from the previous 25% of money spent up to 30%. At the same time, I propose to reduce the grant available to investments in primary processing facilities from the previous 25% to 20%. We are trying to prioritise money into the added-value sector because that is where the jobs are. This will enable us not only to process more seafood product but to add more value to it. This is what we are trying to do in the beef and dairy sectors as well as all the other food sectors and I trust Deputy Pringle will welcome it.

It is difficult to put an exact scheme together based on the number of jobs to be created. From an employment point of view, our figures in terms of growth in Killybegs and elsewhere are based on the projection of the increased number of jobs attached to the investments concerned. That is the only way one can take the matter forward.

Deputy Thomas Pringle: I welcome the fact that the grant aid has increased for the added-value aspect of the investment. This is important. The dilemma we have seen in the fish processing sector, particularly in County Donegal, is that the greater the investment, the fewer the jobs. I acknowledge the argument that the remaining jobs are more sustainable but it is difficult for those who find themselves out of work because of modernisation to see where the growth in employment will take place. This is a problem with the grant aid process. Jobs are linked to announcements even when the announcement is about modernising plant and equipment rather than job creation. That is where the confusion arises among the public and the people who work in these factories. I welcome that the grant aid is being increased for added value but there needs to be a focus on creating jobs.

Deputy Simon Coveney: The Deputy makes a fair point. There is a concern that when money is invested in processing equipment, the resulting modernisation and mechanisation can reduce the number of people working in the factories concerned. We are trying to ensure that we are competitive as a place to land, process and add value to fish. For example, the landing of blue whiting in Killybegs last year was a significant injection into the local economy. We hope this will continue during 2013 but we also need to find a way of ensuring that instead of simply sending fish landed in Ireland elsewhere in frozen or chilled form for grading and processing, we do that work here. We have the infrastructure and expertise to do the work but we need to continue investing to add value and export higher value products. That is where the jobs will be created. Killybegs clearly could be at the centre of such activities because of its scale and size. This is why the emphasis of the grant has slightly changed to 30% for added value and 20% for general processing upgrades in order to encourage people down the route of added value.

Disadvantaged Areas Scheme Payments

118. **Deputy Éamon Ó Cuív** asked the Minister for Agriculture, Food and the Marine if he intends to reduce the payment on the first ten hectares of land under the disadvantaged areas scheme to farmers in areas classified as mountain when the herd owners do not have sheep; the amount of any proposed reduction; and if he will make a statement on the matter. [7272/13]

Deputy Simon Coveney: As the Deputy is aware, we are faced with unprecedented financial constraints and difficult decisions have had to be taken in recent years regarding funding of schemes operated by my Department, principally the disadvantaged areas scheme. Rather than simply take an across the board approach to cutting rates, I am determined to use this opportunity to make the scheme more focused. I am prompted by the need to ensure those farmers most actively contributing to the achievement of the aims of the scheme have their benefits

largely protected.

I would argue strongly that the approach I adopted to the 2012 scheme is testament to this and the commitment I gave that farmers adversely affected by the changes will have every opportunity to have their specific circumstances taken into account is clear evidence of my desire to minimise the impact on the most active farmers. On a close examination of the detail of the scheme, one aspect which was highlighted was the change in farming practices over the years in certain parts of the country, specifically, in mountainous areas. Historically, support was provided to sheep farmers in such areas at a higher rate than in lowland areas in recognition of the additional burdens they faced. While the disadvantaged areas scheme has replaced for the old sheep headage scheme, this approach was continued and a higher payment continues to be made to people farming such mountainous land. These premium payments are available for farms of up to ten hectares. Deputy Ó Cuív was Minister when this decision was made in 2000.

I have decided to retain the top-up payment on the first ten hectares of mountain type grazing. In order to benefit from the top-up payment, farmers who declare this category of land will have to maintain a sheep flock on their holdings in 2013. In the context of taking a more focused and fairer approach to the disbursement of limited funds, it can readily be accepted that there is little argument against this proposed restriction. In other words, the top-up payment Deputy Éamon Ó Cuív introduced to compensate mountain sheep farmers in the switch from headage payments to the disadvantaged areas scheme, DAS, payment remains intact. The only qualifying criterion is to have sheep on the land. Therefore, it would not be justifiable, given all the savings we must try to make, to provide top-up payments for sheep farmers if they do not have sheep. That is not an unreasonable requirement. We are protecting the payment and think the Deputy did the right thing when he introduced it, but we require farmers to have sheep on the land in order to draw it down.

Deputy Éamon Ó Cuív: When I introduced the payment, it was for those who were farming on mountain land. There is a far greater number of farmers on mountain land who farm cattle only than farmers who farm cattle and sheep or sheep only. I have submitted numerous questions for written reply on this issue, but I have not been able to get a straight answer. Is the Minister saying that in 2013 all of the farmers in the designated mountain areas who farm cattle only will have their payment reduced because they will not receive the top-up payment on the first ten hectares, as would have happened when I introduced the payment? In other words, I did not discriminate between sheep and cattle farmers because they were both valid types of farming in mountain areas. Will the Minister give me a simple “yes” or “no” answer as to whether all farmers in west Kerry, County Wicklow, Connemara or wherever else who do not have sheep but cattle only will see a reduction in their disadvantaged area payment this year?

Deputy Simon Coveney: My understanding is that the payment resulted from replacing the old sheep headage scheme with a disadvantaged area scheme. Therefore, anybody who availed of the payment and continues to farm in the same way will be able to retain the payment. If somebody is not farming the land and has no stock on it, he or she cannot expect to hold on to the top-up payment, which is not unreasonable.

Deputy Éamon Ó Cuív: What I am saying is that when the headage payments and other schemes were abolished, farmers received the disadvantaged area scheme payment. The idea behind that payment is to compensate those for farming poor land and the poorest land in the country is mountain land. Therefore, I introduced a rate of payment that was higher for mountain land than land in severely disadvantaged or less favoured areas. I again put the question

and ask for a simple “yes” or “no” answer. Will cattle farmers who are actively farming mountain land receive the top-up payment or will it be confined only to sheep farmers who account for a minority of farmers in mountain areas? Will the Minister give me a “yes” or “no” answer because I have submitted a few questions for written reply on this issue, but have not been able to get an answer from him? Will a farmer with five cows and so on be paid at the same rate as a neighbouring sheep farmer?

Deputy Simon Coveney: First, we have continued with the prioritisation of support for farmers farming in mountain areas in the most recent budget. They will not suffer any DAS payment cut. I will check my understanding of this issue when Question Time concludes and revert to the Deputy with a note. I understand the scheme was previously targeted at sheep farmers in mountainous areas. If that is not the case, I will seek to clarify the matter. The intention behind what we are doing is to ensure those who are not farming and do not have stock in mountainous areas will not continue to receive the payment.

Deputy Éamon Ó Cuív: They do not receive the payment.

Deputy Simon Coveney: I hear what the Deputy is saying, but it is my understanding and my briefing note suggests the payment is made to sheep farmers only. However, I will check and revert to the Deputy with a response on the position of farmers with suckler cows in mountainous areas.

Fishery Harbour Centres

119. **Deputy Thomas Pringle** asked the Minister for Agriculture, Food and the Marine the number of rent reductions that have been negotiated between tenants in fishery harbour centres and his Department in each of the past two years; and if he will make a statement on the matter. [6919/13]

Deputy Simon Coveney: The Department of Agriculture, Food and the Marine owns and operates under statute six fishery harbour centres at Killybegs, Ros a’ Mhíl, Dingle, Castletownbere, Dunmore East and Howth. Properties located in the fishery harbour centres are offered for tenancy under lease or licence agreements when appropriate. An individual agreement, which is a formal document and is legally binding on both parties, is voluntarily signed at the outset by the tenant. The Department has approximately 140 property agreements in place in the six fisheries harbours.

Property agreements are complex instruments. The specific terms of the agreements held with the Department vary. Approximately 80 of the property agreements that are in place do not contain rent review clauses which require rent to be static or increased in the subsequent period. These agreements include short-term licence agreements and pending lease agreements. Any property agreements that were entered into after to the application of section 132 of the Land and Conveyancing Law Reform Act 2009 contain rent review clauses in which the rent payable following the review may be fixed at an amount which is less than, greater than or the same as the amount of rent payable immediately prior to the date on which the rent falls to be reviewed. Approximately 60 lease agreements contain rent review clauses which require static or increased rent to be applied for the subsequent period. All of the property agreements that contain such rent review clauses were signed prior to the application of section 132 of the 2009 Act. These agreements generally require rent reviews to be conducted every five years. The

most recent round of rent reviews on these agreements related to the period up to mid-2008. A number of the rental valuations determined by the qualified valuer, who was appointed by the Department following a tender competition, were disputed by the tenants. The rent review dispute procedures set out in the tenants' leases were followed. In some cases, the independent experts recommended a decrease in the revised valuation determined by the valuer acting on behalf of the Department.

I am acutely aware of the economic situation facing businesses and small enterprises. Following the completion of rent reviews due for the period up to mid-2008, I decided in 2011 that no rent reviews would be carried out for years subsequent to 2008 and that zero rent increases would apply across the board. I have recently decided to continue this approach for rent reviews due in 2013. A zero rent increase will be applied in all such cases. In other words, we are providing for a practical response. When a rent review takes place, we are entitled in law to consider either an increase or a retention of the same rent. We have decided that the easiest way to deal with this is by not reviewing the rents so that they do not increase for the tenants in question.

Deputy Thomas Pringle: It may be a practical response, but it does not go far enough. No one is more aware than the Minister of how circumstances have changed since the last reviews were done in 2008. Many businesses are struggling to meet rents that were set at peak market values. Perhaps the Department, as an extension of this process, can take a proactive view of the possibility of reducing those rents where that can be justified. I think that would go a long way towards enabling people to preserve their businesses. It might even give them room to expand their businesses and create jobs. In advance of the last general election, Fine Gael proposed the implementation of such a process, which would be the fairest way of going forward in this area.

Deputy Simon Coveney: We have looked at the Deputy's proposal, but it is not as easy as it might seem. When a lease is signed that does not contain a mechanism whereby the level of rent can be reduced - it must stay as it is or increase - it is not straightforward from a legal point of view to reduce that rent. In order to ensure both sides do not have to go through the cost and hassle of the process of arbitration on the agreement of valuations and rents, etc., I have decided that the easiest way to proceed for the moment is by simply not having reviews. That gives tenants some certainty that their rents are not going to increase. I think it is a reasonable response in the circumstances. If there is a case to be made that we are overcharging for rent, we need to look at that. However, whenever rent reviews have been carried out, there have been recommendations for rent increases, and I do not believe that is appropriate given the pressures many businesses are under at present.

Deputy Thomas Pringle: Clearly, if there was movement on both sides whereby the tenant and the landlord agreed to examine the process, it would be possible to arrive at a situation in which both sides agreed to reduce the rent in the vital interest of keeping a business in place and giving it the opportunity to create extra jobs and be more sustainable. There needs to be a will within the Department, however. If there is a will, there will definitely be a way and both sides can agree to alter the terms of the lease and arrive at a rent that would be agreeable to both.

Deputy Simon Coveney: We need to balance two things. First, we need to ensure we are not charging rents that are over the top for businesses. Second, we need to run six fisheries harbours in a businesslike manner so they can pay for themselves, if possible, and pay for the investment that is and has been needed over the years. We are trying to balance our obligation

as a landlord to be fair to the tenants and do all we can to keep them in business by not applying rents that are over the top with the requirement to obtain an acceptable commercial income from all of the tenancies within our harbours. We are trying to balance those two priorities. This is why I have tried to give certainty to businesses by saying we will not go through the rent review process. The point I am making is that some of the rent reviews we went ahead with actually recommended an increase in rent, so just because a review is carried out by an independent assessor, it does not necessarily mean we will get a recommendation to reduce rent. Of course tenants will want lower rent all the time but I have to run the harbours in a businesslike commercial manner so I can invest in those harbours and, at the same time, not treat tenants unfairly. That is why I believe that putting off rent reviews in order to essentially freeze rent for the foreseeable future is a reasonable way to proceed.

Other Questions

Common Agricultural Policy Reform

120. **Deputy Billy Kelleher** asked the Minister for Agriculture, Food and the Marine if he is still pursuing his proposals on internal convergence in relation to common agricultural policy reform; the support he has for these proposals in the Council of Ministers, the EU Commission and the EU Parliament; and if he will make a statement on the matter. [6982/13]

Deputy Simon Coveney: I expect Deputy Kelleher and Deputy Ó Cuív, who is present to deal with the question, might have differing views on this issue, but perhaps that is not the case.

I can confirm that I am actively pursuing the question of internal convergence in the CAP reform negotiations. Indeed, it is probably my key concern in the overall CAP reform process. Under a national flat rate system, as proposed by the Commission, the impact on farmers would be significant in that approximately 76,000 farmers would gain an average of 86% on their current payments, while around 57,000 would lose an average of 33% on their payments. These are average percentages and some of the gains and losses would be far higher than this. In my view, this would have undesirable consequences at a time when Ireland is trying to encourage sustainable intensification in the agri-food sector as we strive to achieve the objectives of the Food Harvest 2020 strategy. Accordingly, I have been pressing for the maximum possible flexibility to be given to member states to design payment models that suit their own farming conditions. The approximation approach, under which all payments could gradually move towards, but not fully to, an average payment, is one alternative I believe should be considered in this regard. The Commission's pragmatic proposal for redistribution between member states is, in effect, an approximation model and provides a useful precedent. Modelling in my Department suggests that the application of this system to the distribution of funds among farmers in Ireland would lead to much smaller gains and losses to individual farmers than a flat rate system.

I have been very active in seeking allies for this position and I have been making significant progress, particularly with a group of member states with somewhat similar concerns to Ireland,

including Spain, Portugal, Italy, Denmark, Luxembourg and, indeed, France and Belgium. A number of other member states that are pressing for the adoption of a slightly different approach are also sympathetic. They include Austria, Slovenia and Hungary. In the past month the agriculture committee of the European Parliament has come on board by including an approximation model in its text. I am in regular contact with the Commission and other member states and confident that following our efforts, there is recognition of the difficulties the original Commission proposal poses for some member states such as Ireland. I hope to be in a position in the coming weeks to table a compromise solution that will be acceptable to all member states and that will try to strike a balance between the Commission proposal and the approximation proposal I have advocated. I know the Deputy has concerns in this area also and we have tried to take on board some of them.

Deputy Éamon Ó Cuív: The Minister has stated about 70,000 farmers will gain 86% on their payment. On average, what will this amount to in cash terms? I could gain an increase of 100% if a payment of €1 was increased to €2. Will the Minister also tell me what the average loss of 33% will mean in cash terms? When one receives these figures, it will make it much clearer because percentages can be very deceptive.

The historic payment is based on activity levels in 2000-01 or 2002. Does the Minister accept that there are farmers who receive very high single payments and are only engaged to the minimum extent? They claim the payment but are not producing a great quantity. Does the Minister also accept that there are a large number of farmers who receive high single payments who are renting the land and not actively farming? Does he favour capping payments at a figure of €50,000? What is his attitude to front-loading?

Deputy Simon Coveney: What we have proposed as an alternative to the Commission proposal would essentially mean the higher one's payments, the more one would lose, while the lower one's payments, the more one would gain in the redistribution, which would be fair. Farmers with very high payments would lose one quarter of their payments, while those with very low payments would probably see their payments quadruple in some cases. I cannot give the Deputy exact figures, but they vary considerably, depending on the current level of payment.

I am the first to concede that there is a need for significant redistribution. There are plenty of farmers who have been given a raw deal in respect of the reference years and the building of entitlements over a period of time and they need and will receive a significant increase in their payments. The farmers with stacked payments who have built very large entitlements must pay for this. If we were to move on the lines the Commission has proposed which would involve pushing everybody into an average payment of about €270 per hectare over a relatively short period of time, some farmers would receive 30% of what they are currently receiving, while others would receive massive increases for doing very little.

This is an important point. We are trying to introduce a fair model to redistribute a significant amount of money and, at the same time, not to put many active farmers who have been relying on medium to high payments out of business. It is important to say we will not achieve the proposal I have sold around the country at public meetings. It will not be possible to achieve that. We will achieve a compromise between that and the Commission's proposals. That is how compromise works. It was important for me to take a strong position to limit the amount of money being redistributed so that we could agree a compromise position acceptable to everyone. That is what we are working to achieve. On the question of capping, I will not commit myself to any particular figure. It was agreed by the Heads of State last week in the

multi-annual financial framework, MFF, discussions that countries would be allowed to introduce a voluntary cap. We do not yet know whether we will be able to set that cap at whatever rate we wish it to be set. We will not know the answer until the end of June.

Deputy Éamon Ó Cuív: Does the Minister favour having the ability to set the cap in Ireland and that every other country could do the same in order to suit each country's own particular circumstances? The Minister talks blithely about inactive farmers doing very little. In my view, the truth is that farmers who have low payments often have low payments because they happen to have been born in an area of poor land. It is not because they are inactive or are not productive. They are producing according to the ability of the land. Has the Minister matched the activity of farmers today - which he knows from the nitrates certificates given annually to every farmer - with single payments?

Deputy Simon Coveney: Yes. I will answer that question in a moment.

Deputy Éamon Ó Cuív: Will the Minister provide that information to me? It would be very useful to have this information, that the Minister can prove that the farmers in receipt of high payments are highly active as of 2012. Irrespective of what new reference year is put in place for the new CAP, under the Minister's approximation method will the payment be relative to the entitlements they achieved in the years 2000, 2001 and 2002, the entitlements they achieved for this round of CAP?

An Leas-Cheann Comhairle: I will allow Deputy Ferris to ask a brief question as we are nearly out of time.

Deputy Martin Ferris: I have a question about the Minister's position regarding the Commissioner's proposals. He has referred to compromise being necessary. Will that compromise include a link to productivity?

Deputy Simon Coveney: The problem is that under the World Trade Organisation rules, payments cannot be linked directly to productivity. I would like to be able to do so. Coupling is one way of doing it. The single farm payment cannot be linked directly to productivity which is the reason we have been relying on an historical link to productivity. Teagasc figures in 2010 demonstrate a correlation between farmers with the highest stocking rate and those in receipt of the highest payments. That does not necessarily mean that outliers do not exist who are in receipt of high payments. I will try to get those figures for the Deputy.

We are in the middle of a process to review the Common Agricultural Policy which has been in train for four years. We are now at the end game in efforts to hone in and focus on compromises. I would welcome input from the Opposition to the process. If the Deputy is proposing something entirely new which has not been debated and which is not part of the European Parliament or Council discussions, it is unlikely that a radically different arrangement could be achieved at this stage. I have had a brief discussion with the Commission. I do not believe that countries will be told they can set a cap at whatever level they wish. In my view the Sinn Féin proposal to cap payments at €100,000 was a pretty good proposal. However, whether we will be able to see that through and have the flexibility to do so in the final agreement, remains to be seen. That is why I am slow to commit myself to any cap figure at the moment because I may not be able to deliver on it subsequently. I am the chairman but there are 27 countries and also the European Parliament which has very strong views.

3 o'clock

12 February 2013

The Commission wants to try to retain the Common Market approach. I am not sure how the idea that Ireland would be able to set a cap of €50,000, that Germany would have no cap at all and that this would not have an impact on competitiveness in the two countries in the context of how they produce food would fly. We are involved in a process and it would be helpful to consider where the proposals stand and from where the compromises on the part of the Parliament are coming. If these can be improved upon from an Irish perspective, then I would certainly like to obtain the Deputy's views on the matter.

Agriculture Schemes Expenditure

121. **Deputy John McGuinness** asked the Minister for Agriculture, Food and the Marine the allocation under each targeted agricultural modernisation scheme measure in 2013; and if he will make a statement on the matter. [6987/13]

(Deputy Simon Coveney): European Commission approval for the introduction of a number of targeted agricultural modernisation schemes, TAMS, intended to support productive investment in the agricultural sector was received in March 2010. Priority was given to the bioenergy, poultry welfare and sow welfare schemes which were launched by my Department during the first half of 2010. The sheep fencing and mobile handling equipment scheme opened for applications on 1 November 2010, while the dairy equipment and rainwater harvesting schemes were introduced in March 2011. With the exception of the poultry welfare scheme, all of the TAMS will remain open for applications this year. However, I expect that some residual payments will occur under the poultry welfare scheme in 2013.

The 2013 financial allocations for each of the TAMS are as follows: bioenergy, €1 million; dairy equipment, €8.55 million; poultry welfare, €1 million; rainwater harvesting; €100,000; sheep fencing and handling, €500,000; and sow welfare, €9.95 million. The total amount allocated will be €21.1 million. The allocation in the Department's Vote for 2013 of this €21.1 million for TAMS compares to actual expenditure of €15.6 million in 2012. Expenditure under the sow welfare scheme is likely to be significant this year because, under the terms of the EU approval governing the scheme, all work must be completed by farmers by the end of September. Under the other TAMS, farmers generally have two years to complete the investment works concerned. As a result, it is not always possible to determine the calendar year in which the expenditure will arise. It also means that the level of expenditure lags significantly behind the actual amount committed under each scheme at any particular time.

Deputy Éamon Ó Cuív: What was the allocation for the TAMS in 2012? The Minister stated that the level of expenditure was €15 million, but what was the outturn? I presume he was implying that the €9 million relating to the sow welfare scheme would be taken up. Is he of the view that the remainder of the overall allocation will be taken up in full?

Deputy Simon Coveney: The allocation for last year was approximately €20 million. In terms of the total allocation for the scheme and the actual expenditure that has been committed so far, the following figures apply: dairy equipment, €45 million; poultry welfare, €16 million; sow welfare, €13 million; sheep fencing and handling, €8 million; rainwater harvesting, €8 million; and bioenergy, €20 million. The total amount is €110 million. Subsequently, we transferred some of the money from the rainwater harvesting scheme to the dairy sector. We also transferred money to the sow welfare scheme in order to try to encourage compliance. We were under some pressure to achieve the latter. That was the correct decision to take at the end

of last year.

The figures relating to the amount of money committed to date are: dairy equipment, €34.1 million; poultry welfare, €11.9 million; sow welfare, €13.6 million - this is above the €13 million originally allocated and I have just explained the reasons for it; sheep fencing and handling, only €3 million of €8 million allocated; rainwater harvesting, €300,000 of the €8 million allocated; and bioenergy, €1.37 million of the €20 million allocated. We are reallocating as appropriate. Obviously, however, we want to draw down as much of the funding as possible because it is co-funding that is at issue here.

Deputy James Bannon: We are all aware that there has been extremely wet weather during the past two to three years. Does the Minister have plans to reintroduce the farm drainage scheme, which was previously in place 20 years ago?

Deputy Simon Coveney: We do not have plans to introduce a farm drainage scheme, but one may be possible under the new rural development scheme that will be developed under the new Common Agricultural Policy. There is a good deal of lobbying among member states that have the opposite problem to Ireland in that they do not get enough rain. In the Mediterranean belt interests in the south of France, Spain, certain parts of Portugal, Cyprus and Italy are all lobbying hard to be allowed to spend more money on irrigation systems under the rural development scheme because they need water. We have had the opposite problem in recent years. We will determine the level of flexibility under the new rural development scheme to put schemes in place to do the work about which the Deputy is talking, but I do not want to promise too much at this stage. Under the current rural development scheme, there is nothing specific for drainage schemes.

Agriculture Schemes Payments

122. **Deputy Dara Calleary** asked the Minister for Agriculture, Food and the Marine the reason he targeted the budget cuts at low income drystock farmers in sucklers and sheep, through the abolition of the suckler cow welfare scheme and the imposition of a 22% cut in the grassland sheep scheme; and if he will make a statement on the matter. [6961/13]

(Deputy Simon Coveney): I do not accept the Deputy's contention that I have targeted low income drystock farmers in budget 2013. The reality is that in a situation where the schemes concerned were approaching the end of their projected periods of operation and in a challenging budgetary environment, I secured continued significant additional support targeted at these sectors, which will build on the progress achieved in the earlier schemes.

The suckler cow welfare scheme was intended to be a five year scheme for beef animals born in herds owned by eligible participants during the period, which commenced on 1 January 2008 and ended on 31 December 2012, and delivered in excess of €150 million to those participating. I have made funding of €10 million available in 2013 to continue to make aid payments on calves born in the latter half of 2012 to ensure residual obligations under the scheme are paid in full. In addition, I have allocated another €10 million in 2013, financed from unspent single farm payment funds, for a new support programme for suckler beef farmers to participate in a new beef data programme. This programme will assist farmers in improving the genetic quality of Irish cattle and maintain the data flow into the Irish Cattle Breeding Federation to build further knowledge and more rapid progress in breeding and, ultimately, profitability for farmers.

12 February 2013

By way of further support to the beef sector, I announced that the beef technology adoption programme, or beef discussion groups, would be retained in 2013. This programme is built on the lessons of the dairy efficiency programme and provides a €5 million financial stimulus to encourage, through the medium of professionally facilitated discussion groups and a task-oriented approach, the adoption of a more focused commercial approach to beef farming.

In total, therefore, I have made provision for the payment of aid amounting to €25 million to the beef sector in 2013 which speaks for itself in terms of the Government's commitment to the sector. I remind the Deputy that last year we only spent €27 million. I will return to him on the sheep grassland scheme when I have an opportunity to respond.

Additional information not given on the floor of the House

Turning to the grassland sheep scheme, this scheme, as originally implemented, was to run for three years, 2010, 2011 and 2012, with an annual budget of €18 million. However, as the Deputy will be aware, I was in a position to secure funding which allowed the scheme to continue for a fourth year, notwithstanding the continued adverse budgetary conditions, albeit with adjusted funding of €14 million.

Direct aid payments are important, but it is time for the sheep sector to adapt and develop its enterprises in line with other sectors. In that regard, I have decided to make funding of €3 million available for a new sheep technology adoption programme, which concept has proved very successful in the dairy and beef sectors, with a maximum payment of €1,000 per participant. It is important that sheep farmers take action to increase and maximise their income from their enterprises. This can be achieved by improving breeding, animal health-welfare and grazing regimes. The dairy sector has demonstrated that the discussion group concept can achieve such improvements.

Notwithstanding the financial adjustment made to the overall funding for the grassland sheep scheme, hill sheep farmers who join a sheep discussion group will find that the aid they will receive in 2013 will increase by almost €590.

Deputy Éamon Ó Cuív: When the Minister found these unspent funds, he might explain the reason he did not use them to continue the existing suckler cow welfare scheme for bigger herds, with perhaps some limitations. He might also explain the difference between the suckler cow welfare scheme and the beef data programme? How will they differ from each other from the farmer's point of view?

Deputy Simon Coveney: There is a simple answer to that question - there was not enough available. We had been using unspent funds for the dairy discussion groups, on which we were spending approximately €6 million a year. I have taken this money from the dairy sector because it now has proof that such discussion groups work. The approximately 7,000 dairy farmers involved in discussion groups can see the benefits which we have measured. Many of them have improved their margins in the past three years by 3%, 4% and 5% as a result of running a better business. We decided that we would take the money and add to the €6 million some money from the sheep grassland scheme to provide a decent sum of money, €10 million, for a data transfer scheme in respect of the suckler herd. This makes a good deal of sense.

We used other money in the mainstream budget to introduce a €3 million sheep-discussion-group model to compensate for my taking of €4 million from the unspent money, that is, the €17 million that was being provided for a sheep grassland scheme. That made sense on many levels.

However, we are putting almost as much money into sheep and suckler farming this year as we did last year although we have changed the way in which the schemes work somewhat. We are asking sheep farmers to buy into a discussion-group model.

With regard to unspent funds, there is but a limited amount that we can spend. We are trying to use it as effectively as possible to support the sector. Since I became Minister, I have said suckler farming is a considerably important part of the mix. At present, half our beef comes from that sector. Over the next five or ten years, as dairy farming grows in Ireland, we will not want to allow the beef sector to become a by-product of the dairy sector. We want the opposite, in fact, because all our top-quality beef comes from the suckler herd. This is why I will continue to try to support the suckler sector, be it through a new CAP reform process or in very tight budgetary times, such as those we are experiencing. This is why I found €10 million for a new scheme although the suckler cow welfare scheme had come to an end.

There is not a big ask for farmers. All we are asking them to do in order to avail of the money available - the €10 million under the data transfer scheme - is simply what they have already been doing under the suckler welfare scheme, that is, provide data on the fertility and health of their animals. The focus has been on breeding information because all the experts tell me this is most valuable. We are asking farmers to do an awful lot less and are continuing to give them a reasonable amount of money to do so.

Deputy Mick Wallace: The Minister is agreeing that the scheme was very good, encouraged best practice in farming and brought about significant improvements. While he says there is €10 million available, he must admit the funding is not nearly as attractive as it was. Sadly, it is the smaller farmer who is actually getting hit. The smaller farmer is forever wary of the fact that the IFA probably speaks more for the bigger farmer. Smaller farmers probably feel they are getting a raw deal. Does the Minister not agree?

Deputy Simon Coveney: I am glad the Deputy asked that question. We actually prioritise in favour of the small farmer in the new beef data transfer scheme we are introducing. We have said that farmers who enter the scheme will receive a payment of €20 per cow for the first 20 in their herd. It is the bigger farmers, who may have from 40 to 80 cattle, for example, who are losing out. They would have been getting strong financial support under the suckler cow welfare scheme. We deliberately prioritised the smaller farmers.

We are asking the smaller farmers to do a lot less now than they were asked to do before. What is actually happening is the opposite to what the Deputy is suggesting. We are spending €10 million, carried over from last year, on calves that were born in the second half of last year. The new €10 million scheme is targeting the first 20 cows. The average size of a suckler herd is 15 cows. The average herd size in the suckler cow welfare scheme is 18. Therefore, anyone with a herd of average size, or lower, will not lose out dramatically at all.

