



DÍOSPÓIREACHTAÍ PARLAIMINTE  
PARLIAMENTARY DEBATES

**DÁIL ÉIREANN**

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

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# DÁIL ÉIREANN

*Dé Máirt, 26 Feabhra 2013*

*Tuesday, 26 February 2013*

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

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*Paidir.*  
*Prayer.*

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## Ceisteanna - Questions

### Priority Questions

#### Television Licence Fee Collection

90. **Deputy Michael Moynihan** asked the Minister for Communications, Energy and Natural Resources when the new broadcasting charge will be introduced; the possibilities of extending the revenue from the charge to more than one broadcasting organisation; and if he will make a statement on the matter. [10308/13]

**Minister for Communications, Energy and Natural Resources (Deputy Pat Rabbitte) (Deputy Pat Rabbitte):** The programme for Government commits to examining the role and collection of the television licence fee in the light of the existing and projected convergence of technologies and the transforming of the television licence into a household based public broadcasting charge to be applied to all eligible households and applicable businesses, regardless of the device used to access content or services. In line with this commitment, my Department is involved in the ongoing analysis and policy development work that is necessary in advance of implementation of any change that may be required.

Whatever the system of funding, the rationale for providing funding will continue to apply and any change that may be implemented must continue to provide a secure funding base for public service broadcasting and content. It is also important that any change to the system of funding should take account of the reality of new mechanisms to access such content and services and the pervasiveness of such content in today's society. Publicly funded public service broadcasting and content are now available to everyone on an ever-increasing range of plat-

forms and devices and, in fact, access is not dependent on the ownership of a device. In short, everyone benefits from the availability of these services, regardless of how content is accessed or relayed to the public and, therefore, it is my view that the cost should be borne by society as a whole.

The replacement of the existing funding system based on the collection of television licence fees with a system based on the imposition of a device-independent charge on eligible households and businesses is a complex process and the logistics involved require thorough attention. Issues such as identifying the most appropriate collection method, exemptions and enforcement mechanics require detailed consideration and all have a bearing on the timeframe for implementation. As I have previously indicated to the House, the Department is carrying out a value for money policy review, conducted by an independently chaired group, on the proposed policy. I expect to receive a copy of the group's recommendations and report for my consideration at the end of March.

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

As the Deputy will be aware, revenue derived from the current model of funding is allocated to RTE, TG4 and also to independent broadcasters through the Sound and Vision fund that is operated by the Broadcasting Authority of Ireland, BAI. I am willing to consider proposals from other broadcasting organisations with regard to the future distribution of funding. However, I have yet to be convinced that the distribution of public funds to independent commercial broadcasters represents a sound proposition in terms of policy for the sector. In line with its legislative obligations, the BAI is undertaking a review of the adequacy or otherwise of the public funding provided to public service broadcasters. As part of this review, I have asked the BAI to consider the potential impact on these broadcasters if television licence receipts were further distributed to the independent broadcasting sector.

In terms of any changes, it needs to be understood that many specific rules surrounding the distribution of public broadcasting funding sourced from the TV licence fee have been put in place as a result of the state aid clearance from the European Commission. Any changes would require similar approval. In respect of the specific proposal from independent broadcasters for access to a share of TV licence fee funding, there are several considerations arising. There would be a direct impact on commercial local radio stations in terms of the content they are obliged to produce, and on the finances of individual broadcasters. There would be a potentially significant impact on public service broadcasters that receive public funding. Significantly, this would also apply to other media service providers which are not currently in receipt of public funds. Furthermore, such a proposal raises a potential scenario in which licences that had been advertised as protected national franchises would be changed during the franchise term.

**Deputy Michael Moynihan:** I thank the Minister for his response. We are aware that he intends to introduce a new household broadcasting fee, although it might have some other name. The licence fee that is collected at present is paid exclusively to the State broadcaster. As this country's significant network of local and community radio stations has developed, it has taken a substantial listenership from the State broadcaster. I am talking in national terms. The stations in question have had to make it in the commercial world rather than anywhere else. Has the Minister or anyone else initiated a discussion in the Department on how we can ensure the entire funding does not go to a single organisation, in line with my suggestion that some of it should go to the independent broadcasters?

**Deputy Pat Rabbitte:** The answer is “Yes”. I have been talking to Independent Broadcasters of Ireland, for example, which has made certain proposals to me in this regard on the basis that their stations broadcast public service content. I am examining its case. A pretty fundamental review by the Broadcasting Authority of Ireland is under way. It is about to be concluded. I will examine it in this context. It is important to acknowledge that the stations to which Deputy Moynihan refers provide a public service to their respective regions. They are commercial enterprises, however. They were commercial enterprises when they received their licences, which were much sought after. That has to be taken into account in the context of state aid rules, etc. I have discussed this matter with the independent broadcasters. I will examine it further in the context of the review to which I have referred. I will have to be convinced that the case can be made without encountering difficulties, for example at European level.

**Deputy Michael Moynihan:** There is no doubt that community, local and other radio stations provide an important public service. While I accept that they are commercial entities, I must briefly point out that RTE, which receives a significant subsidy from the State, has always been a commercial entity. When the Minister’s discussions are taking place, perhaps there should be an examination of where RTE’s funding is spent and a recognition of the importance of local radio stations. People across all age groups and demographics have come to rely on local radio stations, which are helping to keep the fabric of our communities together at a time when many other things are happening in our society. There can be no question about it. How realistic is the possibility of getting the agreement of the European Commission in this regard? Is it likely that the state aid difficulties mentioned by the Minister will lead to a logjam that can be negotiated around, or is there a difficulty in this regard?

**Deputy Pat Rabbitte:** There is certainly a difficulty in this regard. There is no doubt about it. We will examine whether it can be surmounted. I do not dispute what the Deputy has said about the value of the output of these regional stations, which undoubtedly carry public service content. This is not the only sector from which I get representations looking for a share of the licence fee. There are others out there, from which one can draw the inference that spreading the butter so thinly would certainly have an impact on the national public service broadcaster, on which there are statutory impositions in respect of discharging its public service function. That would have to be taken into account as well.

## **Renewable Energy Generation**

91. **Deputy Michael Colreavy** asked the Minister for Communications, Energy and Natural Resources if he will introduce a national wind energy strategy that deals with all issues concerning wind turbines and wind energy, including planning, public consultation, taxation and energy supply; and if he will make a statement on the matter. [10413/13]

**Deputy Pat Rabbitte:** The policy of promoting renewable energy in Ireland has been in existence since the mid-1990s, when the alternative energy requirement schemes were introduced. High dependence on imported fossil fuels and the imperative to respond to the challenges of climate change have underpinned the switch to renewable energy. The policy has been reinforced at EU level, most recently with the decision to pursue a separate directive on renewable energy with a legally binding target at member state level. The target assigned to Ireland under the 2009 directive was that 16% of all energy consumption must be from renewable resources by 2020, with a minimum of 10% in the transport sector. The directive required each member state

to complete a national renewable energy action plan, NREAP, setting out how the target would be achieved across the heat, electricity and transport sectors. Ireland indicated it would do this with 40% renewable electricity, 10% renewable transport and 12% renewable heat. The action plan also required member states to provide a technological breakdown. Ireland indicated in this that the bulk of its renewable electricity would be delivered by wind. This was underpinned by the Commission for Energy Regulation's Gate 3 direction of December 2008, which provided for sufficient grid connections to a specified list of projects, most of which were wind energy projects, for 40% renewable electricity to be achieved by 2020. The Grid 25 strategy and implementation plans undertaken by EirGrid underpin the Gate 3 roll-out. The Strategy for Renewable Energy 2012-2020, which I published last year, again highlighted the key role wind would play in Ireland's renewable energy policy.

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

At a national level, the NREAP, the Strategy for Renewable Energy 2012-2020, the Gate 3 grid connection direction issued by the CER and EirGrid's Grid 25 implementation plans underpin the envisaged development of wind energy. At a local authority level, authorities are required to have regard to the wind energy planning guidelines produced by the Department of the Environment, Community and Local Government when compiling their development plans. Many local authorities produce wind energy strategies as part of this process. The planning process in Ireland provides extensive opportunity for public involvement, including a third party appeals process.

The Government Policy Statement on the Strategic Importance of Transmission and other Energy Infrastructure, which I published last July, recognises the need for and urgency of new energy infrastructure. It notes that the planning process provides the necessary framework for ensuring that all necessary standards are met and that consultation is built into the process. It also acknowledges the need for social acceptance and for energy project developers to examine appropriate means of building community gain considerations into project planning and budgeting.

In order to ensure that Ireland continues to meet its renewable energy targets while at the same time ensuring that wind energy does not have negative impacts on local communities, the Department of the Environment, Community and Local Government, in conjunction with my Department and other stakeholders, is undertaking a targeted review of certain aspects of the 2006 wind energy guidelines. This focused review is examining the manner in which the guidelines address key issues of community concern, such as noise proximity and shadow flicker. An initial consultation on the revision of the guidelines has been undertaken in recent weeks and all submissions will be considered prior to the publication of a proposed revision.

**Deputy Michael Colreavy:** While the Minister did not get to finish all of his reply, I would have been happier if he had just acknowledged that this country does not have a strategy for renewable energy. What he has described is an action plan with targets, but that is not a strategy. We urgently need a strategy and, from that, to develop a set of policies in the whole area of renewable energy, whether it is wind energy, hydroelectricity, or wave, tidal or biomass energy. We need to look at getting community buy-in to the proposals for renewable energy and also consider the economic benefit to the country from such energy. Crucially, we need to look at the potential for job creation in terms of renewable energy-----

**An Leas-Cheann Comhairle:** Will the Deputy frame a question, please?

**Deputy Michael Colreavy:** Will the Minister consider setting up an expert group to consider this issue, and particularly whether we should be encouraging the building of turbines in this country? Must we always respond to the diktats of those coming in to set up these industries? Should we not take the initiative, and would that not form part of a strategy? Can we have a strategy and a resulting set of policies rather than a statement of intent with target dates?

**Deputy Pat Rabbitte:** The last thing I want to do is to increase Deputy Colreavy's level of unhappiness, but I have to say to him that what I have just put on the record of the House is that we do indeed have a very refined strategy in this area, and I refer him back to the Strategy for Renewable Energy 2012-2020, which I published last year. I suggest that Deputy Colreavy cannot take up the position he did when he argued that we cannot let turbines in here or let people come in to provide jobs in that fashion. If we applied that to foreign direct investment generally, we would be 120,000 jobs worse off and a great deal of wealth generated and the development of a professional managerial core would be lost to the country. Deputy Colreavy should go back and read the strategy and accept that what I am seeking to do is to exploit the fact that we have a valuable indigenous resource that is renewable. That resource can be exploited to create jobs and wealth in this jurisdiction.

There is nothing unusual about a process of development that creates a product or service for export. That is as old as trade itself. In the past, we have not been able to export energy for a variety of reasons but this is now feasible technically. I agree with Deputy Colreavy that one must be careful and sensitive as to how one goes about that. I hope that will be possible.

**Deputy Michael Colreavy:** I have read the strategy but I see nothing in it that gives me any comfort that the issue of maximising employment potential, income to this State, the potential return of the investment and energy security in the State has been addressed. Of course, there is nothing wrong with exporting energy provided the benefits are accruing to this State. I see nothing relating to that in this strategy. This area needs to be considered urgently.

**Deputy Pat Rabbitte:** I do not see how banning turbines would enable jobs to be created here.

**Deputy Michael Colreavy:** I have not asked for that.

**Deputy Pat Rabbitte:** The purpose behind what we are doing is using a resource that has not heretofore been exploited in order to create employment, generate earnings for the State and, in the process, diminish our imports in terms of fossil fuels. There is very careful strategic consideration behind what we are doing. It provides the opportunity for a new export sector in Ireland. The scale of it remains to be seen but Deputy Colreavy knows that a number of developers of scale are interested in the agreement I recently signed with my counterpart in London. The signing was in Dublin but I meant my counterpart in the British Government. There are a number of developers of scale who are interested in making that agreement work and, in the process, creating employment here.

## **Wind Energy Guidelines**

92. **Deputy Thomas Pringle** asked the Minister for Communications, Energy and Natural Resources if he will consider developing a national plan for wind energy development that will provide for investment in projects by a hierarchy of investors to include land owners, local

community, citizens, national capital and international capital to ensure that as many citizens as possible may participate in renewable energy for the benefit of the whole of society; and if he will make a statement on the matter. [10305/13]

93. **Deputy Michael Moynihan** asked the Minister for Communications, Energy and Natural Resources his plans for the development of the wind sector; the proportion of Ireland's renewable sector that he anticipates it will occupy; the action he will take to alleviate some of the concerns about an expanding wind sector; and if he will make a statement on the matter. [10307/13]

**Deputy Pat Rabbitte:** I propose to take Questions Nos. 92 and 93 together. The policy of promoting renewable energy in Ireland has been in existence since the mid-1990s. High dependence on imported fossil fuels and the imperative to respond to the challenges of climate change have underpinned the switch to renewable energy. This policy has been reinforced at EU level, most recently with the decision to pursue a separate directive on renewable energy with a legally binding target at member state level. The target assigned to Ireland under the 2009 directive was that 16% of all energy consumption must be from renewable resources by 2020 with a minimum of 10% in the transport sector.

The directive required each member state to complete a national renewable energy action plan setting out how the target would be met across the heat, electricity and transport sectors. Ireland indicated it would achieve this target with 40% renewable electricity, 10% renewable transport and 12% renewable heat.

The national action plan also required member states to provide a technological breakdown. Ireland indicated in this breakdown that the bulk of its renewable electricity would be delivered by wind power. This was underpinned by the Commission for Energy Regulation's Gate 3 direction of December 2008 which provided for sufficient grid connections to a specified list of projects, most of which were wind energy projects, for 40% renewable electricity to be achieved by 2020. The Grid 25 strategy and implementation plans undertaken by EirGrid to underpin the Gate 3 roll-out. The strategy for renewable energy 2012-20 which I published last year again highlighted the key role wind power would play in Ireland's renewable energy policy.

At a national level, the action plan, the strategy for renewable energy 2012-20, the Gate 3 grid connection direction issued by the regulator and EirGrid's Grid 25 implementation plans underpin how it is envisaged that wind energy projects will develop. At local authority level, authorities are required to have regard to the wind energy planning guidelines produced by the Department of the Environment, Community and Local Government when compiling their development plans. Many local authorities produce wind energy strategies as part of this process. The planning process in Ireland provides extensive opportunities for public involvement, including a third party appeals process.

Wind farms are commercially developed and require both grid connections and planning permission. When a wind farm is developed in a particular location, payments are made to landowners for rental, while rates are paid to local authorities. There can also be additional benefits and employment opportunities for local communities.

A study undertaken by the Sustainable Energy Authority of Ireland and the Western Development Commission of the potential for community ownership of wind farms in Ireland found that communities were likely to run into significant resource difficulties if they attempted to de-

velop 100% community-owned wind energy projects. It found that the most promising investment option that communities could consider was that of participating in commercial projects once such projects had secured planning consent, a grid connection agreement and a contract for the sale of electricity. I note that the tax based business expansion scheme - relief for investment in corporate trades - may provide some options for local communities for investment in commercial wind farms. The Government's policy statement on the strategic importance of transmission and other energy infrastructure which I published last July recognises the need and urgency for new energy infrastructure. It notes that the planning process provides the necessary framework for ensuring all necessary standards are met and that consultation is built into the process.

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

It also acknowledges the need for social acceptance and the appropriateness of energy project developers examining appropriate means of building community gain considerations into project planning and budgeting. I also note that wind farms of more than 50 turbines or having a total output greater than 100 megawatts fall under the Planning and Development (Strategic Infrastructure) Act 2006. The Act provides that the board may attach conditions to an approval. In the use of community gain such conditions can provide for the construction or financing in whole or in part of a facility or the provision or financing in whole or in part of a service in the area in which the proposed development would be situated which, in the opinion of the board, would constitute a substantial gain to the community.

Many wind farms voluntarily include additional benefits to local communities as part of their project developments. I understand the Irish Wind Energy Association which represents a large portion of the wind energy sector intends to issue guidelines to its members, recommending that a minimum annual contribution per megawatt of wind energy installed be provided for local communities for local projects.

In order to ensure Ireland continues to meet its renewable energy targets, while at the same time ensuring wind energy projects do not have negative impacts on local communities, the Department of the Environment, Community and Local Government, in conjunction with my Department and other stakeholders, is undertaking a targeted review of certain aspects of the wind energy guidelines 2006. This focused review is examining the manner in which the guidelines address key issues of community concern such as noise proximity and shadow flicker. An initial consultation on the revision of the guidelines has been undertaken in recent weeks and all submissions will be considered prior to a proposed revision being published.

**Deputy Thomas Pringle:** I thank the Minister for his response, although very little of it dealt specifically with my question, except for the reference to the report of the Sustainable Energy Authority of Ireland and the Western Development Commission. The nub of the question is that many communities across the country believe wind energy developments are being imposed on them. They do not see any real benefit for them, even though these wind energy projects may be in accordance with national guidelines. I suggest the Minister's Department should devise a policy with a view to ensuring maximum participation by landowners, local communities, citizens and a hierarchy of investment. This would ensure people could have a sense of ownership of the developments and also that a large part of the revenue stream would remain in the State. Developers of scale are gearing up for developments in the midlands which are primarily internationally funded. There will not be very many opportunities for citizens to benefit from the income stream that can be generated by these projects. It is very important to



have a policy. I, therefore, ask the Minister to consider drafting a policy to ensure investments can be made and that people can participate and have a sense of ownership of these projects.

**Deputy Pat Rabbitte:** I agree with the Deputy that it is important that these developments take place sensitively and, wherever possible, with the consent and support of local communities. I set out some ways in which communities might become involved. I also set out, in the strategic policy statement to which I refer, possibilities for community gain and community participation. Deputy Pringle is bringing different considerations to bear in this instance from those which he would, for example, apply in respect of an IDA Ireland plant in his constituency. I do not recall too many examples of people in this country walking into the offices of the managing directors of such plants and asking “Can I have 5% of the action and will you build a swimming pool and provide an all-weather pitch down the road?” We should not lose the run of ourselves. What we are doing is taking another national resource and trying to make it work to create employment and generate wealth. That is the object of the exercise and I agree with Deputy Pringle that this must be done in a sensitive manner which is likely to attract the support of local people. Such support is always important. However, I do not believe we should get up on our high horses and seek to impose, in this instance, the type of regime we would not apply in respect of other foreign direct investment coming into Ireland.

**Deputy Michael Moynihan:** There is a major issue with regard to the development of wind farms and this can become a motive for communities. There is a need for a balanced approach and also a clear strategy with regard to how we integrate wind farms into communities. I am aware of examples where wind farms were developed and where difficulties subsequently arose. The Minister’s colleague, Deputy Penrose, has a Private Members’ Bill relating to this matter before the House. Will the Minister outline his opinion on that legislation? A recent television programme, on which the Minister appeared, dealt with this matter and everyone witnessed the passion and tension among those on both sides of the argument relating to this issue. We have a huge natural resource which must be tapped. We must ensure that we will integrate everyone as we move forward. What is the best technical advice available to the Department regarding the longevity of wind turbines and is it possible that they might last for longer than the 20-year lifespan originally indicated? There is a need to establish a nationwide public forum to discuss how best we might make progress on integration and education.

**Deputy Pat Rabbitte:** I do not disagree with very much of what Deputy Moynihan stated. He is correct - and I repeat - that we must proceed with sensitivity. There are always local considerations which must be taken into account. I am very conscious of that fact. On Saturday last in Galway, I met representatives from the organisation known by the acronym CREWE. The full title of the organisation escapes me but it is an alliance of citizens groups concerned about the fair development of wind energy. Deputy Pringle probably knows its exact title. The arguments put forward by the people with whom I spoke were sensible and rational in the main. They are not trying to stop development of wind energy in this country. Rather, they are trying to ensure that such development will not unreasonably cause incursion on their homes.

I accept what Deputy Moynihan said. I tend to think that he has also encountered groups such as that to which I refer throughout the country. Having spoken to the people who have given responsibility for discharging our plans, I am of the view that the planning guidelines might be examined because many of the questions I, as Minister with responsibility for energy, am asked relate to environmental and planning matters. The Deputy probably knows that the Minister for the Environment, Community and Local Government and the Minister for planning, Deputy Jan O’Sullivan, have had a public consultation on this issue, which I believe con-

cluded only last week, and they have had a significant degree of response from the community to that public consultation. I presume the Minister of State will soon start to evaluate the various submissions that have come in. We have to proceed conscious of the rights of the community as well.

**Deputy Thomas Pringle:** I was interested in the Minister's response regarding multinationals in my constituency. It might be news to the Minister to know there are no multinationals in my constituency. We would not be imposing on them that they would fund community facilities if they were coming into the constituency; we would be glad to get the jobs. Unfortunately, there would not be as many jobs from wind energy investment. The crucial difference between wind energy and multinationals is that wind energy is our natural resource and the question is about retaining as much of the benefit of that for society and the people and not handing it over to foreign investors for their sole benefit. That should be the aim of our policy and it should be developed in a way that maximises value for our citizens.

**Deputy Michael Moynihan:** To comment on Deputy Penrose's Bill, where wind farms have developed, and this is an environmental issue as well as everything else, and the access to the grid has been developed over huge regions companies have engaged in consultation with the locals and always encountered difficulties.

An issue arises also about access to the grid which I am aware the energy regulator is examining with regard to biomass and gas fuel stations in Tarbert and Rhode, and in Lumcloon. It is grand for the Minister to say that turbines are being built in a certain place and that people will have access to the grid. My experience is that the turbine planning process and the integration might have gone ahead but access to the grid subsequently became a huge problem.

**Deputy Pat Rabbitte:** The entire exercise we are engaged in is to try to crystallise the benefits to Ireland. That is the entire approach behind what we are doing. As I have said publicly previously, I do not have any intention of settling for construction jobs and making the sandwiches. There must be a return to Ireland, and in terms of the smaller wind farms that have been built already there is a return in rates to the local authority. Leasehold arrangements have been entered into with the local landowners and so on but on top of that there has to be part of the renewable benefit that comes back to Ireland. I cannot agree with the depiction of it that we are doing all this for the foreigner. I have read that in some commentary and I have read a great deal of exaggeration about all of this. All of the developers that I have met speak with an Irish accent like Deputy Pringle's or mine. I do not know any of them. Some of them are well known to the Deputy. The notion that we are giving away all our natural resources to Johnny Foreigner went out with the sitcom in which Art Mitchell used to take part. What we are trying to do is industrialise a precious natural resource and create jobs in the process.

On Deputy Moynihan's question, Deputy Penrose's Bill has provided a valuable function in highlighting the issues about which we have had an exchange here. My view - I think it is also the view of my colleague, the Minister of State at the Department of the Environment, Community and Local Government, Deputy O'Sullivan - is that one can most flexibly deal with this by way of refinement and enforcement of the planning guidelines. There are some communities which believe they are enforced differently from one local authority to another and that there is a requirement for them to be enforced, and I agree with that.

94. **Deputy Shane Ross** asked the Minister for Communications, Energy and Natural Resources if it is intended that responsibility for the print media will pass to his Department in future legislation. [10325/13]

**(Deputy Pat Rabbitte):** As Deputy Ross may be aware, at present my primary function in regard to media is directly related to my remit in the broadcasting sector. The responsibility for control of mergers and acquisitions, including those relating to the media in the State, lies with my colleague, the Minister for Jobs, Enterprise and Innovation. However, legislation is in train in his Department to significantly update the media mergers function and transfer responsibilities in this regard for all media to my Department in the coming months.

Control of mergers and acquisitions is a vital policy area given the central role of the media in our democracy and the potentially harmful effects of an over-concentration of media ownership. The Government is committed to implementing a new set of robust measures that allow for a transparent and objective assessment of the public good in media merger cases, which will be done as quickly as possible. These revised rules will bring the system in operation here up to date and give full effect to the recommendations of the advisory group on media mergers. Under these provisions, my role will be to conduct a statutory test on the effects on plurality of ownership and content of any new merger or acquisition.

At present, the Broadcasting Authority of Ireland is charged with endeavouring to ensure the provision of open and pluralistic broadcasting services in Ireland. To this end, it operates an ownership and control policy in regard to its licensing of television and radio services. In doing so, the BAI has regard to concentration of media ownership, including print media, in licensing broadcast media.

The primary regulatory structure for the print media in Ireland today is the Press Council of Ireland. As such, this body is recognised in the Defamation Act 2009. However, it is not a State body *per se*, being funded and organised by the print industry in Ireland. This model of media governance has worked well and has been held up internationally as an example of good practice. As such, there are no proposals before Government for a change in this structure. The operation of a free, independent and responsible media is a key component of our democracy. It is difficult to marry intervention and freedom.

However, it must be recognised that the media business, globally and nationally, is changing dramatically. Newspaper circulation has fallen significantly in recent years, accompanied by a convergence of new and old media on a variety of online platforms. The same can be said, to a degree, for broadcast media. It is far too early to predict what the ultimate implications of these fundamental changes are, either on a general basis or for a small market like Ireland. The Government must continue to ensure a diverse, pluralistic and independent media, however, and will remain open to new measures to that end.

**Deputy Shane Ross:** I thank the Minister for his reply and note that he has achieved in the coming legislation something that was never achieved by one of his predecessors, Michael D. Higgins, who is now President of Ireland and who eyed this particular pathway back in the 1990s with some enthusiasm but never got to it. Under his portfolio, the Minister now has an extremely important position in regulating the print media. I know the Minister's principal role will be to supervise plurality and acquisitions and mergers, but does he have any plan to impose or propose new interventionist measures which would set a standard or charter for the newspapers and introduce a neo-public sector ethos to the private media? In particular, now that this

transfer is being made, does he have any plan to introduce privacy laws to control the print media which have been part of some of his colleagues' interests and declarations in recent times?

**Deputy Pat Rabbitte:** My colleague, the Minister for Jobs, Enterprise and Innovation, Deputy Richard Bruton, will bring the refurbishment of competition law to the House during this term. It will transfer the responsibilities referred to by the Deputy to my Department.

On the point about plurality, the review group examined this issue and the law will reflect the importance the Government attaches to diversity of ownership and content because of the impact the media have on the character of public discourse and our democracy.

I do not have plans to introduce a privacy law. There is a widespread view in the House on occasion that such a Bill ought to be brought before the House. When the Press Council of Ireland was being established, the then Minister for Justice and Equality made it plain that he was prepared to legislate if the necessity arose. Presumably, the Bill he prepared is still lying around. I agree with my colleague, the Minister for Justice and Equality, Deputy Alan Shatter, that some commentary in the media does not appear to be able to distinguish between privacy and prurience, but I do not believe the answer is a legislative measure on privacy. That would be an unwarranted interference with the media. Before or after the transfer of these functions to me, that will continue to be my view.

**Deputy Shane Ross:** I welcome the Minister's reply. I do not understand why the Minister for Justice and Equality is involved in this issue if it is not for his Department to be involved, but I take it that the proposals of the Minister for Justice and Equality for a privacy law are now a dead duck and that the Minister will investigate where they are lying around and ensure they are not allowed to do so for much longer.

**Deputy Pat Rabbitte:** With a Minister for Justice and Equality as dynamic as the current holder of that office, it would be very foolish to presume his legislative schedule might be abridged in any way by considerations such as those the Deputy raises.

The Press Council of Ireland has worked well. One can say it has not yet had a severe enough test, but in so far as I can observe, it has done a good job. Lord Justice Leveson came to Dublin to learn more about the peculiar construct we have in Ireland and I understand he was impressed. The protections afforded by the fact that it is rooted in defamation legislation are very important. The fact that he has conferred approval on its reputation to date should not be ignored. If it is working and not broken, why try to fix it?

## **Other Questions**

### **Social Media Regulation**

95. **Deputy John McGuinness** asked the Minister for Communications, Energy and Natural Resources the measures he will take in tackling cyberbullying; and if he will make a state-

ment on the matter. [10087/13]

103. **Deputy Éamon Ó Cuív** asked the Minister for Communications, Energy and Natural Resources the role his Department can play in the regulation of social media; and if he will make a statement on the matter. [10068/13]

**Deputy Pat Rabbitte:** I propose to take Question Nos. 95 and 103 together.

Social media consist of on-line platforms which allow people to create, share and exchange information and comment among themselves in virtual communities and networks. To date, social media have not been subject to a formal regulatory regime in Ireland or elsewhere akin to that in place to regulate traditional radio and television broadcast media. There is a range of reasons for this, not least the rapidly evolving nature of the technologies involved, the sensitivities of regulating media and the multi-jurisdictional nature of the Internet.

While it is important to acknowledge the economic and social benefits the widespread use of social media has brought to people, communities and business, certain consequences bear consideration. Challenges of social media use include harassment and bullying on-line, as well as issues of defamation, data protection and copyright. My Department has been involved in the considerable amount of discussion on these matters which has taken place recently at EU and Council of Europe levels. Social media issues are also the subject of a fundamental debate at EU and national level, a fact reflected by the recent decision of the Joint Committee on Transport and Communications to examine the area.

As Minister for Communications, Energy and Natural Resources, I have policy responsibility for providing a supportive legislative and regulatory environment to facilitate the development of high quality communications infrastructure and services. However, I do not have sole responsibility for addressing how that infrastructure is used. Responsibility in respect of abuse over the Internet also rests with the Minister for Justice and Equality and the executive agency of his Department, the Office for Internet Safety. It is clear that there are no simple answers to the challenges posed by the development and abuse of social media, not least because of the international basis of services and because any possible policy response falls across a range of Departments. In recognition of this complexity, my Department maintains open and regular contact with all Departments and State agencies with responsibilities in respect of social media use. My Department also monitors international developments with a view to ensuring domestic policy within its remit reflects best practice and that the regulatory framework is amended, as necessary. In that regard, I look forward to the deliberations of the joint committee and meeting it to discuss the matter.

**Deputy Michael Moynihan:** This is one of the very serious issues that has developed as technology has advanced. While the joint committee is commencing hearings on the matter, there must also be a signal from the Department of Communications, Energy and Natural Resources and the Department of Justice and Equality that it is being taken very seriously. Cyber bullying has disastrous consequences and taken bullying to a new level in the schoolyard and workplace. We must be and must be seen to be more proactive and determined in the Houses of the Oireachtas and State agencies to find a solution. Cyber bullying will have to be tackled. I would like the Minister to give a signal that there will be an interdepartmental review while waiting for the joint committee to address the issue. There must be a sense of urgency on the departmental side.

**Deputy Pat Rabbitte:** My understanding is that the relevant Oireachtas committee is about to commence its hearings on this issue. I hope to have the opportunity to be heard by that committee. My Department has been seized of this issue for some time. Our position is little different from that of other jurisdictions which have found, for the reasons that I have set out, that one cannot simply regulate this phenomenon in the same way as one could regulate old media, if I might put it that way. Very particular questions arise here. Cyber bullying might well be a new phenomenon but unfortunately bullying is not and if people want to misuse and abuse a particular technology that in itself is not new. I agree, however, that it gives rise to serious questions and I presume that is the reason that the Chairman of the committee has decided to hold hearings on this issue and I look forward to the report that they will present to me in due course.

### **Broadband Services Provision**

96. **Deputy Seamus Kirk** asked the Minister for Communications, Energy and Natural Resources his views on the speed of broadband services available nationwide; and if he will make a statement on the matter. [10080/13]

**Deputy Pat Rabbitte:** Considerable progress has been made in recent years in both the speeds and coverage of national broadband infrastructure, with a multiplicity of commercial operators providing services over a diverse range of technology platforms.

The Government has also undertaken a number of initiatives to bring broadband to those parts of the country where commercial operators have been unable to offer services. The combination of private investment and State interventions means that Ireland has met the EU Commission's digital agenda for Europe target of having a basic broadband service available to all areas by 2013.

The Government, through the national broadband plan, which I published on 30 August last year, has recognised that the key imperative now is to ensure high speed broadband availability to all. The plan commits to high speed broadband availability across the country by ensuring that high speed services of at least 30 Mbps are available to all of our citizens and businesses, well in advance of the EU's target date of 2020.

During the preparation of Ireland's national broadband plan, the commercial market operators indicated that they expect to provide 70 Mbps to 100 Mbps services to 50% of the population by 2015. The commercial sector is already committed to investments of the order of some €1 billion which will deliver broadband speeds of 30 Mbps to 150 Mbps to homes and businesses. For example, Eircom is investing up to €500 million in a phased deployment of fibre to the cabinet infrastructure, which is planned to make high-speed broadband available to some 1.2 million premises. The network has already reached more than 230,000 premises and is expected to be launched over the coming months. UPC is investing €500 million in its cable and fibre network, which is delivering speeds of up to 150Mbps. UPC aims to have this service available to 700,000 homes by 2015. Mobile telecommunications operators will be rolling out advanced mobile broadband products in 2013, following the recent multi-band spectrum auction.

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

The national broadband plan commits the Government to investing in areas where high

speed services are not commercially viable and will not be provided by the market. My Department is making preparations to commence a formal national mapping exercise to inform the level of Government interaction that may be required and the areas that need to be targeted for a State-led investment. It will also form a critical input to an EU State aid application in respect of any State-led intervention. This will ensure that citizens or businesses, wherever they are located, have a broadband connection which meets their needs to interact effectively with society and business. I reiterate that the Government remains committed to the delivery of the speeds referred to in the plan, to ensure that all parts of Ireland will have at least 30 Mbps connectivity.

**Deputy Michael Moynihan:** The first question that I had put down for priority questions today was ruled out of order because of the urban-rural regulator. I was disappointed that it was ruled out of order because the regulator has a huge responsibility.

Does the Minister really believe that broadband is being rolled out nationwide? Nothing will divide urban and rural Ireland more than this broadband issue. We have discussed this here in response to previous questions. Does the Minister believe this is happening for the people who are being left behind? Will the initiatives the Minister has launched and will launch reach the desired target in the next few years?

**Deputy Pat Rabbitte:** As the Deputy knows, the architecture of the plan we published in August last year essentially envisages a three-tier formation. In other words, by 2015 some 50% of the population will have access to very high-speed industrial strength broadband. By the end of the lifetime of the Government in 2016, a further 20% of the population will have a broadband speed of 40 Mbps per second or better. The remaining tier which could be up to 30% of the population is the one on which Deputy Michael Moynihan is focusing. Again, the commitment is that by the end of the lifetime of the Government, no area in that tier will have a broadband speed of less than 30 Mbps per second, or 15 times what is available to them.

On the prospectus we are putting together, we have to go through the state-aid process. We are about to commence the mapping exercise that will have to be conducted across the country. We have to obtain EU approval because State intervention is demanded as the commercial sector will not meet the demands of some of that area, if not a good deal of it. The prospectus will require the successful bidders to commit to a broadband speed of 30 Mbps per second. The contracts, accordingly, will not be signed unless that commitment is made.

There are some other interesting innovations in this area, one of which is being led by the ESB which is in the process of selecting a partner for a joint vehicle to roll out fibre optic to parts of the country that would not otherwise reasonably expect to have it. There are developments on the ground that are leading to improvements every day.

**Deputy Eoghan Murphy:** Our digital inclusion strategy, to which the broadband strategy is central, is incredibly important. The Government has a good strategy. However, in the light of recent EU budget cuts for broadband strategy from €8.2 billion to €1 billion, a dramatic reduction, have we examined how this will change the Government's strategy launched last August?

**Deputy Brendan Griffin:** I had hoped my parliamentary question on the national broadband plan would be taken today. Sections of my constituency in County Kerry cannot have broadband and providers are giving the customers affected refunds because they simply cannot provide broadband for these areas. People in the Maharees, near Castlegregory, have been in contact with me about this matter and are very frustrated. Those who want to work from home

or set up a business in these areas simply cannot do so because of the lack of broadband. As was rightly pointed out by Deputy Michael Moynihan, this is a matter that could significantly divide rural and urban Ireland and it is one that needs to be tackled. What hope can the Minister give those who have been told there is no broadband service available for them?

**Deputy Michael Colreavy:** There appears to be an oversupply of fibre optic lines between this country and Britain through undersea and expensive lines. They more than cater for current and projected Internet traffic. However, there is an inadequate fibre network in this country. I am glad the Minister referred to the ESB project because we need to examine how utility networks such as water mains, telecoms, rail lines and gas lines could be used as a means on which a fibre optic network could piggyback. Such a roll-out would save the country much money. Having a fibre optic network is the only way we can hit the targets the Minister has outlined in his strategy.

**Deputy Pat Rabbitte:** Deputy Murphy is right. The putative €9.2 billion that was notionally allocated for the connecting Europe facility was diminished during the process leading to the conclusion of the multi-annual financial framework budgetary discussions. The figure on the telecommunications side now is a rather miserly €1 billion. However, I do not believe it will have much impact on our circumstances. This subject came up at a conference I attended yesterday morning involving Engineers Ireland. A leading representative of the telecommunications sector was there and she confirmed my remarks to the effect that the private commercial sector is not having a difficulty sourcing funding for telecommunications projects. There may well be some difficulties in other areas but not in the telecommunications area. To answer Deputy Murphy's question, I do not believe the development under the multi-annual financial framework will much impact on our digital inclusion policies.

Deputy Griffin knows that there are no lengths to which I would not be prepared to go to ensure that Kerry is in no way disadvantaged in any regard, except that the league team is struggling at the moment and that I can live with.

**Deputy Brendan Griffin:** It is only February.

**Deputy Michael Moynihan:** The Minister should be under no false illusions. It is only February.

**Deputy Pat Rabbitte:** The answer I gave earlier to Deputy Moynihan covers Kerry as well and that is the plan. In the short term Deputy Griffin ought to examine if any of the areas to which he referred are covered under the national broadband strategy. The strategy was an agreement entered into between a leading telecommunications company and the previous Government and there is a facility under the agreement such that the company was required to deliver to a particular area. If it turns out that the company did not do so then there is a facility to take up that matter. In addition if there were individual premises at a disadvantage they would have had a facility under the rural broadband scheme to subscribe to it. I am unsure how many have done so but it may be that some of the premises to which Deputy Griffin referred are included in that.

Deputy Colreavy asked me if I believed there is wasteful or excessive international connectivity between here and Britain. That is not my advice but I will certainly check it. The Deputy will understand that given the nature of our industry these days as well as the growth of the services sector, international connectivity is crucial and an important aspect of our lifeline.



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In my answer I referred to the €500 million investment by Eircom in fibre roll-out to the cabinet infrastructure designed to hit 1.2 million premises. The UPC €500 million investment is in cable and fibre network. Anyway, there is no country in the world that I know of which has high quality fibre in remote areas of sparse population. That is the international precedent. In fact, parts of the United States have no broadband at all.

### **Energy Schemes**

97. **Deputy Sean Fleming** asked the Minister for Communications, Energy and Natural Resources if he will provide details of his proposal to establish a €70 million energy efficiency fund; and if he will make a statement on the matter. [10084/13]

133. **Deputy Sandra McLellan** asked the Minister for Communications, Energy and Natural Resources the private sector resources he expects to match Government funding in the energy efficiency fund; and if he will make a statement on the matter. [9983/13]

140. **Deputy Mary Lou McDonald** asked the Minister for Communications, Energy and Natural Resources the way in which he expects the €70 million energy efficiency fund to be spent; and if he will make a statement on the matter. [9982/13]

**(Deputy Pat Rabbitte):** I propose to take Questions Nos. 97, 133 and 140 together.

Energy efficiency is internationally recognised as the most cost effective means of delivering greenhouse gas abatement. It is equally important in the current fiscal climate that energy efficiency offers an opportunity to stimulate economic activity and employment and improve national competitiveness. Extensive studies undertaken by the European Union and the International Energy Agency have demonstrated the positive environmental and economic impact of energy efficient measures.

For several years the Government has invested nearly €250 million of Exchequer funding in energy efficiency programmes in the domestic and non-domestic sectors. While this approach has leveraged a significant additional spend in the economy of more than €250 million, it requires continued Exchequer support. This is neither necessary nor sustainable as a funding source. The programme for Government commits to a transition from Exchequer funded grants to sustainable financing initiatives. My Department, with the Sustainable Energy Authority of Ireland, is working intensively to create innovative mechanisms by which energy efficiency projects can be financed. These mechanisms must deliver demonstrable energy bill savings to incentivise individuals and entities to avail of them.

Last week the Taoiseach launched the 2013 Action Plan for Jobs. The energy efficiency fund is one initiative in the plan that will help to deliver jobs not just this year but also in future years. In broad terms, the fund will be established with the aim of providing at least €70 million to finance energy efficiency initiatives in the public and private sectors. Some €35 million of the fund is being provided through residual moneys arising from the closure of the carbon windfall levy account. Matching funding in excess of €35 million is being sought from private investors. Investments by the fund have the potential to create significant employment across a broad range of construction related sectors. Experience from the existing grant schemes suggests that based on an induced labour spend almost 450 jobs are directly supported for a year for every €10 million of expenditure, rising to 675 jobs when indirect employment is included.

This is before competitiveness impacts owing to reduced energy costs are taken into account. NewERA has been asked by the Government to facilitate the creation of the fund and has been actively meeting potential investors and fund managers in the past few months. At this juncture I am not in a position to indicate who the investors will be so as not to prejudice the discussions.

The State is investing in the fund for a number of reasons. First, there is a well established shortage of finance in the market. The fund will be set up to bridge this gap. Second, where finance is available, the process by which moneys are lent can be extremely complicated, in part owing to the nature of the projects but also a lack of knowledge within the financial sector. The fund will redress this scenario through the development of expertise in financing energy efficiency, ideally becoming the lender of choice for such projects. I anticipate that the fund will lend to all sectors.

The fund will be supported by the creation of a national energy performance contracting policy framework which will standardise energy performance contracting in Ireland and provide a robust process for establishing investment ready projects. Work on the framework is well advanced, with a public-private group established late last year. I intend to launch the details of the fund alongside the second national energy efficiency action plan later this week, but first I wanted to mention it in the House.

**Deputy Michael Moynihan:** The Minister and others have indicated that they plan to move away from grants that were administered by the Sustainable Energy Authority of Ireland, but they have been very beneficial in terms of what they set out to achieve. There is a significant need for energy efficiency and greater efficiencies across the spectrum. I referred earlier to biomass. Some of the power stations are waiting for correspondence or the go-ahead from the Commission for Energy Regulation to connect to the grid. Jobs are waiting to be created in this area. Perhaps the Minister might comment on that issue. In any replacement of the grants administered by the SEAI I am concerned to ensure ordinary punters or householders will not lose out. They need energy efficiency just as much as commercial companies. Whatever system is in place, it should target ordinary punters also.

**Deputy Michael Colreavy:** These are good schemes and every euro spent on them is spent in and provides work in local economies. They provide for energy efficiency in houses and businesses. However, there is scope to look further at the possibility of providing for small area power supplies. EirGrid, for example, besides looking at national and transnational areas, needs to explore further the use of small area power supplies that would benefit smaller communities, as this issue has been neglected. We fully support this scheme.

**Deputy Pat Rabbitte:** In response to Deputy Michael Moynihan, I should clarify that the energy efficiency fund has not been set up to replace the retrofit scheme but is in addition to it. The difficulty in respect of domestic retrofitting - I agree with the points made by Deputies Michael Moynihan and Michael Colreavy - is that it is a grants-based incentive, but in the programme for Government we have committed to making the transition from a grants-based incentive scheme to a pay-as-you-save model. Work is well advanced on it and the scheme will be announced later in the year. As the focus of the energy efficiency fund is on public and commercial buildings, clients may bid to join the fund to have public buildings, for example, hospitals, refurbished and retrofitted, bringing a big saving in energy costs and a big employment spin-off. I appreciate the welcome of colleagues in the House for this initiative.

**Deputy Brendan Griffin:** On domestic grants, houses all over the country have benefited

hugely from insulation measures taken under the various grant schemes. However, outside of the housing aid for older people scheme, changing from single glazed windows to double or triple glazed windows is not covered by the SEAI. Will the Minister look at this for the future? Many houses are well insulated, apart from the windows. Providing grants for double glazed windows would be sensible and provide an economic stimulus for that sector.

**Deputy Pat Rabbitte:** I will be happy to bring that proposal to the attention of the SEAI.

### Topical Issue Matters

**An Leas-Cheann Comhairle:** I wish to advise the House of the following matters in respect of which notice has been given under Standing Order 27A and the name of the Member in each case: (1) Deputy Luke 'Ming' Flanagan - the fluoridation of water supplies;

(2) Deputy Shane Ross - the fluoridation of water supplies;

(3) Deputies Timmy Dooley, Marcella Corcoran Kennedy, Pat Deering and Michael McNamara - the future of the rural transport programme;

(4) Deputy Aodhán Ó Ríordáin - the further restrictions announced by the HSE Beechpark Services for autistic children in north Dublin;

(5) Deputy Charlie McConalogue - the impact of the removal of the gateway designation for Letterkenny-Derry as a result of the decision to abandon the national spatial strategy;

(6) Deputy Seamus Kirk - the need to meet the language skills gap for recently announced enterprise projects for Dundalk, County Louth, and to discuss the merits of setting up language intensive courses in order that jobs created can go to local people;

(7) Deputy Robert Dowds - the need to use the local property tax as a planning tool to encourage good development;

(8) Deputy Stephen S. Donnelly - the potential instruction from the Central Bank of Ireland to credit unions not to lend to those in mortgage arrears;

(9) Deputy Simon Harris - the anomaly in the DART fare to Greystones;

(10) Deputy Denis Naughten - the future of Harristown House, Castlerea, County Roscommon;

(11) Deputy Martin Ferris - funding for Coláiste Chiarraí;

(12) Deputy Maureen O'Sullivan - the hunting of deer by the Ward Union Hunt; (13) Deputy Thomas Pringle - the need for officials from the Parks and Wildlife Service to meet landowners in the Falcarragh-Meenlaragh area of County Donegal regarding plans for the designation of areas;

(14) Deputy Pearse Doherty - the impact of the Irish Banking Federation's protocol on the

credit union movement;

(15) Deputy Seán Kyne - the need to publish the scientific research, as well as responses by BIM to queries regarding the EIS, on the environmental impact of the proposed salmon fish farm in Galway Bay off the coast of Aran and to address all concerns;

(16) Deputy Thomas P. Broughan - the need to approve funding for the Howth-Sutton community council drugs and alcohol prevention and education project, Dublin;

(17) Deputy Patrick O'Donovan - the need for the introduction of changes to the social welfare code to allow for provision of social insurance cover for self-employed persons;

(18) Deputy Dessie Ellis - the underspend by local authorities, particularly Dublin City Council, on housing for the Traveller community;

(19) Deputy Brian Walsh - the importance of commercial sponsorship to the Irish horse racing industry;

(20) Deputy Clare Daly - the health and safety issues relating to the electricians' dispute at St James' Hospital, Dublin;

(21) Deputy Joe Higgins - the health and safety issues relating to the electricians' dispute at St James' Hospital, Dublin;

(22) Deputy Billy Kelleher - the need to reduce the cost of health insurance;

(23) Deputy Mick Wallace - the impact of the downgrading of Gorey Garda station, County Wexford;

(24) Deputy Joan Collins - the underspend of more than €50 million on Traveller accommodation and the need to consider the Labre Park housing development, Ballyfermot, Dublin;

(25) Deputy Mattie McGrath - the proposed qualification system for the water metering subcontractor panel;

(26) Deputy Michael Moynihan - the need to ensure funding is restored to the Irish Patients Association;

(27) Deputy Paudie Coffey - the need to introduce an awareness campaign and safety regulations to reduce the risk to children from blind cord accidents;

(28) Deputy Róisín Shortall - the need to ensure fostering services in Dublin north west will be implemented promptly and in full;

and (29) Deputy Éamon Ó Cuív - the status of an independent investigation into the ongoing equine DNA meat controversy.

The matters raised by Deputies Timmy Dooley, Marcella Corcoran Kennedy, Pat Deering and Michael McNamara, Martin Ferris and Paudie Coffey have been selected for discussion.

**Deputy Micheál Martin:** The revelations in last Sunday's edition of *Sunday Independent* relating to the transcript of a conversation between Deputy Michael Lowry and Mr. Kevin Phelan are quite dramatic and startling. Deputy Michael Lowry has made his statement and I do not propose to deal with that issue today. What concerns me most, as one of many Members who set up the Moriarty tribunal, is whether the tribunal was continually undermined in its efforts to get to the full truth of the issues it was investigating.

I want to refer to documentation Senator Diarmuid Wilson received from Mr. Phelan, providing detail of approximately 60 meetings attended by Deputy Michael Lowry in connection with the so-called Doncaster deal. The Senator has forwarded the material to the chairman of the tribunal and understands there are other related issues that will come down the tracks and has undertaken to send any material he receives directly to the chairman of the tribunal.

Taking this material together - the material the Senator received and the transcript of the conversation - one is left with an uneasy feeling that the tribunal was not told the full truth or that groups of people - witnesses - were meeting, telephoning and engaging with each other before giving evidence to the tribunal. I suggest, at a minimum, that that is both unhealthy and disturbing. Clear contradictions are emerging between what was said at the tribunal and what is now emerging in the material to which I have referred. These contradictions are very difficult to reconcile.

The tribunal was established by and is a creature of the Oireachtas. All of us have a solemn duty and obligation to stand by it and its chairperson and ensure it was enabled to go about its work unhindered and unobstructed, receiving truthful evidence and the fullest co-operation from all concerned. On behalf of the House, will the Taoiseach facilitate a re-examination of these issues by the tribunal? It is in his gift to do so.

**The Taoiseach:** Will the Deputy repeat his question please?

**Deputy Micheál Martin:** Will the Taoiseach facilitate a re-examination of these issues by the tribunal of inquiry by way of a motion in the House or whatever.

This is not a laughing matter, Deputy Rabbitte.

**Deputy Pat Rabbitte:** The Deputy should know well about obfuscating before a tribunal. All he need do is consult his former leader.

**An Ceann Comhairle:** We are dealing with Leaders' Questions.

**Deputy Micheál Martin:** What is the Minister, Deputy Pat Rabbitte, so worried about? What is he so het up about.

**An Ceann Comhairle:** If the Taoiseach wishes to reply, he should do so. Deputy Micheál Martin should resume his seat and we will see what happens.

**Deputy Micheál Martin:** It is a legitimate question. It concerns an Oireachtas inquiry, which is why I am asking it. We are all involved in this issue. The Government could bring a motion to the House.

**The Taoiseach:** The Deputy is clear on the fact that when a tribunal is set up by the Houses of the Oireachtas, the Oireachtas has no further function in the matter. The report of the Moriarty tribunal has already been made. The allegations or comments made by the Deputy could

have been applied to a number of other personalities in other tribunals also. The Moriarty tribunal made recommendations on breaking the link between big money and politics and this was achieved through the enactment on 28 July last year of the Electoral (Amendment)(Political Funding) Bill which effectively banned corporate donations. The Government also supported a motion of censure against Deputy Lowry in 2011. The Government is working to prepare comprehensive legislation dealing with whistleblowers - an issue that was raised by the Minister, Deputy Rabbitte, many years ago - and with the registration of lobbyists. The Government is well advanced in that work. Fundamentally, Mr. Justice Moriarty said he was making his recommendations to break the links between politics and big business. The programme for Government made clear the views of both parties in government. As I have said, the legislation was enacted last year. As Deputy Martin is aware, the Act imposes a ban on the acceptance of donations of more than €200 for political purposes from a corporate donor unless the donor has registered with the Standards in Public Office Commission. In addition, it establishes a register of corporate donors and reduces the maximum amount that can be accepted as a donation by a political party from €6,300 to €2,500 and the maximum amount that can be accepted as a donation by an individual elected representative or election candidate from €2,500 to €1,000. If any further relevant information about the transcript that was handed in comes to light, I agree that it should be forwarded to the appropriate authorities. It is not for me to judge whether there is validity or veracity in all of what was contained in the transcript. This House set up the Moriarty tribunal to deal with a number of specific issues. As the Deputy is aware, the House has no function in determining the outcome of a tribunal after it has been set up. In this case, Mr. Justice Moriarty produced his report two years ago.

**Deputy Micheál Martin:** No one has denied the veracity of the transcript. It seems to me that it stands as a bona fide transcript of a conversation between Deputy Lowry and Mr. Kevin Phelan. I have already referred to the documentation received by Senator Diarmuid Wilson, which details over 60 meetings between Deputy Lowry, Mr. Phelan and others in relation to the Doncaster deal. It is not for us to judge that particular documentation, but suffice to say there is enough new material for this House to revisit the issue. The tribunal was established by means of a motion proposed in this House by the then Government. That motion was subject to amendments from across the House. The Taoiseach knows what I am saying when I ask him whether he would facilitate a re-examination of this matter by Mr. Justice Moriarty. His comments about other cases may be valid. Will he bring a motion to the House on this specific issue? Does this not concern him? It concerns me.

**Deputy Noel Coonan:** You did not say that when he was supporting your Government.

**Deputy Micheál Martin:** The material that is before us now has emerged into the public domain. At a minimum, it casts doubt on the level of co-operation that was afforded to the tribunal and on the truthfulness of the evidence that was provided to the tribunal. The chairman of the tribunal did not see this material before he came to his conclusions. Does it not concern the Taoiseach that a tribunal established by the Oireachtas may have been hindered or fatally undermined? Is he not concerned that people were having discussions in advance? Does it not concern him that people knew who would or would not be turning up or giving evidence and what they would be saying? These fundamental issues go to the heart of what we should be about in this Chamber and in this Oireachtas. The Government has a huge majority in this House. I do not doubt that he will get the full co-operation of the House in this regard.

**An Ceann Comhairle:** Could you put a question please, Deputy?

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**Deputy Micheál Martin:** I have a very basic question. Will the Taoiseach bring a motion to the House inviting the chairman of the tribunal to examine the new material that has come into the public domain and to re-examine this issue?

**The Taoiseach:** I have no intention of reopening the Moriarty tribunal or any other tribunal that has reported to the House. I did not realise that the Deputy seems to be amnesiac in some respects. Claims have been made about the extent and veracity of information and knowledge given to other tribunals. When someone goes before a tribunal, he or she takes an oath to tell the truth. If people have access to information, I suggest they should bring it to the appropriate authorities.

**Deputy Micheál Martin:** It is in the public domain now.

**The Taoiseach:** I remind Deputy Martin that the same Deputy Lowry kept his Government in office.

**Deputy Noel Coonan:** Hear, hear.

**The Taoiseach:** When questions were asked about this secret deal on a weekly basis-----

**Deputy Micheál Martin:** That has nothing to do with anything.

**The Taoiseach:** When we called for the publication of-----

**Deputy Micheál Martin:** The Taoiseach obfuscates in this manner all the time-----

**The Taoiseach:** Hold on a second now.

**Deputy Micheál Martin:** -----to avoid answering questions.

**The Taoiseach:** The Deputy cannot have it every way.

**Deputy Micheál Martin:** The Taoiseach is not answering.

**The Taoiseach:** The Deputy's Government signed a secret deal with Deputy Lowry and a number of others.

**Deputy Micheál Martin:** The Taoiseach offered him membership of Fine Gael on many occasions. That is not the point anyway.

**The Taoiseach:** It would not publish any of the details of the deal-----

**Deputy Finian McGrath:** It was not a secret.

**The Taoiseach:** -----in the interests of transparency and accountability-----

**Deputy Billy Kelleher:** The Taoiseach sat at the Cabinet table with him.

**The Taoiseach:** -----regarding the use of taxpayers' money to deal with various issues.

**Deputy Micheál Martin:** What is the Taoiseach's view of the tribunal?

**The Taoiseach:** That is the same person the Deputy is speaking about.

**Deputy Micheál Martin:** Does it worry the Taoiseach?

**Deputy Billy Kelleher:** The Minister, Deputy Rabbitte, was on the high stool.

**Deputy Barry Cowen:** He never got off it.

**The Taoiseach:** I have no intention of reopening the Moriarty tribunal.

**Deputy Micheál Martin:** Is the Taoiseach concerned about the degree to which it is undermined?

**The Taoiseach:** It went on for long enough.

**Deputy Finian McGrath:** There was no secret deal in my case.

**Deputy Barry Cowen:** The high moral ground.

**The Taoiseach:** The chairman dealt with the report and reported to the House.

**Deputy Micheál Martin:** What about the people who are close to the Taoiseach?

**The Taoiseach:** The House passed a motion of censure against Deputy Lowry and enacted many of the recommendations of the Moriarty tribunal. We are preparing legislation to support whistleblowers and provide for the registration of lobbyists.

**Deputy Billy Kelleher:** The Moriarty tribunal was quite critical of the Minister, Deputy Hogan.

**The Taoiseach:** If Deputy Martin, Deputy Kelleher or anybody else over there has information, they should bring it to the appropriate authorities so it can be dealt with.

**Deputy Micheál Martin:** It is obvious that the Taoiseach does not want to reopen this can of worms.

**The Taoiseach:** I would expect them to do that.

**Deputy Gerry Adams:** It is clear from the briefing from the Minister, Deputy Howlin, on the Croke Park proposal that it is not a fair deal for front-line workers. The proposal that the Government is seeking to force workers into accepting, under threat of a worse outcome if it is left to the Government to legislate, heaps pain on low and middle-income workers. It does little more than tinker with excessive pay at the top. The Labour Party, which is the party of the smirkers and the party of Connolly and Larkin, is attacking workers in the centenary year of the Lock-out. A Labour Party Minister has split the trade union movement and torn up the Croke Park agreement.

**Deputy Pat Rabbitte:** The Deputy should tell that to his teddy bear.

**Deputy Gerry Adams:** The Government is now set to force through pay cuts across the public sector.

**Deputy Dinny McGinley:** It will not answer back anyway.

**Deputy Gerry Adams:** The Labour Party has failed to protect those on low and middle incomes in the private or public sectors. Those who provide a 24-hour, seven-day emergency service to keep citizens safe and well, including nurses, gardaí and firefighters, are being hit hardest. Firefighters believe they will see a cut of 10%. The Taoiseach understands that these



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people have to pay mortgages, feed and clothe their children, buy schoolbooks and pay their bills. None of their outgoings is being cut - only their incomes. Their pay has been significantly reduced over recent years under this Government and its predecessor. The Taoiseach appreciates that front-line workers did not cause this crisis. It was caused by Fianna Fáil, the golden circles and the elites. Why are front-line workers being left to pick up the tab?

**Deputy Michael Creed:** Why does the Deputy not use their services when he needs them?

**Deputy Patrick O'Donovan:** Yes, instead of going to America.

**The Taoiseach:** These negotiations have been among the most fundamental to have taken place in this country in many years. One of the reasons the Government was elected was to deal with the problems faced by our national finances. We must get our deficit to a level at which this challenge can be dealt with comprehensively. The target that has been set involves reducing the deficit to 3% by 2015. That requires serious savings of €300 million this year, and an additional €1 billion over the period to 2015, to be found. Given that pay and pensions account for 35% of expenditure, one third of the savings will have to come from these negotiations. I commend everybody who has played a part in this. The unions have to receive the Labour Relations Commission's document, which will be published later this afternoon. Each union will have to deal with that in its own way, for example by engaging in discussions with and balloting its members.

This deal is proportionate right across the board. It is designed to ensure front-line services will not be diminished or reduced. That is why the changes that have been recommended here, and accepted by the Labour Relations Commission in presenting the document to the unions, are in the interests of everybody who is putting their shoulder to the wheel so we can deal with our national financial problem. It runs from 1 July until the end of 2016. Over the course of the agreement, the overall savings target will be achieved. There are direct pay reductions for those on remuneration higher than €65,000 and there is an increments freeze of varying lengths at different pay ranges that is designed to protect those at the lower level. There is additional productivity for extra hours from most public servants, whereby those currently working under 35 hours will in future work a minimum of 37 hours and those working between 35 and 39 hours will work 39 hours. There are a whole range of issues, for example, the elimination of twilight payments and the elimination of supervision and substitution payments.

These are negotiations that have been very intensively conducted over the past period. The Government will reduce the pay of those over €65,000 progressively, with a 5.5% reduction on the first €80,000 of salary and allowances, 8% between €80,000 and €150,000, 9% between €150,000 and €185,000 and 10% above €185,000. Across the board, this has been a fair and equitable negotiation. As I said, there is an opportunity now, when the unions receive the document from the Labour Relations Commission this afternoon, to discuss and ballot their members, each in accordance with its own democratic tradition. As I said, the issue here will greatly help the Government's programme to bring our deficit into order so it is sustainable and the country can thrive and prosper in the times ahead.

This is challenging for everybody. Nobody likes to announce that things have to be reduced or cut back. However, the trade unions which stayed in at the discussions actually did make significant improvements and alterations to the initial proposals. In that, they have protected the front-line services by making adjustments in the negotiations that took place.

**Deputy Gerry Adams:** I am not talking about what the trade unions should do - that is work for another day. I am talking about what the Government should do, and I am talking about fairness. There is nothing fair in what we know about this proposal. We also have to talk about the social consequences of the Government's decisions because there are alternatives. It could have really tackled the pay of those at the top. It could also have brought in a wealth tax but it choose not to do so.