Topical Issue Matters

An Leas-Cheann Comhairle: I wish to advise the House of the following matters in re-

spect of which notice has been given under Standing Order 27A and the name of the Member in each case: (1) Deputy Willie Penrose - the need to review leases made by the Department of Agriculture, Food and the Marine and agencies under its remit; (2) Deputy Michael McCarthy - the need for enhanced promotion of various forms of biomass available here in order to provide clean renewable energy and reduce greenhouse gas emissions; (3) Deputy Michael Moynihan - the progress being made in the new primary school amalgamation in Kanturk, County Cork; (4) Deputy Ann Phelan - the need to ensure, by way of additional legislation, if necessary, adequate quality of windscreens in vehicles; (5) Deputy Jim Daly - the need to provide emergency funding to Cork County Council to deal with the crumbling road network in west Cork; (6) Deputies Gerald Nash and Pádraig Mac Lochlainn - the need for additional funding to be provided to UNWRA in order to support Palestinian refugees in Lebanon in view of the Syrian crisis; (7) Deputy Éamon Ó Cuív - the need to instruct ComReg not to sanction a lower rent for landline telephone connections in towns and cities as compared with rural areas and to take legislative action, if necessary, to protect the flat-rate charge; (8) Deputy Regina Doherty - the need for cash-for-gold outlets to specify that customers bringing in second-hand gold items must provide evidence of photo identification and other forms of ownership; (9) Deputy Michael Healy-Rae - the need to exempt from the property charge houses affected by radon gas; (10) Deputies Catherine Murphy, Barry Cowen, Dessie Ellis and Brian Stanley - the need for local authorities to collect development contributions from the developers of estates rather than from residents; (11) Deputy Charlie McConalogue - the need to clarify reports that a number of universities are using debt-collecting agencies to pursue students for unpaid student fees; (12) Deputy Michael McNamara - the need for constitutional change on upward-only rent reviews; (13) Deputy Robert Dowds - the need to use the local property tax as a planning tool to encourage good development; (14) Deputy Mattie McGrath - the need to extend the fuel rebate announced in budget 2013 to agricultural contractors; (15) Deputy Eamonn Maloney - the need to resolve the dispute between firefighters and the Department of the Environment, Community and Local Government over the Keeping Communities Safe policy; (16) Deputy Patrick O'Donovan - the need for the inclusion of motor neuron disease as one of the medical conditions that qualifies under the long-term illness scheme; (17) Deputy Thomas P. Broughan - the introduction of measures to ensure the robustness of the system to endorse the licences of motorists who have incurred penalty points for driving offences; (18) Deputy Seán Kyne - the need to ensure the speedy implementation of the recommendations of Delivering a Connected Society: A National Broadband Plan for Ireland; (19) Deputy Seamus Kirk - the need for the Minister for Health to resolve the issue of the 35 women excluded from the Lourdes redress scheme; (20) Deputy Aodhán Ó Ríordáin - the need to publish the Ernst & Young report into Irish Nationwide Building Society and to establish a banking inquiry; (21) Deputy Mick Wallace - Ireland's role in the practice of extraordinary rendition, as outlined in the report published last week entitled Globalising Torture: CIA Secret Detention and Extraordinary Rendition; (22) Deputy Arthur Spring - the terms of redundancy offered to the staff of IBRC; (23) Deputy Joan Collins - the levels of dampness and condensation in local authorities' and voluntary housing agencies' housing stocks; (24) Deputy Michael McGrath - the legacy issues at the former Irish Nationwide Building Society and the need to publish the reports by McCann Fitzgerald and Ernst & Young concerning corporate governance issues at the society; and (25) Deputy Richard Boyd Barrett - chemotherapy charges for cancer patients.

The matters raised by Deputies Regina Doherty, Catherine Murphy, Barry Cowen, Dessie Ellis, Brian Stanley and Seamus Kirk have been selected for discussion.

Dáil Éireann
Leaders' Questions

Deputy Éamon Ó Cuív: One of the most memorable promises given before the Taoiseach came into government was by the now Minister for Education and Skills, Deputy Ruairí Quinn, who said the Labour Party, on coming into power, would reverse the charges for third level students. We all remember the iconic photograph of the Minister signing the famous contract outside Trinity College. He then set up SUSI. It would be fair to say no parent will ever call a child Susie again because students throughout the country have failed to get their payment to proceed to third level this year. Many students now find that they will not be able to continue with their courses because of the now infamous organisation that has been established.

Deputy Finian McGrath: They will not call them Ruairí either.

Deputy Éamon Ó Cuív: The Minister, Deputy Quinn, recently nailed his colours to the mast in expressing his bias against the sole trader and, in particular, the farming community. He made an unfounded allegation that they could manipulate their incomes so as to obtain grants. Last week, the Minister confirmed that it is his intention to bring proposals to the Government to classify working farms as so-called capital assets for the purpose of calculating eligibility for a third level grants.

If the proposal were to be accepted, it would severely discriminate against the farming community and sole traders. The reality is that most farm families, or most people farming, do not have an income in excess of €20,000, as the Taoiseach knows. Can he allay the fears of his backbenchers by stating he will not accept any proposal that would deviate from the principle of assessing income alone when students are being assessed for eligibility for third level grants, and that he will refuse utterly to go along with the proposal of the Minister on capital assets?

The Taoiseach: The Deputy referred to promises. I was reared on a diet of somebody belonging to the Deputy's tribe who intended on many occasions to drain the Shannon to sustain the people in the dark years of the economic war, the objective being that the small farmers of the west would see a light when all the water from the Cuilcagh pot would drain away into the Atlantic.

Deputy Niall Collins: This is a serious issue.

The Taoiseach: That was a pretty serious promise. It affected Deputy Collins's county also.

I can confirm for Deputy Ó Cuív that the Cabinet has not considered anything like that on which he is speculating. With regard to the backlog that arose in respect of existing facilities for third level students and the payment of their grants, 69,000 applications were received this year, and payments have been made in respect of 88% of these. I believe 5,795 applications are still outstanding as SUSI has been waiting for more than six weeks for the required information. SUSI is writing to them again this week. Actually, the process is very much ahead of what it was last year under the old system. Of the students who are currently in college and who applied for grants, nearly 6,000 have not sent any of the information that is required, and which is outstanding for six weeks, while 88% are approved. The Cabinet has not considered anything like what the Deputy has speculated.

Deputy Éamon Ó Cuív: When I went to school I learned the aimsir fháistineach. I did not say the Minister had brought a proposal to Cabinet but that he intended to do so. Can the Taoiseach reassure the House that when he does introduce such a proposal it will be rejected by the

Taoiseach and the Cabinet, and that we will continue to do this in an equitable way, which is to assess families on their incomes? Otherwise, people who have set up companies would have a huge advantage over sole traders, and the vast majority of small businesses and farmers are sole traders. Can the Taoiseach confirm that he will not add to the litany of anti-rural actions taken by this Government, such as the Minister's discriminatory steps against small rural schools and rural transport, the Minister for Justice and Equality's attack on rural Garda stations and so forth, and the Minister for Transport, Tourism and Sport's attack on the local improvement schemes?

Deputy Leo Varadkar: They were reinstated last year.

Deputy Michael Healy-Rae: There will be three in Kerry this year.

Deputy Éamon Ó Cuív: These and many other schemes were very important to rural communities.

Deputy Michael Healy-Rae: That is the big boast.

Deputy Éamon Ó Cuív: Can the Taoiseach utterly confirm that no such proposal will be approved in this calendar year with regard to third level grants?

The Taoiseach: I am very glad the Deputy is interested in the aimsir fháistineach. He does not expect me to say that I will give approval to a document I have not seen. His own party did that for long enough. We deal in facts and decisions. I will not speculate on anything that a Minister might bring before the Cabinet. We will deal with issues as they arise and as Ministers present their memorandums.

The Deputy speaks about anti-rural bias. The good old days of using a lot of other people's money are gone. We have a very different situation to deal with. We cannot have Ministers driving around Connemara with cheques from the dormant accounts and giving them out for bóthar gainimh, bóthar sléibhte or whatever it was. The Deputy did very well out of that for a good while-----

Deputy Éamon Ó Cuív: A Cheann Comhairle, I ask the Taoiseach to withdraw that statement. No funds from dormant accounts were ever paid for any road in this country.

An Ceann Comhairle: Resume your seat, Deputy. You cannot jump up and down.

Deputy Éamon Ó Cuív: The Taoiseach made a totally false allegation, and I ask him to withdraw it.

The Taoiseach: I withdraw it, if it is not true.

Deputy Éamon Ó Cuív: It is absolutely not true, and the Taoiseach knew it was not true. He knew also that when I was spending money-----

An Ceann Comhairle: Please, Deputy.

The Taoiseach: Lots of people from An Spidéal heard that when gluastáin an Aire Stáit arrived it was about the old bóthar gainimh, the bits of tar and chips and all the good news the Deputy had for them from different funds.

Deputy Éamon Ó Cuív: Maigh Eo freisin.

The Taoiseach: The Deputy passed over the hill into Tourmakeady as well. Fair play to him.

I do not accept the Deputy's allegations of anti-rural bias. In fact, when the Minister for Finance, Deputy Noonan, presented the budgets for 2012 and 2013, they included specific measures of assistance for small farmers and those involved in agri-business, and for rural areas in general. The Deputy is aware of, and has regularly spoken about, the difficulties people have in getting planning permission and in meeting the standards that have been laid down, as well as the changes in the demographics and population of many areas. In areas bordering the Deputy's county I am aware of swathes of countryside in which, in the last 30 years, a number of primary schools have closed because of depopulation. There is nobody to attend them and there never will be, because one cannot get planning permission to build. The structure is changing in that regard. The overall focus of the Government is to continue to make decisions which, in as fair a way as possible, allow everybody to make their contribution and to be treated with respect and dignity.

Deputy Gerry Adams: Sular leanfaidh mé ar aghaidh le mo cheist ba mhaith liom mo chomhbhrón a thabhairt do teaghlach an oifigigh PSNI, Philippa Reynolds, a fuair bás oíche Dé Sathairn seo caite. I express our condolences to the family of the PSNI officer Philippa Reynolds, who was killed last Saturday night when her patrol car was hit by a stolen car. She was going about the business of protecting the community when that occurred.

The McAleese report documented evidence of the abuses and denials of human rights to women in the Magdalen laundries, and confirmed the State's complicity in the detention of these women and girls in a plethora of ways. Before that, the Ryan report detailed issues regarding forced unpaid labour, denial of liberty to women and the significant physical and emotional abuse which took place in the laundries. I was disappointed with the Taoiseach's initial response when an Teachta Mary Lou McDonald invited him to apologise to the Magdalen women, but I very much welcome his meeting yesterday with the survivors and his commitment to them to apologise on behalf of the State during next week's debate on the report. This is a very important step. The Government should consider also making a commitment to ensuring the future well-being of these women. Having met them, the Taoiseach will know that many of them are elderly. This should become a priority for the State. The issue of pensions should be resolved and an effective redress scheme should be put in place.

A number of laundries, including those in Dún Laoghaire, Galway, Stanhope Street and Summerhill in Wexford, were not included in Dr. McAleese's report, nor were the Bethany Homes, to which girls and young women were also sent by the State. The survivors of those institutions also suffered abuse and hardship. In addition to what I hope will be a watershed moment for the victims of the institutions whom the Taoiseach met, will the Government also undertake to investigate these other institutions and propose a solution that meets the survivors' needs?

The Taoiseach: Ar dtús, chas mé le cuid de na hoifigigh sinsearacha den PSNI ag an deireadh seachtaine agus rinne mé comhbhrón ar son an Rialtais agus ar son mhuintir na tíre as ucht bás Philippa Reynolds, go ndéana Dia trócaire ar a anam. Bean óg a bhí inti a bhí an-bríomhar san obair a bhí ar siúl aici. Aontaím leis an Teachta maidir le comhbhrón a dhéanamh lena teaghlach.

I hope every Member has read all 1,015 pages of the McAleese report. When it was pub-

lished last week, I indicated there would be a proper debate on it next week in the House. That will take place. I read the report and yesterday, with the Tánaiste, I had the privilege of meeting a number of women who were in the Magdalen laundries. I hope before the weekend to carry out a couple of other engagements both here and abroad. This report deserves an understanding of the scale and depth of what happened. As the author of the report pointed out, it is not a simple issue, but is quite complex in respect of the various circumstances and directions through which people arrived at the Magdalen laundries and the difficulties they encountered. Fianna Fáil has tabled a motion on the matter. Having given a clear signal of what we wish to do in this regard, I would have thought a political motion tabled in this way showed scant respect for the author of the report and less respect for the persons it is about. I would have thought everybody in the Oireachtas, of all parties and none, would have reflected on what was the best thing to do. I hope we can do this in the course of the next few days as we formulate our response to the Dáil debate which will be held next week on the McAleese report. I thank Deputy Gerry Adams for his comments on the meeting we had yesterday.

Deputy Gerry Adams: I thank the Taoiseach for his reply. We have met Magdalen laundry survivors during the years. As I am advised that Nora Connolly O'Brien, the daughter of James Connolly, raised the issue decades ago, it is not as if it was unknown. There are many issues which need to be dealt with. In a real republic these things should not happen, but they did. It is not the Taoiseach's fault and it did not happen on his watch, but the report was delivered on his watch. He is a decent person. I do not want to sound patronising, but he has a good heart. There is a significant opportunity to acknowledge that what was done was wrong. It is also important in terms of seeking redress, pensions and health care. One cannot happen without the other.

There are other cases. When I came here, I was foolish enough to say to our team that I thought the campaign on symphysiotomy could be won in this term. The barbarity of symphysiotomy, an issue on which Fine Gael and the Labour Party supported the victims while in opposition, has still not been resolved. The Government has a significant opportunity to make amends for what was done by others to the citizens involved. The issue of how people got there and whether they were sent by their parents is irrelevant. Either we believe in equality or we do not. If we do, every person who was a victim of the Magdalen laundry system, however they arrived there, needs the approach advocated by those who advocate on their behalf.

The Taoiseach: I found the meeting yesterday evening absolutely different in terms of the genuineness of the people concerned, the way they spoke, their stories, their personal accounts of their childhoods and their reflections 50 years on. The Irish Human Rights Commission carried out a report on the symphysiotomy issue four or five years ago. The Magdalen laundries were run by the religious orders. I do not want to say too much more about it, except to say I hope everybody who wants to contribute to next week's debate will do so with an attempt to understand all of the background and what happened and treat the issue with sensitivity and respect. It is probably very difficult to get all of this right. It has happened, but as one woman said to me, "There is a corridor in my mind and I never go into the room at the back because it is there every day; every day." The complexities and sensitivities range over a great deal of emotion and trauma. That is what we have to try to reflect in a Dáil debate. The State, as I said last week, should attempt in the best way it can to bring about a conclusion with a degree of fairness and sensitivity. That is what I hope we can address and I am sure the Deputy will contribute.

Deputy John Halligan: After the elation, back-slapping and self-congratulation on the Government benches last week on the promissory note deal or I should perhaps say re-mortgaging

of our debt, people are, rightly, asking what the impact of this reconfiguration and restructuring of our debt will be on their lives in the coming years. As the Taoiseach is probably aware, what has been inflicted on the people in the past three years has been nothing short of horrendous. There is poverty in most communities; 250 people are leaving the country every day, and there has been a sharp increase in suicide rates linked with the recession. People see no end to tax increases, cuts in welfare payments and wages. In recent days we have heard many vague statements that the bank deal will boost prospects for growth and job creation and that money saved will be spent on public services. Is it not time that we heard some specifics?

We have been told, for instance, that last week's deal will ease the pressure on the nation's finances, that the hypothetical wolf is no longer knocking on the Government's door. The Taoiseach has said the Government's restructuring of the deficit will mean that approximately €1 billion will be saved every year and that our borrowings will be €20 billion lower. What people want to know is what is planned for these sums of money which will not be leaving the Exchequer. Are there plans to slow down the pace of fiscal adjustment with easier budgets in 2014 and 2015? Will some of the money be put to use to ease the pressure on individual finances such as restoring some welfare benefits or a clawing back on the increase in VAT to 23% which is destroying job creation and spending in the economy? Will the Taoiseach make a commitment to prioritise job creation, given that the latest figures show that 14.5% of people are out of work? These are reasonable questions for people who have suffered a great deal and been led to believe the deal will benefit all the people of the country. Under the last Government, people had high expectations for the Taoiseach that things would change for the better. They expect something back on this occasion. Will they be let down?

The Taoiseach: The Deputy is a decent man and one of the few who did not suffer from depression because the Government had achieved what it had set out to 18 months ago. I do not know how Deputy Shane Ross is getting on in the meetings around the country with the four mad, wise or angry men - or whatever they are called - or if they are still meeting.

Deputy Finian McGrath: He is getting on well; he is up six points in the polls.

Deputy Eric Byrne: Does he have an audience now?

The Taoiseach: The Government set out 18 months ago a very clear strategy for its intention to restructure and re-engineer the promissory notes in order that the State would not have to borrow €3.1 billion every March and repay it based on these notes at high interest rates and continue to do so until 2023 and beyond to an amount of €48 billion in all. The whole Government was involved in the connections needed to build an understanding at European level, including the Minister and officials of the Department of Finance, the Governor and officials of the Central Bank and everybody else. I am glad that happened. It is a relief that markets are now looking at Ireland and seeing that we will need €20 billion less than was factored in in the next ten years, which makes the country even more attractive as a location for investment. That will be the big impact. Standard & Poors has changed Ireland's rating slightly even since this happened. A great deal of interest has been expressed from the United States of America in the decision and the signal it sends. The consequence is that it will have an impact on our rate of growth, tax position and deficit and lead to jobs and stability. That is where the real focus is. It is not acceptable to have an unemployment rate of 14.6%, more than 400,000 on the live register. It is a challenge of unprecedented proportions. Added to that are the numbers who have left, who have emigrated or who had no sense of hope here. The restructuring and re-engineering of the promissory notes is a major economic relief. It will impact on the budget

deficit and on our growth rate and tax position. The €1 billion saved will bring us €1 billion nearer to getting our deficit down to 3% by 2015. We are only six weeks into the new year and I do not want to speculate in any way on the situation for next year's budget. The Government's emphasis is on jobs, growth and freeing up access to credit. Semi-State bodies, banks and other lending institutions will now have greater leverage to access credit themselves to pump into the economy, either through lending or investment which will have an impact on jobs. Hopefully some of that can filter down to the Deputy's constituency which has had a difficult time in recent years.

Deputy John Halligan: The definitive question that focused most people's minds, whether they were economists, politicians or ordinary everyday people was how we were going to effect an exit from the austerity that affected everybody. It was felt that if some deal was done on the promissory notes, whether through reconstruction or whatever, irrespective of whether some people agreed with it - I happen to believe that passing on the debt is not a good idea - within the two and a half years left to the Government, some specifics would be put in place to boost people's mental energy levels. They are depressed and downtrodden because of what has happened through greed and avarice in our society. People cannot wait three months, six months or a year to hear good news if any good news will come out of this at all. We need to hear it now. Those on the Government benches said that if we could get a reconstruction or reconfiguration of the deal on promissory notes the benefits would be passed on to the Irish people. People need to be told this over a short period.

Deputy Mattie McGrath: Show us the money.

The Taoiseach: The debate on the promissory notes takes place later today. The removal of the notes which will be exchanged for long-term Government bonds has an average maturity of 34 or 35 years instead of the seven to eight years' average maturity on what was there. The reduction in the State's general deficit of approximately €1 billion which is 0.6% of GDP per annum will bring us €1 billion closer to getting down to the 3% by 2015. The requirement now is for €20 billion less of borrowing over the next decade which is important.

I agree with Deputy Halligan that it would be lovely to have good news every day. I can certainly confirm for the Deputy that in respect of the difficulties the south east has faced for quite some time, potential investors have laid significant emphasis on the area. Some like the place, some do not. The Deputy says that three weeks or three months is too long to wait. If he waits an hour and a half he might hear an interesting announcement about that part of the world.

Deputy Patrick O'Donovan: Deputy Halligan can get the newsletter out.

Deputy Derek Keating: Deputy Finian McGrath should sit up. We cannot hear him.

The Taoiseach: The real test and challenge to us all is to get into the business of creating the confidence and the investment climate in which jobs can be created.

Deputy Derek Keating: Deputy Finian McGrath should know that it is a game of two halves.

The Taoiseach: The improved perception of the country from outside means that banks, semi-State companies and lenders can have greater access to, and flexibility in getting, credit. I note the comments of the Governor of the Central Bank in respect of the focus now. We are dealing with investment opportunities through the Cabinet sub-committee. We would like to

think that in the Finance Bill coming before the House this week there will be further opportunities opened up for job creation and investment. This affects everybody. National morale lifts as a consequence. I agree that it would be lovely to have a magic wand to deal with this but unfortunately in politics and reality one has to take a very different course. I am happy that after 18 months of very tough, persistent discussion and negotiation the European Central Bank unanimously approved the deal in respect of Ireland. That is a help. We still have a very long way to go and believe me there is no room for complacency nor will there be.

Ceisteanna - Questions (Resumed)

Northern Ireland Issues

1. **Deputy Gerry Adams** asked the Taoiseach if he has been in contact with the victims of the Ballymurphy massacre regarding the recent suspension of inquests into their loved ones' deaths. [53791/12]

2. **Deputy Gerry Adams** asked the Taoiseach if he has been in contact with the British Prime Minister in relation to the recent decision to suspend the inquests into the victims of the Ballymurphy Massacre. [53792/12]

3. **Deputy Micheál Martin** asked the Taoiseach his plans to request a special meeting with Secretary of State Villiers to discuss the Independent Report on the murder of Mr. Finucane; and if he will make a statement on the matter. [55216/12]

4. **Deputy Micheál Martin** asked the Taoiseach if he has received many requests from the Justice for the Forgotten Group for a meeting with him; and if he will make a statement on the matter. [55445/12]

5. **Deputy Micheál Martin** asked the Taoiseach if he has received a briefing on the report chaired by Sir Desmond de Silva on the murder of Mr Pat Finucane in 1989; and if he will make a statement on the matter. [56522/12]

6. **Deputy Micheál Martin** asked the Taoiseach his views on whether an independent public inquiry should now be held into the murder of Mr Pat Finucane; and if he will make a statement on the matter. [56523/12]

7. **Deputy Micheál Martin** asked the Taoiseach if he has spoken to Prime Minister Cameron about the Sir Desmond de Silva report; and if he will make a statement on the matter. [56524/12]

8. **Deputy Micheál Martin** asked the Taoiseach if he will be meeting with the Finucane family regarding the Sir Desmond de Silva report; and if he will make a statement on the matter. [56525/12]

9. **Deputy Gerry Adams** asked the Taoiseach if he has been in contact with the British Prime Minister in relation to the recent publication of the De Silva Report into the murder of human rights solicitor Pat Finucane. [2324/13]

12 February 2013

10. **Deputy Gerry Adams** asked the Taoiseach the contacts he has had with the Finucane Family in relation to the need for a public inquiry into the murder of human rights solicitor Pat Finucane. [2326/13]

The Taoiseach: I propose to take Questions Nos. 1 to 10, inclusive, together.

I have committed to meeting with the Ballymurphy families and fully intend to meet them here in Dublin when the families are ready and a suitable opportunity presents itself. The families have requested another meeting with officials prior to my meeting with them and officials of my Department have been liaising with them to agree a suitable date.

I welcome the announcement by the Northern Ireland coroner to reverse his decision to suspend the new inquests into the Ballymurphy killings.

I have also committed in this House to meet with the Justice for the Forgotten Group. Officials from my Department have been in contact with this group to arrange a preparatory meeting in advance of my meeting with them. This preparatory meeting is due to take place next week.

Turning to the Finucane case, my position remains unchanged and concurs with the all-party support in this House in the form of an agreed motion supporting a full public inquiry into the murder of Pat Finucane.

When the British Government announced their intention to appoint Sir Desmond de Silva to carry out a review of the Finucane murder the decision was criticised by the Finucane family and human rights groups. The Irish Government also voiced its concern at the decision which fell short of the commitment by both governments at Weston Park, and the recommendations of Judge Cory. We also reiterated this position at the time of the publication of the de Silva report.

Both I and the Tánaiste have met Geraldine Finucane and members of her family on a number of occasions to hear their concerns first hand and to reaffirm the long-standing position of the Irish Government on the Finucane case, including its continued support for the family. These concerns have been raised with the British Government on a number of occasions.

I spoke briefly with Prime Minister, David Cameron on the morning the de Silva review was published. I indicated that while I appreciated his efforts to get to the truth of the case, the Government's position remains that a full inquiry should be held. Officials of my Department are in touch with the Finucane family and I intend to meet Geraldine Finucane again when a suitable opportunity arises.

Deputy Gerry Adams: I thank the Taoiseach for his reply and for his very clear commitment to meet with Justice for the Forgotten, the Ballymurphy families and Pat Finucane's family. I know that the Taoiseach is extremely busy but I have been here for two years and over that period I have been asking the Taoiseach to meet with these groups. I respectfully suggest that this needs to be prioritised in the Taoiseach's schedule.

This is the anniversary of the death of Pat Finucane. He was killed 24 years ago today. It is a difficult day for the family. I wrote to the Taoiseach on 13 December because I had been advocating the need for the Government to take the approach that was taken by the Government of the day in respect of the killings in Derry on Bloody Sunday. I advocated that the Government put together a file on these cases, especially the Pat Finucane case because it is my view that the work done back then with Tony Blair had a big effect on the decision to bring in the

Saville inquiry. When I wrote to the Taoiseach on 13 December I was able to tell him that the late P.J. McGrory, the human rights lawyer, had spoken to me about a threat to his life before Pat Finucane was killed. This was coming around the UDA, which was putting pressure, and getting pressure from the RUC to kill him and his colleagues, Pat Finucane and Oliver Kelly. P.J. told me that he briefed the Irish Government of the day who said it would raise the matter with the Northern Ireland Office. Within hours of Pat being killed there was an official from the Irish Government in P.J.'s home because obviously the Government was concerned about his security and P.J. told me that the Taoiseach of the day, Charlie Haughey, telephoned him in the course of that visit by the official and said that he would take the matter up with Downing Street. I asked if the Taoiseach would authorise or request a trawl of the documents in the Departments of the Taoiseach, Foreign Affairs and Trade, Justice and Equality and so on related to these matters in order that we could establish whether they had been raised with Downing Street at the time. I only received an acknowledgment of that letter today, two months after submitting my request. Has this trawl been made? Is there an effort to put together a file? Does the Taoiseach have a progress report on these matters? Alternatively, if he thinks it is a bad idea, I hope he will tell me so.

The Taoiseach: I thank the Deputy for his comments. I have actually been ready for some time to meet the Ballymurphy families. It is welcome that the coroner has reversed the decision to suspend the investigations into the killings. First, we needed to decide whether the meeting should be held in Dublin or the North. It will be held here and I understand the Ballymurphy families are anxious to have another meeting with officials before my meeting with them. I am ready to adjust my schedule to accommodate this.

Regarding the allegation to which the Deputy referred by the late P. J. McCrory who warned one of my predecessors that the lives of Nationalist solicitors were in danger at the time, there is an extensive search of the archived files, but as yet nothing has come to light. There was also a detailed search carried out in my Department. In 1989 the Irish ambassador to London and the senior officials at the secretariat in Maryfield in Belfast dealt directly with the Cabinet Office and the Northern Ireland Office. They would have relayed concerns to the British Government at the time if they had been requested to do so. The Deputy is quite right that 24 years is a long time and memories of the sequence of events around the time of the killing of the late Pat Finucane in 1989 may not be fully reliable, given the intensity of the conflict and activity in Northern Ireland during that awful period. I can give the Deputy a further letter beyond the acknowledgment of what has transpired both in the search of the archives and my Department.

Regarding the Bloody Sunday comparison, we all know there are many groups and victims in the conflict who believe they have not had a fair hearing or justice for the murder of their loved ones and family members. I do not believe in a hierarchy of victims. However, I have often said that if people have information - no more than what the Deputy now says - they should bring it to the attention of the PSNI. I would have thought that if there was still outstanding information in respect of the Smithwick tribunal, established to examine the murders of the RUC officers, Breen and Buchanan, it would be forthcoming also. If there was any information of value in the trawl of the archives and the Taoiseach's Department, it would have been brought to the Deputy's attention. I will bring him up to date on what has been examined.

Deputy Seán Ó Feargháil: It is welcome that the Taoiseach has grouped just ten questions on the Northern situation as there were 13 last time. It is important that we have adequate time at Question Time to actively explore the plethora of issues arising in the Northern context that need to be debated. I thank the Taoiseach for not taking 25 questions from today's list which

would have been possible.

The Taoiseach: It could have been 57.

Deputy Seán Ó Fearghail: On the de Silva report, the House must acknowledge the positive approach the UK Prime Minister, Mr. David Cameron, has taken to it. We must also acknowledge the demand of the Finucane family for a full public inquiry into the matter. Fianna Fáil supports the Taoiseach and the Government in their support for the family in adopting that approach. I am conscious that while Desmond de Silva's report has brought significant new information into the public arena, we have seen from the British side nothing more than an incremental approach to this matter in the past 24 years. Lord Stevens was able to elicit a certain amount of information, as did Judge Cory subsequently.

I am conscious of the UK Prime Minister's statement on the day of publication of the de Silva report: "Sir Desmond's report has now given us the fullest possible account of the murder of Patrick Finucane and the truth about state collusion." Continued progress in the troubled Six Counties can only be achieved when cases such as this are addressed. We have to accept the Pat Finucane case was one of a number that touched the hearts and minds of people the length and breadth of the country. The spectre of a decent family man who was doing pioneering work as a civil rights and human rights solicitor being slaughtered in front of his wife and family on a Sunday afternoon in the family home is repulsive to every decent Member and it is an issue that is not going to go away. The Taoiseach's approach is the right one and we support him in it.

How can all of us, in particular the Taoiseach, step up the pressure on the British Government to go the necessary final furlong? Did the Taoiseach avail of the opportunity recently to discuss the case with the new Secretary of State for Northern Ireland, Theresa Villiers? Did he have the opportunity to discuss it with the former US Secretary of State, Hillary Clinton? When he travels to the United States in March, will he take the opportunity to take it up with the US President, Barack Obama, and the new Secretary of State, John Kerry?

Having mentioned Hillary Clinton, I hope it is not inappropriate, but it would be remiss of me not to pay tribute to her for the outstanding service she has given to this country and, in particular, that she gave during the initial stages of the peace process, as well as in consolidating it during her term as US Secretary of State.

I had the great privilege in the past of sitting on the justice committee which considered Judge Henry Barron's work on the Dublin-Monaghan bombings and certain other events. What was revealed was not so far removed from the British Government's response to the Finucane case. We see it has been laborious and incremental, with information having to be drawn from it. All of us know in our hearts that there is both intelligence information and documentation available to the British Government on the Dublin and Monaghan bombings that it has failed to produce. I commend the work of Justice for the Forgotten which has been indefatigable in its pursuit of the truth in these heinous crimes that shocked the nation.

With my party leader, I availed of the opportunity to discuss these matters with the former Secretary of State for Northern Ireland, Owen Paterson, and the former British ambassador to Ireland, Julian King. It was patently obvious to me from these discussions that the British Government was not willing to release any information it had available on this series of atrocities. Given the genuinely positive new relations on an east-west basis between Britain and Ireland, how do we work together to impress on the British Prime Minister who is a decent man that

there is unfinished business in which the truth must be provided in order to complete the process of rehabilitation?

4 o'clock

What can all of us do and, in particular, what can the Taoiseach do to advance that particular matter?

The Taoiseach: As Deputy Adams pointed out, the Pat Finucane case occurred 24 years ago today and is still a vivid scar in the memory and the minds of his family. I do not have a hierarchy of victims but the Finucane case is different in the sense that Judge Cory indicated and gave his view that a full public inquiry should be held. We have stated in the House on many occasions that both Governments, the Irish and British Governments of the day, agreed in advance that whatever Judge Cory recommended would be followed through. He recommended a public inquiry in the case of Mr. Buchanan, arising from which came the Smithwick tribunal. However, the British Government did not follow through in regard to his recommendation for an inquiry into the murder of Pat Finucane. Everyone in the House has an agreed position that this should be followed through. That decision stands and I am glad that it stands.