The Taoiseach should think of his own position. We take 10% off those on high pay like himself but he still ends up earning more than the British Prime Minister or the French President. To take the example of a nurse in an overcrowded hospital who works anti-social hours and has reduced Sunday pay and increments frozen, a cut of 8% means such a nurse on €35,000 will lose €2,800. Sin an difríocht. There is nothing fair about that whatsoever.

**Deputy Timmy Dooley:** What about Bill Flynn?

**Deputy Gerry Adams:** I ask the Taoiseach very clearly to re-look at this. Why all the time attack those on lower and middle incomes? The Government has a totally different attitude to the elites and those at the high level. If I can coin a phrase from the words of a former leader of the party to my left, there is nothing fair about telling workers to tighten their belts while those at the top can get on very easily with their lives.

**Deputy Timmy Dooley:** While Bill Flynn is funding Deputy Adams.

**Deputy Patrick O'Donovan:** How are the Deputy's Westminster buddies doing?

**Deputy Gerry Adams:** What is fair about that?

**The Taoiseach:** I am glad to see Deputy Adams is in robust, good and strong health.

**Deputy Gerry Adams:** Thank you. My teddy bear is great too, thanks.

**The Taoiseach:** The point is that Deputy Adams chooses deliberately not to deal with our front-line service workers here in Ireland. He chooses to fly to greener pastures.

**Deputy Gerry Adams:** Answer the question.

**Deputy Mary Lou McDonald:** The Taoiseach has his hand in their pockets.

**The Taoiseach:** I am glad he is in robust good health. I remind Deputy Adams of the Sinn Féin proposal to cut take-home pay for public and private sector workers - front-line and back office - earning €35,000 or more.

**Deputy Patrick O'Donovan:** He kept that a secret.

**Deputy Timmy Dooley:** Teddy did not tell us about that.

**Deputy Leo Varadkar:** They wanted to tax the pension levy.

**The Taoiseach:** He should not come in here with his proposals about safeguarding the lower paid.

**Deputy Gerry Adams:** Is that the Workers Party proposal?

**The Taoiseach:** I point out to him that in the budget the Government set out a higher rate of

property tax for those who earn more, with extra PRSI on unearned income, an increase in capital gains tax and DIRT tax and an increase in the capping of pensions above €60,000 from 2014.

**Deputy Mary Lou McDonald:** What about special advisers?

**Deputy Barry Cowen:** What is the relevance of this?

**The Taoiseach:** That is part of a €500 million package which will impact progressively more on those who earn more.

**Deputy Gerry Adams:** And on nurses.

**The Taoiseach:** As I said, in respect of the agreement being put to the trade unions by the Labour Relations Commission, it is now a matter for the unions, in their own way. Those that stayed in at the talks did achieve significant alterations and progressive elements of change to what was originally proposed. I do not have any time for the blather Deputy Adams goes on with in here about protecting all the low-paid workers or front-line workers, who he himself chooses to-----

**Deputy Pat Rabbitte:** Bypass.

**The Taoiseach:** -----bypass.

**Deputy Gerry Adams:** Bypass. Well prompted, Pat.

**Deputy Richard Boyd Barrett:** As the details of the new Croke Park deal become clear, it is evident this Government is going to continue its vendetta against low and middle income public sector workers, who have seen between 15% and 20% of their income cut over recent years. With levies and the universal social charge, they have given up €1.5 billion in savings, shed thousands of public sector jobs and seen their pensions cut. Now, in the form of cuts to premium payments and extended working hours which amount to pay cuts, these workers are to see further devastating cuts to their income. The Taoiseach seems to have a particular vendetta against shift workers and other front-line workers who work unsocial hours, many of whom will no longer be able to pay their mortgages and, if they could just about manage to do that, come this summer when the Taoiseach imposes the property tax on them, they certainly will not be able to pay their mortgages or their bills.

Is it not the case that not only are these cuts to public sector workers cruel and unfair attacks on hundreds of thousands of public sector workers and their families, but they are also a further devastating blow to the rest of the economy, including private sector workers? In all the narrative we get about this from the media and elsewhere, there is a suggestion that, somehow, the private sector will benefit from the axe being taken to the public sector. Will the Taoiseach admit the truth, which is that for every euro that is taken from a firefighter, a nurse, a teacher or a council worker, that is a euro less that will be spent in shops and businesses in towns, villages and cities across this country, leading to more job losses in the private sector and to further contraction in economic growth? Is that not the truth about these cuts, namely, they are anti-worker, anti-job, anti-growth, are bad for the entire economy and are completely unjustifiable?

**An Ceann Comhairle:** Thank you, Deputy.

**Deputy Richard Boyd Barrett:** Will the Taoiseach back off and impose the burden of this crisis on the corporations on which he will not even impose a slight extra bit of tax, or on the

very wealthy earning in excess of €100,000 year?

**Deputy Simon Harris:** Deputy Boyd Barrett will not even pay an extra charge of €100.

**Deputy Richard Boyd Barrett:** Go after those who can afford it, not the same targets again and again.

**The Taoiseach:** I have pointed out to Deputy Adams the decisions that are already in train and will be in train from 2014 for those who earn most and earn more in this country. I do not accept Deputy Boyd Barrett's premise at all. In all of this, it is important to say that we have to borrow €12 billion this year. The deficit we have is not going to fix itself unless we all contribute to that. One third of the requirement comes from the public sector. I commend all of those who were involved in these discussions and negotiations. The document from the Labour Relations Commission will be published this afternoon. The unions will discuss that and ballot in accordance with their own traditions. Front-line staff did say that they were specifically targeted but when one looks at the range of the agreement, one can see that is not the case. Saturday premia have been retained and the unions who stayed at the talks successfully mitigated the proposed reduction in Sunday premia from a reduction in double time to time and three-quarters - one and one-half times that which was tabled by management. It is fair to say that other sections have made proportionate contributions to the overall savings. I speak here of the teaching profession and prison officers. This is an issue where everybody puts their shoulder to the wheel and makes a contribution. Insofar as is humanly possible, this is a fair and proportionate contribution across the board where those who pay the most earn the most. This is very clearly outlined in the recent budget and for next year.

As part of the discussions, the Government indicated that it intends to bring forward proposals for reductions for higher levels of pension as a contribution to the overall savings sought there. Those reductions will be commensurate with the pay reductions set out in the LRC proposals. The commission will publish the paper this afternoon and unions will have the opportunity to debate, discuss and vote on that with their members. From the perspective of getting our deficit down to levels where we can manage our economy effectively, this is a fundamental contribution across the board from the public sector that will make our country more competitive and allow for interest rates to fall further, banks to get back to the business in which they are supposed to be engaged and flexibility in access to and the lending of credit for businesses to do business and for jobs to be created. I understand that this is a difficult time for many people, as does everybody else, but it is a case of Ireland responding to this challenge. The negotiations were based on a fair and equitable contribution from the public sector across the boards. Obviously, the unions will now have the opportunity to debate, discuss and vote on that.

**Deputy Richard Boyd Barrett:** Is it not the oldest negotiating trick in the world to start negotiations by demanding the absolutely unmanageable and then falling back with a few concessions and trying to present them as palatable? No doubt, that is a negotiating trick that the former union officials such as the Minister for Communications, Energy and Natural Resources and the Tánaiste taught the Taoiseach from their days in the trade union movement. Is it not the reality that nurses, firefighters and other front-line public sector workers will lose up to 8% of their pay? How are they expected to sustain that?

Will the Taoiseach tell the truth about why these cuts are being imposed? When he says we have to borrow €12 billion this year, will he inform the public that €9 billion of that is in interest repayments on debts that are not ours? These cuts are being imposed on public sector workers

and the economy to pay back the gambling debts of bankers and bondholders. What does the Taoiseach have to say to the question I put to him about the damaging effect this will have on the rest of the economy? How can he possibly say that this will help recovery when it will take €1 billion out of the pockets of workers who spend that money in the economy? How can that do anything else but inflict a further devastating blow on our economy as a whole?

**An Ceann Comhairle:** The Deputy is over time.

**The Taoiseach:** This agreement will last until June 2016. The truth is in what I told the Deputy, namely, that it is absolutely fundamental that we bring our deficit down to manageable proportions. This is critical if we are to have economic growth and job creation. The truth is that the pay and pensions bill accounts for 35% of public spending. In the context of the additional €3 billion in spending cuts required by 2015, this is a contribution from that payroll that is fair and equitable. It is in that context that these most extensive negotiations took place over the past number of months. It was not just over last weekend that they came to a head and conclusion. The only alternative would be to cut services and investment even more deeply and this is simply not acceptable.

**Deputy Richard Boyd Barrett:** What about taxing corporations?

**The Taoiseach:** As the Deputy is aware, the Government did not increase income tax and public sector workers fully understand the necessity to protect front-line services. The changes made by the unions that remained at the talks have resulted in very progressive changes to what was originally tabled. A document will be published in detail later this afternoon.

## **Ceisteanna - Questions (Resumed)**

### **EU Presidency Engagements**

1. **Deputy Micheál Martin** asked the Taoiseach if he will report on his meeting with President Barroso in Dublin. [2312/13]

2. **Deputy Gerry Adams** asked the Taoiseach the issues considered during his address the European Parliament on 16 January 2013. [2349/13]

3. **Deputy Gerry Adams** asked the Taoiseach the recent contacts he had with EU Commission President José Manuel Barroso. [2377/13]

4. **Deputy Micheál Martin** asked the Taoiseach the detail of his recent meeting with Mr Herman Van Rompuy; and if he will make a statement on the matter. [2381/13]

5. **Deputy Micheál Martin** asked the Taoiseach the detail of his meeting with President Barroso; if the bank debt issue was discussed; and if he will make a statement on the matter. [2382/13]

6. **Deputy Gerry Adams** asked the Taoiseach if the issue of unemployment was discussed in his meeting with the President on the European Council Mr Herman Van Rompuy in Dublin

on the 9 January. [2383/13]

7. **Deputy Gerry Adams** asked the Taoiseach if he will report on his meeting with the President on the European Council Mr Herman Van Rompuy in Dublin on the 9 January. [2384/13]

8. **Deputy Gerry Adams** asked the Taoiseach if he discussed the issue of Ireland's legacy bank debt during his meeting with the President on the European Council Mr Herman Van Rompuy in Dublin on the 9 January. [2385/13]

9. **Deputy Gerry Adams** asked the Taoiseach if he will report on his meeting with European Commission President, Jose Manuel Barroso, in Dublin Castle on 10 January. [2387/13]

10. **Deputy Gerry Adams** asked the Taoiseach if the issue of Ireland's bank debt was discussed in his meeting with European Commission President, José Manuel Barroso, in Dublin Castle on 10 January. [2388/13]

11. **Deputy Richard Boyd Barrett** asked the Taoiseach the involvement he will have in the running of the EU Presidency; and if he will make a statement on the matter. [2756/13]

12. **Deputy Richard Boyd Barrett** asked the Taoiseach the amount of his Department's budget that has been allocated to hosting the EU Presidency; if he will provide a breakdown of same; and if he will make a statement on the matter. [2758/13]

13. **Deputy Richard Boyd Barrett** asked the Taoiseach if he will provide a schedule of the meetings he is involved in as part of the EU Presidency; and if he will make a statement on the matter. [2759/13]

14. **Deputy Richard Boyd Barrett** asked the Taoiseach the meetings, if any, he has had while in Strasbourg in January and if he will report on these meetings; and if he will make a statement on the matter. [2763/13]

15. **Deputy Joe Higgins** asked the Taoiseach if he will report on his recent visit to the European Parliament. [2641/13]

16. **Deputy Gerry Adams** asked the Taoiseach if he will report on his recent meeting with Microsoft founder Mr Bill Gates. [5091/13]

17. **Deputy Richard Boyd Barrett** asked the Taoiseach if he will report on his recent meeting with President Van Rompuy; and if he will make a statement on the matter. [5486/13]

18. **Deputy Richard Boyd Barrett** asked the Taoiseach if the issue of unemployment in Ireland and the Eurozone was discussed at his meeting with European Council President Van Rumpuy in Dublin in January; and if he will make a statement on the matter. [8566/13]

19. **Deputy Richard Boyd Barrett** asked the Taoiseach if he discussed the issue of Ireland's legacy bank debt with Jose Manuel Barroso at the meeting with him on 10 January 2013 [9965/13]

**The Taoiseach:** I propose to take Questions Nos. 1 to 19, inclusive, together. As the House is aware, Ireland took over the Presidency of the Council of the European Union on 1 January. However, the Government has worked intensively on preparing for the Presidency since it entered office. The Presidency programme titled "Stability, Jobs and Growth", which has been laid before the Oireachtas, outlines the core priorities of the Presidency which are focused on

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promoting stability and confidence in the EU economy, job creation, and delivering sustainable economic growth across the EU.

Both in the run-up to the Presidency and in recent weeks, I have met the president of the European Parliament, the president of the European Commission, the president of the European Council and other partners to present and discuss Ireland's Presidency policy and legislative priorities. Following the publication of the programme on 9 January, I met the president of the European Council in Dublin to outline how the Government plans to secure agreement on key dossiers and legislation to deliver on its programme objectives, including tackling youth unemployment. We also discussed a range of other current issues and, in particular, ongoing negotiations on the multi-annual financial framework, MFF, or the budget.

The Government met President Barroso and the full College of Commissioners in Dublin on 10 January. Following a plenary meeting, Ministers met with their Commission counterparts to review and discuss policy aspects of the Irish Presidency programme in detail. I also held a bilateral meeting with President Barroso and our discussions centred on the jobs and growth agenda in Europe, including how making progress on the banking union proposals, Single Market measures, the digital agenda and the Presidency's ambitious trade agenda can deliver stability and economic recovery in Europe and create employment. I used the opportunity of the meetings to update Presidents Van Rompuy and Barroso on the Irish economic situation, including our bank-related debt. Both expressed their support for a positive outcome to the negotiations.

On 16 January, I addressed the plenary session of the European Parliament in Strasbourg and presented the Irish Presidency's plans and objectives for the Presidency. During my visit to Strasbourg, I also met the presidents of the European Parliament and of the European Commission to discuss how to ensure progress on the Presidency programme and, in particular, our objectives on the MFF, the banking union proposals, the Presidency's external trade agenda and our plans with regard to the Single Market.

On Monday, 4 February, I met Presidents Van Rompuy, Barroso and Schulz in advance of the European Council meeting later that week. Our discussions centred on the MFF. During other discussions, I stressed the strong importance that Ireland attaches to decisions on an appropriate budget that supports programmes such as the CAP, the CFP, Horizon 2020 and cohesion-regional funding, which are of critical importance to underpinning future sustainable growth and job creation in communities in Ireland and right across the EU.

As I have already said, I was pleased with the positive outcome of the European Council on 8 February and I look forward to further meetings of the European Council during the Presidency, as well as to continuing bilateral contact with my counterparts in the institutions and partner states.

I was pleased to meet with Bill Gates on 23 January to discuss the work of his foundation and Ireland's plans to progress the development aid agenda during the Presidency to help the world's poorest people. For the remainder of the Presidency I will continue to chair the Cabinet committee on EU affairs and Cabinet meetings which play a key role in the preparation and delivery of the Presidency programme. Following an extensive period of planning and preparation for the Presidency, my Department is now co-ordinating and monitoring the overall policy management of the Presidency, working closely with Ireland's Permanent Representation to the EU in Brussels and all Departments.

The Minister of State with responsibility for European affairs continues to oversee the work of the main interdepartmental committee charged with co-ordinating and monitoring the progress being made on the Presidency's policy and legislative agenda. The Minister of State also acts as the main Presidency interlocutor with the European Parliament. She represented the Council at the plenary session in Strasbourg at the beginning of February.

Officials in my Department also chair working groups, including groups on Presidency communications and the promotional opportunities that the Presidency affords Ireland, working closely with State agencies. The communications team for the Presidency, including management of the website *eu2013.ie*, is also staffed by my Department. My Department has been allocated a budget of €2,485,000 for the Presidency, of which €700,000 is for pay.

**Deputy Micheál Martin:** I thank the Taoiseach for his reply. These questions relate to the European situation and the meetings held with various personalities, including President Barroso.

One of the defining features of the European response to the unprecedented global crisis which began in 2008 is that the tendency is to do as little as possible until a crisis erupts and urgent intervention is required. There is no sense that the European leadership has come to grips with the nature of the crisis. In the aftermath of the Italian elections, there is still a lack of confidence with regard to the eurozone and its future. A particular election result in one country can have an impact on others, such as higher borrowing costs. There seems to be a lack of urgency in dealing with some of the issues. For example, where stands the banking union proposal? There is a sense that it has been delayed and watered down. The president of the Bundesbank and others have said they will not stand for any changes in policy. There are doubts about the nature and scale of the banking union when it finally emerges.

What new proposals for jobs and growth have been introduced by the Government at European level? On the face of it, the only significant event in the past month has been the agreement on the budget. The budget is the major instrument in the hands of European decision-makers for the creation of jobs and for the development of a pan-European stimulus. The cut in the annual budget of the European Union - which is less than 1% of the overall income of the European Union - bodes very poorly for the capacity of the European Union to create jobs. I await the Taoiseach's response on this issue.

I refer to the European Central Bank and Irish interest payments. I ask the Taoiseach to comment on suggestions made by Mr. Draghi and members of the ECB council that they may require our Central Bank to sell off its Irish bond holdings much earlier than projected in the aftermath of the IBRC liquidation. I ask the Taoiseach to clarify the issue.

The ECB is currently earning over €500 million per year in profits from its Irish bonds. Last year the ECB agreed to return to Athens all profits on Greek bonds. Ireland and other countries that have been forced out of the market by current EU policies have a clear right to be treated in the same way as Greece. It has been confirmed that Ireland has not formally asked for this money to be returned to Dublin. Will the Taoiseach change his policy and formally request that the €500 million be returned to Ireland?

The horsemeat scandal continues to do immense damage to one of our most important industries. I am on the record as saying that in my view, the Minister, Deputy Coveney, understated and underestimated the scale and the gravity of that scandal. The degree to which it



is still locked within the Department of Agriculture, Food and the Marine is worrying. In my view, the interests of health and consumer rights have been relegated behind that of the industry. In the early days of this controversy we all received assurances that the crisis was nearly solved. Various other countries were being blamed, such as Poland. It seems that official statements were being cavalier in calling out the names of other countries as being responsible for this kind of behaviour. We know as of last weekend that on our own doorstep there has been falsification of labelling and horsemeat exported as beef to other countries. This is a major issue which should be the responsibility of a number of Departments. The Department of Health has jurisdiction over the Food Safety Authority of Ireland. There is a need for an independent inquiry into the horsemeat scandal - one that does not have the capture of the industry. It seems that in the earlier phase of the response to this issue the Government was focusing on the effect of the scandal on the industry. Ultimately, that does more harm than good.

**The Taoiseach:** I agree that the reaction from Europe was not as expeditious or as energetic as one would wish when the economic crisis first began. The tools that are currently available to deal with it were not in place at the time when this country went over the edge. The situation is very different now. I have said this publicly on other occasions. Decisions have been taken at the European Council, since I became a member, in which there was very little faith or belief. This was reflected in market opinion the day after many of those decisions were made. The attitude has changed now. The European Council mandated the Ministers for finance to look at the question of the architecture of the single supervisory mechanism. Their proposal was put forward before Christmas and endorsed by the European Council. Far from the talk of the demise of the euro and countries being thrown out of the European Union or leaving the euro, the prospect is very different now. Ireland is making steady progress - under challenging conditions, admittedly - towards exiting the programme in 2013.

Deputy Martin referred to the banking union. An agenda on banking union is being followed through by the Ministers for Finance. It is hoped they will report in June on that architecture. Some time at the back end of this year or early in 2014, the banking union single supervisory mechanism will click in. The working group set up by the Ministers for Finance will report next month on the issue of an extension of the maturity of loans for Ireland and Portugal, as was given to Greece. It is hoped that progress will be made on that matter.

**Deputy Micheál Martin:** I asked about the interest.

**The Taoiseach:** I will deal first with the question about equine DNA. This scandal was uncovered due to the validity and the extensive range of testing carried out by the FSAI. It was assumed by people that this was an Irish problem. This testing has had global implications-----

**Deputy Micheál Martin:** Foreigners were blamed in the beginning.

**The Taoiseach:** Yes, I understand. However, just yesterday, the Minister, Deputy Coveney, together with the ministers in Europe, have set out the criteria that will apply. As Deputy Martin is well aware, there is no room here for cowboys. This is the case because both our standards and our reputation as an exporting nation, with particular reference to foodstuffs, are of such importance. Those standards, which will apply across Europe, are being discussed and will hopefully be signed off by the European Ministers. The activities of whoever has been involved in what has occurred are now the subject of a criminal investigation. While it has been stated all along that there is no danger to people's health, this is not a situation over which anyone can stand. This is an exceptionally complex issue, particularly in terms of tracing of the origin of

various ingredients used in the production of beefburgers and discovering how these arrived in the plants at which the latter are produced. It is far from being a simple issue of somebody infiltrating the line, as it were. An extensive and complex operation has obviously been in train for quite some time. However, that operation was discovered by virtue of the quality of the Irish testing regime. Again, this proves that our standards must - in the interest of consumers - be applied across the board.

In the context of the meetings we have had with Presidents Barroso, Schulz and Van Rompuy in the lead-in to the multi-annual financial framework discussions, Ireland wanted a budget that facilitated us in developing the European Union, providing opportunities to keep the CAP intact and focusing on the exceptional phenomenon of youth unemployment. That is why €6 billion has been included for countries with a rate of unemployment among young people that is above 25%. Assuming the European Parliament approves the budget, I hope the schemes being developed will pay dividends in Ireland's case. As we discussed last week, the €150 million set aside for PEACE IV is important for Northern Ireland, and another €100 million is being made available for rural development and the BMW region. The latter funding stream was supposed to have come to a complete end by now.

The Italian people have made their choice in respect of the politicians who presented themselves for election. The final results will indicate whether they will be obliged to vote again. I am anxious that Europe keep its focus on the three pillars that are the hallmark of our Presidency - namely, stability, growth and jobs. That is why the Labour Relations Commission paper in respect of the agreement with the trade unions provides an important signal with regard to Ireland's meeting the challenges it faces in reducing its deficit and putting itself back on a strong financial footing for the future.

**Deputy Micheál Martin:** What about interest rates?

**Deputy Gerry Adams:** I wish to concentrate on the outworking of the promissory note deal and on initiatives to tackle unemployment. I will perhaps return to the issue of the horsemeat controversy later. Just this week, the Commissioner for Economic and Monetary Affairs, Mr. Olli Rehn, stated that the expected €1 billion savings from the promissory note deal should not be regarded as a "windfall gain" for the Irish economy. The Taoiseach will recall that when the deal was first agreed, Government spokespersons said it would give rise to €1 billion less in tax increases and spending cuts in the budget. Does that continue to be the situation? Has the Taoiseach discussed this matter with any of those whom he met at the series of bilateral meetings to which he alluded? Has he discussed with anyone what Commissioner Rehn described as a backstop or economic cushion to facilitate our exit from the bailout programme? Will the Taoiseach elaborate on this matter? What are the arrangements involved and what is likely to be put in place? Last week the Taoiseach stated that the agreement reached by the European Council last June remains in place. Is it still his view that the Government will obtain a deal on the retrospective recapitalisation of the pillar banks? If so, when is this likely to happen?

There are 26 million unemployed people across the EU, approximately 6 million of whom are under the age of 25. This represents a huge crisis and it is reflected in this State. Given the level of emigration from this country, the figures can to a degree appear somewhat better than is actually the case. During Ireland's Presidency, the Government will have an opportunity to show great leadership by moving away from austerity. It will also have an opportunity move us away from the old European Union and into one which will deliver stability, jobs and growth. The latter is the slogan being used in respect of this Presidency. If we consider the initiatives

that have been taken to tackle the crisis, it is obvious that they are not sufficient. The figure for youth unemployment across the EU is 23.4%. In certain member states, it is even higher than that. Some €6 billion has been allocated in respect of the youth guarantee but only €3 billion of this is new money. The other €3 billion is being taken from the social fund, which would previously have filtered into many communities across the EU. In the context of the Presidency, what initiatives does the Government propose to launch to spearhead efforts to tackle the unemployment crisis across the Union?

**The Taoiseach:** Last year I presented a paper to the European Council on unemployment among young people. No funding at all had been allocated in the budget to deal specifically with this scourge, which is affecting quite a number of countries. Rates of unemployment and employment vary from country to country. In reply to previous questions from the Deputy, I indicated that Austria has a youth unemployment rate of 3%, that the rate in Ireland is 29% to 30% and that in Spain and a number of other countries it is 50% or more. This is the reason that all of the leaders, as I understand it, made a specific case during the bilateral meetings with President Van Rompuy - I was no different in this regard - that funding should be put in place for unemployment programmes for young people. The €6 billion allocated is new money and Ireland will obtain a portion of it. I hope the schemes put forward will not just be schemes for schemes' sake but will give young people the opportunity to get on the ladder of employment and make a contribution.

I heard the comments made by Commissioner Rehn. We have clearly outlined the path we propose to take in order to reduce our deficit to 3% of GDP by 2015. We will not be deflected from achieving this goal because the future rests on ensuring that our country is lean and competitive, that our cost base is reduced, that the banks operate as they should and that, as a result of lower interest rates, we have access to credit, which can be spread around in respect of the opportunities that exist by the thousand. That is extremely important.

The question of getting money back for the taxpayer is a central issue in the relevant discussions of the Eurogroup of finance Ministers, which is chaired by the Minister for Finance. Commissioner Rehn stated that there was no reason countries that had committed to a course of action should not honour that commitment. This matter has been raised in the House on previous occasions. Ireland was specifically mentioned in the decision made on 29 June last. It was agreed at the time - this was publicly endorsed by the French President, Mr. Hollande, and the German Chancellor, Ms Merkel - that our specific circumstances would be taken into account at the discussions which are now taking place. What we want to do is to reach a position at which, arising out of the decision of 29 June last, the maximum amount of money possible will be retrieved for our taxpayers. That decision has not been changed. It is set out clearly by the European Council. The Presidency now falls to Ireland, and our Minister for Finance happens to have initiated the discussions within the Eurogroup about that very issue.

The Deputy will recall that the decision on 29 June set out that this could lead to the potential for recapitalisation of banks from the ESM. Our challenge, therefore, is to set out a position, which is recognised by everybody, with regard to how Ireland can now use the mechanisms currently in place - which were not in place when Ireland borrowed very extensively in the beginning - to retrieve the maximum amount we can for our taxpayers. That will be the centre of those discussions, which will continue during the course of 2013. That is the part of the progression we have to set out here to restore the economic health of the country. Obviously, there are other issues with regard to banks, mortgages, remuneration and so on, and the Minister for Finance will comment later in respect of the bank guarantee.

**Deputy Gerry Adams:** Does the Taoiseach know when those meetings will come to a conclusion?

**The Taoiseach:** They will continue through 2013. I cannot see that being implemented earlier. I believe there will be substantial progress towards the back end of this year. It is expected that it will kick in from 2014 but, as the Deputy is aware, when discussions at that level get going all kinds of complications can arise. However, our objective is clear. The European Council decision is in place and we are named in it specifically. The scale of the challenge facing Ireland and the particular circumstances that apply here have been recognised. Our intention, therefore, is to focus those discussions on how these tools can now be used to get the maximum amount back for the Irish taxpayer.

**Deputy Richard Boyd Barrett:** It was reported earlier in the year that the amount spent on the Presidency of the Council of the European Union would be €70 million, which is twice what the Danish Presidency paid. Does the Taoiseach believe that is acceptable when we are talking about further cruel cuts to low- and middle-income workers, including firefighters, gardaí and nurses, many of whom will probably be on-call and asked to work overtime during the EU Presidency? Does he believe it is acceptable that, for example, we are paying out €66,000 on neckties for the Presidency; €143,000 on wool scarves; €250,000 towards a website and gifts such as mugs and golf umbrellas; and a reported €775,000 on stationary packages for eurocrats and journalists? Does the Taoiseach believe that is enough to drive ordinary workers in this country around the twist? We are wining and dining these guys who are coming here while ordinary workers are being slaughtered, so to speak.

With regard to the so-called deal on the promissory note, is it not the case that since the great drama of the legislation being rammed through the Dáil that night, what has come out from several European spokespersons, including some from the European Central Bank and other senior figures, is that we will get nothing in terms of relief or respite for ordinary citizens from the crippling burden of austerity as a result of that deal? Although the Taoiseach asked us to engage in a great celebration as a result of that deal, it has been stated repeatedly by leading European spokespersons that Europe is specifically saying he is not allowed to hand that on in the form of stimulus measures, relief, respite or reversal of the cuts, or anything that will make a difference. Is it not the case that they are insisting that any so-called savings we may accrue - and that is doubtful - as a result of this deal must go towards accelerating the deficit reduction targets and paying off the debts of the private financial institutions, and that we will benefit not a whit from them? Could the Taoiseach comment on what has been said to us in terms of that relationship and what has been said to him in that regard? Does he intend to make that an issue during the Presidency and insist that we be allowed to pass on those savings to ordinary workers who are being hit with cuts, or that we be allowed not to sell off the State forestry assets, or that we be allowed to give some money to a stimulus programme to create jobs? What will the Taoiseach do in that regard during the period of our Presidency?

**The Taoiseach:** Last year we announced a €2.5 billion stimulus package covering a range of educational, health and legal facilities around the country. Many of those are either under way or in the preparation stage.

The Department of the Taoiseach's Estimate for 2013 is €20.086 million, of which €2.485 million has been allocated to the Presidency. Seven hundred thousand euro of that is for pay, and other costs relate to matters such as the Presidency website and communications and to hosting Presidency-related events.

I assume Deputy Boyd Barrett has attended events in other countries on issues they might be promoting, but he is really putting on the whinger's face when he says we cannot give visitors to our country a memento of the Irish Presidency, whether it be a tie, a scarf or whatever. He is descending to the bottom of the pit if that is his attitude.

The Government decision of 20 December 2011 agreed that additional resources of the order of €60 million, plus security costs, would be required to meet the costs of our Presidency in 2013. That is a lot of money, but the Presidency is a major undertaking on behalf of 500 million people. It is across the entire spectrum of the Government. It is a lengthy period and a major challenge for any small country to undertake. It is also the last time we will have to undertake this particular effort for the next 14 or 15 years. Every effort is being made to meet the challenge as responsibly and as reasonably as we can, while taking advantage of the promotional opportunities the Presidency provides.

Sixty million euro is at the low end of Presidency Estimates in recent years and represents a reduction on the 2004 Presidency, for which there was €93 million in specific budgeting, and on which approximately €110 million was spent when all costs were taken into account. Nine years on, therefore, there is a very significant reduction in the cost of the Presidency; the costs of other countries participating are greater.

**Deputy Richard Boyd Barrett:** Twice what the Danes spent.

**The Taoiseach:** A sum of €23 million was allocated in 2012 and €36 million has been allocated for 2013. That will be used to fund the management of the Presidency here in home Departments; the operation of a significantly enlarged Permanent Representation in Brussels, with more than 90 people; a programme of events taking place in Ireland; and a cultural programme that uses the Presidency to promote Ireland and Irish culture to an international audience, which showcases the role of the EU in Ireland and is very important not just for tourism or The Gathering but for future years. The funding is also being deployed to meet additional staff resources both here and in the Permanent Representation in Brussels, where 90 extra young people have been taken on. It is also used to provide conference facilities and catering, because, whether Deputy Boyd Barrett likes it or not, those involved have to eat something. Fifteen thousand delegates will visit Ireland. Does the Deputy think we can bring them here without giving them an Irish welcome? If that is the Deputy's view, he is even further to the left than I thought. It is also being used to provide administrative support for the greatly enlarged EU affairs division in all Departments. We have set out to run an efficient and cost-effective Presidency. In all aspects of administrative planning we have tried to find the space to fulfil our responsibilities and meet reasonable expectations and to do so in a cost-effective fashion. The use of Dublin Castle and a small number of other State-owned and managed venues, mainly in Dublin, is a clear example of this. Hosting events in State-owned properties greatly reduces venue hire and set-up costs, as well as keeping the carbon footprint to a minimum, which I am sure the Deputy will appreciate. At the Permanent Representation in Brussels all additional staff are being accommodated in the existing office premises, which means we do not have to lease or rent new premises. While it has led to some congestion, it has assisted in a common purpose of having people work together in the interests of the country.

The volume of goods and services supplied to the Presidency has been critically reviewed and, where possible, procurements have been aggregated to get the most benefit from greater buying power. From January to June, approximately 180 meetings and associated events will take place in Dublin, involving 15,000 delegates and the international press. It is in our inter-

ests that these are well managed and run effectively and competently. Offsetting part of the cost will be revenue generated by visiting Ministers and delegates and the use of local services and service providers for Presidency purposes. In addition, Audi Ireland is supplying a fleet of vehicles for use during informal ministerial meetings which will take place. Eircom and UPC are providing telecommunications services at the meeting venues. There are a number of smaller sponsorship and support arrangements in place, including support by Certification Europe of the certification and award process in respect of Double ISO certification for Dublin Castle in event sustainability and environmental management systems; the provision of some electric cars by the ESB; Visit it Virtually through a 3D animated construction of Dublin Castle and Agtel's provision of kinetic typography for the Presidency website [www.eu2013.ie](http://www.eu2013.ie).

Semi-State companies such as Tourism Ireland and Bord Bia, local authorities such as Dublin City Council and bodies such as the Irish Hotels Federation are working very closely with the Presidency to run it as effectively as possible and send a good message about the country that despite the economic challenges we face, Ireland is well able to measure up in running a global Presidency in the interests of what we are doing here. It is 40 years since Ireland joined the European Union and it is still a net beneficiary of the European taxpayer, despite the fact that income *per capita* is among the highest in Europe.

**Deputy Joe Higgins:** The eurozone is in a severe economic crisis, while growth is stagnant. Tragically, 26 million people are unemployed, including a huge cohort of youth. All over Europe, particularly in southern Europe, austerity is the agenda being driven by the leadership of the European Union. Is it not the reality that the Irish Presidency will mean absolutely nothing to the tens of millions of suffering working class poor people in the European Union considering that the Taoiseach in driving the austerity agenda here will do absolutely nothing to bring new ideas or a different policy to bear on what is going on in Europe economically? Is it not the reality that the Irish Presidency, under the Taoiseach's leadership, will be nothing more than a blur that will be quickly forgotten as far as the hard-pressed peoples of Greece, Italy, Spain and other countries are concerned because he has nothing original or radical to contribute in bringing about a change in economic policy which would give hope to people stuck in this crisis, while at the same time, incidentally, big European corporations have approximately €3 trillion euro of accumulated profits sitting in banks which they refuse to invest? The financial press was full of it last year. What will the Taoiseach do to force these funds into productive investment?

What is the real truth coming from EU summits when, for example, last year we were assured that there was a significant move towards the so-called separation of sovereign debt and bank debts and that major steps were allegedly being taken in that regard? The Taoiseach came into the Dáil two weeks ago with an agreement on Anglo Irish Bank's toxic debt which did exactly the opposite and pinned it formally to the Irish people and the sovereign for the next 40 years. Will he explain the disconnect between the two?

In regard to the intensive discussions the Taoiseach has been having in the course of the Presidency, will he explain the implications for the State and the Government arising from the two pack and the six pack process in the European Union as it affects the budgetary process in this country? What has been decided or what is coming from the discussions in regard to the submission of an Irish budget to European bureaucrats for approval before the Dáil or anybody else sees it? What are the implications for the date of the next budget - budget 2014?

**The Taoiseach:** The Deputy was correct when he said there were 26 million people unem-

ployed in the European Union. Growth is sluggish around the world, which is a major problem and a scourge in many countries, causing a great deal of concern and anxiety inside and outside the eurozone and the European Union. Other countries have a growth rate of 5%, 6% and 7%.

When speaking about Ireland, the former US President, Mr. Bill Clinton, made the point that there was opportunity in the European Union market of 500 million which was enhanced by a further 500 million on the edges where growth was very strong. This means trade is an issue for the European Union. With 90% of world trade taking place outside the borders of the European Union, clearly there are opportunities, which is why we need to address issues with Japan, Singapore and Canada and get negotiations between the European Union and the United States under way. I was very happy that the high level report recommended that this should commence. The European Union under the Irish Presidency has been very happy to say that should become a reality. I was glad to note that in his State of the Union address President Obama referred to this issue specifically. The indications are that were we to conclude these negotiations - obviously, it would take some time - there would be the potential to create at least 2 million jobs in Europe and to raise the figure for economies by at least 2%.

In respect of the budget agreed by the Council but to which approval has not yet given by the Parliament, the consent of which is necessary following the Lisbon treaty, €6 billion was included for youth unemployment initiatives in the most affected areas. I hope our share of this sum will be used effectively. The budget includes a €3 billion youth unemployment initiative; €125 billion for competitiveness and growth measures to create jobs with, for instance, the ERASMUS programme and research and development measures being singled out, over and above the 2013 amounts; €325 billion in Cohesion Funding, a major tool for job creation, and €100 million for rural development measures and the BMW region.

The Deputy referred to the promissory notes. Clearly, the signals internationally have been very positive in terms of the rating agencies looking at Ireland differently and the investment line continuing to be very strong. I met with the representatives of a multinational this morning and they were exceptionally taken by the way Ireland and its people are dealing with this challenge. They made the point that many other countries should look at how we are making progress towards emerging from this very difficult situation.

The benefits of the promissory note decision were outlined in the course of the debate in the House. The provision of a longer-term non-amortising portfolio of Government bonds to replace the promissory notes will have a significant benefit from a market perspective as it ensures the liability to repay is beyond most credit investors' time horizon. It spreads the cost of the promissory notes from a weighted average life of seven to eight years to 34-35 years at a lower funding cost for the State, resulting in significant annual interest savings. There is a substantial annual cash flow benefit to the State from replacing the promissory notes with non-amortising Government bonds amounting to €20 billion over the next ten years in reduced borrowing. Obviously, there is a reduction in the general Government deficit or debt over time, efficiency gains from legacy assets in a single vehicle, the removal of IBRC from the financial landscape and the removal of exceptional liquidity assistance and the inherent risk associated with short-term borrowings which have had to be rolled over on a fortnightly basis. The overall effect is that we enhance our debt sustainability and assist our return to the markets. This solution does not address other issues in the Irish banking system which must be addressed, notably the question of distressed mortgages, which we have debated here previously, the reports that come in about remuneration and the question of getting the maximum amount of money we can for our taxpayers.

I have given the Deputy the figures for the elements that are included in the MFF. The two-pack that was agreed was brokered by the Irish Presidency in talks with the European Parliament and the European Commission. This is a key piece of the eurozone's economic architecture and was a priority of our Presidency. The new rules will improve budgetary and economic co-ordination among eurozone countries. They will ensure that we will have full knowledge of developments across the eurozone and assist in preventing future crises. As I said during a previous Question Time, this means the Government will make a decision in regard to the timing of the budget, which will be earlier this year than last year. The Government will set out at an earlier date the overall picture of the budget for 2014. It has not yet made a decision about the date of the budget, which will be presented later this year, but it will be earlier than December.

**Deputy Joe Higgins:** October.

**The Taoiseach:** We will make a decision on that in the next couple of weeks.

It will not be a case of presenting documents to lending countries which have a right to see them. The Minister for Finance will present his budget in the normal way and anything presented to any other country will be laid in the Oireachtas Library at the same time. It is not a case of representatives from other countries seeing an Irish budget before we see it.

**Deputy Micheál Martin:** The new two-pack initiative will ensure that the Commission will see our budget. That was recently agreed.

I asked the Taoiseach a question earlier to which he did not reply. It relates to the ECB, which is currently earning over €500 million per year in profits from its holdings of Irish bonds. Last year, the ECB agreed to return all profits on Greek bonds to Athens. Ireland and other countries forced out of the market, essentially by EU policies, have a clear right to be treated in the same way as Greece. It has been confirmed that Ireland has not formally asked for this money to be returned to Dublin. Will the Taoiseach change his policy and formally request that this €500 million be returned to Ireland?

The second issue is jobs. The European Union is not doing enough on the scale required on the jobs issue. The EU budget has been cut for the first time ever. It is completely counterintuitive and is going in the opposite direction to the United States. There has been quantitative easing in the United States and it has a very assertive central bank, which has responded to the worst crisis across the globe since 1929. The approach in the US has been different. The US is not out of the woods but it has had two substantial stimulus packages and its central bank is behaving far differently from the European Central Bank in its response to the crisis, although I accept things have improved under Mario Draghi. With regard to jobs, nobody can say convincingly that Europe is treating the jobs crisis with the urgency it requires. It has reduced its overall budget and is reallocating from the same envelope, all because the payer countries are determined that the budget should be continually reduced. In fact, the influence of David Cameron over the budget negotiations was quite significant, and he got his way to a significant degree in respect of his agenda for cutting the budget. What is the Taoiseach's response?

**The Taoiseach:** I do not have the detail of the discussions the Minister for Finance has undertaken. I will advise Deputy Martin of the current position with that matter.

**Deputy Micheál Martin:** Is the Taoiseach not aware of it?

**The Taoiseach:** In respect of bonds and interest rates, I do not have the information about



the current position of that discussion. I will advise the House when I do.

With regard to the European budget, there was a range of issues involved for the 27 member states. Some wanted Cohesion Funds, some wanted Structural Funds and some wanted serious cuts in administration for the Commission. There was a genuine feeling among contributor countries that there should be a cut in the European budget. The point made was that as every government is required to cut back seriously, there should also be a cut back in the European budget. The point of argument was how far that should be. The European Parliament, European Commission and European Council had their own views, while contributor countries such as the Netherlands, Sweden, Germany and Britain had their views.

In the initial discussions that took place before Christmas there were 14 or 15 vetoes on the table because of the requirement in that regard. That meeting was suspended until the European Council met again to consider the matter. There was a great deal of discussion about how far it was possible to move from the positions that had been adopted. When the Prime Minister, David Cameron, and others made their views known there was an acceptance that one did not want a pyrrhic victory of the European Council saying that a budget had been agreed because at the other end of the equation it required the support, approval and consent of the European Parliament.

**Deputy Micheál Martin:** The European Parliament wanted more spending.

**The Taoiseach:** When the President of the European Parliament, Martin Schulz, was here and I met him he said we would need something to do with own resources and flexibility to get approval from the European Parliament. When President Van Rompuy was in the European Parliament recently he was given a fairly torrid time. Some sections of the Parliament are already gearing up for the European elections next year.

At the end of the day, there was a general acceptance of the validity of the budget. The figures under the five headings were: smart and inclusive growth, €451 billion; sustainable growth and natural resources, €373 billion; security and citizenship, €16 billion; global Europe, €59 billion; and administration, €62 billion. There were reductions for the Commission, there were reductions all around, with compromise here and there. For us, we made the point that a budget fit for purpose was required, that the CAP had to be protected and that it was necessary to look after research and innovation and to put money into employment schemes for young people. In a more local sense, we raised the PEACE programme for Northern Ireland and the issue of funding for rural development and for the situations that arose here. Other countries such as Cyprus, Malta, Sweden, Denmark and Austria, for Alpine farmers, did the same. Each leader's country had its own case to make. To accommodate all of these in a budget which was going to be reduced, it was better to compromise rather than to have to revert to the annual negotiation of budgets. That would absorb an enormous amount of time and torpedo the effectiveness of Ireland's Presidency. I am glad the Council made its decision and hope we can work with the President of the European Parliament and the Commission to obtain consent and approval. I hope this can become a reality soon.

**Deputy Micheál Martin:** I am surprised the Taoiseach does not know about the €500 million bonds issue.

**The Taoiseach:** I do not know what the up-to-date position is. I will revert to the Deputy.

**Deputy Gerry Adams:** I want to return to the issue of the horsemeat scandal. In his earlier

remarks the Taoiseach neglected to tell us whether he had discussed it as part of the ongoing series of general meetings or in the bilateral meetings in which he has engaged. It is worth commending the Food Safety Authority of Ireland for having found this out in the first instance. I note and commend the co-operation between the Minister, Deputy Simon Coveney, and the agricultural Minister in the North, Ms Michelle O’Neil. While I do not want to repeat any of the rumours, I share people’s concerns. We saw the revelation about the factory in Carrick-on-Suir, County Tipperary. We have called for an investigation into these matters and it may be that there is more to them than we know. Clearly, we must have confidence, given that so many people are dependent on jobs in the farm and agrifood industries.

There is a particular issue of consumer rights. If there is false labelling, people buy something that is not advertised. If something is advertised as Irish when it is not, the very good reputation developed through the hard work of many people is tarnished. I ask the Taoiseach to provide the House with an update on these matters. Deputy Martin Ferris is bringing forward legislation which the Taoiseach will not yet have seen on traceability and labelling. Has the Taoiseach had discussions with our partners in the European Union on the matter?

**An Ceann Comhairle:** If Deputy Richard Boyd Barrett has another supplementary questions, will he put it now? I am conscious of the time limit.

**Deputy Richard Boyd Barrett:** Yes, thank you. I am not being a miserable skinflint or extremist in suggesting the budget for the Presidency might be excessive.

**Deputy Finian McGrath:** The Deputy would never be like that.

**Deputy Gerry Adams:** Never.

**Deputy Richard Boyd Barrett:** Does the Taoiseach agree that the budget is excessive when we are proposing to spend twice as much as the Danish Presidency - in the region of €70 million - and when many of those who will be catering for and facilitating delegates coming to events are being hammered with cuts? They are being placed in extreme financial distress as a result of decisions being made by the EU authorities. I would not mind if the Taoiseach put the delegates on a bus to Ballymun, Ballyfermot or Ballybrack to point to estates in which there is a 50% unemployment rate. I would not mind if he put them on a Dublin Bus service to west or north Dublin to point to estates where half of the residents are in negative equity.

**Deputy Finian McGrath:** That is on the northside.

**Deputy Richard Boyd Barrett:** It would be a useful trip for delegates and give them a sense of the reality of what their austerity measures are doing to the State. To be happy-clappy and handing out ties, scarves and mugs when the country is being battered with austerity policies is to take the stage Irishman act a little too far. We should be pointing out to delegates the grim reality that their determination to force ordinary people to pay off the debts of private financial institutions is not working for the State and that we need relief. It might help us to win the argument on legacy debt relief.

**Deputy Michael Healy-Rae:** Someone has to make it.

**The Taoiseach:** God love Deputy Richard Boyd Barrett. The Greek Prime Minister does not have to go to an estate in Ireland to see the implications of incompetence and an economic crash, nor do the Spanish, Maltese and Portuguese Prime Ministers or the new President of

Cyprus. In other countries there are significantly worse conditions than in Ireland. They look at Ireland two years after the point at which we had neither reputation nor integrity, 250,000 jobs had been lost in the private sector and money was haemorrhaging from banks and see our people working together with the Government in transforming the economy from what it was to what it can be. If the Deputy thinks it is beneath the Irish to give some memento of the Presidency, be it a decent meal, a tie or a scarf, God love him. He is further out than I ever thought.

**Deputy Richard Boyd Barrett:** The figure is €70 million.

**Deputy Finian McGrath:** That is a very expensive tie.

**Deputy Patrick O'Donovan:** Will Deputy Richard Boyd Barrett wear a tie?

**The Taoiseach:** Even Deputy Gerry Adams at his most eloquent would never suggest anything like that. He would say, "Send them away with a little memento of the Irish Presidency." Poland spent €100 million.

**Deputy Richard Boyd Barrett:** Give them a brick from a NAMA building.

**The Taoiseach:** When delegates come here, they want to be associated with the people. They like Irish culture and music and the gregariousness of the Irish.

**Deputy Joan Collins:** I like Irish culture. Friends of mine have had to leave the country.

**Deputy Richard Boyd Barrett:** We could give them a sapling from a Coillte forest before we send them off.

**The Taoiseach:** I attended at the Four Seasons last week the COPA farming group event which was attended by 400 people, including 200 farmers from all over Europe. The best Irish produce was on display and the delegates enjoyed their visit.

**Deputy Joan Collins:** Our citizens cannot even afford that produce.

**The Taoiseach:** They wanted to participate further and engaged directly with Irish farmers, agri-sector representatives and producers with a view to buying our products. That is good for job creation and economic expansion. Even Deputy Richard Boyd Barrett who attended a private school-----

**Deputy Finian McGrath:** There is no need for that.

**Deputy Patrick O'Donovan:** He wore a tie and blazer.

**The Taoiseach:** -----and was reared as a model student will appreciate that visitors to these shores have always been made welcome and would want to send them away with a little of what we have.

**Deputy Micheál Martin:** Did you ever wear any of the ties you were given?

**The Taoiseach:** A tie or scarf hanging in the wardrobe is a little memento of days spent in Ireland to see how a country could emerge from a very challenging programme. We hope to do this in 2013. I hope when it happens and the sun shines in his constituency Deputy Richard Boyd Barrett will agree that the Irish have never let themselves down in the area of hospitality shown to people who visit our shores.

**Deputy Gerry Adams:** The Taoiseach did not answer my question on horsemeat.

**Deputy Finian McGrath:** He was distracted.

**Deputy Micheál Martin:** He was in the Four Seasons with the beef.

**The Taoiseach:** I am sorry. It is a very important question. The horsemeat problem was discovered because of the extensiveness of forensic testing in Ireland. The decisions taken yesterday in Brussels and on Wednesday, 13 February, have had the clear outcome of introducing testing in all member states. This is an issue on which we cannot afford to mess around. It is very technical and complex. The purchase and distribution of horsemeat and its infiltration into the system here are at the centre of a criminal fraud investigation. I hope that when the root cause is established, serious action will be taken. For the sake of our reputation and the quality of what we produce and other countries, we cannot afford to have this problem which was discovered because of the quality of testing in Ireland. The Minister for Agriculture, Food and the Marine, Deputy Simon Coveney, in his capacity as President, with the European Commissioner, agreed to carry out testing in all member states. Ireland will lead the charge. I expect our tests will be more significant than others, maintaining our reputation, image and brand quality with the leaders where they have always been.

*Written Answers follow Adjournment.*

### **Order of Business**

**The Taoiseach:** It is proposed to take No. 14, motion re proposed approval by Dáil Éireann for a Council Decision 2007/341/EC of 19 April 2007 on the conclusion of the Agreement between the European Community and the Russian Federation on readmission (back from committee); No. 15, motion re proposed approval by Dáil Éireann for a Council Decision 2011/118/EU of 18 January 2011 on the conclusion of the Agreement between the European Union and Georgia on the readmission of persons residing without authorisation (back from committee); No. 16, motion re proposed approval by Dáil Éireann for a Council Decision 2007/820/EC of 8 November 2007 on the conclusion of the Agreement between the European Community and Bosnia and Herzegovina on the readmission of persons residing without authorisation (back from committee); No. 17 motion re proposed approval by Dáil Éireann for a Council Decision 2007/817/EC of 8 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 (back from committee); No. 18, motion re proposed approval by Dáil Éireann for a Council Decision 2005/809/EC of 7 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 (back from committee); No. 19, motion re proposed approval by Dáil Éireann for a Council Decision 2004/424/EC of 21 April 2004 concerning the conclusion of the Agreement between the European Community and Macao Special Administrative Region of the People's Republic of China on the readmission of persons residing without authorisation (back from committee); No. 20, motion re proposed approval by Dáil Éireann for a Council Decision 2005/372/EC of 3 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 (back from committee); No. 21, motion re proposed approval by Dáil Éireann for a Council Decision 2007/819/EC of 8 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 (back from committee); No. 22, motion re proposed approval by Dáil Éireann for a Council Decision 2007/826/EC of 22 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 (back from committee); No. 23, motion re proposed approval by Dáil Éireann for a Council Decision 2007/818/EC of 8 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 (back from committee); No. 24, motion re proposed approval by Dáil Éireann for a Council Decision 2010/649/EU of 7 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 (back from committee); No. 35, statements on the Report of the Inter-Departmental Committee to establish the facts of State Involvement with the Magdalen Laundries (resumed).

It is proposed, notwithstanding anything in Standing Orders, that Nos. 14 to 24 shall be decided without debate and shall be moved together and decided by one question which shall be put from the Chair; and Private Members' business shall be No. 106, motion re State forestry.

**An Ceann Comhairle:** Is the proposal for dealing with Nos. 14 to 24, without debate, agreed to?

**Deputy Gerry Adams:** This issue was dealt with at committee last week and there was not enough time to consider the issues involved. There may be no problem but there may also be implications for neutrality and human rights and there is a need to hear from some of the relevant NGOs, such as Amnesty International or Human Rights Watch. We do not think putting it through on a nod does justice to the issues involved.

**The Taoiseach:** These were all discussed at committee on 20 February in some considerable detail. Since competence was conferred on the EU in this area the European Council issued a mandate to the Commission for the negotiation of 20 separate EU readmission agreements of which 13 are now in force. The Council is actively identifying new candidates in accordance with the action plan on migratory pressures as they are called. The legal base for EU readmission agreements falls within title V of the TFEU and as such comes within the scope of the 21st protocol on the special position of Ireland and the UK. This allows Ireland to choose on a case-by-case basis which initiatives in the freedom, justice and security pillar it may wish to participate in. Ireland opted to participate in the EU readmission agreement with Hong Kong in March 2004. It is now proposed that Ireland should similarly opt into the agreements I have read out - Sri Lanka, Russia, Pakistan, Macau, Albania, Bosnia-Herzegovina, Macedonia, Montenegro, Moldova, Serbia and Georgia.

EU readmission agreements established enhanced procedures for the identification and repatriation of persons who do not or no longer fulfil the conditions for entry, residence or presence in the requesting state. They will contain provisions relating to the obligation on the third country and the community to readmit persons to their territory, including their own nationals and in certain circumstances, third country nationals or stateless persons. They will also commonly include provisions relating to the following - common accepted definitions, arrange-

ments for transit operations through their territory, recovery of costs, data protection, no effect on international rights and obligations, standards of proof, time limits for dealing with requests, territorial application, entry into force and duration and termination. Such agreements are generally conducted in tandem with visa facilitation agreements. However, since these relate to the Schengen zone they do not impact on this country.

By opting to participate in these agreements Ireland will benefit from enhanced procedures for the readmission and the return of irregular migrants, a closer alignment of our national policies with the EU and consequently the UK which is already participating in these agreements and using the opportunity to send a positive signal as regards the value for Ireland of participating in these measures during the Irish Presidency of the European Council. They are the conditions that apply and it is in our interest that we participate.

**Deputy Gerry Adams:** That may be so and everything the Taoiseach says may be accurate, correct and truthful but I am advised that there was not enough time at committee to discuss these matters and there are implications.

Question put: “That the proposal for dealing with Nos. 14 to 24, inclusive, without debate be agreed to.”

The Dáil divided: Tá, 84; Níl, 39.	
Tá	Níl
Breen, Pat.	Adams, Gerry.
Burton, Joan.	Boyd Barrett, Richard.
Buttimer, Jerry.	Broughan, Thomas P.
Byrne, Catherine.	Calleary, Dara.
Byrne, Eric.	Collins, Joan.
Cannon, Ciarán.	Collins, Niall.
Carey, Joe.	Colreavy, Michael.
Coffey, Paudie.	Crowe, Seán.
Collins, Áine.	Doherty, Pearse.
Conaghan, Michael.	Dooley, Timmy.
Conlan, Seán.	Ellis, Dessie.
Connaughton, Paul J.	Ferris, Martin.
Conway, Ciara.	Fleming, Sean.
Coonan, Noel.	Fleming, Tom.
Corcoran Kennedy, Marcella.	Grealish, Noel.
Creed, Michael.	Healy, Seamus.
Daly, Jim.	Healy-Rae, Michael.
Deasy, John.	Higgins, Joe.
Deenihan, Jimmy.	Kelleher, Billy.
Deering, Pat.	Kitt, Michael P.
Doherty, Regina.	Mac Lochlainn, Pádraig.
Donohoe, Paschal.	McDonald, Mary Lou.
Dowds, Robert.	McGrath, Finian.
Doyle, Andrew.	McGrath, Michael.

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Durkan, Bernard J.	McLellan, Sandra.
English, Damien.	Martin, Micheál.
Farrell, Alan.	Moynihan, Michael.
Feighan, Frank.	Murphy, Catherine.
Ferris, Anne.	Nulty, Patrick.
Fitzpatrick, Peter.	Ó Cuív, Éamon.
Flanagan, Terence.	Ó Fearghaíl, Seán.
Gilmore, Eamon.	Ó Snodaigh, Aengus.
Griffin, Brendan.	O'Sullivan, Maureen.
Hannigan, Dominic.	Pringle, Thomas.
Harrington, Noel.	Ross, Shane.
Harris, Simon.	Stanley, Brian.
Hayes, Tom.	Tóibín, Peadar.
Heydon, Martin.	Troy, Robert.
Hogan, Phil.	Wallace, Mick.
Howlin, Brendan.	
Humphreys, Heather.	
Humphreys, Kevin.	
Keaveney, Colm.	
Kehoe, Paul.	
Kelly, Alan.	
Kenny, Enda.	
Kenny, Seán.	
Kyne, Seán.	
Lawlor, Anthony.	
Lynch, Ciarán.	
Lynch, Kathleen.	
Lyons, John.	
McCarthy, Michael.	
McGinley, Dinny.	
McLoughlin, Tony.	
McNamara, Michael.	
Maloney, Eamonn.	
Mathews, Peter.	
Mulherin, Michelle.	
Murphy, Dara.	
Murphy, Eoghan.	
Nash, Gerald.	
Neville, Dan.	
Nolan, Derek.	
O'Donovan, Patrick.	
O'Dowd, Fergus.	

O'Mahony, John.	
O'Reilly, Joe.	
O'Sullivan, Jan.	
Perry, John.	
Phelan, Ann.	
Phelan, John Paul.	
Quinn, Ruairí.	
Rabbitte, Pat.	
Ryan, Brendan.	
Shatter, Alan.	
Spring, Arthur.	
Stagg, Emmet.	
Stanton, David.	
Timmins, Billy.	
Twomey, Liam.	
Wall, Jack.	
Walsh, Brian.	
White, Alex.	

Tellers: Tá, Deputies Paul Kehoe and Emmet Stagg; Níl, Deputies Aengus Ó Snodaigh and Brian Stanley.

Question declared carried.

**Deputy Micheál Martin:** It is nearly 48 hours since the public service pay agreement was announced, but Members still do not have a copy of the agreement and in many respects are handicapped in commenting in a fully informed way on it in the absence of its circulation. At approximately 4.15 p.m. today the Labour Relations Commission stated it was still organising the putting together of the document. Will the Taoiseach indicate when he expects it to be published? Will he ensure a copy will be circulated to every Member?

On a separate matter, one of the great difficulties emerging concerns the extraordinary price of health insurance. Without question, there have been price hikes in the past while and the cost of some health insurance plans has gone up by almost 60%. Many families are in extraordinary difficulty in this respect. The centre is no longer holding in terms of either the public sector and health insurance or the private sector and health insurance.

**An Ceann Comhairle:** Where is the Deputy going with this?

**Deputy Micheál Martin:** To the health (private patient charges) Bill.

**An Ceann Comhairle:** I was wondering in what direction the Deputy was heading.



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**Deputy Micheál Martin:** It will put more petrol on the fire of health insurance and no coherent strategy is emerging. The universal health strategy is buried somewhere and we do not know when we will see it.

**An Ceann Comhairle:** I will find out about the Bill for the Deputy.

**Deputy Micheál Martin:** When will we see an alleviation of the extraordinary hikes in the cost of private health insurance for citizens and families, in particular?

**An Ceann Comhairle:** We will find out about the Bill first. When is it due?

**The Taoiseach:** All of the insurance companies appeared last week before the Joint Committee on Health and Children chaired by Deputy Jerry Buttimer. These matters are being considered and I expect the Bill to be produced in April.

The agreement referred to is a Labour Relations Commission document. The commission has been working diligently to get the details right and I expect the paper to be published later this afternoon. It is being worked on and I do not have a copy.

**Deputy Micheál Martin:** Will we all receive a copy?

**The Taoiseach:** Yes, everyone will receive a copy, perhaps within two hours. The commission is finalising it.

**Deputy Michael Healy-Rae:** It is one holy terror that the Taoiseach has not seen it.

**Deputy Timmy Dooley:** It is a holy terror.

**Deputy Gerry Adams:** Tá dhá cheist agam, ceann faoi reachtaíocht atá forógraithe. Will time be set aside for a debate on the proposals included in it? Will legislation be required and, if so, when will it be brought before the Dáil?

Professor John Higgins was appointed to complete a report on the design and establishment of hospital groups. The Taoiseach will be aware that there were thousands on the streets of Waterford calling on the Government not to downgrade Waterford Regional Hospital. The longer the report remains unpublished, the more rumours there will be and the greater the stress. Has it been discussed by the Cabinet? When will it be published? When will it be debated in the House?

**The Taoiseach:** On the second point, the report has not yet been discussed by the Cabinet. Clearly, the issue of hospital groups and the future of local hospitals is of considerable importance to many Deputies. The report will come before the Government shortly and will be debated and then published.

I indicated to Deputy Micheál Martin that the LRC document would be published later this evening and given to everyone. The unions must consider it and, in accordance with their individual traditions, and put it to their members in a ballot. The Government will then reflect and act on the matter. It is now a case of the unions considering and discussing the LRC document, making arrangements to ballot their members and, I hope, approving it.