What can Deputy Ó Feargháil do about this? I suppose those in his party can continue to discuss the matter with their colleagues and acquaintances, in particular in Britain because this will require a decision of the British Government. If the British Prime Minister were to say “Yes, we are going to have a public inquiry into Finucane”, it would fulfil the requirement and commitment entered into internationally arising from the Cory decision to the effect that the Governments would follow his recommendations whatever they were. Short of that I have raised it with him on almost every occasion I have met him. I have had the privilege of raising it with President Obama in the White House and, please God, I will do so again. I have also raised it with American Senators and Congressmen who have an interest in the affairs of Ireland and Northern Ireland. It is by no means remiss of Deputy Ó Feargháil to mention the legacy of co-operation and assistance given directly by Hillary Clinton as US Secretary of State and by her husband, as US President, in subsequent years and through his appointment of George Mitchell as his special delegate to Northern Ireland, which had such a dramatic and powerful impact on bringing about the Good Friday Agreement.

I will continue to raise this with the British Prime Minister, as is my duty. I cannot force the British authorities to release whatever files they have. Who knows how long it will be before that material ever sees the light of day? However, if the British Government were to say it will have a public inquiry arising from the agreement entered into before the Cory judgment then I would welcome it.

I hope to meet Geraldine Finucane again soon and I will try to do so in advance of involvement with the United States. The preparatory meeting for me to meet the Justice for the Forgotten group takes place next week and I will be very happy to engage with them as well. Deputy Ó Feargháil is right, as is Deputy Adams and everyone else: on whatever side people lost loved ones or family members and for whatever reason there is a pain that has not been eased and short of Government stating that it will try to find out what happened, that is never dealt with.

Anyway, the Finucane case was a specific case in point whereby 24 years ago the man was murdered. Mr. de Silva has pointed out clearly the analysis of what occurred in several chapters of his report. The fact is that an outstanding commitment was given and entered into by the

12 February 2013

British Government to hold a public inquiry which has not been followed up on. We followed up on the commitment made by the Irish Government of the day by having the Smithwick tribunal. I hope that the British Government might reflect upon that and perhaps come to a decision that it should follow through on the recommendation of Judge Cory.

A question has been tabled on the G8 summit in Fermanagh. I have been invited to attend by the Prime Minister in my capacity as the Presidency of the European Union, an invitation for which I am grateful. There may be an opportunity to raise the matter there as well. That is where we are. The Government will continue to raise this in the commons and at the meetings we have with our counterparts. I know the Tánaiste has raised it with the Secretary of State for Northern Ireland, Ms. Villiers, on several occasions. It comes up at British-Irish and North-South institution meetings. The Ceann Comhairle is responsible for the parliamentary forum, at which there are opportunities for Members to raise these matters as well. I agree with Deputy Ó Fearghaíl that it is an important element of belief in politics. I hope the day will come when this particular commitment can be honoured.

Deputy Gerry Adams: I am trying to make some sense of this. Geraldine Finucane dismissed the de Silva report as a sham, a whitewash and a confidence trick. There is no way any British Government is going to initiate the type of inquiry it is obliged to under the Weston Park agreement. We could still be here in 20, 30 or 40 years' time but they are not going to do it and there is a reason they are not going to do it.

My specific question to the Taoiseach was whether he had been in contact with the British Prime Minister in respect of the recent publication of the de Silva report into the murder of human rights solicitor Pat Finucane. The Taoiseach stated he had been in touch on the morning before the report was published. Why should the British Government take any of this seriously when the Irish Government is not championing the cause? The Irish Government should take a strategic view of this.

It was my great privilege to know Pat Finucane. The Taoiseach referred earlier to a belief in politics. Pat Finucane had a belief in the law. He was a working class Belfast man. He went to the same primary and grammar schools as me, although I did not know him at that time. He educated himself and came to the belief that there was redress for people who were subject to the brutality of British occupation, incarceration or interrogation through the application of the law. By doing that and by using the law to win justice for these people he put himself in the firing line and the British Government conspired to get rid of him, not the current British Government but the British Government of the day. There is ample proof of this and we know the unit of British military intelligence which killed Pat Finucane received 74 awards and honours, including one for the colonel who was in charge at the time, Colonel Kerr. He received an OBE two years after Pat Finucane was killed.

This particular case goes to the core of how the British Government conspired to give information, to arm and to direct counter gangs to get rid of what one of its strategists referred to as unwanted members of the public. That was what the British Government was about in terms of low intensity operations. Pat Finucane was an officer of the court and a human rights lawyer disposed of because his presence did not suit the particular plans of the British Government at that time.

We live in more enlightened times. I do not believe in a hierarchy of victims, it has become something of a cliché. However, I firmly believe that every victim deserves to be dealt with on

the basis of equality. In this case, where the subject of an inquiry is the core of an international agreement between two governments, I appeal to the Taoiseach to become a champion and to employ our diplomatic services. Of course we raise the issue on St. Patrick's Day and if we meet the US Administration or the Secretary of State, Mr. Kerry. We do all of that but this needs more. Mr. Cameron needs to know that this is a very significant issue for the Government but he does not know that. He believes that he has the Government in his pocket on this issue. I do not say as much to be offensive or insulting. I appeal to the Taoiseach to make this a priority for the Government and to go at it strategically. In this way he will help to bring about the necessary type of healing process for everyone in the North as we deal with all of these legacy issues.

The Taoiseach: We have a strategic partnership agreement signed with the British Government but that does not mean one is in another's pockets in any way and I know Deputy Adams did not mean it in that way. The Irish Government took a clear position. That arose a number of years ago from a motion I tabled while on the opposite side of the House calling for a public inquiry based on Judge Cory's recommendation. That motion was adopted unanimously by the Government of the time. That is the position we took.

When the Prime Minister called me on the morning of the publication of the de Silva report I clearly told him that we disagreed with the decision to have Mr. de Silva go through the million pieces of paper relevant to this and that the decision of the judge as part of the international agreement was what should stand. I also said that on the day. Clearly, if the Finucane family takes the view that the findings of de Silva are in accordance with their wishes, that will be a different prospect, but we have not changed our view.

On how we can become a champion of this, it is a case of continuing not only to raise the issue but also to make it a priority. Of all the cases in Northern Ireland to which we have referred, this is in a different category because it is one of two cases that the judge recommended be subject to a full public inquiry. Both Governments agreed with that recommendation in advance and said they would abide by the judge's ruling. In that sense it is perfectly legitimate for the Irish Government to say - this is an issue of belief and trust in politics, but also of priority - that the British Government should change its decision and go further. In appointing Mr. de Silva to investigate this case, the British Government may have assumed he would come up with evidence beyond "yea" or "nay" that would make the Finucane family happy with the response. That was not the case, however, and another step remains to be taken. Even though it is 24 years later, a public inquiry is still required. That is our stated view and Ministers will articulate it when they have the opportunity to engage with their counterparts in Northern Ireland.

To raise the level, all the parties here can remind their counterparts and colleagues that the Oireachtas has taken an all-party position that the commitment should be honoured. As far as I am concerned, while it is my privilege to do this job I will articulate that position as strongly and cogently as I can at every opportunity.

Deputy Seán Ó Feargháil: We appreciate the Taoiseach's commitment in this area, but there is some validity in the points that Deputy Adams raised. We are looking for a clear indication from the Government that it is taking a systematic approach and maintaining constant pressure on the British authorities to achieve progress in the cases of Pat Finucane and the Dublin-Monaghan bombings. It is important to cite on the record of the House elements of the statement by the British Prime Minister because they were most profound and shocking in many respects. He stated that while Mr. de Silva "rejects any state conspiracy, he does find quite frankly shocking levels of state collusion." He went on to quote Mr. de Silva's assertion

about “an extraordinary state of affairs ... in which both the Army and the RUC Special Branch had prior notice of a series of planned UDA assassinations, yet nothing was done by the RUC to seek to prevent those attacks”. Mr. Cameron also noted that Mr. de Silva found that “two agents who were at the time in the pay of the state were involved” and stated: “[M]ost shocking of all, Sir Desmond says that ‘on the balance of probabilities ... an RUC officer or officers did propose Patrick Finucane ... as a UDA target when speaking to a loyalist paramilitary.’ “ The evidence is incontrovertible. There is, however, a lack of logic in the position of the British Prime Minister. He quite rightly made this statement in the House of Commons but he left the equation incomplete. Clearly, the only way the matter can be resolved to everybody’s satisfaction is by means of a proper public inquiry.

All of us accept that the peace process cannot be taken for granted. These key cases resonate with people North and South of the Border. Generosity of spirit on the part of all participants needs to be demonstrated if we are to build public confidence that we have passed beyond that awful period of our history and are prepared to be totally honest, frank and humble in our approach. There is a moral imperative for our good friends and neighbours in the British Government to take the final step required to resolve this matter.

The Taoiseach: I do not disagree with anything Deputy Ó Fearghaíl has said. The apology given by the Prime Minister, Mr. Cameron, in respect of Bloody Sunday in Derry came after three decades and in its own way brought closure, tragic though it was, to that issue. The Governments agreed in advance that they would follow the judge’s recommendations. It is a moral imperative and a political duty and responsibility that the British Government be seen to live up to its commitment. It has not done that and I have articulated that directly to the Prime Minister on many occasions. While we can have differences of opinion down here, at least the Government followed through on the Smithwick tribunal.

The Deputy is correct that the peace process cannot be taken for granted. There is no room for complacency. I commend the gardaí who in the past week were in a position to come across rocket launchers and other equipment that would otherwise have been destined to create further death and mayhem in Northern Ireland. I also commend the Garda and the PSNI on the co-operation that exists between them. I hope that co-operation brings to justice those who murdered Detective Garda Adrian Donohoe, a good man who was given no chance. This is why I conveyed to President van Rompuy at European Council level the necessity, while preparing for the multi-annual financial framework, of continuing the PEACE fund for Northern Ireland, which was supposed to end with the current budget but will now be continued for the next seven years, with €150 million to be invested. This has been raised by Ministers across the spectrum and by the Tánaiste when he spoke to the UK Secretary of State for Northern Ireland, Theresa Villiers. I am glad that specific element was included in the multi-annual financial framework budgetary discussions which concluded in Brussels at 5 a.m. last week.

In light of the close co-operation that exists between the Garda and the PSNI and the security forces North and South, the strategic agreement and the memorandum of understanding signed by the Minister for Communications, Energy and Natural Resources on potential energy sales to the British market, as well as cross-Border issues arising in education, health and transport, it would be a big signal if the British Government stated that it had examined the de Silva report and, speaking in respect of the Prime Minister, acknowledged that these things had happened. It should be possible to establish a structured public inquiry into this specific incident. It is a political commitment that has not been followed through. I am quite sure Members of the British Government would like to be able to say, see and prove in this regard that the word

is honoured also and that the public inquiry be held. We would strongly support that. I do not disagree with the Deputy's view on this and there is no disagreement in the House on the issue.

In so far as the Government is concerned, we are very conscious of the dangers of any complacency about the fragility of the peace process. We had the situation both before and after Christmas in respect of the rioting in Belfast for a variety of reasons. The sinister danger is that the forces of evil and destruction still exist and are still intent on disrupting what has been so hard won by so many people in respect of a conflict where over 3,000 people died. The fact the Garda had to be enabled to confiscate rocket launchers in the past week speaks for itself of the evil intent and mentality of some people and of what they wish to do.

With regard to the Pat Finucane case and his murder 24 years ago, I hope and call on the British Government to reflect on the moral, political and social imperative to follow through on the commitment honourably entered into but not yet delivered on.

G8 Summit

11. **Deputy Gerry Adams** asked the Taoiseach the discussions he has had with the British Prime Minister in relation to the decision to hold the G8 in County Fermanagh. [53786/12]

12. **Deputy Gerry Adams** asked the Taoiseach the discussions he has had with First Minister Peter Robinson or Deputy First Minister Martin McGuinness regarding plans to hold the G8 Summit in County Fermanagh. [53787/12]

13. **Deputy Derek Keating** asked the Taoiseach the benefits to this State of next year's G8 Summit taking place in Enniskillen; the role that he will play; and if he will make a statement on the matter. [53908/12]

14. **Deputy Derek Keating** asked the Taoiseach in view of the announcement made by the British Prime Minister, David Cameron, who confirmed that the next G8 Summit will be held in Lough Erne, County Fermanagh, if he will comment on the impact of the announcement that next year's G8 Summit will take place in Enniskillen; and if he will make a statement on the matter. [53909/12]

15. **Deputy Micheál Martin** asked the Taoiseach if he plans to request any bilaterals with the G8 leaders when they attend the G8 Summit in Fermanagh; and if he will make a statement on the matter. [55446/12]

16. **Deputy Joe Higgins** asked the Taoiseach if he was involved in discussions with British Prime Minister in relation to Fermanagh being chosen as the host for next years G8 Summit. [2342/13]

17. **Deputy Richard Boyd Barrett** asked the Taoiseach if he will report on any discussions he has had with British Prime Minister, David Cameron, regarding the upcoming G8 summit in Fermanagh; and if he will make a statement on the matter. [4037/13]

18. **Deputy Richard Boyd Barrett** asked the Taoiseach the involvement he will have with the upcoming G8 summit in Fermanagh; and if he will make a statement on the matter. [4039/13]

The Taoiseach: I propose to take Questions Nos. 11 to 18, inclusive, together.

12 February 2013

I am pleased that British Prime Minister Cameron has confirmed that this year's G8 summit will be held in Lough Erne, County Fermanagh, as this will no doubt give a great boost to the Border region. I was aware that the British Government was considering Fermanagh as a potential venue and was supportive of that proposal.

The G8 summit brings together the leaders of the world's major industrialised countries, the USA, Canada, France, Germany, Italy, Japan, Russia and the United Kingdom. I expect that I have the opportunity to respond to the invitation of the British Prime Minister to attend the G8 summit, which will take place in June 2013, during the Irish Presidency of the European Union. However, it is very early days yet and the agenda and work programme of the summit have yet to be formally proposed and elaborated. Prime Minister Cameron has indicated that he intends for the summit to focus on advancing trade, ensuring tax compliance and promoting greater transparency in the G8's partnership with less developed and emerging economies.

Deputy Gerry Adams: It is good that the summit is going to Fermanagh. The Taoiseach will know that Peter Canavan, Peter the Great, manages the Fermanagh football team. Fermanagh is also a very beautiful part of the world and people there will welcome the international attention that will be paid to the county. It is significant that the Taoiseach has been invited to the summit in his capacity as President of the Council of the European Union.

I have read the priorities the British Prime Minister has spelled out for the summit. The G8 is made up of the big, powerful and more advanced industrial nations. Therefore, part of our effort must be to get them to focus on the grave economic situation facing millions of people around the world. We talk about economic distress, with some justification, but millions of people are dying of hunger and people are starving in the developing world. I ask that this be part of our focus at the G8.

Notwithstanding its imperfections and its fragility, we have one of the most successful peace processes in the world. The visit of these very powerful leaders to Fermanagh provides us with an opportunity to put issues to them, for example, the situation in the Middle East, an ongoing conflict that has seen failure by the international community to intervene in a positive and progressive way. I have commended the Tánaiste on raising this issue in the past and I see this visit as an opportunity for the Taoiseach and I to raise these issues, particularly in terms of the ongoing situation in Syria and the conflict in the Palestinian Territories and Israel. I urge the Taoiseach to consider the opportunity of this international platform to raise these issues.

Has the Taoiseach got any commitment from the Obama Administration as to whether the President will make a visit "home" when he is only a few miles up the road?

The Taoiseach: Prime Minister Cameron informed me last year when I was in Britain that it was his intention to consider whether it was suitable to hold the G8 summit at Lough Erne in Fermanagh and he said that he would be privileged to extend an invitation to me, which I, on behalf of the people, am very happy to accept.

I understand there are protocols with regard to foreign leaders at that scale travelling to different countries. However, it would be a wonderful opportunity for President Obama to "restart" his visit, as it was cut short on the last occasion he was here, although he enjoyed his day very much. There is a particular protocol to be followed in that regard. I have invitations to extend to other leaders inviting them to consider dropping in here also and will try to get a fix on the situation in the coming period.

One of the issues we have raised at the European Council meeting, which will be a priority for our Presidency, concerns the question the Deputy raised about the scale of unemployment and the global position in so far as growth, jobs, security and stability are concerned. As holders of the Presidency, we would like to conclude trade agreements with Canada, Japan and a number of other far eastern countries. One of the outstanding issues has been the question of the capacity and potential of free trade between the European Union and the United States, the two greatest economic trading blocks in the world. A high level report was commissioned on this some time ago and this report has been finalised and presented to both the European and American sides.

There are difficulties in so far as how some of the countries look at these issues. However, from the European Council and Presidency point of view, we strongly support this because it has the potential to grow the economies of Europe by an average of approximately 2%, with the possibility of creating 2 million jobs or more in Europe alone. The report has been received by the American Administration and I understand President Obama may refer to it in his address to the nation this evening. I hope he does. As far as the Presidency is concerned, we will run very hard with that mandate to get the platform in place where these discussions can take place. This has implications for us, with Irish firms now employing almost 100,000 people across 50 states. The impact of so many areas of investment either way would be enormous.

In the global perspective, I hope the G8 and the leaders who attend will focus on where we will be in ten, 15 or 20 years. When speaking to people in Davos, the issue of the opening up of Myanmar, the former Burma, arose. It is a country of which we do not have great knowledge, although there were real connections between Ireland and Burma as it was called. That country of 60 million has a huge range of natural resources, yet some 58 million of its people have never had access to communications. That country will move from what might be termed ground zero to cloud computing and cloud access straight away. The scale of the investment there will be enormous. When the G8 informs us that in the next five years, an extra 3 billion people will have access to the Internet, we see the scale and capacity of what is involved.

I had the privilege of meeting Mr. Bill Gates and his wife who were here recently representing his foundation. Think of the impact of the elimination of polio. Only three countries - Pakistan, Afghanistan and India - have yet to beat it. They reckon it will be eliminated globally inside six years. Mr. Gates is interested in malnutrition and the supply of malaria nets. Ireland has been involved in the work of the European Union in this area which has had an impact in dealing with such matters as stunted growth, under-nutrition and malnutrition. We have looked at what we can do. As a visitor to the G8 summit, I intend to refer to such matters in Ireland's interests if I get an opportunity to do so.

It is obvious that the situation in the Middle East will be raised at the summit. The fundamental issue is the central focus on a two-state solution. It is a question of the degree of concentration that both the Palestinians and the Israelis have on this central tenet. That is the base on which peace can be built. People greater than me have spent years trying to bring about a realisation of what might be possible. It is a case of continuing to work very hard on the issue. I will be happy to raise the matter if an opportunity to do so presents itself to me.

Deputy Derek Keating: This year's G8 summit will be a major event in Ireland. I believe it will be the 39th summit and the first to be held on the island of Ireland. I join others in congratulating Prime Minister Cameron on having the confidence to select Enniskillen and the island of Ireland as the location of the summit. The Taoiseach will recall the last G8 summit

12 February 2013

which was held at Camp David in the United States. It was an opportunity for the major industrial nations of the world to gather together. This year's summit will serve Ireland very well. We will have an opportunity to showcase Ireland, our environment, young educated people and modern facilities which serve our own needs and those of the developing world. It will be a special occasion for the Taoiseach, not only in his capacity as leader of the Government but also as leader of the European Union. That will be an added bonus for Ireland as we try to showcase our modern society.

The last time we debated this matter in the Dáil I asked the Taoiseach to consider inviting President Obama to this jurisdiction. The Taoiseach will recall the wonderful atmosphere during President Obama's short visit two years ago. The visits of President Obama and Queen Elizabeth II brought benefits to Ireland and we have an opportunity to develop them even further. Given that the leaders of nations in Europe and other parts of the world will be on the island of Ireland, I ask the Taoiseach to consider inviting the leaders of Japan, Germany and France, as well as Prime Minister Cameron, to come here. That would be of great benefit to Ireland and help to promote the G8 summit. I know the Taoiseach will agree with me when I say this state has the capacity to entertain these individuals, showcase the country and deliver on the commitments it makes with regard to industry, the environment, education and the need to fix the economy we inherited from the previous Administration. I ask him to consider how we can showcase Ireland in the context of this summer's G8 summit.

The Taoiseach: The Minister for Education and Skills, Deputy Ruairí Quinn, has reminded me that the visit of the G8 leaders will be the most powerful element of The Gathering to come to Ireland in 2013. We hope it will act as a catalyst for further investment in and recognition of the country's beauty, culture, traditions and modernity. I expect to meet Prime Minister Cameron in early March in London. I will congratulate him on his decision to hold the G8 summit in County Fermanagh. Obviously, we will extend an invitation to him, as we always do, to come to this country as often as he can. I do not think a Japanese Prime Minister has ever come to Ireland on a formal visit. I appreciate that certain protocols must be observed when international leaders travel from one country to another. The German Chancellor has been here before, obviously. If the occasion is appropriate, I will certainly be happy to relay our invitations to some of the people mentioned. When I had the opportunity to call President Obama on the occasion of his re-election, I said he, his First Lady, Michelle, and their children would be very welcome to come back to Ireland at any time. I also reminded him that his Vice President, who has relations in the west, was eligible to visit Ireland because the President had been here. That is the protocol. I said that if the Vice President happened to come over, he should throw the sticks in the back of the aeroplane and we might swing at a ball somewhere if we had an opportunity to do so.

To be serious about it, this is a brilliant opportunity for Ireland, as an island entity, to showcase a part of the country that has come through difficult times and is facing the future with a degree of hope and confidence. Our own republic is being recognised internationally as a unit that is serious about its business - the people are working with the Government in a challenging position - and heading in the right direction. The more we help ourselves, the more our colleagues in Europe will assist us in easing our way out of the programme in 2013. We hope this can be the first country to prove that it can happen if people work together. It would be a great finish to the year of The Gathering, the G8 summit and all that comes with these events. The various leaders will be welcome to come here as part of their visit, if they so wish.

An Ceann Comhairle: I call Deputy Seán Ó Fearghaíl.

Deputy Seán Ó Fearghail: I will be very brief.

Deputy Derek Keating: Can I respond to the Taoiseach?

An Ceann Comhairle: I have to deal with the other Deputies.

Deputy Seán Ó Fearghail: If the Deputy wants to come back in, that is fine.

An Ceann Comhairle: Deputy Richard Boyd Barrett also has to ask some questions.

Deputy Seán Ó Fearghail: I join those who have commended the British Prime Minister for the selection of County Fermanagh as the location for this year's G8 summit. I also commend the Minister for Education and Skills, Deputy Ruairí Quinn, who was quick on the uptake when he linked the summit with The Gathering. That is a very positive.

The Taoiseach: He has always been sharp like that.

Deputy Seán Ó Fearghail: It is good that the Taoiseach will be at the summit as a guest. Does he envisage that he will seek formal bilateral meetings with other leaders in the course of the summit? Does he think he will have an opportunity to extend formal invitations to them to visit the Republic? In the aftermath of the announcement of this positive development, some media reports unfortunately suggested there were concerns in diplomatic circles about security at the venue to be used. Has the Taoiseach discussed this issue in the run-up to the summit? Will particular arrangements be in place to build on the good relations between the PSNI and the Garda Síochána and ensure there will be no difficulties on the occasion of this important visit?

The Taoiseach: I can confirm that there is a great deal of security co-operation between the Garda and the PSNI. Unfortunately, we have a great deal of experience of dealing with security issues. The Lough Erne venue is ideal in the sense that it will be possible to secure it very safely. I am quite sure the PSNI and the Garda are working together in that regard. I have not yet seen the agenda for the summit. Obviously, it will be structured by the British Government and the G8. I expect the normal procedure, whereby I will have an opportunity to present to and have discussions with the other leaders, to be followed. If appropriate, I would be very happy to extend formal invitations to them to visit here as a consequence of the G8 summit or subsequent to it. I hope the summit will go off smoothly and focus on the massive opportunity to invest in job creation, create growth and avail of the opportunities in a rapidly changing world. By making clear decisions the leaders of the most industrialised and powerful nations on the globe can affect millions of lives to their benefit. We hope to contribute in some small way to that debate.

Deputy Richard Boyd Barrett: The G8 is the embodiment of the gross economic and political inequalities in the world today. These eight countries have 16% of the world's population but 66% of its wealth. The decisions they make affect billions of people around the world who have no right to make an input into these conferences. That being said, as a result of pressure from the public, people like President Obama and Prime Minister Cameron have raised the issue of tax compliance and the failure of multinational corporations across the globe to pay their fair share of taxes. I see it is on the agenda for the G8. I wonder whether the Taoiseach will use this opportunity to clearly show his determination and that of this State to demand that tax compliance is forced on multinationals so that, in this country and across the world, they begin to pay their fair share of the enormous amount of profits they generate back into the states, economies and societies from which they garner those profits.

12 February 2013

I ask the Taoiseach to do that and to put to bed the reputation of this country as an offshore tax haven and as one of the countries that is most deeply implicated in the sort of tax avoidance activities that led, for example, the IMF to report at the beginning of this year that the global elite and multinationals now have \$18 trillion of profits held offshore through tax avoidance – that is more than the entire US economy. Will the Taoiseach add our weight to that and put to bed our appallingly bad, but I would say justified, reputation for being a haven for multinationals to avoid paying their fair share of tax?

Rather than suggest that G8 leaders play a round of golf in the country, as the Taoiseach suggested, I ask him to perhaps instead invite the G8 leaders to walk in the State's forests.

Deputy Michael Healy-Rae: Before they are ripped up.

Deputy Richard Boyd Barrett: I was thinking that might be a good idea but of course if he was to do that, he would have to decide not to sell them, as he is planning to do. Otherwise, he might have to ask the Chinese President for permission to go for a walk in the State forests and to take the G8 leaders for a walk in them too.

An Ceann Comhairle: The latter is not part of the question that was on the Order Paper.

The Taoiseach: I actually said it was the Vice President, not the President. The President would be too busy. It might well be that the Vice President, on his first visit, would wish to have a walk around some of the more challenging golf courses. I think the Deputy would agree with that.

The question of tax is one that has been raised by the Deputy and others. Let us be quite clear about this. This country is not a tax haven for multinationals. There is nothing untoward or in any way hidden in regard to the Irish corporate tax system. It is absolutely transparent right across the spectrum and, as was clarified this morning by a tax expert, it is facilities that exist in other countries that allow corporates to move around their finances. In fact, one could very well say that perhaps there should be a concerted global effort to eliminate scams or tax havens, as they are called. However, in so far as Ireland is concerned, this is an absolutely transparent and accountable location for corporates to do their business. Our tax system is compatible with the very best standards.

Deputy Richard Boyd Barrett: The Taoiseach is the only one who believes that.

The Taoiseach: While we were deemed by some reports in the United States some years ago as being some sort of tax haven, that matter was raised and dealt with by President Obama himself. That is not the case.

Deputy Richard Boyd Barrett: The pixie heads have a very bad reputation on this issue.

The Taoiseach: Our system is crystal clear, accountable and competent. If facilities exist in other countries and other tax systems for moving around elements of tax, that is not for us to deal with. We are very clear, very straight and across the board for everybody.

Written Answers follow Adjournment.

Dáil Éireann
Order of Business

The Taoiseach: It is proposed to take No. 10, motion re ministerial rota for parliamentary questions; No. 11, motion re referral to joint committee of proposed approval by Dáil Éireann of Council decision relating to readmission agreements; and No. 11a, motion re promissory note arrangement (on Supplementary Order Paper). It is proposed, notwithstanding anything in Standing Orders, that: (1) the Dáil shall sit later than 9 p.m. tonight and shall adjourn on the adjournment of Private Members' business, which shall be No. 93, motion re Magdalen Laundries, and shall be taken on the conclusion of the opening speeches of No. 11a or at 7.30 p.m., whichever is the later, and adjourn after 90 minutes; (2) Nos. 10 and 11 shall be decided without debate; and (3) the following arrangements shall apply in regard to No. 11a: (i) the opening speech of a Minister or Minister of State and of the main spokespersons for Fianna Fáil, Sinn Féin and the Technical Group, who shall be called upon in that order and who may share their time, shall not exceed 20 minutes in each case; (ii) the speech of each other Member called upon shall not exceed 20 minutes in each case and such Members may share their time; and (iii) a Minister or Minister of State shall be called upon to make a speech in reply which shall not exceed 15 minutes.

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 agreed to? Agreed. Is the proposal for dealing with Nos. 10 and 11 without debate agreed to? Agreed. Is the proposal for dealing with No. 11a agreed to? Agreed.

I call Deputy Ó Cuív on the Order of Business.

Deputy Éamon Ó Cuív: An amendment was promised in regard to the abolition of Seanad Éireann. When is it expected to publish the Bill to do that? A Bill was promised in the programme for Government that is not on the A or B list, namely, the regulation of lobbying Bill. When will it be published? The third Bill I want to raise with the Taoiseach is the human tissue Bill, which has been promised for a long time and was one of the key recommendations of the Madden report. The idea is to protect by requiring permission to be sought for the consent given prior to any *post mortem*. It is not a complicated Bill and it was already debated in the Seanad, so what is the delay?

The Taoiseach: The Deputy has three questions. With regard to the Seanad, the Bill will be published in the next session. Work on the heads of the regulation of lobbying Bill is well advanced and that will come to Government in due course, although I cannot give the Deputy a date for it. I do not have a date for the human tissue Bill but I will update Deputy Ó Cuív as to the position of the preparatory work on the heads of that Bill.

Deputy Gerry Adams: In 2010 the EU promised a strategy to tackle violence against women but there is still no sign of it. Is the Government using the EU Presidency to push for this? When can we expect legislation?

On promised legislation, I want to ask the Taoiseach about the Oireachtas (Inquiries, Privileges and Procedures) Bill 2012. As he knows, this Bill may lead to the long-awaited parliamentary inquiry into the banking crisis. He might have seen the RTE programme last night on Irish Nationwide, a building society which went completely out of control and left a debt of €5.4 billion for the taxpayers to pick up, and which the Government ensured last week we will have to pay for the next 40 years. Citizens expect to be told about the deal Fianna Fáil made

12 February 2013

with Michael Fingleton on his €1 million pay-off and they are also entitled to know about the accountancy and auditing firms. When will this legislation come forward?

The Taoiseach: Is Deputy Adams talking about domestic violence or violence against women?

Deputy Gerry Adams: Violence against women in general.

The Taoiseach: I do not have a date for it. The Minister for Public Expenditure and Reform will report on his preparations for the banking inquiry and I will update Deputy Adams in respect of that.

Deputy Dominic Hannigan: Collective bargaining is a right enjoyed by workers in many countries. In the programme for Government, the Government committed to introducing new legislation on collective bargaining. I have been made aware recently of incidents in my constituency of Meath East where those rights are needed sooner rather than later. Could the Taoiseach tell the House when he expects to see legislation introduced?

An Ceann Comhairle: Is there promised legislation?

The Taoiseach: Last year, the Minister wrote to all the relevant parties initiating a review inviting submissions on how the Industrial Relations Acts 2001 and 2004 have functioned to date in respect of the programme commitment and the relevant findings of the International Labour Organization. Such submissions have been requested by the end of February. The Minister hopes to be in a position to come forward with proposals to reform the law if this is appropriate during 2013. He is on record as saying that he is certain that satisfactory arrangements can be put in place that will reconcile Ireland's constitutional, social and economic traditions and international obligations. We will wait and see what comes in before the end of February.