**Deputy Sean Fleming:** My question is on the same topic. Perhaps the Taoiseach is not aware of the press statement from the Departments of Finance and Public Expenditure and Reform yesterday morning which specifically stated measures would be needed for the extension

of the Croke Park agreement and that they would need to be underpinned by legislation.

**A Deputy:** Two Departments.

**Deputy Billy Kelleher:** They are two sides of the same coin.

**Deputy Sean Fleming:** They stated yesterday that there would be legislation. The Taoiseach has stated the document will be considered by the trade unions and that they will then come back to the Government, but he has omitted to confirm to the Dáil that, according to the Departments, legislation is required. The agreement affects pay and conditions, flexitime arrangements, redeployment provisions and grade restructuring. Will we see legislation arising from the agreement-----

**Deputy Brendan Howlin:** Yes.

**The Taoiseach:** Yes.

**Deputy Sean Fleming:** -----from the Department of Public Expenditure and Reform and the Department of Finance on pensions? Will we see legislation from the Department of Jobs, Enterprise and Innovation on employment rights? When will we see all of this legislation?

**The Taoiseach:** The Deputy will see the legislation dealing with changed pay rates after the unions have considered the matter.

**Deputy Robert Troy:** The Taoiseach is probably aware of reports over the weekend that €25.4 million had been spent by the HSE on legal costs in child care cases. Last week a HIQA report confirmed the lack of front-line services. In the light of this, when will the Government publish the Courts Bill 2013?

**The Taoiseach:** It will be published during this session.

**Deputy Dessie Ellis:** In the past five years Dublin City Council, Fingal County Council and Cork County Council between them have failed to draw down more than €24 million for Traveller accommodation programmes from the Department of the Environment, Community and Local Government. Will the Taoiseach outline when the Housing Bill will be brought before the Dáil? It was promised in 2012 and significant issues associated with it need to be discussed. The new homeless strategy needs to be discussed in the Dáil also.

**The Taoiseach:** The heads of the Bill have not yet been discussed by the Cabinet. The Bill is due later this year.

**Deputy Michael Healy-Rae:** I wish to raise two items. There is a good deal of concern about the consolidation of the law on betting and gambling in Ireland. Therefore, when will the gambling control Bill be brought before the House?

Will the Taoiseach provide for an exemption from the property tax for radon affected houses in the same way that homes affected by pyrite have been exempted?

**An Ceann Comhairle:** That is a separate matter altogether and not one for the Order of Business.

**Deputy Michael Healy-Rae:** The Taoiseach may wish to answer.

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**The Taoiseach:** The gambling control Bill will be published later this year. Radon is a naturally occurring gas. It is an issue for local authorities in terms of the granting of planning permission. There are opportunities to rectify the matter.

**Deputy Patrick Nulty:** The Taoiseach will be aware that on 4 March feminist groups and other organisations will march for action on the X case judgment. Since the Joint Committee on Health and Children has completed its findings, when does the Government expect to publish legislation to give effect to the X case judgment? Can we expect to see the terms of the Bill before the summer recess?

**The Taoiseach:** The Government has set out a process by which this matter will be dealt with. This has included the information hearings held by the Joint Committee on Health and Children which is chaired by Deputy Jerry Buttimer. Work arising from the information hearings and the heads of the Bill is ongoing. The heads are being prepared by the Department of Health and the Minister will bring them to the Government when they are ready. They will then be published and sent to committee for further discussion in accordance with the process we have set out. I do not want this matter to be unduly delayed but I want it to be right.

**Deputy Bernard J. Durkan:** I wish to ask about two items of promised legislation. The first is the children (amendment) Bill, which was promised. I ask the Taoiseach whether the heads have been discussed and approved. Similarly, to what extent have the heads of the Red Cross (amendment) Bill been discussed, and have they been approved? When will these Bills come before the House?

**The Taoiseach:** Not yet in the first case or the second case.

**Deputy Bernard J. Durkan:** That is a double negative.

**The Taoiseach:** The Deputy got me today.

**Deputy Mary Lou McDonald:** I understand the Taoiseach wants the legislation on the X case and the A, B and C case to be right, but he will appreciate the urgency that exists in bringing the legislation forward. I ask for more clarity. He indicated that he does not want to see any undue delay. Is there any prospect that we will see the heads of a Bill before Easter?

**The Taoiseach:** I do not want the Bill to be unduly delayed, but I want it to be given proper consideration in accordance with the process I have set out. When the Minister for Health is ready, following the information hearings, to bring the heads of the legislative foundation to the Government, he will do that. They will then be sent on to committee for proper debate and discussion. I do not want to set a date. When the Minister has the heads of the Bill ready he will bring them before the Government and they will not be unduly delayed there. That work is ongoing in the Department of Health and when it is completed we will move on with the matter. I do not want it to be long-fingered.

**Deputy Mary Lou McDonald:** Has he been given an indicative date?

**The Taoiseach:** Do not ask me to tie it down to before or after a certain date. As I stated previously to the House, this is an important and sensitive matter, but I do not want anybody to think it is being long-fingered indefinitely. When the Minister has prepared the heads he will bring them to the Government and we will deal with them and send them to committee for consideration.

**Deputy Thomas P. Broughan:** Is there any word on the report by Mr. Justice Finnegan on Priory Hall and when we might have a resolution?

**The Taoiseach:** I do not have an answer before me but I will ask the Minister for the Environment, Community and Local Government to provide the information for the Deputy. This is a matter of considerable interest to the people who occupied Priory Hall. I will ask the Minister to update the Deputy on the current position.

### **Readmission Agreements: Motion**

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

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 measure:

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,

a copy of which was laid before Dáil Éireann on 10th December, 2012.

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 measure:

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,

a copy of which was laid before Dáil Éireann on 10th December, 2012.

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 measure:

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,

a copy of which was laid before Dáil Éireann on 10th December, 2012.

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 measure:

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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,

a copy of which was laid before Dáil Éireann on 10th December, 2012.

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 measure:

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,

a copy of which was laid before Dáil Éireann on 10th December, 2012.

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 measure:

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,

a copy of which was laid before Dáil Éireann on 10th December, 2012.

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 measure:

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,

a copy of which was laid before Dáil Éireann on 10th December, 2012.

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 measure:

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,

a copy of which was laid before Dáil Éireann on 10th December, 2012.

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,

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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 measure:

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,

a copy of which was laid before Dáil Éireann on 10th December, 2012.

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 measure:

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,

a copy of which was laid before Dáil Éireann on 10th December, 2012.

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 measure:

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,

a copy of which was laid before Dáil Éireann on 10th December, 2012.

Question put:

The Dáil divided: Tá, 84; Níl, 34.	
Tá	Níl
Breen, Pat.	Adams, Gerry.
Bruton, Richard.	Boyd Barrett, Richard.
Burton, Joan.	Broughan, Thomas P.
Butler, Ray.	Calleary, Dara.
Buttimer, Jerry.	Collins, Joan.
Byrne, Catherine.	Colreavy, Michael.
Byrne, Eric.	Crowe, Seán.
Cannon, Ciarán.	Dooley, Timmy.
Carey, Joe.	Ellis, Dessie.
Coffey, Paudie.	Ferris, Martin.
Collins, Áine.	Fleming, Sean.
Conaghan, Michael.	Fleming, Tom.
Conlan, Seán.	Healy, Seamus.
Connaughton, Paul J.	Healy-Rae, Michael.

Conway, Ciara.	Higgins, Joe.
Coonan, Noel.	Kitt, Michael P.
Corcoran Kennedy, Marcella.	Mac Lochlainn, Pádraig.
Creed, Michael.	McDonald, Mary Lou.
Daly, Jim.	McGrath, Finian.
Deasy, John.	McGrath, Michael.
Deenihan, Jimmy.	McLellan, Sandra.
Deering, Pat.	Martin, Micheál.
Doherty, Regina.	Moynihan, Michael.
Donohoe, Paschal.	Murphy, Catherine.
Dowds, Robert.	Nulty, Patrick.
Doyle, Andrew.	Ó Fearghaíl, Seán.
Durkan, Bernard J.	Ó Snodaigh, Aengus.
English, Damien.	O'Sullivan, Maureen.
Farrell, Alan.	Pringle, Thomas.
Feighan, Frank.	Ross, Shane.
Ferris, Anne.	Stanley, Brian.
Fitzpatrick, Peter.	Tóibín, Peadar.
Flanagan, Terence.	Troy, Robert.
Gilmore, Eamon.	Wallace, Mick.
Griffin, Brendan.	
Hannigan, Dominic.	
Harrington, Noel.	
Harris, Simon.	
Hayes, Brian.	
Hayes, Tom.	
Heydon, Martin.	
Hogan, Phil.	
Humphreys, Heather.	
Humphreys, Kevin.	
Keaveney, Colm.	
Kehoe, Paul.	
Kelly, Alan.	
Kenny, Enda.	
Kenny, Seán.	
Kyne, Seán.	
Lawlor, Anthony.	
Lynch, Kathleen.	
Lyons, John.	
McCarthy, Michael.	
McGinley, Dinny.	
McLoughlin, Tony.	

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McNamara, Michael.	
Maloney, Eamonn.	
Mathews, Peter.	
Mitchell O'Connor, Mary.	
Mulherin, Michelle.	
Murphy, Dara.	
Murphy, Eoghan.	
Nash, Gerald.	
Neville, Dan.	
Nolan, Derek.	
O'Donovan, Patrick.	
O'Dowd, Fergus.	
O'Mahony, John.	
O'Reilly, Joe.	
O'Sullivan, Jan.	
Perry, John.	
Phelan, Ann.	
Phelan, John Paul.	
Quinn, Ruairí.	
Ryan, Brendan.	
Shatter, Alan.	
Spring, Arthur.	
Stagg, Emmet.	
Timmins, Billy.	
Twomey, Liam.	
Wall, Jack.	
Walsh, Brian.	
White, Alex.	

Tellers: Tá, Deputies Paul Kehoe and Emmet Stagg; Níl, Deputies Joe Higgins and Aengus Ó Snodaigh.

Question declared carried.

**Topical Issue Debate**



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## **Rural Transport**

**Deputy Timmy Dooley:** I am very pleased the Ceann Comhairle has selected the issue of the rural transport scheme for debate. This scheme is one of the most successful schemes rolled out by the previous Government in terms of the impact it has had on rural communities. As the Minister is aware, a leaked document is in circulation with regard to the restructuring of the scheme and this document has been circulated to more than 30 schemes throughout the country.

The rural transport initiative has been an exceptionally successful policy platform. It provides much needed transport to shops, pharmacies, health centres and hospitals for a vulnerable sector of our community. The elderly, the infirm, people with disabilities and young people all use these services on a weekly basis. The initiative brings together voluntary organisations. Many of the schemes are operated by voluntary organisations who combine the small amount of money they receive from the State services and leverage that against philanthropic organisations and fund-raising in local communities, all to the success of the service. I would have thought that was the essence of what Government funding is about. The Government provides a small amount and gets local communities to co-operate. I am most familiar with Clare Accessible Transport, which developed from East Clare Accessible Transport in an area I am very familiar with. Last year, Clare Accessible Transport carried 50,000 passengers on nine low-floor, easy-access buses. Approximately 250,000 services were provided on 30 routes at a total cost to the rural transport fund of approximately €280,000. If that does not represent value for money, I do not know what does. I fail to see why the Government needs to restructure the service as it is currently aligned. I would have thought that the co-operative environment in which small rural groups avail of the best voluntary effort and a small amount of State funding should be maintained.

This group has raised funds in local communities and drawn down funds from philanthropic organisations. It provides nine buses at no cost to the State. The Government's restructuring proposals will give responsibility to local authorities. Local authority members have told me they have no experience in this regard and do not want this increased responsibility. It is apparent to everyone what is at the root of this. The Government's plan is to pass responsibility to local authorities, cut State funding and expect local authorities to take responsibility for the cutting of the service. That is the fear that exists. That is the concern in the minds of the elderly, the infirm, the people with disabilities and the young. They are deeply worried about this Government's efforts to dismantle the rural transport service.

**Deputy Marcella Corcoran Kennedy:** As Deputy Dooley has said, this debate has been prompted by a discussion document that has been received by all the rural transport groups. It is important to record our feelings about the contents of the document. Contrary to the Deputy's suggestion, the groups involved in the rural transport network recognise that restructuring is required.

I want to ensure the social inclusion element of the rural transport programme, which is the root of its success, is retained when the restructuring takes place and the regional groups are formed as proposed in the document. The social inclusion element of the programme meant that people went from door to door to provide information about the availability of a facility that allowed residents to access health services and travel to local towns. We want to retain the bottom-up integrated approach to rural transport that we have had to date.

I was involved in the establishment of the west Offaly rural transport programme, which

has expanded to cover most of County Offaly. I was there at the beginning when we talked about the need for rural transport in the area. I went down boreens and knocked on doors to tell people that this fabulous facility was being made available to them. We had to break down barriers and explain to people who viewed this with suspicion that something good was being done in rural areas. We did all of that.

I will conclude by mentioning that in my experience, the administration costs of these programmes account for between 13% and 14% of the overall cost. A higher level - in the order of 30% or 40% - is referred to in the discussion document.

**Deputy Pat Deering:** I thank the Ceann Comhairle for selecting this subject for discussion. The importance of this issue is illustrated by the fact that it is being raised by four Deputies this afternoon. I am concerned that the efficient service which is provided at present is to be dismantled. The previous speakers have referred to the leaked report that has been in circulation in recent weeks. I will highlight some of the issues arising from the details in the report.

I am delighted that the Minister of State, Deputy Kelly, is in attendance. He is familiar with the Ring-a-Link service that exists in my part of the country. It serves counties Carlow, Kilkenny and south Tipperary. The eight very efficient routes in County Carlow provide a great service to the people of the areas in question.

While I accept there is a need to re-engineer some of the structures that exist at present, we will lose track of the aim of the service if we go down the road that has been suggested. Under the new structure that has been proposed, there will be eight co-ordination units. This will have far-reaching consequences for services in local areas.

In my local area, it has been proposed that counties Carlow, Kilkenny, Waterford and Wexford will form a single area with a rural population of more than 250,000. It is not sustainable. Such a large area would be too cumbersome. The group in Deputy Dooley's area covers one of the biggest rural areas in the country. We are in danger of losing sight of what the whole rural transport service is for.

The proposal to integrate the rural transport service into the local authority structure will have a detrimental effect. Local authorities have no experience of dealing with this issue. We must not lose the experience that has been built up in rural transport services.

The fleet operators who are part of the system must be retained because they know where the demand is. Their experience is essential if we are to ensure the system develops. The voluntary sector also plays an important part in this service. It must be kept involved so we can ensure the rural transport service is viable for the future.

I will conclude by asking about the timeframe that is involved in these changes. A great deal has happened in recent weeks since this report was released. A number of meetings have taken place. I would like the Minister of State to tell us where exactly we are at the moment. Will he consult the various organisations throughout the country to ensure the best possible outcome is achieved?

**Deputy Michael McNamara:** Like the previous speakers, I am an enthusiastic supporter of rural transport. I know the Minister of State is as well. He has visited my constituency to see the work of Clare Accessible Transport, which is one of the most successful community transport companies in the country. It was founded in 2003 and its headquarters are in Feakle.

It provides a network of bus routes that are available to everyone in the community. Priority is given to people who do not have access to their own transport. I consider its work to be invaluable for the rural community it serves.

The benefits provided by Clare Accessible Transport have already been alluded to. It has its own fleet of buses, which were acquired at no cost to the State. Unlike many other fleets around the country, the Clare Accessible Transport fleet is specially designed. Its low-floor buses can accommodate wheelchairs. We are not talking about the addition of a hoist at the back of a normal minibus. As these buses are specially designed, their acquisition came at a particular expense. The service provided by Clare Accessible Transport is open to everybody. It is not confined to certain sections of the community. Ministers could avail of the service if they needed to go to Ennis from many parts of County Clare. It is a door-to-door service.

I am concerned that Clare Accessible Transport's particularly sophisticated dispatch system could be threatened by the proposals which have been leaked. I appreciate that the proposals were in draft form when they were leaked. It is particularly unfortunate that they were leaked. I suspect that they were leaked to frighten people, perhaps as part of a political agenda. The reality is that they have caused a great deal of fear in rural communities. People in such communities have come to rely on these valuable rural transport services to get to HSE appointments and to get around rural Ireland.

**Minister of State at the Department of Transport, Tourism and Sport (Deputy Alan Kelly):** I thank the Deputies who have collectively raised this issue of genuine concern. I wish to make it absolutely clear that there are no plans to abolish the rural transport programme. On the contrary, the intention is to strengthen the programme by ensuring a more efficient delivery structure and maximising integration with other State transport services. My ambition is to ensure the programme and its services form a sustainable part of the public transport system - this is critical - in line with the commitment in the programme for Government to maintain and extend the rural transport programme along with other local transport services. The Government recognises that the rural transport programme plays a major role in combatting rural isolation and enhancing the mobility, accessibility and community participation of local people, particularly those at risk of social exclusion. Therefore, I assure the House that any future delivery model for rural transport will continue to address the social inclusion objective.

Since I became Minister of State with responsibility for public and commuter transport, I have initiated developments aimed at ensuring rural areas will have a more complete and cost-effective transport service that better meets the transport needs of all users. To this end, national responsibility for the integration of local and rural transport services, including the rural transport programme, has been assigned to the National Transport Authority since 1 April 2012, thereby putting such services in a broader transport context. I also established the National Integrated Rural Transport Committee in April 2012, comprising key stakeholders and chaired by the National Transport Authority, NTA, to oversee and manage a partnership approach to implementing integrated local and rural transport. I am very conscious of the scope for and desirability of achieving greater levels of transport integration and co-ordinated delivery across a range of Exchequer-funded local and rural transport services, such as school and HSE transport services. Indeed, I have been working with my Government colleagues, including the Minister of State, Deputy Cannon, on these issues.

I am aware of the very valuable work done on the ground by the RTP groups in ensuring that the transport needs of their local community are being identified and delivered within avail-

able resources. However, given resources are limited and that the value for money and policy review of the RTP, published last year, recommended organisational restructuring to achieve efficiencies and the establishment of better alignment between the 35 RTP groups and local authorities, it is necessary that the current delivery mechanisms and structures are examined and revised.

Under the NTA and Pobal, the administration costs to the programme were reduced by 33.5% by the end of 2012, which happened without major disruption to services. Combined with the reduction in Pobal's costs, the threshold administration proportion of 17% recommended in the VFM review was also achieved by the end of 2012. In order to achieve the recommended administration costs of 13%, restructuring of the RTP is required. Therefore, the current structures of the RTP are not sustainable if the required efficiencies and savings are to be achieved and if the RTP is to be sustainable in the long run. If these are not achieved, then, within the limited resources available, services will decline. I am not prepared to allow this to happen.

Work is under way to determine the optimal structure for the delivery of rural transport from an efficiency and service perspective. One of the proposals being examined is that the RTPs be "aligned" with local authorities and that a number of co-ordination units be established. Discussions are taking place with the Department of the Environment, Community and Local Government, the County and City Managers Association and the Rural Transport Network in the context of aligning the new structure with the local authority structure. While I would emphasise that no decision has been taken, I am hopeful I will be in a position to recommend a new structure later this year which will allow for the maximising of spend on services and the reduction of administration costs. I will be ensuring that any future structure for the rural transport programme will be based on community input, local flexibility and involving the voluntary sector, which is crucial. Rural transport, by its very nature, is community-based and this will remain under any new structure.

This year, €9.133 million is being allocated to the RTP, some 93% of the 2012 allocation. This represents only a small decrease at a time when very difficult decisions have had to be taken to curtail or postpone other programmes. I want to ensure that we maximise the spend on services and reduce the cost of administration. I should say that, over the past year, significant progress on integration has been made, with considerable engagement at local level with State agencies that provide transport, for example, Bus Éireann, school and HSE services, and so on. Some 26 RTPs are now providing services to the local HSE, while 16 RTP groups are providing some services to schools and preschools. In addition, RTPs are now providing services for other organs of the state, such as Rehabcare, National Learning Network, Kare, IWA, Enable Ireland, Cheshire Homes and the Centre for Independent Living.

I would like to assure the House of my personal commitment to the continuation of appropriate local transport services to those in need in rural areas while achieving the best value for money for the Exchequer through more efficient delivery structures and integrated services. While I can understand and fully appreciate that this creates a level of uncertainty for RTP groups, I am confident that the outcome will be a better service delivered more efficiently. The many members of the rural transport programme whom I have met want to positively influence the discussion around structures and, as Minister of State, I want to ensure that as much as possible of the social inclusion work carried out by the rural transport network is maintained. I will work with all involved over the coming months to make any transition as smooth as possible. The rural transport programme will become a permanent and lasting part of the public transport

system. This is my intention and my ambition.

**Deputy Timmy Dooley:** I am always concerned when, among the first lines of a statement, there are “no plans” to do something. That is usually code that there are plans and, ultimately, that abolition will take place. It seems the Minister of State, Deputy Kelly’s proposal is to do it by stealth, by moving responsibility gradually away from central Government and putting it in the hands of the local authority. It seems the Government now believes local authorities have the capacity to do all sorts of things, such as deliver transport systems where they have no experience or carry out development work through the Leader companies the Government wants to bring into the local authorities. At the same time, the Government is transferring out functions like the delivery of water systems, which the local authorities have been doing from the very start.

I do not understand the overall strategy the Minister of State is seeking to implement, other than to say I believe it is a proposal that will lead in the long run to a reduced service. It will lead to reduced involvement by the voluntary, charitable and philanthropic sectors, which will also contribute to a diminution of the service. Given the €280,000 it cost to deliver the suite of services I identified, in particular for the area I am most familiar with, I fail to see how any restructuring will be able to deliver the same amount for less money. There is a serious hole in what the Minister of State is telling us.

**Deputy Marcella Corcoran Kennedy:** I thank the Minister of State for his response. I ask him to help clear up some uncertainty among the transport groups that are looking at this document and wondering what exactly is going on. They are funded up to June 2013, which is only a few months away, and the passengers are also uncertain, having heard discussion around this issue. It is incumbent on the Minister of State to clarify the position so there is some certainty for these people going forward.

I believe deeper consultation with the Rural Transport Network would be beneficial to everybody because its members are the practitioners of a rural transport service. It is not a public transport service; it is a rural transport service which is community-based, and that is entirely different from a transport service where there is a fixed timetable and people try to find their way to a stop to get themselves to the local town. I appeal to the Minister of State to clear up that uncertainty.

**Deputy Pat Deering:** I thank the Minister of State for his reply. While I am glad to hear he has no plans to scrap the rural transport scheme, a number of issues need to be addressed. I would have grave concerns in regard to the proposal, despite the Minister of State’s suggestion that nothing definite has been decided. There are 35 groups at present and to reduce that to eight groups will have serious consequences from an administrative point of view, given the smallest of those proposed groups will serve a rural population of 240,000.

I have serious problems with the idea of integration into local authority structures, which are under severe pressure at present. They may have an administrative structure but they are under pressure in regard to numbers, which are being depleted, and they may not be able to reach those who need services. In my opinion, it will not be possible to bring services to the level we want unless we have an input from the voluntary sector. It is crucial that this sector is brought into the system because, if not, there will be serious consequences down the line.

**Deputy Michael McNamara:** I am pleased to hear work is under way to determine the

optimal structure for the delivery of rural transport from an efficiency and service perspective. My question is what structures are being examined. Among the proposals being examined, are the Minister of State and the Department looking at a direct award process?

Unlike some of the speakers, I do not have a problem with council involvement - for example, who better to identify the services necessary in Clare than Clare County Council? However, the issue is that Clare County Council does not have a fleet of buses and it certainly does not have a fleet of the specialist buses that Clare Accessible Transport has. Once a county council, be it in Clare, Tipperary, Carlow or anywhere else, identifies the need, who will provide the service? While I presume it will be a service provider, to whom will the service provider be contracted? For example, will it be to the council or to the National Transport Authority?

The Minister of State referred to regional co-ordination units. Will this be for all of the country or will a direct award process also be considered for some areas? In this regard, Clare and Waterford are areas that have been mentioned and Kerry has particularly advanced programmes in place at present. What costs will operators be allowed to include if there are direct awards? At present, Clare Accessible Transport already meets the 13% administrative threshold which the Minister of State indicates is desirable.

**Deputy Alan Kelly:** I thank the Deputies for the passion with which they have represented this issue. Indeed, it is an issue I am also very passionate about. As the House knows, I come from a very rural part of the country. I am probably one of the most rural Deputies in Leinster House. There will be change but not all change has to be seen as negative. Change can be very positive. In this case, change is necessary. It is unfortunate it was not addressed in the past by the previous Government. We need to look at how we can integrate services more. For example, I am working with the Minister of State with responsibility for training and skills to see how school bus services can work with rural transport. I have said publicly on many occasions that I do not understand why for many years, the reverse routes of school buses were not used as public transport routes for nine months of the year. It just makes sense. The buses are empty, drivers must drive them and diesel has to be burnt. There needs to be greater integration between the HSE and voluntary groups with regard to non-acute services.

A draft document was sent out that is dated but not set in stone. We are considering various different options such as looking at local authority roles and structures. We need greater integration but we also need greater coverage. There are swathes of the country with no possibility of rural transport services because they do not have an RTP, which is not fair on them. This has grown organically and has done very well. I spent this morning with the Meath Accessible Transport Project which does fantastic work. I visited most of the groups referred to by the Deputies and know many of the people who run them. They do brilliant work. This is a challenge. There is an awful lot of work involved and there will be change but I believe it will be positive change. We must look at how it will integrate with other public transport services. There are challenges relating to those who are fleet-owning as opposed to non-fleet-owning and those with Leader group involvement and those without. There is a range of issues involved, all of which must be and are being digested to come up with an optimum structure. We are trying to ensure rural transport has a secure and structured future because doing nothing is not an option. Doing nothing will see service drop and I am not prepared to see service drop in the future. I want to protect services and that is the intention of the plans we will draft as a Government.

**Deputy Martin Ferris:** In looking for a suitable site for a new building, Kerry Education Service and the board of management of Gaelcholáiste Chiarraí were offered a site by Tralee Town Council as part of the regeneration project in Tralee in 2012. Based on the offer and the preliminary consultation with all parties at executive, school and local levels, Kerry Education Service brought the offer to the Department of Education and Skills to progress the request for a new school.

The school operates out of a building that is not fit for purpose in its existing condition. The area of the site and the building combined with protected status does not allow for refurbishment or extension to meet current Department standards on subject-based requirements in an easy manner. The inflexibility of the structure has resulted in a high abnormal capital cost due to the additional planning requirements and construction methods. The ongoing maintenance costs are increased compared to other schools of similar size. The structure as it is today will require a number of capital projects to remain as a post-primary school and will not meet the current Department standards. The school has grown from 263 pupils in 2009 to 314 pupils today. It is estimated that by 2015, there will be in excess of 350 students. A new school building would ensure that growth would continue with the introduction of new subjects as well.

The proposed site offered by Tralee Town Council can accommodate up to 500 students. There may also be the possibility of a campus development to provide primary school and community facilities. The site has been offered for free by Tralee Town Council. There will also be a contribution to infrastructure on the site if it goes ahead. It offers significant potential for the Irish language as well as for the four feeder schools surrounding Tralee - Scoil Mhic Easmainn in Tralee, Gaelscoil Naomh Aogáin in Castleisland, Gaelscoil Lios Tuathail and Gaelscoil Faithleann in Killarney. In addition, 15 non-Irish primary schools send students to Gaelcholáiste Chiarraí. The site offered by Tralee Town Council would be signed over to Gaelcholáiste Chiarraí. The council's offer has potential. The site is at the back of the hospital so access to it is very easy. Two primary schools are in the vicinity and night classes and a campus development could be made available at the site. I hope the Department would look favourably on this application and make the necessary funding available to advance this project.

**Minister of State at the Department of Education and Skills (Deputy Ciarán Cannon):** I am taking this matter on behalf of my colleague, the Minister for Education and Skills. I thank the Deputy for raising the matter as it provides me with the opportunity to clarify the current position in respect of a request for a new school building for Gaelcholáiste Chiarraí in Tralee, County Kerry. The Deputy may find it helpful if I set out the context within which decisions relating to meeting the

demographic challenge facing the education system in the coming years are made. Total enrolments in both primary and post-primary schools are expected to grow by almost 70,000 by 2018 - over 45,000 at primary level and 25,000 at post-primary - and will continue to grow up to at least 2024 at post-primary level.

Recent birth rate data published by the Central Statistics Office shows there were nearly 20,000 births registered in the first quarter of 2011. This is the highest number of births registered in any quarter since the series began in 1960. The birth data also show that 19,313 births were registered for the first quarter of 2012 and indicate a continuation of the high birth rates experienced in the past number of years. Given such recent population growth, we will have a much increased enrolment at all levels of education which is expected to continue in the medium term.

To ensure that every child has access to a physical school place, it is vital that there is sufficient school accommodation to cater for these pupil enrolments. The delivery of school projects to meet the increasing demographic demands will be the main focus for capital investment over the duration of the five-year plan, particularly in those areas where it has been identified that most demographic growth will be concentrated. In this regard, Tralee has not been identified as an area of significant demographic growth. Pupil enrolment projections for Tralee indicate that enrolments will remain relatively stable for the foreseeable future.

In respect of Gaelcholáiste Chiarraí, I wish to advise the Deputy that Kerry Education Service approached my Department last September with a proposal for the relocation and the provision of a new school building on a site to be provided by Tralee Town Council. In this context, a technical inspection of the site has been carried out by my Department to establish its suitability. The visit identified a number of issues that require clarification such as the size and extent of the site available for education purposes; how the site, which is currently landlocked, can be accessed; the potential impact of proposed access roads on the available proposed site; and how these works will be funded. My Department is liaising with Kerry Education Services regarding these aspects.

**Deputy Martin Ferris:** I thank the Minister of State for his reply. I beg to differ with him because post-primary schools in Tralee are at bursting point. People are queuing up well in advance to get their child enrolled in Mercy Secondary School in Mounthawk. I mentioned the four feeder schools for Gaelcholáiste Chiarraí. There are also 15 other primary schools who are prepared to send students there. If one looks at the figures, the projection is that student numbers will increase to in excess of 350 by 2015.

The Minister is also aware that the current building was built in 1912 or 1913. It is totally unsuitable for refurbishment or upgrading. There are many problems, particularly with regard to planning issues. In a short time there has been significant growth in pupil numbers in the Gaelcholáiste in Tralee. North Kerry has the second highest level of unemployment in the country per head of population, with many unemployed as a result of the collapse of the building boom. Construction of a school would provide employment in Tralee town, as well as providing a state-of-the-art facility for young people who wish to be educated through the medium of Irish.

The Minister of State referred to the fact that the site was land-locked. From my information I am certain that there is an entrance at the back of Kerry Co-Op. I hope the Minister of State will look favourably on the application and give it the political support necessary to bring it over the line.

**Deputy Ciarán Cannon:** I wish to clarify once again that the Department is liaising with the Kerry Education Service and the authorities in the Gaelcholáiste regarding the clarification that needs to be provided about the site. This relates to issues concerning current site restrictions and who will fund the provision of road access to the site. I refer to the case being made by the Deputy about the growth in demand for school places in Tralee. The school building unit of the Department of Education and Skills in Tullamore is using very scientific data to establish where there is demand, now and in the future. The Department uses two distinct sources of data, the census data from the CSO and data for children's allowance from the Department of Social Protection. The combination of these two data sources allows us to paint a very accurate picture of the future demand for school places. For the foreseeable future, there will not be significant increased demand in Tralee. There is no school provision in other locations throughout



the country in which there is an urgent need to create places. For the next few years the major element of the Department's funding will be directed at these locations.

### **Child Safety**

**Deputy Paudie Coffey:** I raise this matter in the public interest following another very sad and tragic death of a child on the island. Three year old Daniel Grant from Mayobridge, County Down died in a tragic accident involving a window blind cord. I take the opportunity to convey my sympathy and that of other Deputies to Daniel's parents, Brian and Paula, on their tragic loss.

In the period since 1999, 25 deaths have occurred in the United Kingdom and Ireland in accidents involving window blind cords, with many more near misses. This should not be allowed to happen. Looped cords on window blinds are used to open and close blinds. They pose an inherent danger and risk to children in thousands of households around the country, as they are a strangulation risk. Children and toddlers will climb onto low window sills and are attracted to the blind cord. There is an urgent need for a safety awareness campaign to address the issue. If the Government were to take the lead, community groups, sports associations and schools could be mobilised to assist in raising awareness among parents of the dangers of window blind cords. I also ask the print and broadcast media to afford this issue the coverage it deserves.

The National Standards Authority of Ireland has provided information and simple advice on how to remove these hazards. It is a case of cutting the looped cord or hanging it high out of reach of children. I refer to Irish safety standards I.S. 386 and I.S. 387 which are not included in European standard EN 131-20 which has been in place since 2009. I understand it is due for revision this year. I urge the Minister to address this matter with his European colleagues to see if a European-wide regulation can be devised. Improved safety standards and increased public awareness can help to save the lives of young children.

**Minister for Jobs, Enterprise and Innovation (Deputy Richard Bruton):** I join the Deputy in offering my sympathy to the family so cruelly affected in this case. The National Consumer Agency, as part of its market surveillance responsibility for public safety, runs information campaigns, including a number of campaigns about this hazard. I refer to its website, [www.consumerconnect.ie](http://www.consumerconnect.ie), which hosts a video and a list of safety precautions such as keeping beds, cots and furniture away from windows and cords and chains out of reach. It advises that existing blinds should be made safe.

In addition to providing information and advice on its website, the agency has also issued regular public statements on the dangers cords and chains attaching to window blinds can cause to young children. The latest of these statements were issued in August and November 2012.

In so far as the issue of regulation is concerned, there are no specific safety regulations on window blinds. However, there are a number of European and national standards which apply to the design and safety of window blinds. The Deputy has referred to an EU standard dating from 2009 which is weak in some aspects. In 2012 the NSAI moved to introduce two standards which would serve to increase the obligations in respect of blinds manufactured after the date of the coming into effect of the standard. The difficulty is that they may not apply to blinds manufactured elsewhere in the European Union. The Irish standards provide additional safety

protection not specified in the European standard which is being revised. At that point the NSAI standard will be withdrawn. The introduction of the revised European standard is being steered by the SEN, the European standards authority. It is hoped this will be completed within the next ten months.

The European and national standards are intended to represent best practice in the design and safety of window blinds. They are not, however, statutory obligations or requirements. It is not open to Ireland to unilaterally introduce statutory regulations in this area. The introduction of any regulation would require approval from the European Commission and other member states. The advice in this regard is that such approval is unlikely to be granted, given the work being undertaken to revise the existing European standard.

I share the view that the Government can connect with other interested groups to promote this information. The NSAI issues regular press releases and advertisements and conducts awareness campaigns. It also contacts the various retail outlets to ensure their awareness of their responsibilities in this regard. It must be noted that products are still in use which precede the new standards and that there is a problem with some of the embedded products.

**Deputy Paudie Coffey:** I understand the possibility of difficulties arising in the area of regulation and implementation. I acknowledge the work of the NSAI in creating the standards and pushing the boat out, so to speak, with regard to European standards. I note the information available on the websites of the National Consumer Agency and the NSAI. Unfortunately, parents would have to proactively seek out this information. We need to consider conducting different awareness campaigns similar to what is being used to promote road safety. We need to mobilise and utilise the existing networks in place. The Minister's colleague, the Minister for Education and Skills, could assist in this regard, either by means of using schools, playschools and county child care committees which grant-assist thousands of schools and crèches. It is with facilities of this nature that young parents engage directly. A simple newsletter or information brochure should be issued to those parents and I would even go so far as to say that there should be a television advertising campaign to raise awareness about the fact that cutting these looped cords can save children's lives. I have toddlers and I have the type of window blinds to which I refer. I cut the cords on the blinds in our house a couple of years ago and now they just hang downwards. This removes the hazard. Parents cannot monitor the activities of their toddlers every minute of the day. It only takes a couple of seconds for a tragic accident to occur.

I appreciate the Minister's reply. I request that a circular be issued in respect of this matter. Perhaps his Department could take the lead and could engage with the Department of Education and Skills in the context of circulating information to crèches, Montessoris, schools and all relevant associations. This would be of assistance in raising awareness in respect of the issue to which I refer.

**Deputy Richard Bruton:** I thank Deputy Coffey for his suggestion and I will bring it to the attention of the National Consumer Agency, NCA, which engages in campaigns on quite a regular basis and which is in contact with over 200 businesses in the sector. In addition, it has issued press releases aimed at families. They may perhaps, as the Deputy suggests, be some connection within the education database which could bring the relevant information to the attention of those who might be directly affected.

### **Magdalen Laundries Report: Statements (Resumed)**

**Deputy Joe O'Reilly:** I share the pride of many people throughout the country with regard to the Taoiseach's apology on behalf of all of us to the survivors of the Magdalen laundries. That very eloquent apology spoke for the entire nation. I was happy that the Taoiseach, the Tánaiste and Minister for Foreign Affairs Trade, Deputy Gilmore, the Minister for Justice and Equality, Deputy Shatter, and the Minister of State at the Department of Justice and Equality, Deputy Kathleen Lynch, met the survivors in Dublin and London. It was both reassuring and heart-rending to hear a number of the survivors who appeared on "The Late Late Show" indicate how happy they were with the exchanges which took place during those meetings. That is all to the good.

Great credit is due to the victims and survivors. These individuals showed remarkable courage and tenacity and obviously possessed a great sense of hope in order to keep going against all the odds. They maintained their belief that, ultimately the truth would win out. Those survivors can take a collective bow. They should be very proud of themselves. Those who championed their cause also deserve particular credit. Everybody is a supporter now but there were those who stood up for the survivors in the past. I refer to Professor James Smith of Boston College in the US, Mary Raftery, an Irish journalist now deceased, and a number of other advocates. A number of individuals championed the cause in the worst of times and they deserve recognition. Members of this House who attended support meetings a number of years ago also deserve great credit. Former Senator Martin McAleese's report is excellent and comprehensive. It was delivered on time and on a low budget. We owe a debt of gratitude to Dr. McAleese.

Nobody can excuse any of the cruelties visited on the survivors of the Magdalen laundries. The immediate perpetrators must stand condemned in respect of anyone who experienced abuse or cruelty at their hands or who was deprived of education or love as a result of their actions. Those members of religious orders who were involved in what happened must accept responsibility. There is no gainsaying or avoiding that. We must also accept the State's involvement in respect of this matter. According to the McAleese report, 8.1% of the referrals to the laundries were in respect of those convicted of petty crimes by the criminal justice system, a further 7.8% were from industrial or reformatory schools and in the region of another 7% of referrals came from the social services. There is also evidence to the effect that 18% of the business of the Sean MacDermott Street laundry took the form of State contracts. There is no avoiding the obvious level of State involvement in this matter. That is why the Taoiseach's apology was apt and why, in light of the need for practical solutions, the work being carried out by Mr. Justice Quirke is particularly appropriate. Gardaí were also involved in informal admissions to the laundries. Indeed, there were all sorts of other informal admissions that were quasi-judicial and quasi-legal in nature. This dimension must be acknowledged.

We must all accept our collective guilt in respect of this matter. There was a culture which existed in the country and which gave rise to the Magdalen laundries. The nature of that culture was to support the laundries. In addition, there was a judgmental dimension to what occurred and there was a focus on perceived respectability. There were all sorts of social and cultural forces which gave rise to the creation of the Magdalen laundries. We or our ancestors were all part of what went on. Many of us lived through some of the period and we all have a collec-

tive guilt. There is no avoiding that fact. While it is important to look back at aspects of our past that are glorious, worthy of celebration and of which we, as a people, should be proud, it is never healthy to avoid or brush under the carpet the dark parts of that past. The matter under discussion is certainly a dark part of our history. This is something of which we should not be proud, particularly as, individually and collectively, we all contributed to what occurred. In that sense, we share a collective guilt.

The values we had gave rise to the creation of the laundries. We must give practical expression to our guilt and that is why I welcome the fact that Mr. Justice Quirke will be designing a structure of compensation. It is important that, in the context of that compensation, the needs of individuals must be identified. There are varying needs among the victims and survivors. In many cases they require pensions, incomes, nursing home care, psychological support or bereavement counselling. A range of supports and a variety of approaches will be required and it will not just be a matter of issuing lump sum payments. Mr. Justice Quirke will develop a model in this regard. It is important that we should avoid unnecessary expenditure in respect of the compensation process. There should not be protracted litigation. In light of their age, that would not be fair to the survivors. It would also be both cumbersome and expensive. We must not waste the money which should be spent on the survivors on pursuing unnecessary and cumbersome legal proceedings. We must consider people's individual needs.

There is no avoiding the fact that the religious orders will be obliged to make a contribution to the final compensation fund.

**Deputy Alan Kelly:** Hear, hear.

**Deputy Joe O'Reilly:** People must understand that in many instances the religious orders have particular demographic structures which make it expensive for their members to live in nursing homes, to be given supported care, etc. Cognisance must be taken of that fact. The solution to one travesty of justice must not take the form of imposing another. Where there are assets and where there is a capacity to pay, however, it would be cathartic for the religious orders and would form part of the recovery process and allow them to identify with the survivors in a very practical way if they made a financial contribution to the compensation fund. That must be part of the solution. It is not sufficient that they do not make any input. A State element by way of a significant contribution from the State is needed because there is direct State responsibility in the ways I identified earlier, but there is also collective responsibility on all of us in the way our values, judgmental attitudes and what we deemed as respectability contributed to the travesty that was the injustice in these homes. We all contributed and therefore there is a major responsibility on the State, but there is a similar responsibility on the religious orders that have assets to make a real contribution.

It is worthy to note that many of the women who were the perpetrators of these injustices were themselves victims in that they belonged to a culture where women religious were undervalued. The women who had been in the homes for quite a while developed a status of being in charge of their peers and those who had entered the homes laterally, and they became quite cruel in their administration of justice. There is a hierarchy of victims, therefore. There were victims at all levels in these institutions, and that merits recognition.

We first had the Taoiseach's apology but Members of this House in this debate must acknowledge our collective guilt. That must be followed by real compensation to ensure that the needs of every victim are addressed. That should and will happen under Mr. Justice Quirke's

recommendation, and part of that should be the religious orders making a contribution.

The ultimate tribute we can pay to the victims, and the ultimate way we can remove ourselves from this sad episode in our history, is to ensure that these crimes are not repeated. We must be conscious also of having the highest standards where people are in institutional care, the highest standard of supervision, particularly in our geriatric services and in our services for disabled people, and that asylum seekers here are treated with dignity and respect. That is the challenge for us now. The way we can most comprehensively honour the victims is by making sure that what happened to them is never repeated.

**Deputy Niall Collins:** Last Tuesday night was a unique occasion in Dáil Éireann. For the women who gathered here it was a special moment for them to put to rest a bleak memory of their past. For the State it was a time of recognition of past failings. For the Irish people it was an opportunity for the people's Chamber to acknowledge a historic wrong and thaw a cold part of our history.

The Taoiseach's apology was an important act of contrition for the State to recognise and apologise for failing vulnerable women over generations. It was a heartfelt speech, and I am glad that the survivors who watched from the public Gallery finally felt that the Irish State recognised the immense personal cost they have paid. It is rare in politics to see such joy and happiness. We are now tasked with justifying their hope and joy about that apology. I hope this House will now work to ensure that we put to right our flawed legacy.

For my part, I acknowledge the failure of my party in power to recognise the depth and scale of the suffering perpetrated in the laundries and the State's role in facilitating them. Justice delayed is justice denied, and I am sorry for the additional burden that delay placed upon the shoulders of the women involved who had already suffered enough. I hope that we can now take constructive steps to address the legacy of pain and the hurt that the State played such a central role in creating.

Members have spoken about closing a dark chapter in our history. I believe that the book of history should never be closed. The darker the pages the more they demand to be read by future generations. It is our job to put an end to the enduring suffering borne by the women involved in the laundries. We cannot allow ourselves the complacency of assuming the lessons have been learned. The chronicle of that suffering alongside the grim legacy of the industrial school complex is a scar on our history, but it is a part of our history.

We are morally obliged to future generations, and to past ones, to remember the successes and tragic mistakes that have shaped this country. That book should never be closed, and I am glad the women of the Magdalen laundries will ensure that their voices are heard and not condemned to the dark silence. Dr. Martin McAleese's report and the testimony of the brave women who spoke out are a dark chapter that demands to be read and one that we should never close.

Against that backdrop it is vital that we seek to preserve the historic record of the bleak period. In that regard I welcome the ongoing work of the UCD project and the insights provided by the McAleese report. Future generations should have ease of access to the record of this sad part of our history. Our task now is to work for the approximately 1,000 women who have survived. It is important that, building on the Taoiseach's apology, we ensure it has a real positive impact for the women involved. Words must be backed up by actions. The women must

know that justice will be done.

In this light we welcome the appointment of Mr. Justice Quirke and look forward to his recommendations. We hope that a straightforward scheme will be devised which is, in the Taoiseach's words, simple, effective, non-adversarial, non-litigious and compassionate. However, we must be mindful that the individual circumstances of each applicant may lead to a degree of complexity that, with the best will in the world, may prove difficult to avoid.

Presumably, any proposed scheme will take into account the differing periods of time each individual spent in a Magdalen laundry. It is reasonable to anticipate that those who were in the laundries for longer periods of time may receive higher levels of compensation, but the length of time spent in a laundry might not of itself be an adequate guide for compensation. Some Magdalen women who, on the face of it, spent a relatively short period of time in a laundry may have found that experience to have had an equal, if not a greater, impact upon them than others who were in the laundries for longer periods. Consequently, time of itself may prove to be a crude and unreliable yardstick. A broader range of factors other than time need to be considered. Issues such as individual psychological impacts, varying degrees of harshness of regime, etc. will need to be reflected in any proposed compensation scheme.

Tragically, thousands of Magdalen women are no longer with us. Of the total number only a relatively small number are still alive. In the context of deceased Magdalen women, the Taoiseach will be aware that the matter of deceased claimants was also considered under section 9 of the Residential Institutions Redress Act 2002. The spouses and children of deceased residents were enabled to apply for the redress to which those residents would have been entitled had they lived. A pressing question for those relatives must be dealt with by the Government. Is it the Government's intention to extend parity of treatment to the spouses and children of deceased Magdalen women?

I mention the foregoing matters of time endured, individual psychological impacts, varying degrees of harshness experienced and the entitlement or otherwise of spouses and children to apply to illustrate that the devising of a simple scheme is not without its difficulties.

We have previously called for a special unit to be set up in the Department of Justice, Equality and Law Reform to take ownership of the holistic welfare concerns of the survivors. The dedicated unit should function as an interdepartmental hub to facilitate access to all State social services and financial entitlements due to surviving women and their families. It is important that a co-ordinated one-stop-shop style approach is taken to addressing the complex intertwined issues that the women face. I trust that Mr. Justice Quirke will reflect upon these and other matters. It is imperative that these deliberations are guided by the acute need for justice for the women involved. We look forward to the outcome of his deliberations.

Last week's apology should be viewed as a seminal first step in a journey of understanding and redress by the State for the long-suffering women affected by the laundries. I trust that the Government is fully committed to seeing that journey through to the end and ensuring that justice is finally done for the women of the Magdalen laundries.

**Deputy Robert Dowds:** The Magdalen report marks another milestone in the process of dealing with our sometimes difficult past. The manner in which thousands of women were incarcerated and forced to work without pay was in no way humane, decent, compassionate and in line with the core beliefs of the Church which ran the laundries, namely, love one's neigh-

bour as oneself. It flew in the face of all ideals at that time, even though the situation was very different. I wholeheartedly endorse the apology by the Government on behalf of the people to the women who were placed in the Magdalen laundries, regardless of the means by which they ended up in such institutions. We know the State was heavily involved in sending women to them, so it is morally responsible to provide redress to the women who spent time in them.

Without in any way taking from the experiences of the Magdalen women, I want to raise another issue which is closely related, namely, the case of the women who were sent to the Bethany Home and ancillary Protestant homes. To the extent that their situation was similar to that of the women who were sent to the Magdalen laundries, they deserve similar treatment. It is worth focusing a little on this because the women who were sent to the Bethany Home suffered appalling treatment and a shocking number of babies in them lost their lives. Through the work of people like Niall Meehan and Derek Leinster, we know at least 219 babies are buried in unmarked graves in Mount Jerome cemetery, which is barely two miles from here, and that they came from the Bethany Home. It is shocking to think such a thing happened in such a place, and in a free and independent country.

The reason the Bethany Home has yet to be dealt with is that the women there were in a slightly different situation in that they came from a Protestant background. It is worth noting that just because they came from a Protestant background did not mean they were wealthy. They were neither wealthy nor privileged. Like the Magdalen women, they were sent to the home by an unmerciful, uncompassionate and judgmental society - again, flying in the face of the core beliefs of the institutions which ran it.

The question is whether the State was involved in the Bethany Home. The answer is unquestionably "Yes". It was inspected by State officials from the late 1930s and it received financial support from the State from at least the 1940s. Essentially, the State gave the Protestant community money with studied indifference to the plight of the women and children there. Basically, the State told the Protestant community to look after its own. Part of that indifference was the price these 219 babies paid with their lives.

In an article in last Saturday's *The Irish Times*, Breda O'Brien, a woman with whom I would not normally agree, although in this case I did, quoted from a report on an inspection of the Bethany Home by the deputy chief medical officer, Sterling Berry, in 1939. In his report, Berry reported that it was well recognised that a large number of illegitimate children were delicate and marasmic, which means they were suffering the effects of starvation. I stress that this is from the report of an inspection of the home by the State. Was the State involved, was it indifferent to their plight and did the State fail them? The answer is obviously "Yes".

I welcome the fact the Church of Ireland Archbishop of Dublin, Michael Jackson, has expressed sympathy for the cause of survivors and acknowledged a memorial should be created for those babies who died, something which is very important to the Bethany survivors, some of whom I have met. It is important these survivors do not become invisible people or be forgotten about because they did not quite come under the same system as the Magdalen women. Like me, the 20 who survive are citizens of this State and they deserve to be listened to and be heard. I urge the Government to ensure that the Bethany Home survivors group is not forgotten about. It is the very least they deserve from the State which failed them.

**Deputy Eamonn Maloney:** Thinking of Magdalen laundries conjures up an image of a hidden history of Ireland because of their ugly nature. I always have difficulty referring to them

as “laundries” or “factories”. In truth, they were prisons - places in which those who were unfortunate enough to be incarcerated had no freedom. They did not have the choice to leave and did not receive any payment for the work they did.

They existed not only because of the role of the religious but because of collaboration between the State and the Church. The Church during this very dark period was the dominant force and politicians hid from it. That is why these prisons were allowed to continue because with few exceptions - among them two people who were Members of this Parliament in the past - politicians turned a blind eye because of the influence it had. That allowed these prisons, or laundries, to continue.

This Government set up the inquiry which brought about this debate and it has apologised on our behalf for the neglect of politicians and the State in the past and has agreed to put in place a mechanism to provide compensation for those concerned. It is good to have reached this stage.

As others mentioned this evening and in the previous debate, the State was not the only party involved in this. To our shame as citizens of this republic, most of the people were put into these institutions by their families. Let us not delude ourselves about who was to blame. Many families put family members into them. If we are to be honest with ourselves, we must face that.

There is also the role of the State and the predominant role of the Church, which owned and managed the so-called laundries. I have disagreements with some of the assertions in this report, a principal one being that these laundries did not make money. They made lots of money. The proof is that during the late 1940s and 1950s these laundries were so competitive with commercial laundries that the commercial laundries closed down. In one case, 41 people lost their jobs in a private laundry located only ten minutes from this building. The Magdalen laundries took over its contracts. The laundries did make money. Those of us who had to leave this country and ended up among Irish communities in London met people there who were, as they described themselves, prisoners of Magdalen laundries. They confirmed that the laundries made money.

To conclude, not only has the church yet to apologise for its role in operating these prisons, it also has a role, because it made money, in compensating people. It is not for us politicians in this Dáil in a different age. We must stand up and say this. It is the only way of dealing with it. We must be honest with ourselves. The church has been as straight on this issue as it can be, and quite rightly so. It was complicit so it is now up to the church to give both compensation and an apology to these people, who were prisoners.

**Deputy Alan Kelly:** Hear, hear.

**Deputy Seán Crowe:** Last week we heard the eloquent words of the Taoiseach, the Tánaiste and many other Members of the House on this matter. However, nobody spoke as powerfully or in as dignified a manner as the women concerned. There is general agreement that nobody will speak as eloquently throughout this debate as the women who suffered so much in the past. Hopefully, the apology will begin to repair some of the damage that was done to these people's lives.

I commend the courage and bravery of the Magdalen women, who have long campaigned for an unreserved apology from the State. Their dedication and hard work finally paid off when



the Taoiseach did the right thing, not only for the women but also for us, and apologised on behalf of the State. The downside is that it took so long and that more of the survivors are not with us and could not hear the apology. The big question that arises during this debate, when one steps back from the apology, is why it took the State so long to accept that it played a central and crucial part in supplying the women who were enslaved, starved, ill-treated, abused and treated with cold contempt.

Over two centuries the State used these institutions as places to deal with societal issues of illegitimacy, poverty, disability, so-called immoral behaviour, domestic and youth abuse and youth crime by incarcerating women in these institutions. The religious orders then used the incarceration of these women and girls to create a well supplied, conveyor system of unpaid labourers to work in their commercial and industrial laundries. These women and girls lived and worked in the most brutal conditions imaginable, as is clear from Martin McAleese's report. Why has it taken until 2013 for an apology to be made? This is something that must be addressed at some stage. Was it difficult to uncover the State's involvement in the laundries? Survivors have been speaking about these issues for years, so it would have been easy enough for people to find information about them.

Survivors of these cruel institutions spoke of the cold atmosphere of the institutions as well as the rigid and uncompromising regime of physically demanding work and prayer. Most women who were imprisoned in these institutions also spoke of their hurt due to the loss of freedom, the lack of information on when they could leave and the denial of contact with their families. Many have commented that Ireland was a harsh and unforgiving place in the 1920s, 1930, 1940s and later, but let us not forget that the last Magdalen laundry, on Sean McDermott Street with 40 women still in residence, only closed in 1996.

The Magdalen women were excluded by the State from the 2002 residential institutions redress scheme as the State argued that it had no involvement in sending the women to these institutions and the institutions were privately owned. In September 2009, the then Minister for Education, former Deputy Batt O'Keeffe, said the State did not refer individuals to Magdalen laundries, nor was it complicit in referring individuals to them. I recall raising this issue when I was first elected to this House in 2002. Again, we were told there was no evidence. Various education Ministers said the same. Where was the information? What was new about this? Was the evidence hidden from the Government or has it been lying in plain sight for anybody from official Ireland to see or ignore, as they see fit?

It was only the courage and tenacity of the Magdalen survivors that forced the Government's hand on this issue. Through their unfailing spirit, commitment and hard work, these women, with the help of civil society groups, have kept the Magdalen laundries in the public domain. It was the hard work of the women and their advocates which ensured that on 1 June 2011 the UN Committee Against Torture recommended that the State should institute an independent and thorough investigation and, if appropriate, give redress, compensation and rehabilitation to former residents of the Magdalen laundries. Many believe that this was the catalyst for the Government to act on an issue which the State was so vocal in denying.

The McAleese report proves that the State was fundamentally connected to the laundries. There was also a wealth of information already available in the public sphere. The report found that 26% of the women who entered the laundries did so through State intervention or State involvement. The report also confirms that the State oversaw this brutal enslavement and system of unpaid labour as it failed to regulate and inspect the laundries in line with the Factories Act.

The State not only failed to regulate and inspect the laundries, it also funded and financially supported them through sweetheart deals with the religious orders. The laundries also received State capitation and other top-up grants. We cannot simply say the laundries operated in different times. As I mentioned, the last laundry only closed in 1996. However, the women's incarceration was also illegal at that time. Their enslavement flew in the face of the League of Nations 1926 Slavery Convention and numerous other international and European legal conventions, to which this State was a signatory. The State's complicity in their enslavement was also contrary to all those conventions.

With regard to redress, the redress mechanism must be open, transparent, accountable and non-adversarial. Other speakers have also said this. It must be put on a statutory footing, have adequate oversight and provide for the right of appeal. The women should receive their unpaid wages and full pension entitlements. Finally, health and education services must be provided for them. This is the least the survivors deserve.

Reference has been made to Bethany Home. The courage of the Magdalen survivors forced the State to rectify the State's abuses, but others have been left behind. That is compounding the hurt of these individuals as they wait for somebody else to investigate and find the evidence that is already available. The women and children who survived similar shocking abuse in Bethany Home are also elderly and have also fought bravely and courageously for an independent inquiry to examine what happened in this residential home, which was open from 1921 to 1972. Between 1922 and 1949, more than 219 children from Bethany Home were buried in unmarked graves in Mount Jerome cemetery. I attended the commemoration that was held there last year. I passed the plot quite regularly for years but it appeared to be a piece of waste ground. I did not know that these children were laid to rest there.

The list of horrendous abuse in Bethany Home is long and disturbing. Can we shy away from this black period in the State's history? In October 1939, for example, after an inspection of Bethany Home it was found that 14 infants had died since the previous inspection of the premises. There were 57 children living in the home at that time. The State refused to act, suppressed the truth and simply ordered the home to stop admitting Catholics. It was an Irish solution to an awful and sad problem. There is evidence that one child died there in every three-week period between 1935 and 1940. It is scandalous. These shocking revelations were only discovered thanks, again, to the survivors' group and a couple of journalists. It was not the State. They have not only brought into the public domain the vast abuses that occurred in the home; they have also identified the occupants of dozens of unmarked graves.

I remember when the former Taoiseach, Bertie Ahern, made an unreserved apology to all victims and survivors of abuse in residential institutions in 1999. There was a broad welcome for that apology, but 13 years later justice has still not been given to the survivors of those cold and inhumane institutions, of which there were many. It is a sad legacy with regard to this debate that there are other institutions than those to which the Taoiseach's qualified apology relates. It compounds the hurt of people who were in the likes of Bethany Home. Successive Governments have placed survivors on a seesaw of emotions. One minute they feel there will be a breakthrough and the next they are denied justice by another Government. The Magdalens went through that over the years. People hope a new Government will be enlightened by new information. It has gone on too long. I urge the Government to set up an independent investigation into the abuses that occurred in Bethany Home and to include the home in any redress scheme. I urge the Government to ease the hurt and pain of survivors before it is too late.

This is about those people who have been left out of the equation. I urge the Government to use this as a starting point. It should not just be about the cost to the State. It is also about the responsibility of the State to those who had their childhoods destroyed in the institutions they were put in. It should be in the past. The only way to resolve it is by looking outside the narrow confines of the State's involvement and costs. The bigger picture is of society. We must look at all of these institutions if we are to move on. I hope the Government will reflect on that during the course of the debate and consider including the people who have been left out.

**Deputy Brian Walsh:** I welcome the opportunity to contribute to the discussion. I cast my mind back to last week, when this was a different place. The Chamber was full and, more importantly, the Visitors' Gallery was filled with victims and survivors. The Taoiseach handled the situation well. There was some initial criticism of his response to the report but he was proven to be correct in the fullness of time. He handled the matter appropriately and took his time to reflect on the content of the 1,000-page report and meet with the survivors. He made a heartfelt, sincere and powerful speech and apology to the victims and survivors of the laundries. Most people in the Chamber on the night acknowledged that the speech played an important role in the healing process. The most important people in the debate were the survivors themselves who were in attendance and who stood and applauded the Taoiseach's speech with tears in their eyes. It was an occasion on which to be proud to be a Member of the House and it was poignant and emotional. Many of those senior Deputies who have been Members of the House for longer than I have or would hope to be said they had never experienced anything like the emotion that was palpable in the Dáil last Tuesday night.

I commend the brave women who shared their experiences with Dr. Martin McAleese and his interdepartmental committee. The courage they showed in recounting the haunting and hurtful memories that informed the McAleese report has, as the Taoiseach said, held up a torch to our past and illuminated some of the darkest recesses of our nation's recent history. Women were incarcerated in the Magdalen laundries for a variety of reasons or, in some cases, for no reason at all. Many were admitted for what has been described as the crime of being an unmarried mother. Others were admitted because they had physical or mental disabilities or, more simply, because they were deemed to be attractive or assertive. They were detained for undetermined periods in a culture of shame and fear, suffering daily humiliation and a regime of punitive physical labour. Shamefully, they were described as fallen women, but it was in fact society that had fallen.

Women were branded with an inescapable stigma and excommunicated from society because of what was understood to be a sense of morality but was in fact inherently immoral. No section of society is untainted by this stark period. The church, State, courts and Garda Síochána were all complicit in referring women to these institutions. Psychiatric hospitals, industrial schools and mother-and-baby homes were also complicit. As Deputy Eamonn Maloney said, parents sent their daughters to Magdalen laundries in an effort to avoid scandal. That attempt to avoid scandal constituted a greater scandal. The stigma attached to unmarried mothers during much of the period meant that many had their babies forcibly removed and put up for adoption without legitimate consent. Children were, in effect, exported as part of a system under which the State colluded with the church. Approximately 2,100 children were sent overseas for adoption in this way between 1949 and 1973.