Deputy Seán Ó Fearghail: It seems from the Taoiseach's earlier comments that the Government is moving towards a proposed resolution to the Magdalen laundries issue. Will the Government address the plight of the far smaller number of women who had symphysiotomies carried out on them, without their knowledge in some instances and certainly without their permission, and the far smaller number of people who suffered major injustice at the hands of the State, namely, thalidomide survivors, who number only 32?

The Taoiseach: I met some thalidomide survivors when I was in opposition. The Minister has invited them to talk to him with a view to seeing what else can be done for them. The Deputy is aware that a payment is made to thalidomide survivors without accepting legal liability. I am also aware of recent decisions in Germany in this regard. There seems to be a division of opinion among the groups but the Minister has a standing invitation for them to come and talk to him. I mentioned earlier that a report on symphysiotomy was produced a number of years ago by the Human Rights Commission. That is a report I would like to read. It is not included as part of the Health and Social Care Professionals (Amendment) Bill but it will be referred to there.

Deputy Richard Boyd Barrett: Last week in the early hours of the morning, the Taoiseach nailed the citizens of this country legally to the cross of Anglo Irish Bank's debts for decades to come, ramming the Bill through in the dead of night.

An Ceann Comhairle: What legislation does this come under?

Deputy Richard Boyd Barrett: It has been suggested that there will be a guillotine on the motion on this matter this week despite the fact that the Taoiseach promised last week that there would be no guillotine and that anybody who wished to speak on it would be allowed to do so. I ask the Taoiseach to remove any plans to impose a guillotine on that motion.

An Ceann Comhairle: We do not deal with rumours on the Order of Business.

Deputy Michael Healy-Rae: It is dead of night legislation.

An Ceann Comhairle: Is it on the Order of Business that it will be guillotined?

The Taoiseach: It is not in today's or tomorrow's Order of Business. If more time is required, we will be happy to have it.

An Ceann Comhairle: Then let us not deal with speculation.

The Taoiseach: Most people I met seem very relieved that this burden has been taken off the Irish taxpayers' shoulders for a very long time.

Deputy Michael Healy-Rae: What is the status of the criminal procedure Bill, which is to provide for the reform of the pre-trial process? In respect of the local government reform Bill, I again ask the Taoiseach not to attack local democracy by removing the local development companies who administer LEADER funding and put them under the umbrella of the local authorities and not to break up the local town councils which have served this country very well over the years.

An Ceann Comhairle: That relates to the content of the Bill. Deputy Healy-Rae can speak on the Bill when it is published.

The Taoiseach: I do not have a date for the criminal procedure Bill. The local government reform Bill is a major piece of legislation that must be enacted this year because of the local elections next year and the transfer of responsibility to local authorities. Deputy Healy-Rae should not be concerned about local issues because they will be well looked after and there will be a clear line of responsibility allocated so that all those schemes that are well run now will be run even more effectively in the future.

Deputy Michael Healy-Rae: I am concerned about them.

Deputy Finian McGrath: The criminal justice (victims' rights) Bill strengthens the rights of victims of crime and their families. Will the Taoiseach join with me in deploring the attack on a Traveller house in Donegal yesterday? It is a disgraceful situation where a family was allocated this house which was burned down.

An Ceann Comhairle: What legislation are we talking about?

Deputy Finian McGrath: Will the Taoiseach join with me in deploring that and calling on all public representatives to show leadership, particularly when it comes to housing a family?

An Ceann Comhairle: We note the Deputy's concern. I call on Deputy Stanley.

Deputy Finian McGrath: What about the criminal justice (victims' rights) Bill?

The Taoiseach: There is no date for that Bill yet.

Deputy Finian McGrath: So the Taoiseach will not join with me?

Deputy Brian Stanley: I want to ask the Taoiseach about climate change. We are producing one of the highest rates of carbon dioxide *per capita* in the world. We had the promise of legislation last year. The Minister for the Environment and Local Government told us we would have it in the spring but spring and summer came and we were told in the autumn that we would have it before Christmas. The Minister published a roadmap saying that the heads of the Bill would be published before Christmas and he told us last Friday that we would have it today. Where are the heads of the Bill? We cannot have an environmental or carbon bailout. This is a serious matter that has been put back. I am seriously concerned about it.

The Taoiseach: It is a serious matter. We have gone way beyond the heads of the Bill. The Bill is agreed and will be published in conjunction with the NESC report in two weeks time.

Deputy Brian Stanley: We were told last Friday that we would see it today.

Deputy Sean Fleming: The Government has announced that it will be merging the Commission for Communications Regulation and the Broadcasting Authority of Ireland. When can we expect to see legislation on that? The Government has also announced that it is proceeding with the merger of the Environmental Protection Agency and the Radiological Protection Institute of Ireland. When will we see legislation on that matter?

The Taoiseach: The Deputy is talking about the Competition Authority and the National Consumer Agency.

Deputy Sean Fleming: I am talking about the Commission for Communications Regulation, ComReg, and the Broadcasting Authority of Ireland. The Minister for Public Expenditure and Reform said during Question Time that this merger was proceeding.

An Ceann Comhairle: Is legislation promised here?

Deputy Sean Fleming: I am asking whether legislation is promised and what the position is.

An Ceann Comhairle: We are only dealing with promised legislation.

Deputy Sean Fleming: The Minister said-----

The Taoiseach: I do not have a date for that but I thought the Deputy was asking about the merger of the Competition Authority and the National Consumer Agency, which will be published this session. I will come back to the Deputy in respect of the issue he raised.

Deputy Ray Butler: When are the greyhound industry (amendment) Bill and the horse racing Ireland (amendment) Bill expected? Members said last week that if we tax online betting, it should not be given to the industry. That is like asking a manufacturer to manufacture something and not pay him.

The Taoiseach: The greyhounds have gone around this track a number of times over the past number of years. They are out of sight at the moment and I must come back to Deputy Butler when I hear their bark in the distance.

Deputy Michael Healy-Rae: They are still running.

Deputy Bernard J. Durkan: In respect of legislation to provide for the investment arm of the NTMA and amend the National Treasury Management Agency Act 1990, have the heads of the Bill been discussed yet and when will it come before the House given the importance of that piece of legislation in the context of the discussion last week? Another equally important piece of legislation is the opened investment company (SICAV) Bill, which is in accordance with the requirements set out in the IFSC strategy. Have the heads of that Bill been discussed and when will the Bill come before the House?

The Taoiseach: There are a couple of Departments involved in the investment company (SICAV) Bill. The heads are being prepared and it will come before the House later this year, as will the NTMA legislation. The heads of the latter Bill have not come to Government.

5 o'clock

Deputy Finian McGrath: Deputy Bernard Durkan is in power so he should get on with it.

An Ceann Comhairle: Deputy Cowen, please.

Deputy Finian McGrath: Deputy Durkan won the election. He should get on with it.

Deputy Bernard J. Durkan: Me and Bertie.

Deputy Barry Cowen: I apologise for interrupting other speakers.

The Water Services Bill is passing through the House this week. Is the Taoiseach happy that Irish Water has shown little appreciation for the passage of that Bill by virtue of the input of Members who may amend that Bill before its conclusion?

An Ceann Comhairle: That is not for the Order of Business, Deputy.

Deputy Barry Cowen: The Taoiseach, his Department, his Government and Irish Water have published 2 million documents, many of which have been made public, outlining the setting up of Irish Water-----

An Ceann Comhairle: I am sorry, Deputy, it is not on the Order of Business.

Deputy Barry Cowen: -----the implementation of water charges-----

An Ceann Comhairle: We are only dealing with promised legislation.

Deputy Barry Cowen: -----without having due regard for the process which is that it be debated in this House. What is the Taoiseach's response?

An Ceann Comhairle: He does not respond to it because it is out of order. We are talking about promised legislation here.

Deputy Barry Cowen: Exactly. It is promised legislation yet it has been decided-----

An Ceann Comhairle: We have nothing to do with pieces of paper. I am dealing with promised legislation.

The Taoiseach: It was a Government information leaflet. The Bill is on Second Stage in the Dáil.

12 February 2013

Deputy Barry Cowen: So there will be no amendments.

Deputy Mattie McGrath: I wish to inform Deputy Butler before I start-----

An Ceann Comhairle: Please do not bother, Deputy.

Deputy Mattie McGrath: -----that we had an excellent coursing meeting in Clonmel last week with numbers up by 20%. It was great. Deputy Tom Hayes's dog only came in third. Nevertheless it was a good try; he is a good runner. The hares were treated perfectly. I ask about the local government reform Bill which is something similar to the Water Services Bill. The Minister whom I affectionately refer to as Big Phil, is pushing this through and there are a lot of aspects and angles to this Bill. One very serious aspect is the taking away of the powers from the local Leader development companies-----

An Ceann Comhairle: We can deal the content when we get to the Bill.

Deputy Mattie McGrath: We had one in south Tipperary which was incorporated into the county council. It is a very bad idea.

An Ceann Comhairle: We note the Deputy's comments but he must ask about the legislation.

Deputy Mattie McGrath: Ceann eile, más é do thoil é. The road transport Bill is to replace the existing Road Transport Acts with modern updated legislation. We are worried about the impact on agricultural vehicles which use the road but which are not road vehicles as such.

An Ceann Comhairle: We will try to get a response for the Deputy as quickly as possible.

Deputy Mattie McGrath: I am only worried about the aspects of the Bill such as the impact on agriculture and Harvest 2020. We cannot go back to using the horse and cart.

An Ceann Comhairle: It cannot be discussed until it is introduced. I am trying to find out when it will be before the House.

The Taoiseach: The road transport Bill will be later this year. Deputy Healy Rae was out of the traps a lot faster today than Deputy Mattie McGrath. He asked a question about the local government Bill when the Deputy was outside and he got his answer. It will be enacted, hopefully, before the end of this year. It is a big Bill.

Deputy Mattie McGrath: I was here. I do not mind being second to Deputy Healy Rae.

Deputy Frank Feighan: When will the Legal Services Bill be before the House? Many people are waiting for the establishment of an ombudsman for professional services.

The Taoiseach: That Bill is on Committee Stage. A number of amendments are being drafted by the Attorney General's office and these are awaited.

Deputy Joe Carey: When does the Taoiseach expect publication of the Shannon aviation services centre Bill?

The Taoiseach: Take-off time for that Bill is later this year.

Energy Security and Climate Change Bill 2012: Second Stage (Resumed) [Private Members]

An Ceann Comhairle: A division was challenged last Friday, 8 February 2013, on the question that the Energy Security and Climate Change Bill 2012 be read a Second Time. In accordance with Standing Order 117A(4), that division must be taken now.

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

The Dáil divided: Tá, 39; Níl, 80.	
Tá	Níl
Adams, Gerry.	Bannon, James.
Boyd Barrett, Richard.	Barry, Tom.
Broughan, Thomas P.	Breen, Pat.
Calleary, Dara.	Burton, Joan.
Collins, Joan.	Butler, Ray.
Cowen, Barry.	Buttimer, Jerry.
Crowe, Seán.	Byrne, Catherine.
Doherty, Pearse.	Byrne, Eric.
Ellis, Dessie.	Cannon, Ciarán.
Ferris, Martin.	Carey, Joe.
Flanagan, Luke ‘Ming’.	Conlan, Seán.
Fleming, Sean.	Connaughton, Paul J.
Halligan, John.	Coonan, Noel.
Healy, Seamus.	Corcoran Kennedy, Marcella.
Healy-Rae, Michael.	Creed, Michael.
Higgins, Joe.	Daly, Jim.
Kelleher, Billy.	Deenihan, Jimmy.
Kirk, Seamus.	Deering, Pat.
Kitt, Michael P.	Doherty, Regina.
Mac Lochlainn, Pádraig.	Dowds, Robert.
McConalogue, Charlie.	Doyle, Andrew.
McDonald, Mary Lou.	Durkan, Bernard J.
McGrath, Finian.	Farrell, Alan.
McGrath, Mattie.	Feighan, Frank.
McGrath, Michael.	Ferris, Anne.
Murphy, Catherine.	Fitzgerald, Frances.
Nulty, Patrick.	Fitzpatrick, Peter.
Ó Cuív, Éamon.	Flanagan, Charles.
Ó Fearghaíl, Seán.	Flanagan, Terence.
Ó Snodaigh, Aengus.	Griffin, Brendan.
O’Brien, Jonathan.	Hannigan, Dominic.
O’Dea, Willie.	Harrington, Noel.
Pringle, Thomas.	Harris, Simon.

12 February 2013

Ross, Shane.	Hayes, Tom.
Shortall, Róisín.	Heydon, Martin.
Stanley, Brian.	Hogan, Phil.
Tóibín, Peadar.	Howlin, Brendan.
Troy, Robert.	Keating, Derek.
Wallace, Mick.	Keaveney, Colm.
	Kehoe, Paul.
	Kenny, Enda.
	Kenny, Seán.
	Kyne, Seán.
	Lynch, Ciarán.
	Lynch, Kathleen.
	Lyons, John.
	McCarthy, Michael.
	McGinley, Dinny.
	McLoughlin, Tony.
	McNamara, Michael.
	Mathews, Peter.
	Mitchell, Olivia.
	Mitchell O'Connor, Mary.
	Mulherin, Michelle.
	Murphy, Eoghan.
	Nash, Gerald.
	Neville, Dan.
	Nolan, Derek.
	Ó Ríordáin, Aodhán.
	O'Donovan, Patrick.
	O'Dowd, Fergus.
	O'Sullivan, Jan.
	Penrose, Willie.
	Perry, John.
	Phelan, Ann.
	Phelan, John Paul.
	Quinn, Ruairí.
	Rabbitte, Pat.
	Reilly, James.
	Ring, Michael.
	Ryan, Brendan.
	Sherlock, Sean.
	Stagg, Emmet.
	Stanton, David.
	Timmins, Billy.

	Tuffy, Joanna.
	Varadkar, Leo.
	Wall, Jack.
	Walsh, Brian.
	White, Alex.

Tellers: Tá, Deputies Catherine Murphy and Brian Stanley; Níl, Deputies Paul Kehoe and Emmet Stagg.

Question declared lost.

Ministerial Rota for Parliamentary Questions: Motion

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

That, notwithstanding anything in the Order of the Dáil of 9th March 2011, setting out the rota in which Questions to members of the Government are to be asked, Questions for oral answer, following those next set down to the Minister for Social Protection, shall be set down to Ministers in the following temporary sequence:

Minister for Justice and Equality

Minister for Communications, Energy and Natural Resources

Minister for the Environment, Community and Local Government

Minister for Arts, Heritage and the Gaeltacht

Minister for Defence

Minister for Health

Minister for Children and Youth Affairs

Minister for Agriculture, Food and the Marine

whereupon the sequence established by the Order of 9th March 2011 shall continue with Questions to the Minister for Transport, Tourism and Sport.

Question put and agreed to.

12 February 2013

EU Readmission Agreements: 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 exercise by the State of the option or discretion under Protocol No. 21 on the position of the United Kingdom and Ireland in respect of the area of freedom, security and justice annexed to the Treaty on European Union and to the Treaty on the Functioning of the European Union, to accept the following measures:

(i) Council Decision 2007/341/EC of 19th April 2007 on the conclusion of the Agreement between the European Community and the Russian Federation on readmission,

(ii) Council Decision 2011/118/EU of 18th January 2011 on the conclusion of the Agreement between the European Union and Georgia on the readmission of persons residing without authorisation,

(iii) Council Decision 2007/820/EC of 8th November 2007 on the conclusion of the Agreement between the European Community and Bosnia and Herzegovina on the readmission of persons residing without authorisation,

(iv) Council Decision 2007/817/EC of 8th November 2007 on the conclusion of the Agreement between the European Community and the former Yugoslav Republic of Macedonia on the readmission of persons residing without authorisation,

(v) Council Decision 2005/809/EC of 7th November 2005 concerning the conclusion of the Agreement between the European Community and the Republic of Albania on the readmission of persons residing without authorisation,

(vi) Council Decision 2004/424/EC of 21st April 2004 concerning the conclusion of the Agreement between the European Community and the Macao Special Administrative Region of the People's Republic of China on the readmission of persons residing without authorisation,

(vii) Council Decision 2005/372/EC of 3rd March 2005 concerning the conclusion of the Agreement between the European Community and the Democratic Socialist Republic of Sri Lanka on the readmission of persons residing without authorisation,

(viii) Council Decision 2007/819/EC of 8th November 2007 on the conclusion of the Agreement between the European Community and the Republic of Serbia on the readmission of persons residing without authorisation,

(ix) Council Decision 2007/826/EC of 22nd November 2007 on the conclusion of the Agreement between the European Community and the Republic of Moldova on the readmission of persons residing without authorisation,

(x) Council Decision 2007/818/EC of 8th November 2007 on the conclusion of the Agreement between the European Community and the Republic of Montenegro on the readmission of persons residing without authorisation, and

(xi) Council Decision 2010/649/EU of 7th October 2010 on the conclusion of the Agreement between the European Community and the Islamic Republic of Pakistan on

the readmission of persons residing without authorisation,

copies of which were laid before Dáil Éireann on 10th December 2012, be referred to the Joint Committee on Justice, Defence and Equality, in accordance with Standing Order 82A(4)(j), which, not later than 26th February, 2013, 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.

Topical Issue Debate

Cash for Gold Trade

Deputy Regina Doherty: I thank the Acting Chairman for the opportunity to speak on this topical issue, which was prompted by a recent meeting I had with a constituent at a jobs launch. I was admiring a ring on her finger when she informed me that it was the only piece of jewellery she owned following a break-in at her home. The reason it was the only piece she had left was that she was wearing it on the day thieves broke into her house and took every piece of her jewellery.

We all know that gold is a classic safe-haven investment, and demand has been strong amid the global economic turmoil we are experiencing. The value of gold jewellery is now driving criminal activity because it can be turned easily into cash. We have all become aware of the anecdotal reporting of increased criminal trade in the sale of stolen goods, jewellery and scrap metal. We have seen a large increase in the number of cash for gold advertisements on our television screens, in our newspapers and on lampposts. Such businesses are littered up and down the country, and often no identification is required to obtain money in exchange for gold. This new outlet for burglars wishing to sell stolen goods has led to some increasing the number of burglaries they carry out in which they specifically target jewellery for quick resale.

Increasingly, consumers are looking to sell unwanted or broken jewellery to cash for gold smelting firms and pawnbrokers to raise some badly needed funds. Sellers can head into a cash for gold store, offer their jewellery without being asked for information that identifies ownership, and walk out with a cheque or cash. The gold is melted down quickly, leaving nothing for police to trace. While most of these outlets are run responsibly, a small number of them are being used by burglars to quickly sell stolen gold jewellery for significant sums of money.

At the launch of the report on the cash for gold trade in June 2012 the Minister for Justice and Equality, Deputy Shatter, observed: “There must be a targeted, proportionate and balanced response by Government to ensure that opportunities for criminals to obtain cash for stolen gold and other precious metals are eliminated whilst not affecting legitimate trade because of the criminal actions of a few.” The key findings of the report were that the Garda had visited all 124 known cash for gold traders, that there was a significant level of public concern, and that most of the metals were usually melted down. The report stated that while criminal law was adequate and law enforcement had been strong, there were grounds for considering controls on purchase, including identification of the seller, identification of the item, a retention period before resale,

and detailed records of all transactions.

On whether we can do more, it is arguably inconsistent that there are specific rules and regulations that apply to pawnbrokers for the protection of the public and to assist the Garda while similar appropriate and adapted rules and regulations do not apply to cash for gold outlets. Second-hand trade is not regulated legislatively in Ireland, with the exception of pawnbroking. However, pawnbroking is not the same as the cash for gold business, which currently is not registered and not specifically legislated for.

Above all, the primary issue is identification, both of the person selling and of the object he or she is selling. Tied to that is recording of details by dealers. A secondary issue is valuation of goods. Pawnbrokers must keep a record of the people who provide them with goods and their address. If a pawnbroker receives such goods knowing that they are derived from an offence, that can give rise to a criminal prosecution. I would like to see that replicated in the cash for gold market.

A recent initiative in the north of England was the setting up a voluntary code of conduct, called the Gold Standard, to which traders of precious metals can sign up. This scheme will tighten security measures at pawnbrokers', gold traders' and jewellers' shops to restrict the opportunity for robbers and burglars to sell on their stolen goods. It aims to reward and support reputable traders while helping the police to identify anyone who might trade in stolen goods. The goal is to make it easier for victims and the police to track down stolen merchandise and to eliminate what has become an easy payday for criminals, although someone signing up would have to demonstrate that they took the details of each person who sold precious metals to them. Initiatives such as that could go a long way towards reforming the poorly regulated cash for gold sector and bringing peace of mind to those fearful of selling their gold legitimately or those who keep their precious jewellery, which often holds far more sentimental value than any cash remuneration they could ever have, at home.

Minister of State at the Department of Jobs, Enterprise and Innovation (Deputy Sean Sherlock): I thank Deputy Doherty for raising this important matter. I am speaking on behalf of the Minister for Justice and Equality, who regrets he is unable to be present as he is in Dublin Castle in his capacity as Minister for Defence.

I can inform the Deputy that on 19 June 2012, the Minister published a report on the criminal justice aspects of the cash for gold trade, which was prepared by his Department. The Minister has formally requested the Oireachtas Joint Committee on Justice, Defence and Equality to consider the content of the report, obtain the views of all relevant interested parties and make such report and recommendations to the Houses of the Oireachtas and to the Government as it deems proportionate and appropriate in the public interest. The Minister understands that the committee has sought views from stakeholders and he is awaiting receipt of the committee's report following the conclusion of the committee's deliberations.

In publishing that report, the Minister noted the concerns that members of the public had expressed about the proliferation of cash for gold outlets throughout the State. The informal purchase of jewellery is not specifically regulated in criminal legislation. However, the circumstances under which jewellery is being bought or sold may indicate the commission of certain offences, such as handling of stolen property or possession of stolen property under sections 17 and 18 of the Criminal Justice (Theft and Fraud Offences) Act 2001. The report indicated that these provisions were adequate to deal with any such offences that may be committed in the

cash for gold situation.

The report also highlighted the actions undertaken by An Garda Síochána in consultation with the Minister's Department. All cash for gold premises in the State were visited by An Garda Síochána and the operators made aware of their responsibilities and obligations under the law with regard to the purchase of gold and other items of jewellery. Garda contact information provided to operators will facilitate the reporting to the Garda Síochána of any suspicious activity. The Minister, in publishing the report, congratulated the Commissioner of An Garda Síochána for his prompt and proactive response to this matter.

The Minister has stated that it is arguably inconsistent that there are specific rules and regulations that apply to pawnbrokers for the protection of the public and to assist the Garda while similar appropriate and adapted rules and regulations do not apply to cash for gold outlets. It is in this context that the need to explore the issue of evidence of ownership of gold and jewellery items, such as photo ID and other evidence of ownership mentioned by the Deputy, is referred to in the report and no doubt will be the subject of attention in the course of the Oireachtas committee's consideration of the issue.

There is a requirement to examine carefully the resource implications of any role envisaged for An Garda Síochána in proposed new regulatory steps. In addition, in framing any necessary measures in respect of cash for gold shops, it is important to ensure consistency in their application in so far as they would also apply to other retail outlets that may trade in second-hand gold items, such as jewellery and antique retailers. However, the Minister is of the view that it is important to avoid creating unnecessary form-filling, expense and bureaucracy for legitimate businesses that makes no significant contribution to law enforcement or the protection of the public generally.

Deputy Regina Doherty: I thank the Minister. I appreciate and acknowledge that it was the current Minister who initiated the report and that the Garda provided it in an exceptionally timely manner with very good recommendations, all four of which are eminently doable. The reason for my frustration is that although the report was sent to the Joint Committee on Justice, Defence and Equality last June, it is now February, and even if the committee were to produce a report tomorrow it would take it a considerable amount of time to draw up the heads of legislation and put in place the IT systems that would be required to capture the data by both the cash for gold shops and the Garda.

The backdrop to all of this is the increase in the number of burglaries. The items that are being targeted directly by criminals are items of jewellery and easily sellable household items. While I understand that the political process is slow, I believe that the longer we procrastinate, the more time and space we will give criminals to obtain money from the ordinary people. It is not fair. I ask the Minister of State to write to the Joint Committee on Justice, Equality and Defence to ask it to wrap up and make recommendations, which I know will not be any different from those in the report of last June. Let us get our skates on and show the criminals that we mean business. In the meantime, I will liaise with the voluntary organisations and those who run legitimate businesses and want to continue with a view to putting a voluntary code of practice in place until legislation is introduced. Let us do this sooner rather than later.

Deputy Sean Sherlock: I ask the Deputy to forgive me for having a prepared response because the Minister is not present to respond. On behalf of the Minister, I thank the Deputy for availing of the Topical Issue procedure for raising this important issue. I assure her, on behalf

of the Minister, that her constructive remarks and suggestions will be noted.

The Minister looks forward to the Oireachtas committee's response to the issues raised in his departmental report on the cash for gold sector. With regard to burglaries, the Minister welcomes the progress being made by An Garda as part of Operation Fiacla, which is focused on identifying and targeting gangs involved in burglaries. Operation Fiacla is intelligence driven. As part of the operation, specific burglary initiatives have been implemented in each Garda region to target suspect offenders. As of 21 January 2013, 3,903 persons have been arrested and 2,142 persons have been charged as part of the operation, showing that the Garda Commissioner is effectively deploying the substantial resources available to him. Furthermore, the latest quarterly figures for burglary, by comparison with those prior to the operation's introduction, suggest the operation is having an impact.

While it is clearly no consolation to those who have had to endure dreadful experiences at the hands of gangs of burglars, it is none the less important to mention that the most recent crime figures show that the number of aggravated burglaries has decreased by over 17% on the previous 12 months. The Garda response to such crimes is robust, and gangs and individuals involved in burglaries are pursued with determination and effectiveness.

With regard to cash for gold operations, it is important that there be a targeted, proportionate and balanced response by the Government to ensure opportunities for criminals to obtain cash for stolen gold and other precious metals are eliminated while not affecting legitimate trade because of the criminal actions of a few. The Minister has indicated that the objective of any actions must be to ensure such businesses are not unknowingly open to abuse by criminal elements.

Development Contributions

Deputy Catherine Murphy: The vast majority of people, when buying a house, are unaware that the planning permission requires development contributions. These contributions vary throughout the country, from a couple of thousand euros to €15,000 or €16,000 in some cases. Builders and developers include this in the cost of a house and have always done so. Local authorities have frequently allowed and continue to allow developers to pay levies in increments. This arrangement bypasses the homeowner and it is not a public process. If what is occurring, as highlighted in the case of Wicklow, is to become the norm, incremental payment would have to stop and a more robust certification and collection process would be needed.

The Minister of State must clarify for homeowners where liability lies. Does the council have a duty of care to those who purchase a house in respect of ensuring planning permission guidelines are properly complied with? The interpretation of the local authority in Wicklow is that there is co-responsibility between the developer and homeowner to comply with planning permission guidelines. That is just crazy. The planning permission is a legal instrument that gives the benefit of permission to construct an estate in accordance with its stipulations.

Are those who purchased a home also to be liable in respect of other conditions of their planning permission? Will they be obliged to ensure that a bond remains in place, for example, or that the roads and footpaths are constructed according to the specified conditions? Must they oversee the construction of the underground services?

The legislation of 2000 appears to be silent in regard to responsibility. The section that deals with special contributions shows that the relationship is between the developer and the council. Where a special development contribution is applied and the work is not done, that special contribution is repaid to the developer. It is not repaid to the homeowner who purchases the house. This practice must be nipped in the bud. The Minister of State must offer clarification and I hope he will be able to do so today.

Deputy Barry Cowen: Wicklow County Council states the development levies were and are a charge on the property itself, not on an individual or developer, and that there was an obligation to pay the contributions. Dublin City Council said its policy was not to pursue householders but that it was pursuing developers for outstanding levies. Other councils, including those of Fingal and Dún Laoghaire-Rathdown, said they were unable to be definitive about their approaches to the issue but that they were doubtful that the charges would be passed on to householders in the event of default by developers.

Payment of levies is one of the conditions imposed in acquiring planning permission. It appears that actions being taken by Wicklow County Council and not only unfair but also completely wrong. Development levies should not fall on the homeowner. The actions taken by Wicklow County Council raise a number of questions that demand urgent clarification from the Minister. Homeowners around the country deserve legal clarification on this matter in light of the fact that other councils around the country have yet to rule out following the same path as the one in Wicklow.

For most sales to be completed, a certificate of compliance must be acquired by the purchaser to demonstrate compliance with planning and building regulations. This includes planning permission and, therefore, the payment of levies. This raises an issue as to whether the solicitor is responsible for signing off on the sale or the person who provided the certificate of compliance. Where does responsibility lie?

Has the Minister of State discussed this matter with Wicklow County Council or his Department? Can he show some leadership on this issue and clarify the matter forthwith? Can he clarify the matter such that we will not expect the contagion to spread to other counties tomorrow? We need clarification and the practice to be nipped in the bud today so we will know exactly the position and so the affected people can be assured they will not be liable. I refer to planning permission guidelines that may have applied 12 years ago and not only to the statute of limitations, which also needs clarification.

Deputy Dessie Ellis: On 23 May 2005, Wicklow County Council took the shocking decision to send out letters to the residents of Brook Meadow, Avoca. The letters threatened them with a very large fine which would increase if unpaid and could incur a custodial sentence. Needless to say, this caused great concern among many residents, who, like most citizens, do not have large funds on which to draw should a county council seek funds owed to them by a developer.

Three other estates in Wicklow have been similarly affected: Avondale Court, Emyvale and Aughrim Oaks. Residents were told by the council that the developers are going to force the residents to pay for the developers' sins. It is apparent that residents in the South Dublin County Council area are receiving similar letters to those received by the residents in Wicklow. The local authorities carrying out this practice seem to be the first of many considering the many developers who are absent and have not paid fees. They must not be allowed to put ordinary

residents over a barrel in this manner. Many of the latter are in negative equity and are struggling to pay bills and deal with other issues with developers, who even refuse to do essential repairs. It is estimated that €269 million is outstanding in levies from developers across the State. Something must be done to prevent these charges from being imposed on ordinary homeowners. Equally, however, struggling local authorities that are facing budget cuts and a property tax bill must get this money from the developers who are responsible. They must not be allowed to go for the easy target, homeowners, but get the levies paid by those responsible, the developers.

The Department of the Environment, Community and Local Government has stated that it is up to the local authority whether to pursue these charges. In my constituency of Dublin North West there are estates which are potentially liable should the local authority wish to pursue residents rather than builders. The Department should state that this is morally wrong and unacceptable, not pass the buck to individual local authorities which see residents as the only target available. There are residents in unfinished estates and many are in negative equity. They are being asked to pay a price for services which they are not responsible for delivering.