The insight into this Ireland which the McAleese report provides is deeply saddening. It reflects a failure at every level of society, from those arms of the State which condemned vulnerable women to this fate to the ordinary people who unquestioningly accepted the propriety,

rectitude and role of these damaging institutions. The brave survivors of the Magdalen laundries who have lived their lives in the shadow of the past should be made to know that we share their anger and pain. As citizens of the State and members of the church, these injustices and atrocities were perpetrated in our names. It is important that the publication of the report not only shines a light on our past but illuminates our path to the future. It is important that we reflect on the findings to foster a more inclusive society, accept and address social issues and never again remain silent and blinkered about injustices affecting our people. I am pleased, therefore, that the erection of a national memorial has been proposed in the context of making restitution for the survivors of the laundries. I also welcome the appointment of Mr. Justice Quirke to carry out a review and identify how best to support the victims and survivors and to meet their psychological and medical needs.

As Deputy Seán Crowe has said, it is very important that the support we now provide, be it financial or otherwise, is given openly and transparently. It is important that the resources of the State that will be committed to this are afforded as far as possible to victims and not tied up in legal wrangles. It is important to ensure the legal fraternity does not get involved in taking a huge slice of whatever resources the State makes available to victims. It is also important that the religious orders make some contribution to the compensation package. This is a debate on which Members on all sides are as one. It is important that the needs and concerns of the survivors and victims are put first and that we act in a speedy manner to address them.

**Deputy Marcella Corcoran Kennedy:** It is with profound acknowledgement of the findings of the McAleese report that I welcome the opportunity to speak. I thank Dr. Martin McAleese and his committee for their work in producing this long-awaited report, which provides us with an indepth exploration of one aspect of a period of silent and latent societal degradation. The women and children housed in these institutions and subjected to uncompromising regimes of physical labour endured vast deprivation. Following examination of the report, we must consider the societal inheritance of these asylums by the Free State, entry routes into them and the way the State has treated the victims subsequently. The State has been slow to respond to the deprivation suffered by women from 1922 to 1996.

The problem has a deep foundation in our history. The phenomenon of asylums for those considered at odds with society was present from the 18th to the 20th century. Following Catholic Emancipation in 1829, these homes or refuges were increasingly institutionalised and came under the direct influence of religious orders. That these institutional constructs were ever acceptable is a testament to the societal structures of the time. The psychological degradation suffered by these unpaid young women and girls at their most vulnerable was immense. The treatment of the laundries as factories under the inspection regime of the Factory and Workshop Act 1907 is further proof of the industrial level of their output. That the 1907 legislation applied to the laundries shows how the early State augmented the institutions and asylums set up in our colonial past. While the Factory and Workshop Act 1907 applied to these institutions, the report draws our attention to the Truck Acts of 1831, 1837 and 1896, which hold that it is prohibited to pay workers in factories anything but “coin of the realm”. The early State’s selective use of legislation shows how responsibility rests with social attitudes in the transfer of power at the time.

The inspectorate under the Factory and Workshop Act was amended in 1955, superseding and augmenting some of the 1907 legislation, but there was no change to the status of the laundries as workplaces under the inspectorate. The past failure of the State to recognise the victims of the Magdalen laundries was based on the concept that the State had little or no involvement. The report of the interdepartmental committee chaired by Dr. McAleese delved deeply into

the fabric of this social inheritance. The report concludes that a quarter of all referrals to the asylums were made by the State. A total of 14,607 women and girls were admitted, of which the report deals with 10,012. For the first time, this report has comprehensively proven the integrated involvement of the State and the religious orders. The lack of choices for women in the Magdalen laundries is evident from the State entry routes to the laundries. Rather than providing a duty of care to individuals, people were incarcerated as an unpaid workforce. These entry routes included industrial and reform schools. The mean age of entrants from reform schools was 17.8 years of age, which is incredible. The lack of options given to women was further proven when some young girls on discharge from industrial schools were sent to the laundries on being recalled. The lack of care and compassion afforded by the society of the time to women experiencing difficult and harrowing conditions can be viewed in other State entry routes, including the mother and baby homes, social services, hospitals and psychiatric institutions. The Magdalen laundry system constituted a convenient asylum for many of those who were most vulnerable and in need of care.

The inspectorate and the inmates testified that living conditions in the laundries were clean and sanitary. While this might have been the case, the accounts from survivors detail the methods of control used at the time. They were rarely physically abused, but many were subject to constant psychological degradation. Although the inspections may have compared the cleanliness of the laundries with that of hospitals, this concealed a workforce none of whose workers were paid. The laundries' management system, enforced by religious authorities, viewed the staff as charges to be optimised through their work output. According to their accounts, women who refused to work sometimes referred to this as "going on the wren" and they were punished by being sent to bed early without their supper. This constant sadistic attack on self-esteem, self-worth and dignity created a lasting humiliating legacy of poor self-confidence for many victims in their later lives.

As recently as 2001 the voices speaking of the circumstances these women suffered in their incarceration had gone unheard. This report vindicated the testimony of both Magdalen survivor groups and pioneering individuals, justified their case to validate their integrity and gave them a feasible right to dignity, which our Government upholds. This right resonates deeply with all facets of Irish society, but most especially the victims and survivors of these institutions. That chilling legend "Work will set you free" resonates from a darker time in Europe's history. Despite the less brutal nature of Ireland's labour camps, it is a legacy which should be remembered carefully and addressed appropriately by today's society. The fact that these structures were given such a large and obvious role in enforcing a moral authority which was so blatantly at odds with true Christianity is startling.

While hindsight grants many dispensations to the reality of that time, the truth for many women and children victimised by the laundries is that this is a cruel and uncompromising facet of our history. It is a legacy which this comprehensive report finally uncovers. It is important that this legacy is now addressed to the fullest extent in the ultimate knowledge and understanding of the hardships and deprivations suffered by these women. The response by the Government to the report has been thorough. The survivors have been allowed to express themselves and discuss the issues facing them with the Taoiseach in Dublin and London. It is heartening that after the experiences they endured they will now receive compensation. I welcome the appointment of Mr. Justice Quirke and look forward to his review.

In my contribution to a debate on the Magdalen laundries last year, I joined with others in asking for an apology, as I believe that is the least these women deserve, in addition to redress

and restorative justice. I especially welcome the sincere and heartfelt apology by the Taoiseach on behalf of the Government, State and citizens just a week ago. It was a night never to be forgotten by any of us fortunate enough to have been present and especially not by the women and their families who waited for so many years to hear those words, finally acknowledging the truth of the State's involvement.

**Deputy Catherine Murphy:** This is my first opportunity since last week to publicly acknowledge the apology by the Taoiseach. It is fair to say that if the day the report was published was a low point, the apology last week was a high point and is to be commended. It must, however, be underpinned by the action promised. Many of those involved are older women, and if they are to take advantage of the few comforts left in their later years, these must be forthcoming in a generous and easy way, such that the women do not have to wade through a quagmire to get redress. These women must be our first concern at all times.

The McAleese report was defective, as its terms of reference were limited. While it did serve to highlight the State's involvement, the omission of 800 pages of testimony was important. It appears to underplay the violence that many of the women spoke about. Dr. McAleese worked diligently to produce the report in a limited time period and with limited resources, and he proved the central point.

Just as the doors were closed for so many years to the Magdalen women and were opened by the acknowledgement of the apology, those doors remain closed to the survivors of the Bethany Home. That needs to change now, because if we do not address it, that will be our legacy.

It was the late Mary Raftery who opened up the possibility of looking at the Ireland of the past, but it is not that far in the past. Some of us here, at least Deputy Durkan and I, share some memories of that Ireland. Mary Raftery consistently complained about the lack of availability of records. I recall an event at which she spoke, in which she complained specifically about records at the Department of Education and Skills. If her legacy is to be acknowledged, then the availability of records must form some part of the redress. Up to 10,000 women were involved in these laundries. Accordingly, we will be dealing with hundreds when it comes to redress. Families will want to re-attach or reposition relatives who were in laundries, many of whom are no longer with us, and understand why they were placed there. Recently, I received an e-mail from an individual who falls into this category. His grandmother was in an industrial school and then a Magdalen laundry. He is now searching for her parents. Essentially, he is looking for the records, particularly those of the religious orders, to be part of the redress scheme and to be made available to people who have a connection with a laundry. He is not seeking to have these publicly available as he understands there are sensitivities with regard to the information involved. However, he has to go on his bended knees to the Sisters of Mercy to get information on his grandmother and her circumstances. He has made an exhaustive search in the General Register Office. From my experience of research in the office, I know one has to go through many records to prove a connection. In the case of this individual, he has gone through 60 records, which has incurred costs for him. It matters to him because he was very fond of his grandmother. He feels he has to make some redress to her to understand the circumstances behind her incarceration in an industrial school and, subsequently, a Magdalen laundry. His family's speculation is that his grandmother's mother died young and her children were handed over by their father to the order. In my research in the Roscommon-Ballinasloe area, I found many cases in which, when a mother died young, the church presumed it would collect the children and put them into orphanages or industrial schools. In the case I referred to, it may well be a maligned version of the truth when it comes to widowed great-grandfather.

I understand why people want to comprehend what happened to their relatives. The stories behind these cases are part of the redress process. If we are going to face up to what happened with the laundries, we need to understand why it happened. It is important for people to understand why a member of their family was subjected to this treatment. The individual in question also stressed that he and his family are not looking for compensation for their grandmother. It is about putting their family back together. There are additional aspects of the redress scheme that are necessary. The religious orders must come up with some solution with regard to making available records that they still have on the laundries. The State also has a role to play in making available the records of the Department of Education and Skills. I accept that the records are personal to those involved and their families, and I am not seeking full disclosure on some form of website. However, there must be a sympathetic and thoughtful way of making those records available.

Even though I have highlighted the importance of the records, our key concern must be for those survivors who need to have redress delivered in a timely and compassionate way. However, this is not the totality of the problem. When there is engagement with the religious orders, the issue of records must be taken up with them and addressed. By being forthcoming, they could make an important contribution to a healing process that goes beyond those Magdalen laundry women who are still with us. For many families, it is an important issue to resolve.

**Deputy Bernard J. Durkan:** Like other speakers, I am glad to have an opportunity to speak in this debate. It is interesting and ironic that we visit once again our dark past and the secrets with which our society lived. One ponders whether we still have secrets that we as a society have not necessarily addressed. It is always better to address issues of this nature at the time they emerge rather than in retrospect, which is what we are doing now.

As others have done, I congratulate the Taoiseach and the Tánaiste and Minister for Foreign Affairs and Trade on their excellent and poignant speeches on this matter just a week ago. Their speeches served to address in some small way and publicly highlight the issues that affected a number of women who were in the Magdalen laundries over the years. Some of them were sent there as children by institutions of the State and others by their relatives. Some even went voluntarily with the high hope that they would have an improved standard of living, education and safety. Can one imagine how frightened these children were when they were not in a position to determine what the future held for them and they were in someone else's custody? Kids by their nature are caring and trusting. They trust those around them to provide for, care for and look after them. Unfortunately, this did not happen as it should have happened in the Magdalen laundries. It did not happen because no one seemed to care, not even the institutions of the State or the parents who sent them there or society, which must have known what was happening in those laundries. How often have we spoken in retrospect of many other similar occurrences in other institutions when no one listened at the time? If there is one lesson we can learn from these debates, it is the need to address the issues that could cause problems in the future there and then in the present. If we could do that, we will have learned a great lesson and served society well.

Those women from the Magdalen laundries who so valiantly stood, worked, suffered and worried together over the years have done a great job in bringing to our attention the need to make absolutely certain that such occurrences are not allowed to happen again. We had a peculiar society. We may still have one, as there may be issues today that will be viewed differently in the future. It is very important that those institutions of the State which have a responsibility in any issue affecting men, women or children assert themselves and address the issues for

which they are charged with responsibility. Failure to do so would be a serious negation of their duty.

I congratulate Dr. McAleese on his excellent report on the laundries. In some areas, it has been criticised for being less than sufficient. I must say it is remarkably conclusive, was delivered speedily and encompasses a significant volume of the issues affecting society at the time.

### **State Forestry: Motion [Private Members]**

**Deputy Richard Boyd Barrett:** I move:

“That Dáil Éireann:

notes, with dismay, the Government’s intention, under the Troika deal, to sell the harvesting rights to our national forests;

notes that:

— Ireland’s publicly owned forests are one of our most precious natural resources and a priceless part of our culture and heritage, that must be nurtured and protected in the interests of current and future generations;

— since Coillte was created it has already sold over 40,000 acres of forest land; in 2009 it sold €33 million worth of forests, in 2010, €38 million and in 2011, €37 million;

— the national forests represent 11% of the landmass of Ireland, 745,000 hectares (1.6 million acres); and that the Coillte estate owns and runs 7% of the landmass, which includes maintaining 11 forest parks, 150 recreation sites and 23,000 kilometres of roadways;

— according to the Irish Forestry and Forest Products Association (IFFPA), in 2010 Irish forestry and the forest product sector generated €2.2 billion in annual output (1.3% of GDP) and forest products to a value of €286 million were exported;

— the sector employs 12,000 people across the State;

— over 18 million individual visits are made to the national forest estate each year and according to IFFPA total economic activity generated by domestic users is an estimated €286 million and overseas visitors a further €138 million;

— in 2008, 517,000 tourist visitors participated in forest walking while holidaying in Ireland, spending an estimated €364 million;

— according to IFFPA, for every 15,000 hectares planted, 490 jobs will be created, indicating enormous potential for employment creation;

— much of the State’s forest land and associated industry and employment is based in rural Ireland and is a vital part of the rural economy;

— the percentage of afforested land in Ireland, at 11%, is well below the European



average, representing an enormous unrealised potential for the State and its citizens to generate thousands of jobs and a reliable source of income;

— Ireland has agreed to the Europe-wide target of 30% forest land;

— a country such as Switzerland, which is half the size of Ireland, through prudent and sensitive management of their forestry, employs 100,000 people in the forestry and forestry related sectors, setting a standard that Ireland should seek to emulate;

— no other country in Europe has privatised state forestry or harvesting rights and higher levels of afforestation and related employment have been achieved where the state retains substantial ownership and management of the national forests;

— in Sweden part-privatisation of state forestry was recently reversed and the sector taken back into public ownership;

— in the United Kingdom recent proposals for the privatisation of state forestry were abandoned after there was enormous public outcry, leading to the establishment of an independent committee which recommended greater community participation and development of native species;

— there has been no consultation with stakeholders on the planned sale of Coillte harvesting rights and the potential impact of privatisation in terms of amenity loss, security of supply, environmental impact, job losses and other social and economic consequences;

— the intergenerational commitment implicit in the creation and stewardship of forests means that they are best owned by altruistic and long surviving institutions such as nation states;

— forests play a huge role in mitigating climate change and regulating the temperature of the earth's atmosphere and, as a signatory to the Kyoto Protocol, Ireland is committed to reducing CO2 emissions; and that Irish forests stored 2.2 million tonnes of carbon in 2010 alone;

— the specific habitats of Irish forests will be threatened by privatisation, and it is unclear how the Government intends to address reforestation, species mix, environmental design, forestry inventories and other regulatory environmental issues which, if not planned, will have a detrimental knock-on effect on wildlife;

— privatisation of some state forests in New Zealand has led to major problems with public access, job losses and contracting of the wood processing sector;

— the 745,000 hectares (1.6 million acres) of forests in Ireland represents an integral part of our heritage which should be developed and expanded; and

— the reported valuation by NewERA of Coillte harvesting rights of €700 million, which equates to approximately €580 per acre of trees, is almost certainly a gross undervaluation of these forests;

believes that the commercial pressure to make immediate profits, that would be on any private investor who might take over the harvesting rights of Coillte, would critically mili-

tate against the imperative to maintain public access to our forests, to invest in long-term sustainable management of those forests in the interest of the public and to generate much needed employment; and

calls on the Government to:

— abandon any plans to sell the harvesting rights of public forest lands under the control of Coillte;

— maintain Ireland's public forestry in full public ownership in perpetuity;

— establish a major forum involving all stakeholders and concerned groups on the future of Irish forestry;

— rapidly accelerate afforestation in Ireland to at least the European average over the next ten years and to meet the existing targets of 30% forestation;

— establish a major programme of public investment and public works in Irish forestry with a view to creating jobs in this sector and boosting the ratio of forest related employment to forest acreage from the current low level to levels similar to countries such as Switzerland;

— put a particular focus on developing and expanding the cultivation of native hardwoods and developing local community involvement in the development of Irish forestry;

— improve the utilisation and development of public forestry with an emphasis on increasing our low forest cover with our native hardwood species which would help alleviate flooding, maintain soil fertility and reverse the acidification caused by conifers; and

— increase the use of timber as fuel for local communities by coppicing; protect water sources; and restore rivers and lakes to bring back freshwater fish stocks.

I will be sharing time, by agreement, with Deputies Catherine Murphy, Finian McGrath, Pringle, O'Sullivan, Fleming and Mattie McGrath.

Our forests are one of our most precious resources. They are a priceless part of our national heritage and they are an invaluable economic asset. The Government's proposal to sell the harvesting rights to 1.2 million acres of public forests would be nothing less than a national betrayal and an act of cultural, economic and environmental sabotage and vandalism that is utterly unacceptable. There can be no justification for the selling off of our public forests, but to sell them off to pay off the gambling debts of bankers, speculators and bondholders represents an utter obscenity. More obscene, if this priceless asset is to be sold it may well be the same bankers and bondholders who helped to ruin our economy and the European economy that would end up owning our forests.

This is not scaremongering. Since Coillte was established by Ray Burke and Bertie Ahern, no less, it has sold 40,000 acres of public forest. By all accounts this has been done to plug a major deficit in the pension fund, a deficit that was probably generated as a result of speculation on the property bubble. The purchaser of much of that 40,000 acres of public forest was a body called the Irish Forestry Unit Trust, which includes Bank of Ireland, Allied Irish Banks and Irish

Life, institutions which helped to ruin the country. Incredibly, now that the harvesting rights of the public forests are for sale it is possible that the banks which helped to ruin the country and whose debts have forced us to consider selling the forests could end up owning the forests. That would represent an obscenity beyond all obscenities. Another likely bidder if the harvesting rights go up for sale is a Swiss bank that manages wealth for the world's billionaires called Helvetia Wealth, a subsidiary of which, the International Forestry Fund, is headed up by none other than Bertie Ahern, the same man who set up Coillte and began the process of selling off public forestry. The idea that the former Taoiseach, responsible for the ruination of the country, could be a possible frontman for the takeover of Irish public forests by a Swiss bank is simply beyond belief. One possible outcome is that the banks which bankrupted the country and which have forced us to sell State assets could also force us to sell our forests and then the same people could end up owning them. One could not make it up; if this were in a novel anyone would say it was unrealistic.

More Government spin about ending bank guarantees, such as we heard today, or cries of triumph over the so-called IBRC deal will ring very hollow if, at the end of the troika programme, our country and economy have been stripped of some of our most vital natural resources, State assets and national heritage.

It says everything that if Ireland were to sell the harvesting rights to our public forests we would be the only country in the European Union to do so. In Britain, when David Cameron's Government attempted to discuss the idea of selling off state forests, there was a national outcry which forced Mr. Cameron to back off quickly. Indeed, as a result of the public consultation held in that country, as part of which 40,000 public submissions were made, almost every one of which was opposed to the plan to privatise British forests, the British Government was forced to develop a new strategy to invest in public forests and to begin to develop native species of trees to improve the management of the forests in the interest of the public. Sweden, a country which only partially privatised its state forests, was forced within a few short years to take them back into full public ownership because of the public outcry and the failure of private owners to manage them properly.

Let us consider what happens outside of the Continent. Even in New Zealand, one of the countries often held up as an example of where privatisation has occurred, only a small part of the state forestry was privatised and the results have been very damaging indeed. There have been major problems of public access to New Zealand's now-privatised state forests. Thousands of jobs have been lost. Major damage has been done to the sawmill sector. There has been a considerable outflow of profits from the country, moneys which used to stay in New Zealand.

There is absolutely no doubt that if the Government takes the unprecedented step of selling the harvesting rights of our State forests we will see the same damage done to this vital natural resource and element of our heritage. Such a move will threaten public access. It will lead to job losses. The Irish Timber Council stated today that it estimates there could be 2,500 direct job losses if this plan goes ahead. It will endanger security of supply to the sawmill industry. It will endanger biodiversity and the environmental integrity of our forests and natural amenities. It will seriously endanger our climate change strategy, as part of which afforestation and the use of forests to develop carbon sinks is a key component.

As Peter Bacon pointed out today it is likely that the State would actually pay financially to pick up the tab for what would be left of Coillte in terms of the deficits and debts the company

has. At every level we stand to lose, economically, culturally and socially, if we privatise the forests. There is simply no argument whatsoever.

There is also a serious question about the undervaluation of this vital asset. The suggested figure for the sale of the harvesting rights is between €600 million and €700 million. For 1.2 million acres this works out at approximately €580 per acre. Even I, as someone not familiar with land values in rural areas, understand that €580 per acre represents a giveaway price for a valuable resource. It is absolutely unconscionable for us to do this.

The alternative is to retain the State forestry in public hands and to develop and expand public forestry. We should develop a major public works programme that could put thousands of people back to work. We know that hundreds of jobs can be created and we have figures showing that for every 150,000 hectares it is possible to create approximately 600 jobs. If we set out to meet the 30% target of afforestation to which we have signed up, we could create tens of thousands of jobs and we could probably get money from the European Investment Bank on the basis of putting forward a business plan to meet that target. We could be creating jobs, increasing revenue and safeguarding our forest heritage and a vital natural resource for this State.

I appeal to the Government to back away from this proposal and protect our State forests. People will be gathering outside the Parliament tomorrow to appeal to the Government to do that. I hope the Deputies opposite will support our motion and withdraw their amendment.

**Deputy Catherine Murphy:** I thank the United Left Alliance Members for putting forward this motion, which I am happy to support. The sale of harvesting rights to Coillte will have a detrimental effect that is far more costly to us than any up-front income could ever offset. Coillte is an example of a strategically important asset that offers several major benefits to the Irish economy and environment. However, these benefits are not being considered by the Government in advance of the sale. Coillte has not yet realised its full potential. The company could diversify into providing fuel for our fledgling renewables industry as well as enhancing the public amenity aspects of Coillte lands.

I will speak on another occasion about the climate change Bill, the heads of which were published today, but it is disappointing in many respects. By acting as a carbon sink, Irish forestry could play a significant role in helping us to achieve our 2020 emissions reductions targets. We have international and EU obligations to meet those targets. It is estimated that Coillte forests currently store 10.5 million tonnes of CO<sub>2</sub> and the current stock of trees can sequester up to 1.1 million tonnes per year. This offers a clear opportunity to use our natural resources wisely in order to meet our international obligations without having a heavy impact on the ordinary operations of Coillte, provided the company maintains a healthy replanting policy. Coillte grows an important renewable resource. Wood pellets are a by-product of the timber industry and there is also potential for biomass production.

The company sustains employment in rural areas and as these jobs are not the type that can be developed in urban areas, it creates a balance. Up to 80% of the timber it produces supplies the indigenous market, but the sale creates the potential for putting these products on a ship so that some other country can sell them back to us in the form of cheap furniture. This makes no environmental sense. If we experience an oil shock, for example, timber will become much more expensive. We currently have a measure of control by virtue of the fact that our timber is locally supplied. Privatisation could be detrimental to Irish sawmills and panel board mills, which employ up to 1,800 people.

Ireland's afforestation policy calls for 17% forestry coverage by 2035 and yearly afforestation rates of 20,000 ha per annum until 2048. We would in effect be abandoning those goals if we sold our harvesting rights. Ireland is already one of the least forested countries in Europe. This is not a good deal for the State. The Bacon report pointed out that the State would lose all the profits from timber sales even while retaining the deficit funding requirements, including the company's pension liabilities. The proposal does not make economic or environmental sense. Coillte is an important strategic asset which we need to retain.

It is more difficult to estimate the potential income from the public amenity aspect of our forests, but the Dublin Mountains Partnership represents an important development in this regard. In my constituency of Kildare North, Donadea Forest Park is very popular. People visit the park every weekend and it is widely used over the summer. The Government's plan creates the prospect of heavy industrial machinery mixing with people. The landscape will no longer resemble a forest park. One can easily visualise the loss of that amenity. This issue urgently needs to be included in the broader equation.

**Deputy Thomas Pringle:** I welcome the opportunity to speak in support of this motion and I commend the ULA Members on their tabling of it. The sale of the harvesting rights to Coillte could go down as one of the most short-sighted decisions by this most short-sighted of Governments. The decision to sell State assets is a knee-jerk reaction on the part of the Government, made at the behest of the troika, to pursue an agenda of privatisation and liberalisation. How can the sale of our forestry rights over the long term assist the recovery and development of our State? It will merely open up the resources of our citizens to private capital.

There are four main reasons Coillte should not be sold. The company supplies 80% of the timber used by sawmills in this State, and if the sale proceeds there is no evidence to suggest this supply chain will be maintained. Evidence from other countries, such as New Zealand, indicates that the opposite will be the case, with raw wood exported and work lost by domestic mills. The sawmill industry currently employs approximately 1,800 people and generates wages of €90 million annually. Up to 3,000 more jobs could be threatened from the sale of Coillte's harvesting rights. Our forestry could also support the development of a wood biomass industry that, if nurtured, could be used to strategically change the direction of home heating in this country. We import more than €1 billion in home heating oil annually but we produce more than five times the amount of wood necessary to heat the entire country. This would be a carbon-neutral policy. It is ironic that on the day the Government published the heads of the climate change Bill the sale of this important source of carbon-neutral heating is being discussed. Coillte has control over 7% of the landmass of this State, much of which is located in areas suitable for the development of wind energy. If harvesting rights are sold, access to this resource will be lost and the opportunity to meet our climate change obligations could be greatly reduced. Realigning Coillte and the ESB, along with Bord Gáis, with a view to maximising renewable resources could be of great value to Irish society. The State could generate considerable revenue in dividends from semi-state companies, which would do more for debt reduction than any short-term gain from the sale of the companies concerned.

Should Coillte be sold, there will continue to be a need to maintain the public forests that provide social amenities. The proposals for the sale do not contain any provision for the amenity value of our forests. Their future maintenance will have to be funded from State resources rather than Coillte revenues. What will be the future for open access to forests if this sale proceeds? Are we to believe that investment funds will take on a public interest role in allowing public access to our forests? They will certainly not do so without being paid a premium by

the State.

The proposal to sell the harvesting rights to Coillte forests is a crazy solution to our debt problems. It is not based on a realistic examination of the value the company can bring to our economy and society. IMPACT has published a report by Peter Bacon which estimates the net present cost of the sale at more than €1.3 billion. This is far higher than any estimates of the amount the sale could realise. The sale will cost more than that, however. The loss of opportunity for Irish people to benefit from their own resources will be far more costly. The Government should go back to the troika to show it how we can maximise the development of our semi-state companies. The troika would find it difficult to reject a plan that shows how the timber products sector and biomass and renewable energy potential of Coillte can play a huge role in our economic recovery and the remodelling of our economy. Rather than meekly accepting the dictates of the troika, let us develop a plan that will benefit the Irish people. If our so-called partners are really interested in a robust Irish economy that can grow for the future benefit of its citizens, they will be happy to work with such a plan.

**Deputy Finian McGrath:** I thank the Chair for the opportunity to speak on this motion on Coillte and our national forests. I also want to commend and thank Deputy Richard Boyd Barrett and the ULA on bringing forward this motion at this crucial time for the economic future of the country.

This motion is a wake-up call for every citizen of the State. It calls on them to be vigilant and on their guard because while it is now the harvesting rights of Coillte that are being sold, if we do not fight this, there will be a complete sell-off of Coillte in the future. We are all aware of what happened in the past with regard to natural resources like oil and gas. Now is the time to fight, speak out and protect our natural resources. The sell-off has begun already, with harvesting rights valued at €37 million sold in 2011. The Government needs to wake up and smell the coffee before it is too late and too much damage is done to our forests. Not alone that, the sell-off is also hugely damaging for the economic future of our country and of our children. There is no point in talking about a jobs plan this week, while at the same time destroying or selling an asset like our forests, which have huge potential to create more jobs. Let us deal with the economic arguments and facts tonight and let us hope the Government will listen to common sense and consider the economic reality of the motion.

It is with dismay that many of us view the Government's intention to sell the harvesting rights to our national forests. Ireland's publicly owned forests are one of our most precious natural resources and a priceless part of our cultural heritage. We are alarmed that since Coillte was created, it has already sold over 40,000 acres of forest land. In 2009 it sold €33 million worth of forest, in 2010 it sold €38 million worth and in 2011 it sold €37 million worth. The national forests represent 11% of the landmass of Ireland, 745,000 hectares or 1.6 million acres. Coillte owns and runs 7% of that, including maintaining 11 forest parks, 150 recreation sites and 23,000 km of roadway.

According to the Irish Forestry and Forest Products Association, the IFFPA, in 2010 the Irish forestry sector generated €2.2 billion in annual output - some 1.3% of GDP and forest products to a value of €286 million were exported from the country. The sector employs 12,000 people across the State. This is significant employment at a time when the country is crying out for jobs. There is the potential in the area to create five times that number of jobs and to bring the number up to 60,000. Over 18 million individual visits are made to national forest estates each year. According to the IFFPA, total economic activity generated by domestic users is an

estimated €286 million. Overseas visitors generate a further €138 million. These are amazing figures and any government with common sense should look at them and see the potential. In 2008, some 517,000 tourists participated in forest walking while holidaying in Ireland, spending an estimated €364 million in the real economy.

According to the IFFPA, for every 15,000 hectares planted, some 490 jobs will be created, indicating enormous potential for employment creation. We are worried about our forests, but there is also an issue of jobs and that is the issue we need to focus on tonight. Much of State forest and land associated industry employment is based in rural Ireland and is a vital part of the rural economy. We are all aware many of our rural areas could do with a lift as they will not all get IT companies or multinational chemical companies. The Government must wake up and consider new ideas. It must listen to the sensible proposals being made.

The Government has criticised the Opposition on many occasions for not putting forward sensible suggestions. The motion put forward tonight by Deputy Boyd Barrett and the Independent Members and the Technical Group puts forward a strategy to deal with this natural resource and with the job situation. The percentage of our forested land, at 11%, is well below the European average, indicating enormous unrealised potential for the State and citizens to generate thousands of jobs. A country such as Switzerland, for example, through prudent and sensitive management of its forestry sector, employs 100,000 in that and related sectors, setting a standard Ireland should seek to copy. This should be considered seriously.