Deputy Brian Stanley: My concern is that this will spread across counties such as Kildare, Laois, Offaly and Westmeath. Wicklow County Council is going after the people who purchased the houses and who are now in negative equity. The developers got their money and the banks are getting their money. Everybody has been paid but the householders are getting screwed, again. Along with carrying the bank debts, they will now also carry the debts left behind by the developer. This cannot be allowed to happen.

These people paid €200,000 to €300,000 for their houses. The development levies were included in that price. That is how it works. They are not an add-on, but part of the sale price. The certificate of compliance was issued to the purchasers. If the certificate of compliance was falsified, whoever did that, the developer or the person acting on their behalf is at fault. It is a scandalous situation. Local authorities allowed bonds to lapse or to roll over to the next phase of development without the earlier phases of the development being completed. Bonds have been inadequate and have been allowed to lapse. That is the fault of the local authorities. They should be alert to this and not allow it to happen.

If the developer is still in place, in whatever shape or form, they are responsible for this money. If they are not there, the receiver is responsible and if there is no receiver, the financial institution or the purchaser of what is left is responsible. This is a terrible situation and an awful prospect for people. If the local authority did not collect the levies incrementally or in whatever way necessary to get the money, it has fuked the job and not carried out its statutory responsibilities in a proper manner.

The local authorities have been too accommodating of developers. The developers were the kings. One could not say “boo” to them or question them. Those of us who tried to question what was happening were shouted down and drowned out. Now we see the consequences of that, and this is the latest phase. Decent householders who are paying huge mortgages for houses that are worth a fraction of what they paid for them and who are on lower wages than they had when they bought the houses are now faced with this charge as well. This must be lifted from their shoulders. The Minister and the Government must step in and tell the local authorities, be it in Wicklow, Laois or wherever a local authority considers doing this, to back off and leave these people alone. This money is owed by either the developer, the receiver, a financial institution or the new owners of these estates.

Minister of State at the Department of the Environment, Community and Local Government (Deputy Jan O’Sullivan): I thank the four Deputies for raising this important issue. As soon as I heard about it I immediately sought clarification and information through my Department’s officials.

I will first address the situation in Wicklow. It is important to point out in the first instance that Wicklow County Council has also initiated separate legal action against the original developer seeking payment of the full amount outstanding which runs to over €60,000. This matter is before the Circuit Court later this month and it would be inappropriate to comment further on this aspect. However, I understand also that it may now be possible for the original bond - approximately €60,000 - lodged by the developer to be accessed by Wicklow County Council and used to fund carrying out necessary works at the estate. I hope that a satisfactory outcome can be reached in this way. Like other Deputies, however, I very much regret what happened.

In general, development contributions in housing developments are attached as a condition of planning permission and are typically therefore required to be paid by the person carrying out the development in advance of construction starting. In the case of one-off houses, the developer and the homeowner is generally the same person so the situation is different. The payment of development contributions is a long standing part of the planning system, dating back to the Planning Act 1963. Since the 2000 Act, each planning authority must have a development contributions scheme in place setting out how development contributions will apply in their area. The purpose of levying development contributions is to provide a mechanism by which developers can contribute to the cost of providing public infrastructure and facilities that benefit development in the area.

Wicklow County Council wrote to 24 homeowners in the Brook Meadow housing estate near Avoca in May 2012 to inform them that the council was of the view that their properties were in breach of the planning permission as a result of non-payment of the development contribution. The letters were issued under section 152 of the Planning and Development Acts 2000-2012. These are known as “warning letters” and mark the initial stage in the planning enforcement process. While the adoption of the development contribution scheme is a matter for elected members of the planning authorities, I have written to all planning authorities, including Wicklow County Council and South Dublin County Council, in order to establish the approach being adopted more generally by local authorities to the issue of liability for unpaid development contributions in multi-unit housing developments. I await the replies from all the councils, and I will return to this issue when I receive them.

Deputies will also be aware that I recently issued new guidelines relating to development levies which, for example, put a strong emphasis on job creation projects and on town centres. However, I appreciate that this issue arises under earlier guidelines and legislation. It is a very important issue and I understand why Deputies are seeking clarification.

Deputy Catherine Murphy: The Minister said she took advice when she first heard about this, but now she is asking each local authority to outline its approach to her. It is the Minister’s responsibility to tell them what the approach should be in terms of the responsibility of the developers, as opposed to the homeowners, to pay the development contributions. One must ask if the local authorities were negligent in phasing payments or seeking payment in increments when it has left homeowners so exposed. The issue is the food chain in terms of responsibility. Consider Priory Hall, the pyrite issue, management companies and the lapsing of the bonds, which was mentioned. Most bonds are of only seven years duration; the only ones that were

issued in perpetuity were Anglo Irish Bank bonds. All of that has been a negative for the people at the end of the food chain.

Who is acting in the interest of the homeowner? Is that not one of the roles the local authority should play? I believe it is not a question of asking about the approach of the local authorities but of dictating to them how they should conduct their affairs in this regard. The homeowners should not be made responsible for this.

Deputy Barry Cowen: I thank the Minister for her response. It is amazing that she reiterated the situation in Wicklow. Wicklow County Council is seeking its funds from the developer through the courts, it is also seeking them from the homeowners and now we are told it might get its funds by taking the bond route. It wants them not in one or two ways, but three ways. It is incumbent on the Minister of State or the Minister, having taken advice, to insist on an approach to be taken universally across the local authorities in Ireland. Let us show some leadership on this issue, in the interest of the homeowners.

Second, it is incumbent on the Minister, the Department and the Government to adhere to the recommendations from the Mahon tribunal and appoint a regulator to oversee planning regulation in this State. That will take everything into where the control should lie, and prevent this happening again in the future. There is no way that Wicklow County Council or any other local authority should be allowed to back three horses. The Minister of State must insist on what the universal policy is in this regard. Wicklow County Council cannot be allowed to continue to waste taxpayers' money following three horses on this issue. It cannot be going to the courts to argue that it is the developer's responsibility while issuing letters which amount to legal proceedings against homeowners at even more cost to the State. What process has Wicklow County Council initiated by which it can take the funds from the bond? It either can or cannot. I plead with the Minister of State to get into her car in the morning and go to Wicklow to take charge of the situation, put the fire out and make sure no more fires start anywhere else.

Deputy Dessie Ellis: I am glad to hear that at least one county, Wicklow, is managing to get fees out of developers. It is probably one of the few that is going to get them. Does the Minister of State accept that residents are being blackmailed and threatened by being told that their estates will not be finished, that they will not receive local services and that roads and underground systems will not be completed? It is being held against them. They are going to be deliberately discriminated against while this is going on. It is unacceptable that we should adopt the position of writing to local authorities to ask for their opinions. We should be telling them it is unacceptable to put this burden on residents. Residents have paid enough. They paid their development and planning fees and they paid for their services. They deserve the same as everyone else and they do not deserve to pick up the tab for any developer. That is the position the Government should adopt and put to local authorities. We should be unequivocal in that.

Deputy Brian Stanley: To write to local authorities asking them to establish the approach being adopted generally by them is to do things the wrong way around. I agree with the previous speakers. We must establish what the legal position is and the Government and the House should tell local authorities what should happen. My information is that planning permission is granted to a developer and is a contract between the developer and the local authority. The contract with the purchaser requires a certificate of compliance, which is issued to the purchaser by the vendor. If certificates were provided wrongfully or fraudulently, that is where a case needs to be taken up.

I would welcome it if the bonds could be relied on, but if that is not the case and there is no other option for local authorities, which I do not accept, where does that leave people? I have seen how local authorities allowed the bonds to lapse and left housing estates and communities in an awful predicament. It is completely unsatisfactory and slipshod. Writing to them to ask about their approach is weak and wrong. I accept that the Minister of State is trying to deal with the matter but we need to come at it the other way around. We need to take a strong position and the message must go out loud and clear from the House that the ordinary householders who are in negative equity and paid over the mark for these houses are not liable for the outstanding bills left behind by developers, some of whom were rogue developers.

Deputy Jan O’Sullivan: I take on board what Members are saying. The fact is, however, that the adoption of a development contribution scheme is a function of local authorities, although they must have regard to the statutory guidelines provided by the Department. We have local democracy in certain instances and we must ensure that we protect it. At the same time, there is a common national interest with regard to the residents concerned. I take that very seriously. Deputy Barry Cowen referred to a planning regulator. As he knows, I took a proposal for a planning regulator to the joint committee for discussion recently and will bring forward an implementation proposal with regard to the recommendation in the Mahon report.

It is a function of individual local authorities to adopt their own development contribution schemes. If the information I get back shows that there is a disparity or issues that need to be addressed, I will certainly take action. I appreciate that our role as public representatives is to ensure that we protect the public. The reason for the development contributions is to ensure that at the planning permission stage a developer makes contributions to provide for infrastructure. I agree that the intention is not that individual householders pay. The developer concerned should pay.

Deputy Catherine Murphy: What does the development contribution scheme have to do with this? This is about the relationship between planning permission and the developer; it is not about the development contribution.

Deputy Jan O’Sullivan: The local development contribution scheme is what is in question here.

Acting Chairman (Deputy Tom Hayes): That is the final remark on that. We have given it a good airing and everybody got a fair crack of the whip; in fact, more than usual.

Lourdes Hospital Redress Scheme Eligibility

Deputy Seamus Kirk: I thank the Ceann Comhairle for allowing me to raise this matter. The programme for Government includes a specific commitment to seek a mechanism to compensate those women who were excluded on grounds of age alone from the Our Lady of Lourdes Hospital redress scheme. The issue was raised as a topical issue last June, when the then Minister of State, Deputy Róisín Shortall, assured us that the Minister for Health, Deputy James Reilly, was committed to finding a mechanism as soon as possible and intended to bring proposals to Government for its consideration at the earliest opportunity. As is well known, 35 women were excluded from the Lourdes redress scheme on age grounds. It was a decision of the last Government with which I disagree.

The programme for Government and statements by the Minister for Health prior to his appointment and since referred to a strong commitment by the Government to resolve this issue. Since October 2011, there have been meetings and several statements by the Minister to reiterate that the matter is with the Attorney General for her advice. The women and their families have come to the conclusion that no progress has been made whatsoever. They believe all statements to the Dáil on the issue and letters from the Minister to local Deputies and Senators are purely lip service. The women have requested a meeting through the Patient Focus organisation with the Taoiseach and Minister for Health to ensure that this serious issue can be dealt with expeditiously. The women feel totally abandoned by the Government, which is not surprising given the promise prior to the election by the Minister that the matter would be resolved within a year of taking office. The Government will mark its second anniversary in three weeks. Can it undertake to resolve the issue by then?

Deputy Jan O’Sullivan: I thank Deputy Seamus Kirk for raising the issue. I reply on behalf of the Minister. The programme for Government commits to seeking a mechanism to compensate those women who were excluded on age grounds alone from the Our Lady of Lourdes Hospital redress scheme. The Lourdes hospital redress scheme was established in 2007 following the findings and recommendations contained in the report of the Lourdes hospital inquiry into peripartum hysterectomy, conducted by Ms Justice Maureen Harding Clark. During the inquiry, Ms Justice Harding Clark became aware that there were patients who underwent bilateral oophorectomy procedures which were not clinically necessary. These women lost the ability to reproduce and suffered immediate surgical menopause.

The scheme of redress approved by Government was a non-statutory *ex-gratia* scheme. Awards were determined in 2007 and 2008 by an independent redress board which was chaired by Ms Justice Harding Clark. The objective of the scheme was to provide compensation to those patients of Dr. Michael Neary who received unnecessary obstetric hysterectomies - that is, hysterectomies carried out in association with pregnancy - and also to women aged under 40 years who received unnecessary bilateral oophorectomies. The inquiry did not extend to a wider examination of Dr. Neary’s general practice or the clinical practice of his colleagues.

The Department of Health has been engaged in a review to consider various mechanisms to compensate those women who were excluded from the original redress scheme on age grounds alone. The review has involved taking instructions and legal advice, including advice from the Office of the Attorney General, on this sensitive matter with a view to bringing proposals to Government for a decision. The process is ongoing and it is the Minister for Health’s intention that it will be brought to a satisfactory and legally sound conclusion as quickly as possible.

6 o’clock

Deputy Seamus Kirk: Clear commitments were made. We are talking about 35 women who were excluded. The Minister gave a commitment that their position would be examined urgently and quickly, but that has not happened. I ask the Minister of State to convey to the Minister that the matter needs to be dealt with urgently in order that the concern, worry and stress of the women in question can be brought to a conclusion.

Deputy Jan O’Sullivan: I will bring this matter to the attention of the Minister. I appreciate that the sooner it can be addressed, the better because it has been ongoing for a long time and there is a great deal of stress involved.

Promissory Notes: Motion

Minister for Finance (Deputy Michael Noonan): I move:

That:

Dáil Éireann welcomes the restructuring of the promissory notes provided for the IBRC, based on the outcome of discussions with the European Central Bank;

— recognises the benefit of the restructured arrangement for the State and its citizens, particularly:

— the removal of the promissory notes which will be exchanged for long-term Government bonds, with an average maturity of 34 to 35 years, as opposed to the promissory notes' seven to eight year average maturity;

— the reduction in the State's general Government deficit of approximately €1 billion, 0.6% of GDP, per annum over the coming years, which will bring us €1 billion closer to attaining our 3% deficit target by 2015;

— the reduction in the State's cash borrowing requirement over the next ten years by €20 billion;

— the significant element of the interest payments on the Government bonds that is expected ultimately to be returned to the Exchequer in the form of Central Bank dividends, while these bonds are retained by the Central Bank;

— the substantial improvement in the State's debt position over time;

— the removal of the remnants of the former Anglo Irish Bank and Irish Nationwide Building Society from the Irish financial system;

— the housing of all "wind down assets" in one entity, the National Asset Management Agency, which should lead to greater efficiency in their workout;

— commends the Government for progressing the commitment "*to secure a Programme of Support and solution to the banking crisis that is perceived as more affordable by both the Irish public and international markets, thereby restoring confidence, growth, job creation and the State's access to affordable credit from private lenders*"; and

— supports the Government's continuing efforts to foster economic growth and job creation which, in tandem with ongoing discussions on the extended remit of the European Stability Mechanism, will further improve the State's debt sustainability.

The elimination of the promissory notes last week meant it was a good week for the country. As a people, we can look forward once again with positive expectations. The promissory notes in Anglo Irish Bank and Irish Nationwide Building Society served as a millstone around the

neck of the taxpayer.

This burden has eroded confidence and limited the economy's ability to grow. The Government has succeeded in alleviating this burden. It places the State in a position where the debt is more manageable and the State is provided with the space and time to recover and grow.

I note that every respected economic and political analyst has recognised that last week's agreement was the best possible outcome for Ireland. This shows what we can achieve as a country and a Government when we work together towards a common objective. We have rid Ireland of the annual 31 March promissory note repayment. We have reduced the State's cash borrowing requirement by €20 billion in the next ten years. We have brought the State €1 billion closer to meeting its deficit targets and consigned Anglo Irish Bank and Irish Nationwide Building Society to history.

I recognise that some on the Opposition benches have acknowledged the significant benefits of last week's deal for the country. It is a shame that others seem to be incapable of recognising positive developments for fear it may impact on their electoral strategy of negativity. It is truly appalling to devise a strategy of winning seats on the basis of hoping for the worst outcome for one's country.

I have heard Sinn Féin's criticism that the Government did not demand a repudiation of the promissory notes. However, as Sinn Féin knows from its experience during the Good Friday Agreement negotiations, it is pointless sticking rigidly to a position that will prevent an agreement which is in everyone's interests. Sinn Féin knows this full well, as it showed through its negotiating realism in not demanding a united Ireland as a precondition in the Good Friday Agreement talks. This is yet another example of how it talks very differently on this side of the Border from what it does in the North.

There are some in this House who seem to be determined to follow the policy of default, no matter what the consequences for those most reliant on the State. The reality is that the promissory notes have been part of the general Government debt since they were issued in March 2010. They can be seen in all national and European statistical releases since; therefore, a non-payment would have been a default. Like many others, I have detailed the dire consequences for all citizens of such a policy of default and I do not propose to repeat them yet again.

It is worthwhile revisiting the origins of the promissory notes. The concept of the promissory note was born out of the need to provide Irish Bank Resolution Corporation Limited, IBRC, and other institutions with sufficient capital. To minimise the impact this would have had on Exchequer borrowing, a promissory note was issued to the IBRC instead of Government bonds. The promissory notes were, by their nature and structure, unsatisfactory. From the State's perspective, the high interest rate and the amortising repayment schedule placed a considerable burden on the State's resources, particularly at a time when the current deficit had to be addressed. In addition, they required fortnightly approval for collateral purposes from the Central Bank and the European Central Bank, ECB, thus creating a long-term structural liquidity issue for the banking sector as a whole. From both the Central Bank's and the ECB's viewpoint, the use of exceptional liquidity assistance for long-term funding was also problematic. Exceptional liquidity assistance was only ever intended to be a temporary funding arrangement.

There is little to be achieved in revisiting the decisions taken by the previous Government in regard to the banking crisis. Suffice it to say that on coming into office, the Government in-

herited an extremely complex and piecemeal solution. The programme for Government clearly set out that our overall aim of renegotiation had to be to secure a programme of support that would be perceived as more affordable by both the public and international markets. There has been significant renegotiation of the programme of assistance which has meant real economic improvements and real savings for citizens. These include reinstatement of the minimum wage; renegotiation of many of the conditions of the programme; a reduction in the interest rates on EU funds, which will save the taxpayer approximately €10 billion; retention of half of the proceeds from State asset sales for investment in job creation projects; the 29 June agreement on breaking the vicious circle between banks and the State and the specific reference to improving the sustainability of the programme; and the clear recognition of Ireland's special position by our external partners and a commitment to review our position with a view to further improving the sustainability of a well performing adjustment programme.

The Government has taken considerable steps to stabilise and restructure the banking sector. In spite of calls on the Government to adopt an aggressive approach in negotiations with our external partners, it recognised from an early stage that a comprehensive sustainable solution to our problems, including our banking problems, had to be addressed in the context of an overall eurozone solution. We have worked hard to rebuild Ireland's reputation in Europe and build momentum behind proposals that are in the interests of Ireland and the European Union as a whole. It was clear to the Government that the co-operation and support of our European and international partners was essential to reaching a solution that was in the interests of all. The Government had always set out clearly that it would not act unilaterally and that it would be bound by agreements entered into by this and previous Governments. If Ireland is to remain attractive to investors, the State must abide by sovereign commitments, no matter which Government made them. Our strategy has and is paying real dividends. The recent announcement on the promissory notes is a major step in regaining our economic independence through improving the affordability of our debt position and reducing our debt servicing costs.

We have been seeking and will continue to seek a comprehensive solution to the remaining structural and funding issues in the banking sector. Our discussions always had two distinct but related elements - first, the structural funding issue in the banking system, particularly the exceptional liquidity assistance in the IBRC, which has now been resolved; and, second, the matter of investments in the going concern banks, including AIB, Bank of Ireland and Permanent TSB.

In recent months it had become evident that the complexity of issues around the establishment of the European single supervisory mechanism would impact on the timeframe for achieving a comprehensive solution. It was decided, in this context, to progress the situation with the promissory notes as an initial step and seek an adjustment of the terms underpinning the punitive promissory notes arrangements. Notwithstanding this, we will continue to participate in the development of the ESM, European Stability Mechanism, and the structuring of the single supervisory mechanism to ensure Ireland will benefit, on similar terms to other member states, from developments in this regard.

As stated, the revised arrangement represents a major step forward in the restructuring of the banking sector, strengthening the position of the Central Bank and reducing our borrowing requirement and debt servicing costs. These benefits, when coupled with making the necessary adjustments in line with our commitments under the programme of financial assistance, will serve to enhance Ireland's reputation, reduce our risk profile and increase our prospects of re-entering the financial markets. This decision re-establishes long-term stability for a large part

of the banking system for the first time since the start of the banking crisis. The exceptional liquidity assistance which was provided for the IBRC and is inherently short term, costly and unstable is removed. It is clear that all parties to the current arrangements had something to gain from the discussions and an agreed approach to the resolution of this issue. The key objective of any new arrangement was to make the banking related debt more sustainable. This remains central to the Irish position in all negotiations with our European partners. The improved debt sustainability of the new arrangement is testament to the efforts and focus of the Irish parties in this matter and the benefits of the constructive and consensual approach taken with our European partners.

The €3.1 billion repayment due on 31 March each year served as a constant reminder of the devastating impact Anglo Irish Bank and Irish Nationwide Building Society had on the economy. The passing by the Oireachtas of last week's Act means that the IBRC, the former Anglo Irish Bank and Irish Nationwide Building Society, will be removed from the financial landscape. The IBRC promissory notes, of which the Central Bank has assumed full economic and legal ownership, will be exchanged for a portfolio of long-dated Government bonds with a maturity of up to 40 years. Over half of all the banking related debt will be pushed out over 40 years and its burden on the economy will be significantly lightened.

The principal benefit of this arrangement is that the promissory notes are gone. They will be exchanged for long-term Government bonds with an average maturity of 34 to 35 years as opposed to the seven to eight year average maturity of the promissory notes. The maturity of the bonds will have significant benefits from a market perspective, as it ensures the liability to repay is beyond most credit investors' time horizon. There will be a reduction in the State's general Government deficit of approximately €1 billion or 0.6% of GDP per annum in the coming years, which will bring us €1 billion closer to attaining our 3% deficit target by 2015. This means the expenditure reduction and tax increases will be of the order of €1 billion less. A significant element of the interest payments on the Government bonds, which will now be held by the Central Bank of Ireland, will ultimately be returned to the Exchequer in the form of Central Bank dividends. The State will borrow €20 billion less in cash during the next ten years due to the cashflow benefits of this arrangement. Next year the cashflow benefit will be €2.3 billion, excluding initial transaction costs. The arrangement will lead to a substantial improvement in the State's debt position over time.

The housing of all the wind-down assets in one entity, NAMA, will result in one wind-down vehicle. The substantial benefits of this arrangement flow from the exchange of the promissory notes for far more efficient financing from the State's perspective. In real terms the benefits are considerable when compared with the existing costs associated with the promissory notes. A simple analogy for the restructuring arrangement is that of a household rearranging the payments in respect of the purchase of the house from a short-term loan to a long-term mortgage.

The decisions announced during the past week involved certain key steps. The first was the liquidation of IBRC by way of legislation. The liquidation caused the Central Bank of Ireland to assume full economic and legal ownership of the promissory notes and all other collateral held as security for funds provided by the Central Bank under various liquidity arrangements. Having been assumed by the Central Bank, the promissory notes were exchanged for long-term bonds with maturities of up to 40 years. The promissory notes are now terminated. The Government bonds were issued on Friday last and they will pay interest every six months based on the six-month EURIBOR interest rate, which stood at 0.369% today, plus an interest margin, which averages 2.63% across the eight issues. This interest rate is certainly at the better end of

the expectations we held last week. Deputies will recall that when I presented the legislation I said that the interest rate would be between 3% and 3.5% on average, but it is coming in at somewhere under 3% now. It is significantly better than we had estimated before we got into negotiation with the European Central Bank on the interest rate.

All remaining debt of IBRC to the Central Bank, which is secured by a floating charge over the assets of IBRC, has been acquired by NAMA from the Central Bank in return for NAMA bonds. My Department's website has a detailed presentation and additional information on this arrangement. I have attached the schedule of the issued bonds in an appendix to my statement for the information of Deputies.

I note that in recent days there has been media speculation on a supposed fire sale of the assets of IBRC. I can provide the House with some comfort in this regard. Put simply, this will not happen. It is part of the role of the liquidators to ensure that the assets of IBRC will be valued independently before being sold. Any assets not sold to third parties at or above the valuation price will be sold to NAMA at the independent valuation price. This ensures a floor price on the assets of IBRC and that, where required, assets with limited sale potential can be worked through in the medium term by NAMA rather than sold to the best available third party at any price. The Government's approach is consistent and focused on the best outcome for the State and the people.

The success of our programme implementation to date has been recognised by the financial markets. Our ten-year bond yields have remained below 6% for several months now and have been under 5% since late last year, while the NTMA has commenced a programme of debt issuance in recent months. Furthermore, markets have reacted positively to last week's announcement and bonds have been trading at levels not seen since the programme of assistance, a position to be widely welcomed. In addition, Bank of Ireland and Allied Irish Banks have successfully re-engaged with the markets on the back of their asset-covered securities. These are all positive indications and the developments of last week serve to further improve sentiment. At close of business this evening, our 2020 bond was trading at 3.66% and our five-year bond was trading at 2.68% on the secondary markets. These are extraordinarily low figures by any comparison. It would have been difficult to match interest rates at those levels when we were a AAA-rated country and when the economy was supposed to be booming. Clearly, the deal on the promissory notes, which I had thought to be substantially priced into the market, was not priced into the market and there has been a significant movement on interest rates since the arrangement was announced.

A significant improvement in cost competitiveness has provided a much-needed boost to our export sector. We are introducing fiscal reforms to improve the management and control of our public finances. A stabilisation in the level of unemployment and positive expectations regarding employment growth have been experienced recently. There have been increased activity levels in the commercial property markets, especially among overseas investors. Residential property prices have stabilised and there has been an uptick in the volume of mortgage approvals. Above all, the renewed confidence in Ireland has been reflected in the significantly lower yields on Irish sovereign bonds.

These collective actions represent a major improvement in Ireland's position. We have demonstrated once again in respect of the promissory notes the value of what can be gained from a carefully managed and sustained engagement - that is to say, the maximum benefit for Ireland. The Government and the people are determined to recover our economic indepen-

dence, our pride and our self-belief and to create a present and a future free from the excesses of the past and the burdens placed by the few on the citizens of the country.

I wish to acknowledge on the record of the House the extensive work done in bringing these discussions to a successful conclusion by the Governor of the Central Bank, Patrick Honohan, his officials, my officials, led by the Secretary General, John Moran, and the head of banking, Ann Nolan, the NTMA, and our diplomats, under the guidance of the Tánaiste. The commitment of these officials to making the country a better place for all citizens cannot be questioned and it is right to acknowledge their months of long, hard work. I commend the motion to the House.

Deputy Michael McGrath: I move amendment No. 4:

To delete all words after “Dáil Éireann” and substitute the following:

“recognises that the replacement of the promissory notes provided to the Irish Bank Resolution Corporation (IBRC) with long-term Government bonds announced by an Taoiseach on Thursday, 7th February, 2013 provides important benefits to the State including:

— a reduction in the general Government deficit of approximately €1 billion per annum over the coming years and will bring the State approximately €1 billion closer to attaining the 3% general Government deficit target by 2015; and

— a reduction in the State’s cash borrowing requirement over the next 10 years by €20 billion by virtue of paying interest only on Government bonds rather than capital and interest on the promissory notes;

— acknowledges the considerable efforts made in recent months by those who negotiated on Ireland’s behalf including the Minister for Finance, the Governor of the Central Bank and officials from the Department of Finance and the National Treasury Management Agency;

— calls on the Government to use the €1 billion gain on the general Government deficit to ease the planned budget adjustments and to invest further in job creation measures without compromising the achievement of the 3% deficit target by 2015;

— notes that the Government has not sought or received any write down whatsoever of the legacy debt associated with the rescue of the former Anglo Irish Bank and Irish Nationwide Building Society;

— notes that the Euro Area Summit Statement of 29th June, 2012 reaffirming the imperative need to ‘break the vicious circle between the banks and the sovereigns’ has not been implemented in this case;

— notes that the conversion of the promissory notes to long-term Government bonds means that there will be no further easement of this debt as a result of evolving European policy;

— believes that the Central Bank should be permitted to retain the Government bonds for longer than the period agreed which would yield additional savings to the State;

— calls on the Government to publish a detailed analysis of the full impact of the deal on Ireland’s debt and deficit figures over the full course of the deal including, for example, sensitivity analysis for varying interest rates on the Government bonds and possible payments to the National Asset Management Agency to cover any shortfall (should one arise) following the sale of IBRC assets by the Special Liquidator; and

— believes that the justice of Ireland’s case deserves further relief from the impact of bank-related debt and, in particular, that the Government should be seeking to have the cost of bailing out AIB, Bank of Ireland and Permanent TSB lifted from the shoulders of the State through the European Stability Mechanism.”

Last week Fianna Fáil voted to support the emergency Bill to liquidate IBRC and move its assets to NAMA. At the time I expressed our dissatisfaction with the manner in which the legislation was rushed through the House and the lack of accompanying information. I cannot say that subsequent events have convinced me the Government had no choice but to act in the manner it did but that is history now. We stated at the time that we have no objection in principle to the winding up of IBRC if it results in a lower overall cost to the State. We accepted in good faith the Minister for Finance’s contention that not to do so would put up to €15 billion of State owned assets at risk and voted accordingly, even though he stated repeatedly in response to parliamentary questions over the past several months that he had no plans to merge IBRC and NAMA. Since the emergency legislation was passed last week, it has been announced that the revised arrangements for the promissory notes involve substituting eight long-term Government bonds. On the whole, the deal is positive for Ireland, brings undoubted benefits and will help our recovery. I pay tribute to the work of both the Minister for Finance and the Governor of the Central Bank, Professor Patrick Honohan, as well as their respective officials and the officials from the NTMA. All concerned clearly have the interests of the Irish people at heart and they deserve to be commended on their efforts. I know the task involved a lot of late nights and difficult negotiations and, on behalf of Fianna Fáil, I have no difficulty acknowledging the work that has been done.

The conclusion of the deal is a recognition that Ireland has a moral and practical case for alleviating the burden of rescuing our banks. Everyone accepts that a complex arrangement has been replaced with a similarly if not more complex arrangement. The promissory note inherited by this Government was certainly complex but it was also widely misunderstood. The best analysis I have seen of the structure was written by an economist, Conall Mac Coille, in an article in *The Sunday Business Post* two weeks ago. The article explained very clearly the net costs of the arrangement to the State. The net cost of the interest was the ECB refinancing rate of 0.75%. The 2% margin paid by IBRC to the Central Bank returned to the State by way of redistribution of the Central Bank’s surplus and the balance of the interest rate would partially come back in the event of IBRC having a surplus after realising its losses. The key issue with the promissory note was that it involved large payments up front. Interest and capital charges meant an annual payment of €3.1 billion between now and 2023. The Government has replaced those arrangements with a series of long-term Government bonds.

While today’s debate is important, the Dáil is not necessarily the best forum for exploring the detailed and technical issues that flow from the agreement. The Minister referred to the material posted to the Department of Finance website. We have studied that material and have also submitted a number of parliamentary questions on technical aspects of the arrangements. These questions will be answered later in the week. I intend to suggest in writing to the Acting Chairman, Deputy Ciarán Lynch, in his capacity as Chairman of the Joint Committee on

Finance, Public Expenditure and Reform, that we invite the Minister and the Governor of the Central Bank before the committee at an early date to discuss the details of the arrangements.

The debate needs to broaden out to discuss the implications of the arrangement for the citizens of the State. I have stated repeatedly that it is important ordinary people see a dividend in terms of practical measures that will boost their disposable incomes and support job creation. To date the public have displayed a remarkable level of resilience in the face of extremely painful measures. There is a need to recognise this by moderating forthcoming tax increases and expenditure cuts in light of the interest savings the deal will generate. Unlike Greece and Spain we have not seen large scale strikes and public protest has been peaceful thus far. I do not expect the Minister to say the €3.1 billion adjustment planned for budget 2014 has now become €2.1 billion because of this deal. I am aware the matter is not that simple and, in arriving at the adjustment for 2014, a series of moving parts must be managed. It will only be towards the end of the period of preparing the budget for next year that he will be able to come to a conclusion as to the appropriate level of adjustment. Those moving parts include the level of economic growth that will be achieved in 2013, Exchequer receipts under various tax headings and the adherence of Departments to their spending profiles. However, the Minister can give a clear signal that, other things being equal, he intends to reduce the budget adjustment imposed over the coming years. If I interpret correctly what he has said in regard to the benefits of this arrangement, there will be a saving of €1 billion on the general government deficit and expenditure reductions and tax increases will be of the order of €1 billion less. I take it he intends the €1 billion we have saved between now and 2015 by way of budget decisions.

More than €28 billion in tax rises and expenditure cuts have been imposed since the correction started in 2008. This has resulted in a considerable reduction in living standards for citizens. This summer carers will get €350 less in the respite grants. Struggling parents have seen €10 per month cut from their child benefit payments. Property tax assessments will start dropping through letter boxes over the next few weeks. This is the reality for families far removed from negotiations in Frankfurt. I note from the briefing provided by the Department of Finance that on a *pro forma* basis the projected deficit in 2015 is now 2.4% of GDP. On that basis I imagine we will be running a primary surplus some time during the course of 2014. If that happens, it will represent a considerable achievement earned through the sacrifices of ordinary people since the first package of fiscal consolidation measures was introduced in July 2008 by the late Brian Lenihan. My party fully recognises the importance of reaching a deficit of not greater than 3% by 2015. However, given the headroom that now appears to exist in reaching the 3% target, there is limited scope to take action that would be of benefit in terms of stimulating the economy. We should not have needed the troika to remind us that unemployment remains stubbornly high and is increasingly long-term in nature. Reducing it must remain an urgent policy priority. The most recent employment statistics revealed a third consecutive quarterly fall in employment. The male jobless rate stood at 17.8% in 2012, while 11% of the female labour force was unemployed. Worryingly, the long-term unemployment rate increased from 8.8% to 8.9% over the year, accounting for 59.5% of total unemployment by the end of quarter three of 2012. This is a frightening development which requires urgent action from this House and from the Government.

Last summer the Government announced a stimulus plan with much fanfare but little has happened since then. The Government continues to cut the capital budget to ribbons. Capital spending in 2012 came in €150 million below target. In January of this year capital spending was an extraordinary 50% below the same month last year. This is costing jobs at local level

throughout the country.

It would represent a real and tangible benefit to people if the Government was to announce that it was now freeing up resources to reverse the cut to the capital budget.

A multiple of practical job-supporting measures that could be undertaken in a relatively short period of time would have a real impact. For example, the cuts introduced last year to home insulation grants were short-sighted and counterproductive. The Minister should consider reversing these immediately. In addition, we should look to improving the package of supports for SMEs, which are the lifeblood of our economy. Yesterday's report from the Credit Review Office should be a long overdue wake-up call for the Government that of the total of €8 billion in lending advanced by the pillar banks, only an estimated €2.5 billion was deemed new lending, with the balance providing for the roll-over of loans over that period of time. The economic reality is that as a country we have made progress, but we are far from out of the woods.

To return to the deal announced last week, I have a number of outstanding questions, but I will raise only a few of them tonight. Above all, is the deal that has been reached legally watertight? Is there potential for a successful legal challenge in any other EU member state based on the treaties governing the operation of monetary union? This is a concern we hope never materialises, but we must be cognisant of it. Would a fire sale of the assets by the IBRC liquidator, which the Minister has assured us will not happen, result in the State missing out on a recovery in asset prices in subsequent years?

As recently as last September, the Minister for Finance stated that at that time he did not see any benefit to amalgamating NAMA and the IBRC. Will there be a need to revise corporate governance oversight processes for NAMA in light of its increased portfolio of assets? Given that NAMA will now take on a potential additional €15 billion in loan assets, this will be a major test of its capacity to deliver on its mandate. As I have said on the record several times, the transparency and governance arrangements in NAMA need to be reviewed and improved. The transfer of assets on this scale to NAMA now should provide an incentive to the Government to face up to that issue and to review those arrangements.

What impact would rising interest rates have on the savings under the deal? The Minister pointed out in his speech that the interest rate is now just a smidgen under 3%, which is welcome. Under what circumstances would the Irish Central Bank be permitted to exchange a portion of the new floating rate bonds issued for fixed coupon bonds? What implication will the liquidation of IBRC have on outstanding legal actions against the institution? Will the Minister make a statement on this issue?

I wish to raise the issue of the length of time the Central Bank will be allowed to hold onto these bonds. This is a critical issue because, for as long as it is allowed to hold them, the interest rate paid by the Government will essentially come back to the State by way of the Central Bank surplus in the following year. I note the schedule agreed with the ECB for the disposal of bonds by the Central Bank provides for a minimum of bonds to be disposed of over the period 2014 to 2024 and beyond. Is it within the power of the ECB to change that schedule? It refers to a minimum disposal level and our concern is that the ECB will come back to this and seek to increase the level of disposals in which our Central Bank must engage in respect of these bonds. It would reduce the benefits to the State if the ECB were to do this.

In the *pro forma* transaction impact analysis the Department has prepared, in calculating

the benefits on the deficit and debt side, it has factored in a State financing cost of 5%. Therefore, it is saying that instead of paying out €3.1 billion this year and next year, we will pay out in the region of up to €1 billion at times, and the Department, assuming we will be paying 5% on the difference, calculates the saving. The Minister read into the record the bond yields that apply today in respect of the cost of borrowing for this State, and they are considerably lower than they have been. However, I submit that if we are borrowing at 5%, we are in trouble. I would like to point out for the record that factoring in a 5% State financing rate inflates the saving somewhat.

The final issue I want to address relates to the second tranche of work in which the Minister is and has been engaged for some time. This work relates to the European Stability Mechanism, ESM, and revisiting the cost to Ireland of bailing out AIB, Bank of Ireland and Permanent TSB. As the Minister knows, between these three institutions, the State has put in up to €30 billion. This money has already been paid over. In respect of Anglo Irish Bank and Irish Nationwide, the promissory note arrangement was put in place but the cash was not paid over. However, cash was paid over in respect of the three institutions mentioned. As the Minister also knows, the National Pensions Reserve Fund currently puts an estimated value on those holdings by the State of somewhere between €8 billion and €9 billion. The State would need to get a return far better than €9 billion for it to be in our interest to dispose of our shareholdings in these banks to the ESM, which has no competence nor track record in running banks throughout Europe. I am aware that the advancement of these negotiations is now very much linked to the roll-out of the banking union and the various milestones that need to be achieved in respect of that. However, getting a really good deal in respect of the ESM relieving Ireland of the burden of bailing out AIB, Bank of Ireland and Permanent TSB could result in a substantial reduction in debt levels for this State, something which has not been achieved with the restructuring of the promissory note. This is now the second frontier and it is an equally important, if not more important, negotiation for the Government to engage in. I wish the Minister well in that respect. The IMF has factored into its calculations that Ireland should receive in the region of €20 billion in respect of the shareholdings we hold in regard to those banks. I urge the Minister to continue to work on this issue with renewed zeal on behalf of the Government and the people. Other colleagues in Fianna Fáil will address different aspects of the deal and the liquidation of the IBRC. I place these remarks on the record on behalf of the Fianna Fáil Party.

Deputy Pearse Doherty: Sometimes the Minister, Deputy Noonan, has the potential to make me laugh. The analogy he drew to Sinn Féin's negotiations in the Good Friday Agreement was one of those moments. However, unlike the Minister, we went into those talks with a view to trying to bring us closer to a united Ireland. As the Minister knows, we were successful, despite the fact that the Irish Government at the time, under Fianna Fáil, would not ask the British Government even to give up its claim on the North. We were successful in achieving that. Instead of betraying our principles about the validity of a united Ireland-----

Deputy Michael Noonan: Do we live in a united Ireland?

Deputy Pearse Doherty: -----we got the British Government, for the first time ever, to set aside an illegal international agreement, the pathway to creating a united Ireland. In terms of what the Minister achieved, he did not betray his principles in these talks because he did not have the principle of asking for a debt write-down in the talks. His argument was to ask what was the point in asking for something or making it a precondition if he was not going to get it. That was not his principle in the first place. We all know what the Taoiseach has said.

Deputy Michael Noonan: Did Sinn Féin not give up its claim? Was that not part of the agreement?

Deputy Pearse Doherty: It was the Irish people who gave up the claim, a claim that was never enforced when people were being burnt out of their houses through successive governments in which the Minister and Fianna Fáil were involved. That said, for the first time ever there is a legal pathway for a united Ireland to exist. The British Government is committed to bringing about a united Ireland if the people in the North agree to it through a border poll. That is a step forward with regard to trying to achieve one's objectives.

Deputy Michael Noonan: Did Sinn Féin not give up its claim?

Deputy Pearse Doherty: The question needs to be asked as to what step forward the Minister has made here. If the principle was that this debt should not be placed on the shoulders of the Irish people, how has this agreement brought us forward one iota? The reality is that last Wednesday this House, in an echo of Fianna Fáil's most disastrous spell, rushed through far-reaching banking legislation that will have huge consequences. We can only hope that as time goes on, this legislation will prove not to be as ill-thought-out and its consequences will not be as dramatic and brutal for the Irish people. The Government provided for two hours of statements on Second Stage and 15 minutes of debate on Committee Stage before it announced that this motion will be discussed over a period of four days. This motion on the promissory note will not become part of law and will not be dissected in the courts. It is not legally enforceable in the High Court or in the Supreme Court.

Deputy Brendan Howlin: Is the Deputy against it?

Deputy Pearse Doherty: My colleagues will table an amendment to the motion tomorrow. I welcome the opportunity to discuss the promissory note arrangements in this House. I reiterate that when the first promissory note was paid in 2011, Sinn Féin was the only voice to raise it as an issue. The first time the promissory note was debated-----

Deputy Brendan Howlin: You put on your green jersey and voted for the guarantee.

Deputy Pearse Doherty: With respect, Minister, you are around here for long enough-----

Deputy Michael Noonan: You voted for the guarantee.

Deputy Pearse Doherty: This kind of boyish craic of shouting across-----

Acting Chairman (Deputy Ciarán Lynch): I remind Deputies and Ministers to address their comments through the Chair.

Deputy Pearse Doherty: Exactly. Talk to your own guy over here.

Deputy Michael Noonan: You voted for the guarantee in the Seanad when you were a Senator.

Deputy Pearse Doherty: Honest to God, you are like two little schoolboys. I am making my contribution. I have just 20 minutes.

Acting Chairman (Deputy Ciarán Lynch): I ask Deputy Doherty to comment through the Chair. I will deal with the Ministers myself.

12 February 2013

Deputy Pearse Doherty: Do you want me to give you a facility to deal with the Ministers, put them in their place and tell them to stop heckling?

Deputy Brendan Howlin: Drill our knees or something like that.

Acting Chairman (Deputy Ciarán Lynch): Deputy Doherty, I have given you a lot of leverage here.

Deputy Michael Noonan: No knee-capping now.

Acting Chairman (Deputy Ciarán Lynch): Please make your comments through the Chair.

Deputy Brendan Howlin: We might be court-martialed.

Acting Chairman (Deputy Ciarán Lynch): I ask the Ministers, Deputies Howlin and Noonan, to behave with good grace. Deputy Doherty has possession.

Deputy Pearse Doherty: We are having a week-long debate on this issue. As I was saying before I was interrupted by the two lads, Sinn Féin had the first debate in this House on the promissory notes. I welcome the opportunity to discuss the matter again. Many serious issues arise from the passing of last week's legislation. It should have been properly debated. I will speak later about the fate of the IBRC workers. We need to reflect on the legal and commercial impact of the Bill. There is no doubt that last week's events were shoddy by any parliamentary standards. I genuinely believe that if Deputies put their hands on their hearts, very few of them would deny that what transpired in the early hours of Thursday morning in this Chamber was nothing short of shoddy and disgraceful.

Questions must be asked about why this procedure was rushed through. I am not convinced there was a requirement for it. Section 6 of the Bill, which is now under scrutiny in our courts, is highly controversial. Like all the other sections of the legislation, we should have had time to deal with it in a proper and thoughtful manner. We should have been afforded the opportunity to seek counsel on it and to make amendments to it if required. Highly contentious political and legal issues arise from the legislation. It is the type of thing we should be avoiding. It is embarrassing that when this issue was before the High Court last week, a judge did not even have access to the legislation that had been passed by this House and enacted into law. Serious questions need to be answered about why a judge in one of our courts was unable to access legislation which is now on the Statute Book with legal effect, and which the President was rushed home from Italy to sign into law. Questions have been asked about the constitutionality of the provision that ensures there is a stay on all legal proceedings against IBRC. The genuine questions that have been asked by other speakers, including Deputy Mattie McGrath, should be answered. This legislation puts a stay on all proceedings against IBRC even though there is precedent in the courts in this regard. It was ruled in a famous court case relating to Sinn Féin funds at the time of the creation of the State that legislation could not put a stay on legal cases in this way. It is unfortunate that these matters will be teased out before the courts rather than in this House.

Other questions relate to the staff of IBRC, who are employed by the State. As I said on the night we debated this legislation, many staff in IBRC and elsewhere in the banking system are overpaid. We are still waiting for the report on banking remuneration, which the Minister was supposed to have last Christmas. It has not yet seen the light of day. Ordinary workers

in the bank who are on low wages or mid-range wages have been made redundant. Questions need to be asked about the impact of this legislation on employees outside the State. Are those who were employed by this bank being treated fairly? There was no statement of undertaking, which means that the rights and entitlements of ordinary workers in the bank who were not part or parcel of this have been extinguished. As the Minister said in his press conference, those in lower positions on the food chain did not cause the crisis. Regardless of what Deputy Howlin says, I do not know how the Labour Party can applaud itself for eroding the rights of State employees in this manner in the year of the anniversary of the Dublin Lock-out. It is seriously questionable. Other questions need to be asked about the decision to appoint KPMG as the special liquidator. Even though the same company failed miserably to properly oversee an audit during the height of the banking crisis, the Minister and the Government have turned to it yet again. Everybody in this House and throughout the country is aware of Sinn Féin's position on the promissory note and the toxic debt of Anglo Irish Bank.

Deputy Brendan Howlin: Sinn Féin voted for it.

Deputy Pearse Doherty: We do not believe the State should pay a single cent of this debt. It should not be paid in capital and it should not be paid in interest. That is a legitimate and logical position to have. There is no doubt it was a realistic position before the Government decided to cave in last week. I say that because I believe the Government's starting point should have been to look for and secure a write-down of this odious debt. Instead, we have the time-honoured tradition of a Government trying to sell a deal as if it had no other choice, but that was not the case. There are always choices in politics. The spin from the Government when it secured the famous statement in Europe on 29 June last was that banking and sovereign debt were to be separated. That has now been jettisoned in return for perceived short-term political gain. Eight months after the Taoiseach declared a "seismic shift" in our debt position, the State is formally taking on a huge extra chunk of banking debt in the form of a sovereign bond. We all know from where this debt came. It came from corrupt practices and criminal activities in a bank that was not overseen properly by the regulator and was facilitated by successive Governments. The approach of turning this toxic banking debt into sovereign debt by issuing sovereign bonds to cover it brought us here in the first place.

Deputy Brendan Howlin: Sinn Féin voted for it on the night.

Deputy Pearse Doherty: It is a continuation of Fianna Fáil's approach to the banking crisis, which was to nationalise private debt and thereby place the burden on the shoulders of Irish taxpayers.

Deputy Brendan Howlin: The Deputy likes to blame poor Fianna Fáil for everything.

Deputy Pearse Doherty: It was unfair when Fianna Fáil asked Irish taxpayers to take on this burden and it is equally unfair now that Fine Gael the Labour Party are asking us to issue sovereign bonds to pay off every last cent of the banking debt of Irish Nationwide and IBRC.

Deputy Brendan Howlin: The Deputy voted for that debt.

Deputy Pearse Doherty: That is the long and the short of it. I have studied the technical details on the Department's website. We need much more detail. I hope it is forthcoming. When one examines the core issue, one has to ask whether we have actually made progress on the initiative that was secured at the Eurogroup meeting on 29 June 2012. The initiative in question was forced upon European leaders as a result of the position that Spain adopted. The

12 February 2013

position the Eurogroup took was to commit to the separation of banking and sovereign debt. We need to ask how we separated sovereign and banking debt last week. How did we do that? What is our banking debt? People are familiar with the €64 billion figure, more than half of which - €34 billion - was IBRC's debt.

7 o'clock

How did we separate our banking debt from sovereign debt? The answer is we did not separate them. The answer is that, instead of a promissory note where there is possibly some flexibility, what this Government decided to do was to issue sovereign bonds, which means it truly wedded this State to this debt into the future.

We were supposed to commend the Government on 29 June for its securing of this deal despite the fact it was Spain that put it on the table. I remember debating with the Ministers at the time. I told them they had an open goal but they had to get the ball across the line and into the back of the net. What the Government decided to do is to take the ball and run the other way.

Deputy Mattie McGrath: No liathróidi.

Deputy Pearse Doherty: It first decided to say, in regard to the part relating to IBRC, "We will not look at it in the context of banking debt and we are only going to look at the issue of the pillar debts-----"

Deputy Michael Noonan: It is the same as the open goal for a united Ireland.

Acting Chairman (Deputy Ciarán Lynch): Order, please.

Deputy Pearse Doherty: If the Minister, Deputy Noonan, is willing to use Government time for three or four days to debate the concept of a united Ireland and what we should all be doing in this House to achieve that, I and my party would be only too willing. However, we are dealing with these issues-----

Deputy Brendan Howlin: Sinn Féin has Private Members' time next week.

Deputy Pearse Doherty: The Ministers might not like hearing it but it is democracy, I have a mandate and I am entitled to speak. They are two of most senior Ministers in Cabinet, after all. What Eamon Gilmore told us after 29 June was-----

Deputy Michael Noonan: The Tánaiste.

Deputy Pearse Doherty: He said: "This lifts that burden from the Irish taxpayer and means that the European taxpayer, at a general level, through the ESM is basically taking on responsibility for it." I will repeat it because this goes to the core of this debate. It is what the Tánaiste, Deputy Eamon Gilmore, said about the achievement of 29 June and the toxic banking debt that the Labour Party rightly rallied against when in opposition: "This lifts that burden from the Irish taxpayer and means that the European taxpayer, at a general level, through the ESM is basically taking on responsibility for it."

Has any other European taxpayer taken responsibility for the majority of the banking debt that was housed in IBRC? The only taxpayer that has taken responsibility for it is the Irish taxpayer as a result of the decision that was taken last week. Has the ESM moved to fund this through its vehicle? No, it has not. Instead of actually trying to progress the achievement that

was secured on 29 June, what the Government has decided to do is say, “We will talk to you in regard to separating sovereign debt and banking debt for the pillar banks, but in regard to Anglo and IBRC, do not worry, the Irish people will suck that one up themselves”. That is the reality. That is why, in all consciousness, the Government cannot say this is a good deal for Irish taxpayers. If we start from the premise that sovereign debt and banking debt is to be separated, then how can we support and welcome the fact it is no longer going to be separated and that it is going to be wedded through the form of a sovereign bond?

Eamon Gilmore told us there would be light at the end of the tunnel-----

Deputy Michael Noonan: The Tánaiste.

Deputy Pearse Doherty: The Tánaiste told us there would be light at the end of the tunnel but for many people there is not. For many people, the light at the end of the tunnel was his words that it “lifts that burden from the Irish taxpayer and means that the European taxpayer, at a general level, through the ESM is basically taking on responsibility for it”, as well as the quotes from other Ministers. Unfortunately, they did not run with the ball. What they did was sit on their hands and allow the whole thing to start to unravel. They have decided to cobble together this agreement and present it in a way that means we are supposed to welcome the fact all of this will be paid by the Irish taxpayer but it will be done in the future.

It is very clear that it is Frankfurt’s way. There was an open goal and Ireland ended up scoring an own goal. We should have pushed this issue to a conclusion by insisting on the separation of banking and sovereign debt and refusing to pay a cent more on the promissory notes. In fact, I doubt Frankfurt even thought it would get its way in such a comprehensive way. It could have only dreamed that the Irish State would voluntarily latch the most toxic of its toxic banking debt to itself. Frankfurt has definitely got its way and Frankfurt knows the Irish people are committed more than ever now as a result of the Government initiative to repay every single cent of the Anglo Irish and Irish Nationwide debt.

Fundamentally, this deal can be summed up as winding down the bank but not winding down the debt. The Minister, Deputy Noonan, tells us that this deal is akin to having one’s mortgage repayments deferred over a longer period, a claim he repeated again tonight. The problem with this comparison is that when people are paying a mortgage, they have a house, but we are paying a mortgage for the gamblers, the bankers and the criminals - we are just paying it over a longer period of time. That is what the Government believes is fair. Anybody who watched the Irish Nationwide programme last night would have seen one Deputy make a star appearance beside the former Taoiseach as they announced the bailout of Irish Nationwide. Let us look at whose mortgage we are actually paying over a longer period. The people who have been asked to bear the brunt of this, whether through property taxes, increased PRSI, a reduction in services or reduced wages in the public sector, have not built a house and are not getting the benefit of a house paid for over a longer period. However, thanks to RTE last night, we have seen some of the debts we are paying.

The Minister is right. There are some houses that were mortgaged and for which I and every other citizen and taxpayer will be paying for the next 40 years. One of those houses is Updown Court. This is what we will be paying back and what the Minister wants us to applaud. He wants us to pay in the form of a sovereign debt the losses this property incurred. Five swimming pools, a cinema, ten-pin bowling, stables, a garage for eight limos, a helipad, a squash court, floodlit tennis courts and a heated marble driveway-----

Deputy Brendan Howlin: Deputy Gerry Adams hardly had that one.

Deputy Pearse Doherty: The marble itself cost €6 million. When the Minister says this is just like a mortgage but paid over a longer period of time, the problem is that the people who are paying this mortgage over a longer period of time have no benefit from the house because it is this type of trophy house, and this type of mad investment that Mr. Fingleton and others agreed to and went bust because of, that the Irish taxpayer will be paying for this year, next year and every other year.

Every six months, we will be making a payment as a result of those toxic debts. The Minister talks about the promissory note being ripped up and he is 100% right. We all say “Good riddance” to the promissory note and know this will bring short-term benefits, which I have acknowledged. However, every six months we will be making a payment in regard to the interest on this debt. There is a genuine question as to why ordinary people should pay for this type of recklessness. The interest this year is some €800 million. Why should we be paying nearly twice the total amount that will be brought in through the property tax every single year? Why should public sector workers such as a new nurse have to take 20% less or a teacher take reduced payments as a result of decisions made by people in Anglo or Irish Nationwide? That is the serious question.

The Minister talks about this being a low interest loan and there is no doubt about that. I understand the circular nature of the Irish Central Bank and the Minister is correct to say the effective interest rate is 1%. However, what he does not proclaim loud enough is that, first, the Irish Central Bank is mandated to and has to dispose of these bonds-----

Acting Chairman (Deputy Ciarán Lynch): The Deputy will have to conclude.

Deputy Pearse Doherty: -----and there is a minimum timeframe for it to do that. However, the ECB retains the right at any stage to demand that it disposes of all of its bonds or does so at a quicker rate. The Minister made much of the fact the rate, given the margin of 2.63% plus Euribor, is just less than 3%. Professor Brian Lucey pointed out in his blog that the average Euribor rate over the last 20 years was 4%. We are at an all-time low and not even the Minister would believe that we will see that type of rate continue in the coming years. If we hit the average rate at any time in the next couple of years, we are talking about 6% to 6.5% of-----

Acting Chairman (Deputy Ciarán Lynch): I must ask the Deputy to conclude.

Deputy Pearse Doherty: I will conclude on this point. The reality is it depends where the starting point is. If the starting point is where Fine Gael and Labour started off in saying we are going to pay back every single penny of this debt and that we just want better conditions, then I understand completely why they would welcome this. If one’s starting point is that of Fianna Fáil - the party that heaped this burden on the Irish taxpayer - then this is obviously a relief of that burden in the immediate term so one would have to welcome it. However, if one starts from the legitimate view that this burden should not be paid by the Irish taxpayer then this cannot be seen as anything but a very bad deal whereby the Labour Party and Fine Gael have cemented us into paying this off over a period of 40 years as a result of the shabby deal they did last week with their ECB partners.

Deputy Luke ‘Ming’ Flanagan: The majority of the commentary on the Government’s deal regarding the promissory note is headlined as positive. From reading this piece of paper I was given, that is exactly what it is about. It is all about perception and keeping it positive

even if that is not the reality. Enda Kenny tells the Irish public that he has removed the need to borrow a massive €20 billion-----

Deputy Michael Noonan: Taoiseach.

Acting Chairman (Deputy Ciarán Lynch): I am going to make an intervention here. When I introduced the Deputy, and I did the same with Deputies Pearse Doherty and Michael McGrath, I referred to him as Deputy Luke ‘Ming’ Flanagan. I am not calling him Ming from the Chair so I expect him to refer to Ministers in the House and other Deputies by their appropriate titles.

Deputy Luke ‘Ming’ Flanagan: My apologies, the Taoiseach. The Taoiseach tells the Irish public that he has removed the need to borrow a massive €20 billion over the next ten years. We also hear that the deal will give us an extra €0.5 billion in options when it comes to next year’s budget although we now hear it is €1 billion. The Government keeps changing its mind on this. Even if this was true, the savings would only be relative to the resolution that the last Fianna Fáil-Green Administration put in place. Measured against any other reasonable barometer, this deal can only be described as lacking in ambition and a kick in the teeth for future generations of Irish people - if there are any of us left given the amount of people leaving the country at the moment.

We were told as late as last June that there would be burden sharing, the creation of the ESM would solve all our problems and retrospective deals on legacy banking debt were as good as done. Both leaders of the coalition hailed it as a seismic shift and the media lapped it up. We understand now why that is important. It is all about perception. Fast-forward eight months’ later and we have no burden sharing and no write-down of the debt forced on us to save the European banking system. This Government’s lack of ambition is laid bare in its admission that it did not even ask for a write-down. Our capitulation is made worse when we hear a senior Government Minister say that the reason it did not ask was because he would be told to “go away” by the ECB if he did. If one treated a dog that way, one would get into trouble. Why would the Minister accept it? Whatever happened to burden sharing? There is none. We are now on the hook for a banking debt which we did not take out. To make matters worse, we as a nation will bail out European banks in the future through the ESM if any of our fellow European banking systems implode. When our system went bust, we paid and if others go bust, we also pay.

Obviously, the question is what was the alternative. This was not to pay the promissory note, as advised by people like Professor Brian Lucey; Deputy Mathews, the best Deputy on the Government side, and economist Paul Somerville. The simple fact is that the Government did not even try to do this. We were told it would be illegal. There is no evidence of this and we have a Government Deputy in the House who said it was not illegal. If it was, what about the bailout of the European banking system, which was illegal according to Christine Lagarde? Now we will never know whether this could have been achieved because the Government never asked in the first place. It is like the young lad in his teenage years at the disco who never asked that beautiful girl across the hall to dance. The Government will never find out whether it would have been possible and will live in mediocrity forever.

Acting Chairman (Deputy Ciarán Lynch): On that note, the Deputy has about a minute to conclude.

Deputy Michael Noonan: Deputy Flanagan is dreaming or maybe hallucinating.

12 February 2013

Deputy Luke ‘Ming’ Flanagan: An area that has not been touched is that of moral hazards. Suggestions have been made by people over the past two years that those in mortgage distress should have their debt written down to the value of the houses. This has been trashed and criticised on the basis that it would not take into account moral hazard. People apparently would not learn their lesson if they were given a break. What then about the moral hazard of the statement that is this deal? This deal sends out the message that one can buy bonds and get a rate of interest on them relative to the risk but, remarkably, one cannot lose. In this country, one can set up a bank and give out loans to one’s mates and if it all goes wrong, we pay for it - wonderful country.

We now have a situation whereby our Government has chosen the bondholders over children’s health. People who came to me looking for a cochlear implant for their children’s ears are told the State can only afford one. This is the equivalent of going into Specsavers and being told that there is only enough money for one lens and to go away. That is the decision the Government has made. I hope it can live with it.

Acting Chairman (Deputy Ciarán Lynch): I call Deputy Halligan, who has five minutes. Apologies, I call Deputy Boyd Barrett.

Deputy Richard Boyd Barrett: It is me and then Joe and Stephen, or Deputies Donnelly and Higgins. The stroke pulled by the Government last week is not a victory for the citizens of this State. On the contrary, with this manoeuvre, the Government has fully and comprehensively nailed the citizens of this country to the cross of Anglo Irish Bank’s gambling debts for decades to come. Claiming this action as a triumph is like saying we are not going to be destroyed by Anglo Irish Bank’s debts; we are going to be utterly devastated by those debts. That makes little difference to the people or the economy. It is entirely predictable that Fianna Fáil has supported the Government in this, revealing its utterly fake opposition to Government policy and showing that when the chips are down, Fianna Fáil, Fine Gael and the Labour Party are birds of a feather that flock together at the expense of the ordinary citizens of this country and our economy.

If Fianna Fáil, much of the media and the political establishment have fallen for this stroke, the ordinary people of the country have not. A total of 100,000 people took to the streets last week precisely because they do not believe it and saw through the hype and spin. What they want to know is where is the relief and victory for them. The Government will not be able to provide this because the reality is that it will not be reversing the years of austerity and cuts that have already been imposed by it and the last Government. People will still get bills for hundreds of euro for property charges through their doors in March and the Government will still impose the water charges and savage the health, social welfare and education budgets in the next budget and the one after that. They understand that every euro the Government pays for the next number of decades to pay off Anglo Irish Bank’s gambling debts is a euro that could go into job creation, economic growth and the domestic economy. That is the reality and the Government will not be able to spin its way out of it for long.

The alternative was not to “restructure” debts that were not ours. They were to say, quite simply, that they are not our debts and we are not paying them and to ensure that the need for jobs, economic growth and for fairness and justice in dealing with this economic crisis comes first. The Government and Fianna Fáil will not give the people that but the people on the streets last Saturday are the only force that can bring about a just solution to this crisis.

Deputy Michael Noonan: Try that in your local shop.

Acting Chairman (Deputy Ciarán Lynch): I call Deputy Catherine Murphy. Deputy Mathews is sitting there quietly for me, which is a change, so could I ask Government Members to mirror his behaviour?

Deputy Mattie McGrath: Hear, hear - best behaviour in class.

(Interruptions).

Acting Chairman (Deputy Ciarán Lynch): I call Deputy Catherine Murphy.

Deputy Richard Boyd Barrett: It is Deputy Higgins and myself.

Acting Chairman (Deputy Ciarán Lynch): That is the sequence which I did not have so I will change it. Deputy Higgins will speak followed by Deputy Donnelly.

Deputy Joe Higgins: There are 12 minutes left.

Acting Chairman (Deputy Ciarán Lynch): I will try to accommodate people up to 7.30 p.m.

Deputy Joe Higgins: It stretches credibility beyond the limit that the right-wing political parties in this State and virtually the entire capitalist press hail as a glorious triumph an arrangement that shackles the Irish people to a gigantic millstone of toxic Anglo Irish Bank debt of €31 billion and interest over a 40 year period. The consequences are ongoing savage austerity that is already destroying livelihoods, living standards, communities and individuals. It bears saying again that these were the private gambling losses of bankers and bondholders as they speculated wildly in this State during the Irish property bubble in pursuit of greed-driven super-profits. If the political establishment of this State, the capitalist press and the establishment of the European Union and the European Central Bank were ever guided by a moral compass, truly that compass has crashed irretrievably when they deem it just, or a victory, even, that generations of Irish people should be lashed to a treadmill of private debt. Truly, in putting the profits of the bondholders before the well-being of the majority in society, the present day political and media establishment in this State display a moral sense just as perverted as their predecessors in the Irish Church and State displayed in a previous era - in the era of the incarceration, for example, of young women in the Irish version of the Gulags, known as the Magdalen laundries, something which, tragically, we have heard much about in the past week.

Deputy Michael Noonan: Is the Deputy not writing for the capitalist press?

Deputy Joe Higgins: That Ireland was a State groaning under the weight of moral strictures but at the rotten heart of the Irish establishment of that era, there was no morality. Likewise, the establishment of the EU is loudly proclaiming today that at the heart of its institutions are the values of solidarity, equality, justice and democracy. This is shameless mendacity when the cold reality reveals that the democratic rights of hundreds of millions of European citizens are subjected and subjugated to a dictatorship of the financial markets and the vindication of rights is reserved first and foremost for the bondholder, the speculator and the vulture capitalist, but 25 million citizens of the EU languish in unemployment while tens of millions more suffer from the savage austerity designed to salvage the market system.

Last June it was loudly proclaimed by the Government that an EU summit had decided to

break the link between private banking debt and State debt. That promise is cynically shattered in exactly the opposite process with this deal whereby the Irish State takes all the responsibility, lock, stock and barrel, for toxic private banking debt. Yet, in the face of all this, the leadership of the Irish Congress of Trade Unions led tens of thousands of workers in marches around the country last Saturday. The leadership begged for kindness from this heartless EU financial system while being silent on and actively distracting attention from their allies in the Irish Labour Party who shamefully implement troika austerity and crush the Irish people with these toxic debts.

The most serious movement to be built against the destructive austerity in this State is the campaign against the odious property taxes and other austerity taxes. Hundreds of thousands of ordinary men and women are participating. Yesterday they brought their opposition to many council chambers where Fine Gael and Labour councillors were in hiding, pointing to the need for working people, pensioners and the unemployed, to deploy their people power and the power of workers to withdraw their labour in order to demand not a penny more to the bondholders, an end to crushing austerity, abolition of the hated property tax and the European financial system and that the major financial institutions in public ownership, under democratic control, are run for the well-being of the majority, not the profits of the tiny elite.

Deputy Stephen S. Donnelly: I cannot quite believe that this is happening to the Irish people, notwithstanding the efforts of the Government. When the dust has settled, €142 billion of senior debt, guaranteed in 2008, will end up being paid; €35 billion committed to Anglo and Irish Nationwide will end up being paid. All this is to be paid by the Irish people. The motion before the House asks Dáil Éireann to welcome the restructuring of the promissory notes. This is not a money Bill. This is a motion asking for us to welcome something; it is not asking for our permission to spend the money. In my view this is probably unconstitutional. If Dáil Éireann is not explicitly asked for permission to spend this money, it will have made a mockery of parliamentary democracy in this country.

The restructuring proposed is that the IOU issued to Anglo Irish Bank and Irish Nationwide by Fianna Fáil on behalf of the Irish people be exchanged for 35-year Government bonds. Some argue that this deal is worth accepting. It may be worth about €4 billion in today's money and it reduces the short-term funding requirements for the State. Some will argue that we are asking our children and our grandchildren to pay this debt instead of us paying it, that it would be cheaper for them to pay it in 35 years' time than for us to pay now. We do not know if this is true. Others, including me, while accepting the short-term gain, argue that it is not worth the long-term cost. That cost is accepting that the Irish people will pay €35 billion to cover the losses of Anglo Irish Bank and Irish Nationwide. We will also pay €20 billion in interest. The total amount to be paid out over 35 years will be approximately €55 billion.

Regardless of which side one takes in this debate, I would assert that we probably all believe several things to be true: first, that it is fundamentally wrong that the losses of Anglo Irish Bank and Irish Nationwide are borne by the Irish people; second, that the €35 billion committed by Fianna Fáil was not done for the benefit of Ireland; it was done in 2010 for the benefit of Europe; third, that there was little obvious advantage to us doing this for Ireland; and fourth, that it would be both preferable and reasonable that the burden for stabilising the eurozone would be met by the entire eurozone and not just by the people of Ireland.

I ask the House to think about what the Cabinet is asking us to welcome. It is asking us to welcome a restructuring of the debt. However, the Minister, Deputy Noonan, has confirmed

that they never looked for any reduction in the total amount of debt owed. The rationale given by the Minister was that they would not have been given it, that they would have annoyed the ECB in asking. Because Greece did so, therefore, the decision was taken not to do so.

However, the Minister is correct in that Greece in fact asked for a write-down. The Greeks were given a write-down of €110 billion on their sovereign debt because they asked.

Deputy Michael Noonan: Not on the ECB debt.

Deputy Stephen S. Donnelly: They are also now borrowing at 0.5%-----

Deputy Michael Noonan: Not on official debt.

Deputy Stephen S. Donnelly: -----which is one seventh the level of the debt we-----

Deputy Michael Noonan: The Deputy is doing what he always does; he is misleading people.

Deputy Stephen S. Donnelly: With respect-----

Deputy Michael Noonan: I heard the Deputy on Marian Finucane's radio programme the other day-----

Deputy Stephen S. Donnelly: I will not take lectures from the Minister on misleading the Irish people. His figures are a comedy of errors.

Deputy Michael Noonan: The Deputy was lying on Marian Finucane's show the other morning.

Acting Chairman (Deputy Ciarán Lynch): The Minister will have to withdraw that comment, please.

Deputy Mattie McGrath: On a point of order-----

Acting Chairman (Deputy Ciarán Lynch): Please, Deputy McGrath.

Deputy Michael Noonan: I withdraw the remark.

Deputy Stephen S. Donnelly: Greece asked for a write-down and got a write-down of €110 billion. That is a fact.

Deputy Michael Noonan: Not on official debt.

Deputy Stephen S. Donnelly: That is a fact, no matter how much the Minister complains.

Deputy Michael Noonan: The Deputy is pretending and misleading again.

Acting Chairman (Deputy Ciarán Lynch): Please, Minister.

Deputy Stephen S. Donnelly: Spain asked that it would not recapitalise its own banks and the request was granted. The truth obviously upsets the Minister. Being exposed to the truth upsets him.

Deputy Michael Noonan: The Deputy misleads constantly.

12 February 2013

Acting Chairman (Deputy Ciarán Lynch): Excuse me, Deputy Donnelly and Minister, I am on my feet. Any inaccuracies or counter-arguments which Ministers and members of the Government wish to deal with can be done so over the course of the debate. I ask the Members to refrain from interrupting speakers during their contribution.

Deputy Stephen S. Donnelly: I did not interrupt the Minister's comedy of figures which he proposed. He might do the same in return.

Deputy Michael Noonan: The Deputy does not have the expertise.

Deputy Mattie McGrath: I appeal to the Acting Chairman.

Acting Chairman (Deputy Ciarán Lynch): I am trying to conclude this debate so that we can move on to Private Members' Business. The Minister is not helping with his interruptions.

Deputy Stephen S. Donnelly: The Minister clearly does not want the people to hear what I am about to say. With the Acting Chairman's assistance, I will try to place the relevant information on the record. Greece asked for a write-down in its sovereign debt and it received a write-down of €110 billion.

Deputy Mattie McGrath: Hear, hear.

Deputy Stephen S. Donnelly: Spain requested that its citizens should not be asked to capitalise its banks and the ESM was specifically established to ensure that they would not be obliged to do so. Portugal requested that there would be a reduction in its borrowing costs and received one, even though our Government claims credit for this. Iceland requested that it not be obliged to pay the debts of its banks and it received a reply in the affirmative. The ECB requested many things, including the abolition of the promissory notes and the socialisation of debt.

Acting Chairman (Deputy Ciarán Lynch): I must ask the Deputy to move the adjournment of the debate.

Deputy Stephen S. Donnelly: On a point of order, the Order of Business for the day indicates that this debate should continue until the opening statements of all the spokespersons have concluded.

Deputy Joe Higgins: That is correct.

Acting Chairman (Deputy Ciarán Lynch): I apologise. The error is mine. Deputy Donnelly has approximately 30 seconds remaining.

Deputy Stephen S. Donnelly: With respect, I was interrupted on a number of occasions.

Acting Chairman (Deputy Ciarán Lynch): I will allow the Deputy some leeway but he should seek to conclude.

Deputy Stephen S. Donnelly: The ECB asked for many things, including the abolition of the promissory notes, the socialisation of the banking debt and full return of the moneys advanced. It got everything it requested. We know that it is relevant that one should ask for what one wants.

Let us consider what the Cabinet is asking for in the motion. It is asking that we should

welcome a deal which turns banking debt into sovereign debt. The Cabinet is also asking us to accept the motion while accepting that it never even requested a write-down in our debt. Most people would not accept that deal. This so-called deal is something which Dáil Éireann should not welcome. The Minister referred to recovering our pride. In voting for this motion, we will do things, namely, accept that the Irish people must pay off these debts and that we are passing the burden for paying them to our children and our grandchildren because we do not have the guts to pay them now. A deal which would help recover the pride of Ireland would be one which would lead to the burden for bailing out the eurozone being shared by the members of the eurozone. I call on every Deputy to reject the motion and to instruct the Cabinet to return to the negotiating table and ask for a substantive write-down in our debt on the basis of sharing the burden fairly.

Debate adjourned.

Magdalen Laundries: Motion [Private Members]

An Leas-Cheann Comhairle: I call Deputy Calleary who, I understand, is sharing time with Deputies Moynihan and Ó Cuív.

Deputy Dara Calleary: I move:

“That Dáil Éireann:

notes the comprehensive and substantive report on Magdalen Laundries completed by Senator Martin McAleese;

agrees that, given the evidence in the report, an apology should be given to the women of the Magdalen Laundries by the Taoiseach, on behalf of the Oireachtas and all citizens of the State, for what they had to endure; and

further agrees to the establishment of a dedicated unit within the Department of Justice and Equality to co-ordinate remaining aspects of the State’s response including all forms of redress which should be provided.”

In previous contributions relating to this matter I have acknowledged that the commissioning and publication of the McAleese report was a hugely important step on the part of the Government. I take this opportunity to again acknowledge that fact. It is, however, the aftermath of the publication of the report on which we must focus our attention and on the very less than adequate response on the part of the Government to what former Senator McAleese has outlined and to the testimonies of the survivors of the Magdalen Laundries, as provided by their various representative organisations, namely, Justice for the Magdalenes, Magdalene Survivors Together and the Irish Women’s Survivors Support Network.

In order to fully understand and appreciate the horror experiences by those who spent time in any of the institutions to which I refer, people should read the testimonies of the survivors as well as the McAleese report. I wish to read into the record of the House, a quote from one of those testimonies. It reads:

12 February 2013

When I went in ... of course, the first thing they did was cut my hair, took all my clothes. Told me I go by the name of Attracta, and I would be called by my number, 63, whenever they wanted me to do anything ... Then if you did anything wrong, you were put down in a hole. We used to call it the hole. It was a four by four room, but we called it the hole. There was nothing in it, only a bench - no windows. You were put in there; your hair was cut, more or less off completely. Your hair was cut, and you were there all day without anything to eat until they came down for you at five o'clock and took you up. Then you had to go into Sacred Heart room where the recreation was and kneel down in front of everybody in the room, kiss the floor and say you were sorry, and then the nun read the riot act to you.

I am sure none of us can imagine what it must have been like to undergo such an experience. I am also sure many of those who were in these institutions did not know why they were there in the first instance. I have no doubt that the memory of what they experienced lives on for these women. I believe the testimony from which I just quoted and I also believe the testimonies of those who outlined similar experiences.

The Government's amendment to the motion highlights a number of matters relating to the McAleese report and its findings and contains the first official acknowledgment of significant State involvement in the running of the laundries. The amendment highlights the fact that the report shows that the traditional stigmatising labels which were often attached to women in the Magdalen laundries were wholly unjustified; that the report acknowledges that women worked in the severe conditions for no pay; and that the report recognises that many women were not informed as to why they were admitted to the laundries, for how long they would be obliged to remain in them or when they could leave. Nobody will disagree with the findings contained in the report. Nobody can do so in light of the testimonies that have been provided for many years.

We are debating this matter because, on one hand, the Government has acknowledged and highlighted the horrific wrongs that were done but, on the other, it is having to be dragged - kicking and screaming - into making an apology and saying sorry. What we are seeking in this debate is for someone to use the five-letter word "Sorry".

I take this opportunity to acknowledge that Deputies McDonald and Maureen O'Sullivan, in particular, have played a strong role in highlighting this matter during the lifetime of the current Dáil. Many others have not done so. In the previous Dáil, former Deputy Tom Kitt and Deputy Ó Caoláin also highlighted this issue in equally strong terms.

As I prepared for this debate, I reflected on the contribution which I made last September to the debate on a motion tabled by Sinn Féin and in which I outlined my fears. At that time I stated that I had no doubt that former Senator McAleese would give the inquiry his full commitment. Dr. McAleese was an inspired choice to lead the inquiry. I have no doubt of the commitment of those in government who are working on this issue. However, I doubt the institutions of the State. When I hear reference to cross-departmental committees, I become worried because I am aware that the defensive mechanism which is in-built in the institutions of the State will kick in. There is some sort of innate inability to acknowledge the State's role in respect of this matter. We cannot acknowledge our debt to these women or admit or contemplate the fact that they and their families are still living the nightmare. The motion laid before the House last September put the machinery of the State on notice that this Oireachtas would not waver. As stated at that point, I am of the view that the Oireachtas has a moral mandate to deliver to these women and to account for the mistakes made by it and previous Administrations in refusing to acknowledge what was done to them.

The fears I expressed last September crystallised at 4 p.m. on Tuesday last in this Chamber. Those who survived the horror of institutions to which the motion before the House refers and are still living, the families of the women who have passed away, the many who have been forgotten, who have no families to defend them and whose interests are being looked after by the survivors' groups and the others who - as a result of the horror they experienced and the stigma they perceive to be attached to themselves - are still unable to admit to their loved ones that they were incarcerated in the laundries all woke up on Tuesday morning last hoping that their darkest hour was over and that dawn was about to break. They had participated, in all good faith, in a process that they believed - and were led to believe - would lead them to the beginning of a journey of personal redemption. Some of them travelled to Dublin in the hope that they would, having received a long-overdue apology, be able to engage in a little celebration on Tuesday evening. Many others did not travel to the capital because they lack the resources or the physical or mental ability to allow them to do so or because they now live far from Ireland. In this regard, I recall the woman described by Professor James M. Smith who woke in her bed-sit in New York last Tuesday morning and who waited to discover whether it would be her day. However, on Tuesday afternoon at 4 p.m. the hopes were cruelly dashed as the faceless institutions of this State once again coalesced to destroy the dreams of these women as they had done previously while they were physically incarcerated.

I share a constituency with the Taoiseach. I know him to be very decent and caring, and that view is shared across the House. He has shown that in the Chamber on countless occasions, and he shows it on a daily basis. However, the statement he delivered on behalf of the Government and the Irish people in the aftermath of the publication of the McAleese report last Tuesday was amateur, heartless and unfair and, as a result, the physical incarceration of those women detailed in the report and in their testimonies continues in a mental way today. That is the reason we are here tonight and will be here tomorrow night. Whatever number of nights it takes, we will be here to demand justice. We are here as the elected voices of the people of Ireland to speak for the voiceless, the more than 10,000 women our predecessors incarcerated for reasons that were, in 99% of cases, unjustifiable. We are here as the faces of this State, those who went out and got a mandate, to stand up to the faceless people behind the scenes and behind the Government response and demand that they stand up for the voiceless and allow the women of the Magdalen laundries and other institutions to begin their journey of personal, physical and mental redemption.

Most importantly, we are here because we do not have time. These women do not have many years ahead of them to battle the State in courts or deal with their physical and mental issues. Many of them do not have the resources because their ability to earn a wage was affected by their time in those laundries. We do not have time. These women are coming to the end of their life's journey. They are physically infirm as a result of their experiences and they continue to suffer mentally. That is the reason that, as well as looking for an apology, we are proposing the establishment of a dedicated unit housed within the Department of Justice and Equality to begin co-ordinating a full State response on this area. There is no reason that could not have been established ahead of the publication of the report. There is no reason it could not have been established last Tuesday, because the Government recognises the wrongs that were done in its amendment. In the comments that followed the public outcry over the lack of an apology the Government recognised that wrongs were done, and if a wrong is done, one tries to repair it. To establish such a unit would in itself have been a statement of faith and a statement of intent.

That unit must examine many issues, but it must do so quickly. It must examine a health

care response, because many of these women do not have the resources or the ability to access the health care they now require as a result of their time in these institutions. A social protection response is required, which will take time and must be detailed because there are pension issues and insurance issues as well as payments due from the laundries to these women. That must be got under way. There are physical and mental health issues that must be examined and dealt with.

Finally, we must consider an efficient and rapid system of redress, and not some long, combative process in which only the lawyer wins. There are models of fair processes available that respect dignity. The dignity that was robbed by this State can now be given back by saying one word, but that word must be followed up with practical responses. Everyone in the country needs to say one five-letter word that is seemingly impossible to say - "Sorry". It is seemingly impossible to acknowledge that the horrors outlined in the survivor testimonies, in the McAleese report and in the Government amendment were wrong. Reading the Government amendment - leaving aside the other two - one must say that what was done was wrong, and it was done by agents of the State. When one commits a wrong, one says "Sorry," but we still have to hear it.

Maisie has not heard it yet. She still suffers from nightmares 50 years on. In her dreams, she is locked in and cannot get out. She says she cannot believe it still haunts her at her age, but it never leaves her. Attracta has not heard it yet. Attracta says that she feels very bitter, and that Ireland has let her down. Her husband says she still cries at night and wakes up crying, and that it affected all of her life.

I will finish where I began. I acknowledge this was the first Government to bring all of this together and lay out the information. That was not done previously, and it is only fair that we acknowledge it this evening, but in commencing that process the Government created an expectation. The Government did not come cold to the full report last Tuesday. Dr. McAleese delivered it chapter by chapter to the Department, and information was available from Justice for the Magdalenes and from a range of institutions on the full implications of that report. Even if the Government had come cold to it last Tuesday morning the Taoiseach could have stood up here and said that he wanted to consider the report overnight and that he would come into the House the next morning and give a full response, and everybody would have agreed. That could have been done. He has shown, in the aftermath of the Cloyne report, that he can give a tough response very quickly. He could have done so here, but the way in which he dealt with the issue last Tuesday - I emphasise again that I do not make this criticism in any personal sense - extended the pain, misery and mental incarceration.

I gather an apology is on the way. That followed a range of meetings over the weekend and yesterday, and I gather those who were at the meeting yesterday felt it was worth their while to be there to give their stories to the Taoiseach. We will not get the apology until next week because it does not suit the Government to give it tonight. Why will it take two weeks for people who do not have two weeks?

I believe Maisie. I believe Attracta. I believe all the women. I can say I am sorry. I hope my Government is too, and I wish it would say it was.

Deputy Michael Moynihan: I support the motion and I compliment the former Senator Martin McAleese on the report. I acknowledge that the Government commissioned the report and I welcome its findings. The report details the pain and suffering inflicted by the State on

almost 10,000 women, but in the few minutes available to me I want to recall a conversation I had in July 1989, which was probably one of our last fine summers, with a man I had the privilege of knowing, who has since gone to his eternal reward, and for whom I had immense time. He outlined to me as we worked side by side the life stories of three people from the greater community from which I hailed, the reasons they were committed to the Magdalen laundries and the reasons they were kept there for specific times. He painfully recalled to me the horror story of one of those women whose life was destroyed. Another woman left for England and the other woman lived out her life in the United States. With regard to the lady who lived her life in Ireland, I was told about the horror, pain and suffering inflicted on her throughout the 1950s. It stayed with her all her life. I remember the details given by the man in his stories. At the time, he would have been as devout and religious a man as any in a rural community. On that summer day 24 years ago he said “we thought we were practising as a Christian community at that time”. The man said he hoped to God nothing like that was happening in Ireland today. I would have liked to have had the opportunity to discuss the report with him today or last week to determine his opinions thereon and on society as we reflect on the enormous suffering inflicted on the women by the State. One hopes that the institutions of State are not in any way, or for any reason, inflicting pain on women or men whom they perceive to be guilty. If the report is to do justice for the people referenced therein, a full State apology must be forthcoming.

I was a little upset today when I heard the Taoiseach state this is an ill-timed debate. This is a democratic Chamber and it is important that we bring issues such as this to the fore. If an elected representative feels strongly about any issue, he should bring it to the fore. I hope that all elected representatives in this Dáil will reflect on what is happening in institutions of the State today to ensure that nobody will be able to report in 25, 40 or 50 years that we were not prepared to stand up for what was right by the countless women who went through the Magdalen laundries.

Last Wednesday afternoon, I had the privilege of having lunch with a religious community in Dublin. We discussed the Magdalen laundry report. The members of the community almost begged that the Taoiseach, on behalf of the State, would issue an apology because it is so necessary. Some elderly members of the community recall the interaction with the Magdalen laundries. They were deeply upset by what was unfolding.

It is important that the State issue an apology and right the wrongs perpetrated on the women. We must think of the countless women who suffered enormously because of the State’s and society’s opinion that they were doing the right thing. The pain and suffering of the women whom I was told about in 1989 comprised a considerable burden on them and their families, as did the stigma. All I hope is that this report will bring some solace and hope to the women and that the State will be strong enough to stand up and say it is sorry for what happened to them. In some way, it should make their burden lighter.

Deputy Éamon Ó Cuív: Tá áthas orm go bhfuil deis agam cúpla focal a rá ar an ábhar seo. What happened was wrong and should not have happened. We must deal with the issue in hand and then examine the issue to which my colleague Deputy Michael Moynihan alluded. We must ask whether anything happening today is wrong and not being dealt with. Every generation believes it has got it right and that the previous generation was wrong. It seems to be part of the human condition to be complacent about one’s own generation and to be very critical of previous generations. I have no doubt that, within society, there are issues we choose not to address because it is not popular to do so. I believe wrongs are being perpetrated on people in a totally different way but this does not in any way excuse what happened in the past, particularly

in the case of the laundries.

I welcome the report. What has happened in the past few weeks has happened and I accept that the Government needs time to produce a detailed response. I will be happy if the Taoiseach comes to the House next week with a considered response.

The report was commissioned to find out the State's involvement in the Magdalen laundries. I am disappointed that a number of laundries, including one in my constituency, were not investigated for one reason or another. As far as I am concerned, it is not a question of how people ended up in the laundries. It would be very wrong if the Government, in its response, differentiated between the means by which women ended up in them. Whatever form of redress is put in place should be made available to all on an equal basis. Let us be honest about it, we can try to separate the State from society but what occurred was part of a wider societal attitude and not confined to religious orders. Therefore, the duty of care should apply to all equally. I hope the Government will see it that way.

Over many years, I have been averse to getting the law in where the State should move. Over the years, while in and out of government, I have been critical of circumstances in which a Government or Departments wound up defending the indefensible. I refer to where advice was given that the legal route was the best way to go for fear of a challenge. My experience tells me that, in most cases, it would have saved the State money to have dealt with such issues on an *ex gratia* basis. The Sinnott case is an example. There are other cases in the Supreme Court in which the person in question, irrespective of the law, had a moral right to something. We wound up defending a legal right. In the Sinnott case, the Supreme Court became involved when matters got so out of hand because of wider issues that had nothing to do with the case.

When I was Minister for Social Protection, Opposition Deputies raised an issue with me about coal miners who got pneumoconiosis and who had not been given any assistance as a consequence. In fairness to the officials in the Department, they looked within the law and found a way, through the disablement benefit schemes, to pay the miners retrospectively.

8 o'clock

It kept out the solicitors, legal fees and the risk of legal fees for the people who had a difficulty. Most of them would accept that it was better to get the money without hassle than to be waiting for long convoluted processes to get fair play. Therefore, I hope that after yesterday's discussion the Government will come to a fair and equitable resolution, which will be easily accessible and available, and that we will not waste either the State's money or the money of the people who have suffered in this case in arguing legalities. I hope no difference will be made between those who were sent to these laundries due to State actions and those who were not.

A significant number of people went to the laundries over the years, but the number of them alive now is very small. It is time to deal with this issue. As somebody who has served in the Government, it is a deep regret of mine that we did not deal with this issue and bring it to finality. I hope it will be now. My colleague, Deputy Seán Ó Feargháil, mentioned the symphysiotomy and thalidomide cases earlier. I hope those cases, too, can be brought to closure. It is time we dealt with these remaining issues and brought them to closure. It is up to us as a society, because money is finite, to make the decision that priority should be given to dealing with this issue in a fair and open way.

People were deprived of their liberty, had to work for no wages and were part of what could

be called, at the very least, a Dickensian system that unfortunately existed too long in our society. It is important, therefore, that we deal with this issue and recognise that the fundamental human rights and freedoms that are fundamental to the standards in our society were denied. I hope that next week will bring closure for the people who have suffered and a recognition by the Government and society that this issue will be dealt with, even if it is late in the day. If it is dealt with in that way next week, if an apology is given and if there is a comprehensive response to the report, taking account of the long meeting the Taoiseach and the Tánaiste had with the victims yesterday, I will acknowledge that although it was not handled in a very sensitive manner last week, the important thing is not to be partisan about it. All Members should agree to work together and agree that this is a priority action. If that means we must prioritise resources, which is always a hard decision, that must be done.

Mar adúirt mé, is dóigh liom gur ceist an-tábhachtach í seo. Ach ba mhaith liom ceist chomhthreomhar léi a ardú. Is í sin, sa sochaí ina bhfuil muid, is cinnte go bhfuil cearta daoine á shéanadh. Is fada mé ag labhairt faoi seo. Ní mar a chéile iad, ach de bharr nach bhfuil siad mar a chéile, ceapann daoine go bhfuil sé ceart go leor neamhaird a dhéanamh.

There is another issue I wish to raise which is not in any way equivalent, because every one of these circumstances is unique. The excuse for having unfairness is using past precedent. However, while I accept it is not the same, one issue that always concerns me is the attitude in our society towards prisoners and detention, and the societal attitude that anybody who advocates for somebody who is in detention is in some way condoning people breaking the law. I do not condone people breaking the law, but I do not believe that gives any right to society to have anything other than the highest prison standards. Over many years we have tolerated overcrowded prisons and conditions in prisons that are unsatisfactory. We are also creating an attitude in society that those who question that should be questioned as to why they raise the issue. I fear that 20 years hence, when people correct our copybook, some of these issues could be the ones brought to the fore.

I am very concerned about the structure of the society we have created, where children are still treated very poorly in many communities. We know, for example, that children go to school hungry every day and that we have created ghetto societies through the planning laws. That creates a new type of disadvantage and just because it is not behind high walls does not mean that people are not suffering in a way they should not suffer in our society. I was shocked at the decision of the Minister for the Environment, Community and Local Government to effectively scrap the RAPID, revitalising areas by planning, investment and development, programme. The concept of that programme is to reach the most vulnerable communities in our society, the communities where children have a high risk of growing up to become drug addicts through no fault of theirs. The idea was to give a strong voice to those communities at the centre of government. The Minister did not want to hear and does not want to know. Within this city there are many people living in comfort who do not want to know about the disadvantages of the most disadvantaged communities. They never visit them and do not want to know about their problems. Those problems do not rate highly on the political agenda here.

As we deal with the Magdalen laundries issue in so far as that can be done, and nothing can undo the past, it is important that we resolve to examine where the new injustices are in our society - where there are humans, there will always be injustice - and ask ourselves if we are really serious about tackling them. The Ministers of State present, Deputy Seán Sherlock and Deputy Kathleen Lynch, come from a tradition of fighting for the less well off. However, I get every indication from this Government that the areas of high concentration of disadvantage do

12 February 2013

not really count, that the right of those communities to speak for themselves does not count and that programmes which ensured they had access to their own funds to make their own decisions and in which they had a seat at the table where they could be heard and not lectured to, do not appear to count. I hope that 20 to 50 years hence we will not have left a situation in which people will say that this society knew what was going on in the last decade and this one but, as it did in the 1930s, 1940s and 1950s, created a taboo about certain issues so they could not be discussed and decided to close its eyes to very serious injustice beneath its nose.

Minister of State at the Department of Health (Deputy Kathleen Lynch): I move amendment No. 1:

To delete all words after “Dáil Éireann” and substitute the following:

“welcomes the publication of the final report of the inter-departmental committee chaired by former Senator Martin McAleese, which was set up by Government to establish the facts of State involvement with the Magdalen laundries;

notes that:

— the current Government was the first Government to take action on this important issue by commissioning the McAleese report;

— Government honoured its commitment to publish the McAleese report at the earliest opportunity in the interests of the women who were admitted to, and worked in, the Magdalen laundries run by the religious congregations and to facilitate the consultation with them which is now ongoing; and

— publication of the report itself has addressed a number of issues of major concern to the women concerned:

— it is the first time we have an authoritative account of the Magdalen laundries;

— it acknowledges for the first time significant State involvement in the Magdalen laundries;

— it demonstrates that for the first time they have been listened to and that their story has been believed, recorded and given official recognition to their stories and voices;

— it shows that the traditional stigmatising labels that were often attached to women who were in the Magdalen laundries were wholly unjustified;

— it acknowledges that women worked in the severe conditions for no pay, and records their memories of emotional and psychological abuse as well as the memories of some women of other ill treatment, and that their daily lives in the laundries had the imprint of a severe monastic structure where they were viewed as penitents; and

— it recognises that many women were not informed of why they were admitted to the laundries, for how long they had to stay there, and when they could leave;

further notes that the McAleese report runs to over 1,100 pages, and tells a complex story spanning decades since the establishment of the State and onwards, that it is the result

of an unprecedented trawl of State records and that much of the information in the report has never previously been made public;

further welcomes:

— the publication of the McAleese report and that the women and their representative groups have been given time and space, as a matter of fairness, to reflect fully on the substance of the report; and

— the fact that the Taoiseach and Tánaiste continue to meet with as many of the women as is practicable, so that their stories can be heard and their views can be taken into account;

notes that:

— Government's major concern is to contribute to a healing and reconciliation process with a view to bringing closure for the women concerned and that the women deserve the best supports that the State can provide; and

— the report will be fully debated in the Dáil next week;

and expresses confidence that, after having met with as many of the women concerned as possible and having listened to their views, the Taoiseach will respond to the significant issues identified in, and arising from, the McAleese report, with a view to a resolution of all issues in a fair and compassionate way.

With regard to the last contribution, I wonder how many people did know what was happening.

As a child growing up if one did anything out of the way, one was threatened with being sent to one of these institutions, so it always strikes me as incredible that people did not know what was happening. There was more knowledge than people are prepared to admit.

I am here today on behalf of my colleague, the Minister for Justice and Equality, Deputy Alan Shatter, to address the motion before the House. The Minister regrets his absence this evening which is due to his presiding as Minister for Defence over the EU Council of Defence Ministers meeting at Dublin Castle on foot of our EU Presidency responsibilities. As someone committed over a number of years to getting at the truth of the issues surrounding the Magdalen laundries, the Minister would have very much liked to contribute to this evening's debate. He has assured me that he will be here tomorrow evening and will contribute then.

Due to the Government's concern that the full story of the Magdalen laundries should be known, the Minister and I undertook shortly after taking office the necessary preparatory work to propose to Cabinet the terms of reference for a fact-finding committee on this issue. We proposed former Senator Martin McAleese as the committee's independent chairperson. It was the Government's commitment to addressing this longstanding and serious issue that resulted in it the taking of these steps. The Government fully supported the establishment of the committee. Last week, the Minister announced Government approval for the publication of the final report of the interdepartmental committee, independently chaired by former Senator Martin McAleese, to establish the facts of State involvement with the Magdalen laundries. The report is extensive and detailed and runs to over 1,200 pages. It spans the decades from the establishment of the State onwards.

12 February 2013

Early in his introduction to the report, former Senator McAleese states in what are telling words:

Many of the women who met with the committee - and particularly those who entered the Magdalen laundries as young girls - experienced the laundries as lonely and frightening places. For too long, they have been and have felt forgotten.

That is one of the great tragedies of the Magdalen laundries. We must acknowledge that the hurt that many women felt during their time there was exacerbated by the failure of others over many years to listen to their stories or to seek out the truth of what happened to them.

The decision by the Government to establish a committee to look at the issue of the State's involvement with the Magdalen laundries was a clear recognition that that failure had to be addressed and the truth had to be found. Indeed, when the truth was found, it had to be told. I suspect the last thing any of the women who were admitted to and worked in the laundries need is for their plight to become a matter for political point scoring in the House. It is therefore a matter for regret that Fianna Fáil put down this motion in the full knowledge that the House was due to debate the report shortly after the Government had an opportunity to devise a comprehensive response having considered it fully and spoken to the women directly concerned. People can judge for themselves the fact that Members opposite are condemning the Government for failing to do in hours what they themselves chose not to do during 14 years in government. There was one honourable exception in Fianna Fáil, former Deputy Tom Kitt. I feel I need to say that.

The Government received the report last Tuesday and was briefed by Dr. Martin McAleese on it. One option was to delay publication of the report until we had time to consider it fully but in fairness to those who were admitted to and worked in the Magdalen laundries, it was decided that it should be published immediately. The Government indicated that it needed a short time to formulate a detailed response and suggested, against that background, that it be debated in the House within two weeks of its publication. It would have represented a great disservice both to the women affected and to Dr. Martin McAleese if we had attempted to respond comprehensively in hours to a complex report running, as I have said, to over 1,200 pages. Whatever the portrayal of that approach in the meantime, we adopted it solely to do the right thing by those who were admitted to and worked in the laundries.

I listened with interest last week to contributions from across the House regarding the Magdalen laundries. I have had an involvement with the issues of women who were admitted to and worked in the laundries for more than ten years. I visited with them in the United Kingdom on a regular basis - most recently in December 2012 - and tried to offer what advice and support I could. I recall a particular meeting in 2003 at the Lazy Daisy café in Notting Hill where a number of concerns were expressed on the provision of services to Irish victims of abuse now living in the United Kingdom. I wrote to the then Minister for Education and Science in November 2003 to outline the simple and reasonable requests of those people. A great deal could have been done to improve their circumstances. These were straightforward matters such as the extension of a free-phone helpline to the United Kingdom, updates in the form of a newsletter, the provision of a fax and computer, the right to choose one's own counsellor or therapist given the somewhat incredible proposal that nuns and other clergy would be involved in providing counselling, assistance with a telephone, a speedier response to queries and a comprehensive media information campaign which could reach these very scattered people.

All of the requests were met with deafening silence by successive Fianna Fáil Governments.

As such, I find the hypocrisy of the motion galling. I quote from a letter I received yesterday from Councillor Sally Mulready on behalf of the Irish Women Survivors Support Network. The network represents the largest group of women that met with the McAleese committee. In the letter, the network commended the work of the committee and Sally Mulready went on to say:

On a political level, I find it mildly surprising that the main Opposition party Leader can without shame and with significant amnesia express his disappointment at the failure of the State to apologise over the State's culpability. The Opposition party were in government for 14 years and throughout kept people like me away, refused to listen and blocked our path at every turn. Now in opposition and on behalf of his party the Opposition Leader rushes to accuse others. I think Mr. Micheál Martin TD should reflect on the years and years of misery and rejection they inflicted on the women by refusing all communication with us. The women as a consequence remained out in the wilderness for years trying to find a path to justice. I am afraid his apology is hollow.

For 14 years, the Fianna Fáil-led Government chose to neglect completely the tragedy of the Magdalen laundries. The Irish Women Survivors Support Network and others were stonewalled and fobbed off for years when all they wanted was recognition and an acknowledgement of the wrong done to them. The current Government acted quickly to set up an inter-departmental committee chaired by former Senator Martin McAleese and we are currently reflecting on the contents of the report of that committee. It is a bit rich for Fianna Fáil to adopt a holier-than-thou stance when it had every opportunity to act on the matter but deliberately chose to do nothing. Perhaps Deputy Micheál Martin or another Fianna Fáil Deputy might answer the simple question of why they choose to do nothing. I was also interested to note the contributions in the last week from Sinn Féin. It seems the party has come very late to this issue as I see no mention of the Magdalen laundries on their website prior to May 2011. Sinn Féin's actions seem to be an effort to score political points. I appeal to them not to make a political football of this issue and to allow appropriate time and space for the matter to be properly debated.

It should be absolutely clear that there is no hesitation on the part of the Government in making a considered and appropriate response to this report. We will try to do this in a way that recognises the full complexities of the issues that arise and meets insofar as possible the needs of the women who worked there. That is what justice demands. That is why we sought a short time to prepare a comprehensive response to the report. It is also the reason that before finalising such a response, we want to listen to the women concerned. We would have been rightly criticised in the House for any response to the report which was produced in a short period of time. Given the length and complexity of the report, it is understandable that much of the instant comment in the wake of its publication was not based on a full reading. I thank and applaud the bravery of the women who came forward to tell the stories of their experiences in the Magdalen laundries and of the effect on their lives. There was nothing new in it for me. I had heard it before and every time I hear it again, I continue to be horrified.

Like the Minister, Deputy Alan Shatter, I hope publication of the report and the recognition of their experiences will be of some comfort to the women involved and possibly even help to bring some closure on what they endured. I thank Dr. Martin McAleese for chairing the committee.

As the Minister for Justice and Equality, Deputy Shatter, said last week, Dr. McAleese brought integrity and independence to this process and was instrumental in having the full co-operation of all the State agencies involved, the religious congregations, the representative

and advocacy groups, and most importantly the women who were admitted to and worked in the Magdalen laundries. There is no doubt but that independence and integrity were crucial in bringing together for the first time all that we now know about the laundries and how they operated going back to the foundation of this State.

As the Minister said last week, the report tells a very complex story, spanning the decades from the establishment of the State onwards. We now know that approximately 10,000 women entered Magdalen laundries since 1922, through a whole range of different routes. These included State referrals as well as placements of girls and women in the Magdalen laundries by many others, including significant numbers of families. We now also know that just over 60% of these women spent one year or less in the laundries. I hope that publication of this report will be of comfort to those and all other women directly concerned. I appreciate that many women have felt shame or lived their lives under a cloud because of the stigma that attached to their time in the Magdalen laundries, irrespective of the circumstances which resulted in their admission and regardless of how much time they spent there. This stigma was undeserved and its removal is long overdue. The committee's report clearly illustrates that the stigma derives from misconceptions relating to how women came to be in the laundries. Let me be absolutely clear that the issues raised by or on behalf of those women who spent time in the Magdalen laundries will be addressed by the Government. The Minister has in the past met with many of these women, as have I, and has the greatest respect for the dignity and courage they have shown. He wants to help and has long believed that this issue must be addressed. He has campaigned for a long time for the full story of the Magdalen Laundries to be told and he and I were instrumental in establishing this committee. To that end, this Government - unlike previous Governments - put this process in place. The work of Dr. McAleese's interdepartmental committee obtained the co-operation of everyone involved, State agencies, religious congregations, representative and advocacy groups which have done Trojan work in this area, and the women who entered and worked in these institutions. Their voices have to be at the centre of all this. In light of the McAleese report, the Government wishes to explore what should and can now be done to address the issues raised. For the first time in the history of this State, we now know what happened in these institutions and we are addressing the issues. Make no mistake about it we will see this through. The Taoiseach and Tánaiste met with some of the women yesterday and we are taking their views into account.

These women deserve the chance to share their experiences and views directly before the Government makes a decision on the most appropriate way to resolve the many issues identified in and arising from the McAleese report. They are being listened to and indeed one cannot but be impressed by their dignity and courage, shown so evidently in the last few days. There will be a full debate in this House next week and, pending that debate, the report will continue to be given full consideration by Members of Cabinet. For that reason I commend the Government amendment to the House.

Deputy Seán Kyne: It is difficult for people my age and younger to comprehend that places such as these laundries existed as institutions. It is extremely difficult to believe that people ended up in such places, stigmatised by society, forgotten, and abandoned in some cases by family. For too long Governments have not adequately addressed the plight of the women in question. This Government, following an agreement in 2011 set up the independent committee, chaired by Dr. McAleese to establish the facts and level of State involvement. It is unfortunate that within hours of its publication some in this House expected that the Government give a full State apology. This ignores the complexities of the issues and the length of the report which

was to be considered and the individual cases within that report.

I acknowledge the generous amount of time that the Taoiseach and the Tánaiste gave yesterday to hearing the important stories of victims, stories that need to be heard. I commend the Government, the Taoiseach, the Minister for Justice, Equality and Defence, Deputy Shatter, and the Minister for State, Deputy Kathleen Lynch, for their work and welcome the publication of the report. I also welcome the Taoiseach's immediate response on the report's publication and his intention to have a full Dáil debate on this issue next week. This will be an important part of the resolution process in this most difficult part of our nation's history.

The effects on those housed in the laundries are felt today. Testimony from one Galway survivor states that she still suffers nightmares 50 years on. There are plenty of examples of emotional and physical abuse, of seclusion and humiliation of women in some previous reports. Those reports have also shown how a frenzied public morality combined with a dominant religious force and indifferent governments transformed nineteenth century refuges into twentieth century prisons and labour camps. The purpose of the report was to document the extent of the State's collusion in the laundries. It is accepted in the report that up to 25% of entries had some kind of State involvement. Amongst the remaining 75% of entries were those from families, from the Church or self-admission, amongst many others. The report highlights that those who entered the institutions were expected to work without pay in what were cold harsh places and that some girls were placed in these institutions from industrial schools or by their own families without any understanding of why they were there or how long they would remain.

The report points to the laundry facility in Forster Street in Galway, founded in 1824, the running and operation of which the Sisters of Mercy took over in 1845. It had a capacity of 110 individuals and various occupancy rates, from 110 in 1951, to 73 in 1954 and 18 in 1984 the year of its closure. There were gaps in the information in the records of the Galway Magdalen laundry. When I spoke on this issue in the House last October I reported having seen copies of the 1911 census which showed women of all ages, all Roman Catholic and from nearly every county, in the laundry in Galway. In 2009 a sculpture was dedicated in Galway to those women who endured life in the Mercy laundry. The statue is of a woman in institutional garb holding a sheet aloft to symbolise her enforced endless hours of work, a simple but provocative sculpture. The survivors deserve closure and I am confident this closure will come very soon.

Deputy Dominic Hannigan: I thank the Minister of State, Deputy Kathleen Lynch and the Minister for Justice, Deputy Shatter, for their work in setting up this committee. I also thank Dr. McAleese and the committee for the hard work they did in producing this report. We need to make a special mention because it is difficult to get all groups involved to contribute to a final document. We know from previous reports like this on institutions how difficult it is to get co-operation from all sides. Dr. McAleese managed to do this and I thank him for his perseverance in that matter.

It is difficult to be involved in debates such as this because one feels great sorrow for the women who spent any time, however short, in the laundries. I am sorry also for the children who were sent to these institutions and for the years they lost to them. My words here have limited power so instead I want to use the words of somebody who was there. I will read a testimony from a survivor. I got the testimony from the Justice for Magdalenes group. Maisie K. survived a Sisters of Mercy laundry and had this memory:

I sat on the stairs at the end of the ironing room. There was another stairs. There was

12 February 2013

a packing room at the end of the ironing room that led to the Forster Street entrance where the public would come in for packages. And I had enough and I just wanted to get out and I could not understand it why the door would not just open up and let me out if it was only to go out and come back again. But she came down anyway and she was like a devil and she said "What are you doing here? Get back to work." And I said "I won't. I want to get out of here. Why can't you let me out? This is wrong." She was sneering at me and the next thing I knew she gave me a fist into the face and I went backwards on the steps and she said "Get out." So she pushed me out and I went back to the tables. She went off and said nothing. "You do not leave that table," she said and went. The following day I was called into a room with two nuns and she was there with a scissors in her hand. I knew what it meant and I kicked up hell. They forced me on my knees and she cut my hair. She did not cut it to the bone but left me with nothing only bits sticking out here and there.

I believe Maisie as well as the testimonies I have read in the report and seen in the documentaries. It was not the women's fault that they were there. As the Minister of State, Deputy Kathleen Lynch, said earlier, there should be no stigma attached to anyone who spent time in these institutions. I believe we need an official State apology to every woman who was sent to the laundries. Anything less is not good enough. I have known the Minister of State, Deputy Kathleen Lynch, a long time and I know her record on this matter. I also know the long-term record of Fianna Fáil. However, I know who I trust in this matter, and that the Minister of State will do the right thing.

Deputy Eamonn Maloney: This is another part of the dark past of our country. It seems to be running in a cycle, whether it is child abuse or this horrific legacy issue of these institutions and how they were governed. I thank the Minister of State, Deputy Kathleen Lynch, and commend her on for pushing this matter for many years, long before I entered the House. Fair play to her as it is one of those issues for which there are no votes. We have got this far as we always wanted an inquiry that would be published.

Fianna Fáil has done itself a disservice by prostituting the issue this evening to get some gain out of wrong-footing the Government. There are occasions when one does not do that and this is one of them. Given the history of this issue and what happened over the past 80 years, Fianna Fáil had ample opportunity to do something about it but it turned its back on the Magdalen survivors. For a party that, with the exception of the Communist Party in China, has been in power longer than any other political party, it could easily have resolved the matter. If it had been done a generation ago, this report would not comprise 1,000 pages but 10,000 pages because most of the survivors would have been still alive.

In the late 1970s I found myself living in London. Before then I had never heard of the Magdalen laundries. However, I heard stories from women and their daughters in Irish pubs about these laundries and I could not understand why they were so dark. People who had been in these laundries ran out of this country quick enough such was their experience of them. I do not blame them for that. Cases such as these were repeated in other cities such as Birmingham and Manchester.

These institutions were referred to as laundries but after reading this report one cannot describe them as such. They would more accurately be described as prisons because the women were not paid nor could they leave of their own will - the criteria of prison conditions. This was a form of female slavery in this Republic. There is also cruelty detailed in the report which is not as sharp as that described to me by those I met across the water. It is a myth for anyone to

suggest the Catholic Church, which managed these institutions in collaboration with the State, did not make money from their operation. It made lots of money, a point those who went across the water 30 years ago would say as some of them had worked in the laundries' accounts sections. The laundries made money, which we must redress. This report contains the truth but there is more to come. This generation of politicians must put its hand, recognise the women are telling the truth and show them the due respect by bringing this matter to a conclusion.

Deputy Gerald Nash: “We could not believe she was only 42 because she looked so old-fashioned. She was wearing one of those polyester dresses. These were her good clothes and she had a handbag. When she opened it there was nothing inside. It was just for decoration because when one is going to something fancy one should have a handbag. She looked like a pensioner. She had the face of hard work, the face that one sees in so many women who have just had to work too hard and never had anyone to take care of them. She was just lovely and she was asking extremely innocent questions. It was the first time she ever had coffee, which she found exciting, and she had not seen brown sugar before. Obviously, in the Gresham there was brown and white sugar cubes on the table which was all very fancy to her. She was overjoyed to be there and absolutely wowed by everything.”

This is Theresa's impression of Anne, her natural mother, at their reunion. Incarceration in a Magdalen laundry deprived Anne of her daughter, Theresa of her mother and a young woman of her liberty and the endless possibilities of life and love. I believe the women of the Magdalen laundries. Anne's testimony did not find its way into the McAleese report. I am challenged to take a leap of faith to accept the full extent of the awfulness, the human tragedy and suffering experienced in these religious and State-supported pain factories as covered in this report, welcome as it is. The State must sincerely and fully apologise. So too should those religious orders and the church hierarchy which presided over these shameful operations. Services must be provided and an efficacious and appropriate recompense and redress process must be agreed with the survivors. The women who were sold out by the State and the church, which professed to love them and respect their God-given dignity, must not be sold short now. I know the Minister of State and the Government knows this. I urge those in positions of responsibility to take swift action to address this issue and close this sorry, sad and heart-breaking chapter of recent Irish history.

Deputy Mary Lou McDonald: I am sharing time with Deputies Ó Caoláin and McLellan.

An Leas-Cheann Comhairle: Is that agreed? Agreed.

Deputy Mary Lou McDonald: “We all kind of had to stick together in case we got a beating. We all stuck together. Another died and the girl that ran away, she got a beating. We never saw her again. She was the same age as ourselves. She wanted to get out and they beat her. We used to hear her screaming but we did not know where to go, like, because when you are in the dormitory at night you were locked in. The nun had her own room there and she used to open this thing – it was like a little hatch – and look out to see you were in bed. How could you get out?”

That is the testimony of Kate, a survivor from a Good Shepherd laundry. I believe Kate's story as well as all those of the Kates, the Marys and the other women who were incarcerated and brutalised in Magdalen laundries. I also know the State was complicit in this barbarity. This was illegal and not just wrong, awful and heart-breaking. It broke the 1926 League of Nations slavery convention, the 1930 International Labour Organization forced labour convention and

the European Convention on Human Rights, ratified by this State in 1953. It breached Article 40 of the Constitution, Bunreacht na hÉireann, and the 1956 UN Supplementary Convention on the Abolition of Slavery. It was, therefore, illegal in its time. It would be wrong for anyone in the Chamber or any member of the Government to try to pretend that the difficulty we have with what happened in the Magdalen laundries derives from looking at the issue through a contemporary prism. The law was breached and the women concerned were brutalised. The activity of holding women against their will was as illegal then as it is now. The State's complicity is writ large but not only since the McAleese report because we knew the story of the Magdalen laundries before the report was published. It was spelled out in the Ryan report in 2009.

The Minister of State said when introducing the Government amendment that she was driven by sensitivity and complexity. I put it to her that in the days since the McAleese report was published the Government has effected a strategy of minimisation which we have seen again this evening. The Minister of State referred to the various routes of entry of the women concerned and the differing lengths of time spent by them in the laundries. These are all factors and facts, but they miss the essential truth, that is, that they were brutalised and had their rights denied and that the law was broken with the active connivance of the State. That is not at all complex; in fact, it is very simple. It is simple to understand the terror Kate must have felt as a woman held in one of these institutions.

When the apology comes - I realise it will come - we need to be clear that we are not looking for some maudlin, sentimental "Sorry" from the Government benches. We need an apology that openly and fully recognises the failure and culpability of the State and the consequent suffering of the women concerned. We need such an apology and then we need redress. I understand consideration must be given to the precise mechanism of redress. However, it must be inclusive of every woman and girl who spent any time in a Magdalen laundry. I include the institutions in Stanhope Street and Summerhill, two Magdalen laundries in all but name that were excluded from the McAleese report's terms of reference.

I have no interest whatsoever in this issue as a political football. However, I put it to the Minister of State that I am not impartial; I am partial because the women concerned and any Minister, in all honesty and truthfulness, would recognise that much. I put it to the Minister of State that it would be a profound tragedy if the Government were to succumb to the wishes of bureaucracy or the Civil Service which will, on its terms, move to try to protect the State. This story is not really about the past, although it happened in the years between 1922 and 1996. The real story of the Magdalen women is in the present, about who we are now, how we view women now and how we recognise and make some amends for the women who were failed comprehensively by the State.

Deputy Caoimhghín Ó Caoláin: I support the motion, but I regret that it has been made necessary by what I can only describe as the wholly inadequate response of the Taoiseach and the Minister for Justice and Equality to the publication of the McAleese report last week. There is no excuse whatever for the mean-spirited and defensive utterances of the Taoiseach and the Minister. No doubt, they would prefer if we thought of it as an initial response drawn up by civil servants who were conscious of possible legal implications and liabilities for the State. However, this was not a standard cut and paste script delivered by a Minister of State in response to a mundane Topical Issue. It was supposed to be a response to a long-awaited report on a decidedly important matter that had exposed the neglect of the State in its duty of care to women and children for several decades.

I listened with despair to the Taoiseach and the Minister citing statistics from the report regarding the committals to the Magdalen laundries, as if these somehow absolved or partially absolved the State from its responsibilities. They seemed to seize eagerly of the rather questionable finding in the report that the laundries had not made a profit. So what? If that were the case, would it in any way absolve either the State or the religious orders which ran these hellish institutions? No, it certainly would not.

I salute the dignity of the survivors of the Magdalen laundries and their representatives who had to face further disappointment, on top of all the hurt and pain, delivered by the Government's response. They did not allow this to outweigh the significance of the McAleese report which has shown beyond any doubt whatsoever that the State was deeply implicated in the scandal. The report confirmed what most people already knew and accepted from the testimony of the survivors, that is, that the State bore a significant responsibility. The laundries could not have operated without State approval, encouragement and support during the years. This is not something confined to a distant era; it went on well into our time. Only a few years ago the State was in denial when summoned before the UN Committee against Torture, the landmark ruling of which advanced the case of the survivors significantly.

I recall raising this matter on several occasions. The Minister of State, Deputy Kathleen Lynch, has suggested Sinn Féin only recently noted this issue. I refute this absolutely and it is terrible that she would try to cast such a slur. I remind her that in July 2011 I hosted a briefing for her and other Deputies, Senators and their support staff in Leinster House in order that they would know the full story of the Magdalen laundries. Some of those who spoke at that event are in the Visitors Gallery and I salute them for their tenacity during all this time. I said at the time that it was the hard work of Justice for Magdalenes that conclusively disproved the State's claims that the women concerned had been in the institutions voluntarily or solely at the behest of their families. That fiction was firmly laid to rest thanks to documents uncovered by Justice for Magdalenes. I acknowledge the great work of and the stoic pursuit of this issue by Justice for Magdalenes.

In July 2011 I described the Government's promise of a long-overdue investigation as welcome. However, I also said at the time that it was regrettable that the Government did not see fit to issue an apology, with its announcement, something with which the Minister of State would have wholly concurred.

On 25 September last year we in Sinn Féin tabled a comprehensive Dáil motion on this matter, calling again for a proper acknowledgement by the State. Now we have the McAleese report which is damning. Its findings show that 8.1% of the women concerned were sent to these so-called laundries from the criminal justice system, of whom the large majority were referred for petty or minor offences. In some cases, the Garda brought women to the laundries on an *ad hoc* or informal basis. Clearly, the justice system and the Garda were deeply involved. Equally clear was the involvement of the Department of Education at the time. It is not only a matter of the figures included in the report. I cannot for one moment remove from my assessment the issue that priests and members of religious orders were in some way separate from the State. It was a single mass entity, channelling the women concerned into the institutions. Shame on all concerned.

I note that the Taoiseach has today castigated the proposers of the motion. Fianna Fáil certainly is deserving of severe criticism for its inaction on the issue while in office. However, the Taoiseach has no grounds whatsoever for the attack made today, given his decision to give what

I can only describe as his offensive response last week following publication of the report. He could easily have issued a simple and forthright apology on behalf of the State and in so doing he would have been speaking on behalf of all of us. I welcome the dialogue now under way between the Taoiseach and Tánaiste and the survivors and their representatives but, make no mistake, the only acceptable outcome will be a full and unreserved apology and a comprehensive redress scheme. There should be recognition of the unpaid and unpensioned work done by the women, the injustice done to them and the need for the State to support their health and social welfare needs.

Deputy Sandra McLellan: I welcome the opportunity to speak on this exceptionally important and pressing issue. This is perhaps one of the most important, if not the most important, issues to come before the House since the foundation of the State. I say this because the Magdalen laundries, the way in which they were run and the total denial of the rights and well-being of the incarcerated women shed an important light on the dysfunctional nature of the State's apparatus.

I have spoken before in this House of the State's historical disregard for women and the institutionalisation of their secondary status in virtually every area of life. It is clear, however, that even within the confines of the patriarchal, myopic and claustrophobic Ireland of the 1930s through to the late 1980s, there existed a sub-group of women that were even more constrained and oppressed than women in the general society. These are the Irish women who were incarcerated and detained in the Magdalen laundries. They are in essence the super-exploited in that their treatment, while mirroring certain aspects of the ways in which women were treated in general, was nevertheless special and strikingly different. It was special in terms of the State's central role in their banishment. It was strikingly different in terms of the levels of violence, terror and brutality which the incarcerated women had to endure.

Terror and the threat or fear of violence was central to the running and reproduction of the entire Magdalen system. This was in every sense of the word a system that was maintained by terror. Put another way, terror was central to it functioning. However, terror has no purpose in and of itself. At the root of this system was the ever pressing need to maintain a constant supply of unfree or slave labour. Irish women and girls were the raw material that was fed into a corrupt, cruel and inhumane system. This system was overseen by the various religious orders and sanctioned by the State through its institutions, including the courts, the Garda and local government officials.

In this sense the State was actively and consciously involved in maintaining and reproducing a system of slave labour in so-called modern Ireland. Thus, while I welcome Senator McAleese's report, it nonetheless must be stated that rather than being some aberration on the periphery of Irish society, the Magdalen laundries were in fact deeply embedded in the dysfunctional and deadly web that bound church and State together for so long. It is time for the State to come clean, acknowledge its central role in this system and apologise unreservedly to all the women, dead or alive, who passed through or lived lives of painful desperation in this arch of terror. Sinn Féin supports the Fianna Fáil motion and I would urge all other Deputies to support it in the interests of justice and because it is the right and ethical thing to do. This Parliament owes it to all the Magdalen women to finally right a terrible wrong.

Deputy Maureen O'Sullivan: This motion deals with the ladies of the Magdalen laundries and our priority should be to address their issues rather than allow them to become a political football. I acknowledge Deputy Calleary for tabling the motion but we did not need another

Private Members' debate on the matter given that we debated it some time ago. The time for talk is over and action is now needed for the ladies concerned.

There is no doubt that an apology is long overdue. An apology was given in 1999 to the survivors of the industrial schools, prior to the establishment of the inquiry and redress scheme, and a further apology issued in 2009. The Taoiseach missed a great opportunity on the release of the report to start the healing process by apologising on behalf of the State and every man and woman in this country. The laundries and industrial schools form a shameful part of our history. Most countries have histories which include shameful incidents and there is precedent elsewhere for offering apologies. It has been suggested that there are legal reasons for not apologising but what about the moral grounds for an apology?

Regardless of the controversy over the report, it found that there was State involvement and forced and unpaid labour. The women worked for State agencies and abuse occurred. The UN Committee against Torture previously produced a critical report on these matters. We need to start with a meaningful apology and move on to a transparent and non-adversarial compensation process to deal with pensions, health, housing and other issues arising for the women to ensure their needs are not lost in a complicated legal process. A dedicated unit is required to be established within the Department of Justice and Equality to work with the ladies and their support groups.

There is disquiet around aspects of the report, such as the lack of mention of physical abuse. The testimony submitted by survivors is not acknowledged in chapter 19. The length of stay in Magdalen laundries is not addressed and certain laundries were omitted from the inquiry. I believe the women but time is running out for them. Tá súil agam go ndeanfaimid an rud ceart, ag tosnú anois.

Deputy Mattie McGrath: I thank former Senator McAleese and his team for producing this report. I completely accept its findings and believe the women and their stories. This is a sad chapter in our history. I thank Deputy Calleary for tabling the motion but we would not be discussing the matter tonight if the Taoiseach had acted properly last week when he had the opportunity to apologise unreservedly to all the women concerned and their families. He could have apologised on behalf of every man, woman and child in this country. He has a mandate as Head of Government to issue such an apology. He failed to grasp that opportunity, however. When one compares the utterances of the Minister for Justice and Equality as Opposition spokesman with what he says now, one cannot but think he is playing politics.

The report was delayed and took longer than expected to complete, even though only a small minority of the women were interviewed. As senior departmental officials were on the committee of investigation, they did not have to wait to read the report. The Government should have been man enough to apologise before the report came before us. I salute the undying dignity of the Magdalen survivors and welcome those who are in the Gallery tonight. It behoves us to introduce a proper redress scheme, pay pensions for the labour they carried out and look after their rights and housing.

Our State does not have a good record in dealing with sensitive cases like these. We all proclaim to be horrified at the mistreatment of children but not long ago nearly every Deputy except me took part in a referendum and a charade in which the Supreme Court found that the Government stole €1.1 million of the money allocated for a proper referendum campaign. Nothing has changed. We might say we are in modern Ireland but slavery and ill-treatment of

12 February 2013

young women and boys are ongoing. We cannot be washing our hands as if we are all new people with new thinking. This is going on under our noses and the Government is complicit in it. It is not acceptable that mandarins in the Department of Justice and Equality could tie the Taoiseach up in knots and prevent him from saying what he wanted to say. I believe he is a decent man.

I am not lessening the plight of these women when I say that all of them had families, some of which were not poor. They too had responsibilities. We all know of cases in our communities when this was allowed to happen with the complicity of State authorities. We cannot blame the State for everything, however. We all have to take responsibility. I knew of people and cases which were hushed up when I was a young fellow. The State put more than one quarter of them in directly but families and people must also look into their hearts. We are still doing that with immigration and what we voted for in the middle of the night last week.

Debate adjourned.

The Dáil adjourned at 9 p.m. until 10.30 a.m. on Wednesday, 13 February 2013.