No other country has privatised state forestry or harvesting rights. Higher levels of afforestation and related employment have been achieved where states retain substantial ownership or management of this sector. In Sweden, part privatisation of state forestry was recently reversed and taken back into public ownership.

These are our ideas. This motion is about our natural resources. It is about the future of our country and our children. Above all, it is about putting forward sensible solutions for the provision of jobs.

**Deputy Tom Fleming:** Coillte controls 11% of the landmass of the Republic of Ireland. Our climate is ideal for soft wood trees and we have three times the growth rate of the European continent and Scandinavia, where the average amount of forested land is close to 40% of total landmass. The potential of Coillte is unexploited here. The State has set a target of 17% afforestation by 2035 and Coillte, the forest service and Teagasc are endeavouring to promote afforestation schemes to farmers and landowners. An intensive and strategic approach should make it possible to extend the planted landmass to over 30% by 2035, doubling the targeted 17%.

Unarable land prices have plummeted since the boom and this is now an ideal time to for the State to invest, dramatically develop afforestation and cater for the growing market demand for timber. The Irish sawmilling sector employs 2,500 people and is an integral part of the Irish forest products sector, which employs 12,000 people in total and generates approximately €2.2 billion annually, approximately 1.3% of GDP. The majority of jobs within the sector are located in rural areas where this indigenous product is a boon to local economies. Tourism and recreation are major beneficiaries of our forest resource, which is ready made for nature trails, hiking and biking, which are enjoyed by young and old alike. Walking is a very popular visitor attraction here and Coillte, with over 7% of the landmass, operates an open door policy of its ready made natural amenity. Hikers are free to use Coillte forests for recreational purposes at all times. Increased afforestation also helps the environment, specifically in the context of

carbon storage. Trees remove CO<sub>2</sub> from the atmosphere and release oxygen, counteracting the greenhouse effect and helping towards Ireland's commitment under the Kyoto protocol.

The trade union IMPACT recently commissioned economist Peter Bacon to draft a report on the sale of the Coillte assets. He claimed this sale makes no financial sense and amounts to a liquidation of the profitable asset. This independent report of the sale is based on a possible scenario that would involve rights to 75% of Coillte production being sold for an 80-year term. The report states the sale would effectively liquidate Coillte as a viable commercial entity. A price of €1.3 billion would be needed to make up for the loss of 80 years of profits and Coillte would need to sell at €78 per square metre, well above current or recent prices, to cover all of the liabilities associated with the company. This occurs because privatisation would mean the loss to the State of the future Coillte profits, the loss of amenity value of State owned forestry and because of the company's debt of €172 million which must be repaid. In addition, there is an employee pension deficit of €130 million, which will most likely have to be met by the Exchequer if Coillte is sold.

A sale would raise cash up front but it would end up costing taxpayers over the long term. Under new owners the timber from the forests, which is currently processed in Ireland, could be exported for finishing abroad, resulting in job losses. The report also stated the sale of Coillte would raise enough cash to repay three weeks of interest on the national debt, if half of the proceeds went towards servicing the debt. It also stated the half share earmarked for infrastructural projects could generate a 6.5% return, but that would be less than the return from holding on to Coillte. For these valid reasons, we must retain our harvesting rights. It would be folly to do otherwise.

I would like to conclude by mentioning an initiative in my constituency involving the production of wood chip by farmers. A wood chip boiler was recently installed in the new Kenmare Community Hospital. This is a wonderful advancement. The farmers are also supplying this low cost fuel to the domestic sector, including many local houses. It is a great boon for everybody and good for the environment.

**Deputy Maureen O'Sullivan:** Tá sé oiriúnach agus tábhachtach go bhfuil an t-ábhar seo á phlé againn anocht agus amárach. Ba mhaith liom aitheantas a thabhairt don Teachta Boyd Barrett ar son na hoibre a rinne sé agus a rinne an United Left Alliance chun an díospóireacht seo a chur ar bun. All of this stems from the EU-IMF memorandum of understanding which states Ireland has to generate €3 billion from the sale of State-owned assets and companies. I understand some significant reports on this matter have yet to be published and it would be wise to examine them when they are available. Perhaps the Joint Committee on Agriculture, Food and the Marine should have a role in inviting all relevant parties to an open and frank discussion at that forum. It is good that we are starting that process by airing the views of Deputies.

The first question we must ask is whether the sale of the harvesting rights would make sense economically or financially, or from the perspective of our heritage and culture. We need to highlight the need to stress-test the implications of the full or partial sale of harvesting rights for the future commercial viability of the sector, including the sawmill sector. Like other Deputies, I have read Dr. Peter Bacon's report assessing the consequences of the proposed sale. I went to the Oireachtas audio-visual room today to hear some of the comments he had to make. His report makes some very logical arguments against the sell-off of harvesting rights, purely for economic reasons. He suggests this measure would cost the State money, rather than generating income for it. He provides some interesting statistics in support of his position: the loss of



funds from Coillte's profit flow would cost the State €565 million; in addition, the company's deficit funding requirement is €313 million, its debt liability is €172 million, while its pension liability is €130 million. The economic cost of the job losses or the loss of the amenity value must also be considered.

We know that Coillte is a significant employer in rural areas. Rural Ireland has been subjected to many other losses without the potential for increased unemployment as a consequence of the threatened loss of jobs. We also know about the economic risk to the timber processing sector. At today's briefing I listened to representatives of the Irish sawmill sector talking about the job losses it could face. The provision of logs for Irish sawmills by Coillte will be interrupted, at the very least, if the privatisation goes ahead. These well established sawmills have long-standing relationships with their customers. There have been far too many examples in this country of white collar crime, unregulated industries and cartels. There is a real concern that more small businesses will be overpowered if these rights are sold. We know that job losses lead to further costs for the State.

Can we trust a private profit-driven company to maintain the country's "open forest" access policy? If that policy is not continued, it will affect culture and heritage tourism from foreign and domestic sources. We know the extent of visitor numbers. There are real concerns that public access could be severely restricted. There are international examples of where this has happened and where privatisation was reversed to encourage greater community participation. I have listened to organisations such as the Woodland League and Mountaineering Ireland that have serious concerns about public access when these decisions are commercially driven. I doubt that recreation is high on the agenda of a profit-driven company. At a time of recession, austerity and budget cuts, we should not discourage a free activity that is good for our physical, emotional and mental health.

Coillte has not covered itself in glory. It has serious questions to answer about the extent of the grants it received from the European Union and the manner in which it was established in 1989. What was the exact size of the land bank gifted to it? What other assets came with it? Do we know what is beneath the trees? Has this been studied? Do we know what mineral rights we are giving away also? Why is Coillte excluded from the scope of the freedom of information regime? In what capacity did it sell land in County Mayo to Shell? It has also sold land to the National Roads Authority. This has had a serious impact on part of our cultural and historic heritage.

The loans to Coillte approved by the Dáil bear no relation to the single contribution the company has made to the Exchequer. As Deputy Richard Boyd Barrett has pointed out, serious issues arise with regard to Coillte's relationship with the former Taoiseach, Bertie Ahern. As has been mentioned, the country's level of forestation is way below the European average, which means the country has massive potential in this respect. If these rights are sold, our natural environment will be undermined in a serious way. Our efforts to meet the current and future Kyoto Protocol targets for carbon emission reductions will also be hindered.

Article 45.5 of the Constitution provides that "the operation of free competition shall not be allowed to develop as to result in the concentration of the ownership or control of essential commodities in a few individuals to the common detriment". I see forestry as an essential commodity that should be protected for the common good. Our forests were established using public money for social and economic purposes. An interesting Bill proposed in 1975 by the former Minister, Mr. Justin Keating, would have ensured a corporate tax rate of 50% would

have applied in cases of this nature. However, it did not get anywhere. I hope we do not make the same mistakes we made with gas and oil resources in the case of our forests.

**Deputy Mattie McGrath:** I am delighted to speak to the motion. I compliment Deputy Richard Boyd Barrett and his colleagues on proposing it at this important time. A copy of the Government's latest Action Plan for Jobs was placed in my pigeon hole this evening. The sector we are discussing employs approximately 12,000 people across the State. Over 18 million individual visits are made to the national forest estate each year. In 2008 some 517,000 tourist visitors participated in forest walks while holidaying in Ireland, spending an estimated €364 million. What more do I have to say? Over 300 actions are set out in the Government's action plan. It is just a farce. We have to protect this asset.

I salute the hard-working men who pioneered the State forests in the days of the Forest Service. I salute the men and women who today work in our forests and their families. They nurture natural habitats and look after forest roads and drains. They co-operate with community groups and everybody else to provide access. They are part of the community and rural Ireland. We must "cry halt" at this time to ensure this valuable natural resource is not sold. It is part of the heritage of being in this country. When I look across at those on the Labour Party benches, I am reminded of the policies they are supposed to have. They should be against all of these issues, but here we are. I share the suspicions expressed about the connections of the former Taoiseach, Bertie Ahern, with this conglomerate.

**Deputy Michael Creed:** The Deputy supported him for long enough.

**Deputy Mattie McGrath:** I am also worried about the people he appointed to high places. What is going on in this country? It is a complete sell-out. It is disgraceful and must be resisted at all costs. If we look at what was tried in this sector in Sweden, we will see that those involved failed and are now handing it back.

I would like to mention two organisations in my county, Aherlow Fáilte and Knockmeal-down Active. The mountain ranges where they are based - the Galtee Mountains and the Knockmeal-down Mountains, respectively - are heavily covered with Coillte woods. They could not have developed walk ways, cycle ways and mountain trails in both ranges without the excellent co-operation they have received from Coillte. The people who volunteer to assist both of these community groups nurture our heritage and develop our tourism projects. They will be locked out and told "to hell or to Connacht" when these rights are sold to private interests. The same thing happened in the case of Eircom and we know how it was plundered. The same will happen when responsibility for Irish Water is given to Bord Gáis. I was contacted this morning by a contractor who had applied to work as a plumber to lay pipes with the new water company. I hope the Minister for Public Expenditure and Reform, Deputy Brendan Howlin, is listening to this. He was told he would need to have a turnover of more than €400,000 per annum.

This is all about big people getting control and keeping small people down. We cannot have this and must not have any more of it. We are paying enough homage to the troika. Our people are in enough misery without selling their assets and china. They have taken enough from us. We have bailed out the banks. Are we going to allow some of them to gain ownership of Coillte? We know that would result in people being locked out of the woods. Trenches will be dug across the gateways and barriers and signs saying "no trespassing", "no walkers" and "no hikers" will be erected. The birds will not be allowed to fly in. They will try to stop the deer from grazing there.

The Government has a fight on its hands. I am ashamed to think the Labour Party representatives in government are carrying on in this way with this kind of proposal. The Labour Party is no more than a mudguard for Fine Gael as it tries to sell our natural resources. After all their talk for the past 14 years, I believe these two parties want to punish the electorate for banishing them from government for those 14 years. They have got their mandate now but they seem to want to punish the people on a daily basis - if it is not this, it is something else. I say to the Minister that he has something else to fight for.

**Minister for Public Expenditure and Reform(Deputy Brendan Howlin):** I move amendment No. 1:

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

“recognises that for the duration of the EU-IMF financial assistance programme the Irish authorities have taken, and will continue to take, all the necessary measures to ensure a successful implementation of the programme and to minimise the cost to the taxpayer, while protecting the more vulnerable;

- in this context, welcomes the fact that half of the proceeds from the Government’s State assets disposal programme will be available to the Government for reinvestment in job-rich projects to help job creation, with the other half, while eventually destined to reduce public debt, also being available, in the first instance, to be constituted as a fund to underpin additional lending into Ireland, for example, by the European Investment Bank, in support of further investment in job-creating initiatives;

- further recognises that the use of the asset disposal proceeds in this way, for stimulus and, in time, for debt reduction, will support economic growth and preserve long-term fiscal sustainability, including programme targets;

- notes the Government’s decision that the harvesting rights to Coillte forests be considered for sale and, at their request, the National Treasury Management Agency, via its NewERA Unit, has been actively engaged with Coillte, the Department of Public Expenditure and Reform and the Department of Agriculture, Food and the Marine over recent months to examine the financial and other implications of a potential transaction;

- acknowledges, from evidence gathered from similar transactions completed in other jurisdictions, that a transaction can be structured in such a manner as to include provision for the maintenance of the Open Forest policy, reflecting public access to recreational land, the continuation of the existing replanting obligations and the incorporation of biodiversity requirements; and notes that it is the Government’s intention that similar appropriate provisions will be included in any sale of Coillte harvesting rights; and

further notes that:

— the process has also included engagement with potential acquirers of harvesting rights, when requested by them in accordance with the published Government protocol; and the two Departments and NewERA have also, when requested, met with interested stakeholders to discuss their position on the sale of the harvesting rights;

— the steering group, including NewERA, is working closely with Coillte and its board in giving consideration to the implications of a transaction for the company and

also for the wider forestry sector, taking account of a series of reports commissioned by Coillte in 2012 from specialist external advisers; and

— as part of this process, the steering group have met with the Coillte group of unions in January where they outlined the process involved and received the view of those unions and copies of the report by Peter Bacon, which was commissioned by the unions; and it was agreed that a further meeting could be held as and when appropriate.”

I wish to share time with Deputies Emmet Stagg and Andrew Doyle.

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

**Deputy Brendan Howlin:** I apologise for being late but I was at the Economic Management Council. I would not have missed the colourful contribution of Deputy McGrath in normal circumstances. I see he is now moving into the sphere of the Sinn Féin Deputies, telling the troika to take a hike and take their money with them.

**Deputy Mattie McGrath:** They have enough taken without taking our natural assets.

**Deputy Michael Creed:** It is his lot that brought them in.

**Deputy Brendan Howlin:** It is lovely to hold that view. Deputy Mattie McGrath supported Bertie and all his works and pomps because he thought he was a great fellow, and he voted to rescue the banks and bankrupted the country. He was part of that cabal. Mind you, he did abandon ship when he saw the leak coming.

**Deputy Mattie McGrath:** There is some cabal right now.

**Deputy Brendan Howlin:** Let me deal with the motion because it is a very important and significant issue that is before the House. I would like in the first instance to outline the background to the proposed sale of - the Deputies might listen to this - the harvesting rights, in order to put this discussion into context. The background is, essentially, that the Government was faced with unprecedented budgetary challenges, the result of which is that the State is currently dependent on financial assistance provided, as everybody in the House knows, through the EU-IMF funding programme. There is still a significant gap between Exchequer revenues and what we spend every day. This is unsustainable and has to be addressed. Every day, we are making decisions - difficult, hard, uncomfortable decisions - to address that and put it right, and to fix the broken economy the Government inherited two years ago. As I have said, in these circumstances, it would be negligent for the Government not to at least carefully examine all reasonable means to raise revenue and to reduce expenditure, including the release of some of the value across a wide range of our State assets.

This particular option was carefully examined and, as announced in the statement I issued in February 2012, the Government decided consideration would be given to the sale of some assets of Coillte, excluding the land, which would obviously always remain in State ownership. This was reflecting the concerns expressed at the time about the sale of such a large area of State lands. At all stages in the process, issues of major importance have been identified and efforts made to address any impediments or legitimate concerns of Members of the House or the general public. In particular, the Government was conscious of the level of concern expressed about the ownership of the land. It was agreed at that initial stage that Coillte would be included in the asset disposal programme, and further consideration was deemed necessary to identify

the appropriate asset which could be sold within the entity that is Coillte.

The outcome of that consideration was that a feasible option to realise value from Coillte would be a sale of the harvesting rights to the forests. It is a commercial forestry company. It grows trees to sell them, like a farmer selling his corn - naturally enough, as that is what the trees are for. The issue then is-----

**Deputy Richard Boyd Barrett:** In this case, it is somebody else selling them.

**Deputy Brendan Howlin:** One cannot sell trees annually. They do not grow miraculously or pop up overnight. The issue then is whether we should sell them in an incremental way or sell them in advance to get the money the country desperately needs right now. These are the considerations we examined, which is quite proper and appropriate. There would be appropriate conditions attaching, including in regard to the continued public amenity, which is hugely important to every Deputy in the House, guaranteed access to the forests - we will not be keeping out the birds, obviously - replanting obligations, and commitments to minimum and maximum annual harvesting volumes and to ensuring continuity of supply to the timber processing sector. These are all legitimate and real concerns that had to be addressed individually. The Government accordingly agreed in principle, in June of last year, to the sale of the harvesting rights to Coillte forests as the best means of extracting value from Coillte in the short to medium term.

The Government has since continued that process and we have advanced with very great caution in regard to this option. We have undertaken further detailed analysis, carried out by the NewERA entity we have created, which has proven to be a very valuable new oversight body, in conjunction with Coillte itself, the Department of Agriculture, Food and the Marine and my Department to identify the forestry assets involved, determine their value and consider all the range of issues associated with the sale of the harvesting rights.

In addition, a number of detailed financial, technical and other specialist reports have also been prepared for Coillte by external specialist consultancy bodies in full consultation with the board of Coillte and its executive management. Coillte has been integral to this process through the provision of data and relevant background information. As the House is aware, Coillte is a commercial company trading in a competitive environment, so matters relating to the performance of its various businesses and its portfolio are commercially sensitive, and it is, therefore, not appropriate to comment publicly on the analysis taken to date.

The Government is fully conscious of the concerns that have been raised not only by Deputies opposite, although I acknowledge them and accept they are real, but by the general public, recreational groups, the timber processing sector and trade unions. NewERA, the Department of Agriculture, Food and the Marine and my Department are fully aware of the findings of the report by Peter Bacon and Associates, commissioned by IMPACT, containing the "Assessment of the Consequences of the Proposed Sale of Coillte's Timber Harvesting Rights", which was published on 10 January this year. However, the authors of the IMPACT-commissioned report have not had the opportunity to consider the very detailed information available to the State on foot of our due diligence, and its analysis of the potential costs and proceeds from a harvesting rights transaction appears to be based on historical, publicly available information, as well as a number of assumptions in regard to transactional structure and sale conditions that are not necessarily in line with the proposals the Government is currently developing.

This process is complex and I want to assure the House that the Government will continue to proceed with caution. I have already assured the House, in regard to the sale of other State assets, that the Government will ensure that all of the implications of each asset disposal will be very carefully considered with a view to mitigating any potential negative impacts associated with any disposal. In the context of Coillte, this will include the need to ensure the stability of the entire timber industry, which is very important for the jobs associated with the industry, maximising the recreational and biodiversity value of Ireland's forests, where there is greater potential than is currently being exploited, and ensuring the continuity of access to the forests as a public amenity. As with all State asset sales, this sale will only proceed if it makes economic and strategic sense for the Irish people. I give the House that commitment tonight.

I would also like to remind the House of the use to which the proceeds of such asset sales may be put, as provided for under the revised programme the Government has now agreed. As agreed with the troika, half of the proceeds will be available to the Government to fund employment enhancing projects of a commercial nature, with the other half, while destined eventually to pay down debt, also being available in the first instance to constitute a fund to underpin additional lending into Ireland. This is to fund our infrastructure and a stimulus package and to create jobs, and is a creative way of using money.

I have concentrated thus far on the background to, and status of, the State assets disposal programme as it relates to Coillte. However, I am, as is the Government, also cognisant of the importance of the forestry sector to the economy, society and the environment. The motion by the Technical Group highlights some aspects of this contribution, including the numbers employed in the sector, the value of exports by the sector and the job creation potential. I also know that Irish sawmillers have worked hard in recent years to develop new products and markets, and it is encouraging that their efforts, along with those of all of the stakeholders in the sector, have resulted in a vibrant and export-oriented forest production sector. The State has also been involved in this process as it has made a significant investment in the development of forestry over the last number of decades, primarily through the provision of funding for the afforestation grant and premium schemes and other support schemes operated by the Department of Agriculture, Food and the Marine. This Government has maintained the level of funding for the development of forestry in recent years despite all the economic pressures, which shows a strong ongoing commitment to forestry in Ireland. The outcome of the investment in forestry to date has been increased participation of private landowners in forestry. I understand there is a significant amount of privately owned forestry now approaching first thinning, and in the years ahead more privately owned timber will become available to the market. Thus, the mobilisation of privately owned timber in itself creates opportunities, which the industry, in conjunction with Teagasc, is seeking to maximise.

While Coillte is currently the main supplier of timber to the timber processing sector, it should not be overlooked that the privately owned timber resource will be becoming available over the next number of years. I appreciate that this will be a gradual development but, in time, it should contribute to competitiveness in the supply of timber. My colleague, the Minister for Agriculture, Food and the Marine, in a reply to a parliamentary question last December, stated clearly that the Government will not do anything that will undermine or significantly damage the timber or sawmill sectors in Ireland, and this remains the position.

Another important consideration, which was also mentioned by the Deputies in their motion, is the level of forestry cover in this country. The State, through its funding of an afforestation programme, has facilitated a sizeable increase over the past number of years. In this regard, it

should be noted that it is a demand-led scheme, so the planting level each year is determined primarily by landowners and their selection of forestry as an enterprise in which they wish to participate. While afforestation is promoted on an ongoing basis, it is also essential to maintain the existing level of forestry. In order to preserve the forest estate and protect the considerable State investment in forestry to date, it is the policy of the Department of Agriculture, Food and the Marine that forestry plantations must be replanted after clear fell has taken place. On this basis, only general felling licences are issued for normal commercial forestry operations, and under the Forestry Act 1946 such licences carry a compulsory replanting condition. This has resulted in an increase in forest cover from a disastrously low level to 11% at present. I acknowledge that this is still low by European standards, but it reflects a greatly increased level of forestry cover in the past 20 years.

The maintenance and increase of forestry cover in Ireland is also essential for climate change mitigation purposes. Forests play a significant role in mitigating climate change by removing carbon dioxide from the atmosphere and converting it to carbon, which is then stored in the wood and vegetation of trees. In 2008, 2009 and 2010, the net contribution of Ireland's Kyoto-eligible forests amounted to about 8.6 million tonnes of CO<sub>2</sub> over the three years. Assuming a carbon cost of €14 per tonne, this represented a significant saving to the Exchequer in carbon credit purchases avoided.

Forests also play a role in reducing Ireland's carbon emissions from the combustion of fossil fuels. The increased use of indigenous wood fuel also offers significant opportunities to reduce Ireland's dependence on imported fossil fuels and contribute to national fuel security. I am mentioning these aspects to illustrate that the Government is very much aware of the economic contribution that forestry makes to our community, both directly and indirectly. The implications of any proposed transaction, whether immediate or in the long term, are being thoroughly considered in that overall context.

The Government is also highly aware of the concerns expressed about possible implications for recreational access to State forests. Given the current emphasis on pursuing a healthy lifestyle and the importance of exercise, it is encouraging to note that significant numbers of the population avail of these facilities and are prepared to bring their concerns to our attention. I reiterate that it is the harvesting rights alone which are being considered for sale and that work has been undertaken to identify potential forests for such a transaction. The level of recreational use is one consideration that must be integral to that selection process. It is the Government's firm intention that appropriate provisions be included in any sale of Coillte harvesting rights to allow for the maintenance of the company's current open forest policy. I underscore that this will be maintained.

In conclusion, I welcome this debate as it gives the Government an opportunity to outline the basis for the decision to consider selling the harvesting rights of Coillte, to give an update on the status of that consideration and to reassure the House and the general public that the Government is fully aware of the concerns and all the issues surrounding such a proposed transaction. I reiterate that the Government will proceed with great caution in respect of this matter and any final decision will take full account of all of the legitimate concerns expressed by the Deputies opposite.

**Deputy Emmet Stagg:** I thank the Minister for sharing time. I am encouraged by the direction of his remarks. As he has said, the Government is examining the viability of selling the harvesting rights of Coillte forests for an 80-year period. Today at a briefing session organised

by IMPACT, we heard strong evidence from the timber industry, representatives of the 18 million visitors to Coillte forests last year and the eminent economist Peter Bacon. It was made starkly clear that the proposal would cost the State money rather than save it. I know that was referred to by the Minister in his amendment. It was also made clear that there is a massive social dividend from the availability of the woodlands and hillside walks to the public. There is a genuine fear that this social dividend would be greatly reduced if the sale of harvesting rights to the private sector for 80 years was to go ahead.

I welcome the undertaking in the Government's amendment to the motion before us to consult further with stakeholders and to take account of the Bacon report on the proposal. I ask the Minister to re-examine the viability of the proposal and whether it is necessary or desirable. I further ask that when this matter is reviewed, both the economic and the social consequences be taken into account. Finally, I take this opportunity to compliment Coillte on making this great amenity available to a large number of citizens and presenting it in a safe and unspoiled condition. In my own area, Donadea Castle estate, which is in Coillte ownership, is a case in point. Great numbers of people from the adjoining conurbation go there on a regular basis to use the amenity. It would be a great pity to see that lessened in any way.

**An Leas-Cheann Comhairle:** I call Deputy Doyle. I understand he is sharing time with Deputy Creed.

**Deputy Andrew Doyle:** I will take six minutes.

**An Leas-Cheann Comhairle:** Deputy Doyle will take six minutes and Deputy Creed four. Is that agreed? Agreed.

**Deputy Andrew Doyle:** I also welcome the debate. It is necessary for us to conduct a series of debates and thrash out this proposal and the possible benefit or otherwise. I will provide some background information. In April 2011, the McCarthy report made the point that Coillte reported aggregate pre-tax profits of €204 million in 2009, with profits from land sales accounting for 70% of this amount and profits from sales from immature forests accounting for a further 17%. Profit from forestry and downstream operations including log sales and CPP, which were traditionally the core operations, accounted for just 13% of the company's profits.

Deputies on the opposite side of the House have acknowledged that Coillte is not a perfect model and certainly needs to be looked at. The reason we are looking at it is that, under the deal with the troika, we have undertaken to examine the possibility of selling €3 billion worth of State assets. While this is regrettable and is because of the economic position we are in, it is an opportunity to examine all State assets, run the rule over them and see if there is value in the sale of some of them - in Coillte's case, the harvesting rights. However, we should bear a few things in mind. A total of 47% of the forest estate in the country is privately owned, although it is not as mature and is not in a cycle of maturity. All new afforestation is being done by the private sector. Carbon sequestration has been mentioned. Only new plantations since 1990 can be considered under the current agreement and under Towards 2020. We must reduce our greenhouse gas emissions. In the last Dáil I was rapporteur for the climate change committee which reported on how to calculate the value of forestry in land use. Heavy machinery is a necessary tool for working in forestry. Coillte has the right to move or alter the Wicklow Way - but not to close it - during harvesting.

I refer to three existing reports. The Coillte report has been forwarded to the steering group



which will make a report in conjunction with NewERA and present options to the Government by the end of next month with further consideration and no determination until the end of quarter two or early in quarter three. EPS Consultants carried out a survey on behalf of the sawmills processors. Mr. Bacon has also made a report. There are seven points common to the reports. The seven core issues include the impact on timber processing and the timber processing sector; the viability of the remaining entity; the impact on employment, including the Coillte pension fund; the Coillte debt and bank loans; the replanting obligations; recreation and the public good; smart-ply investment. Coillte has three core activities which are the forest estate; smart-ply board mill industry and product development in conjunction with the private sector processors; windmills and renewable energy. Coillte continues to have a public service obligation which it argues is not the most economic or efficient method of supplying wood chip to the peat-burning stations for co-firing.

I am the Chairman of the Joint Committee on Agriculture, Food and the Marine. The chief executive of Coillte and also the chairman have attended the committee last October and November. We intend to invite all the statutory bodies to attend the committee as well as the processors, the nurseries, the forestry management companies, the recreational users and the trade unions. It is hoped these hearings will provide an informed consideration for the Government. I urge the Government to take time to consider all the deliberations of the committee on this matter. The committees have proven to be productive fora. I welcome the fact that this debate is being conducted in a mature fashion and that all speakers are allowed to make their points. The points raised in the original motion are valid for consideration.

**Deputy Michael Creed:** I welcome the opportunity to contribute to the debate and I thank Deputy Doyle for sharing his time. I do not have any ideological hang-ups about selling Coillte's trees. They are sold annually as it stands. I welcome the Minister's reassurance in this regard but I understand that the issue is whether we decide to forward-sell them. We are not selling the ground on which they grow nor the air above them. It is a case of whether this makes economic sense, given a whole series of legitimate concerns which have been raised. Sometimes the tenor of the debate becomes too emotional and, if I may be pardoned the pun, it becomes difficult to see the wood for the trees. This is not the death-knell of rural Ireland; this is about whether it makes sense to forward-sell and use the proceeds - as enabled by virtue of renegotiating with the troika - to stimulate employment creation opportunities in our economy. Anyone would welcome this proposition, provided it makes economic sense. I acknowledge the legitimate concerns, however, the Armageddon which is being forecast is well wide of the mark.

I am always somewhat sceptical of consultants' reports because, to a degree, one gets what one has paid for. We have had Bacon reports - with all due respect to Mr. Bacon - in this House before. We might have been well advised if they had not been taken as seriously as they had been at the time and we may have avoided much of the trouble we are experiencing today. Sin sceál eile.

I come from a constituency which has two significant players in the sawmilling business, Palfab and Grainger sawmills, who give very valued local employment. Coillte and the private forestry sector both have significant presences in the marginal land in my constituency.

I refer to the issues of legitimate concern, one of which is that any future arrangement would not impede the annual flow of timber to sawmills because this would be a significant concern as it relates to the downstream employment opportunities. The Minister has clearly indicated that there is no point in the State getting a ball of cash with the consequences being that the cash

would be absorbed in dealing with job losses and unemployment payments. It must make sense under all the other headings. These are not all economic issues because there are also social, recreational, environmental issues and issues of access, which are important also.

The Coillte public park in Gougane Barra in my constituency is widely recognised as one of the great recreational forestry areas. Many of these forestry estates do not have a commercial crop and buyers will not be interested in bidding for them. The quality of the wood is not as good. Some will say that a minority of Coillte's forestry holdings have timber of significant commercial value. The proposal must be evaluated against a whole series of objective criteria such as the replanting obligation which is critical; the flow of timber to sawmills; the recreational open access issues.

I wish to take this opportunity to pay tribute to our former colleague, Shane McEntee, who was a Minister of State. I did not have the opportunity previously. He was not a man of many words in this Chamber but by his deeds shall we judge him. In very difficult times it is a tribute to him and to the Government that the level of funding available for afforestation was maintained.

We need to make haste slowly with regard to afforestation. Serious deliberation about the process is being undertaken. All the stakeholders will be consulted, including employees. I bring to the attention of the Minister a small cohort of former Coillte employees who have been disgracefully short-changed by the company's pension policy. I am aware of someone who spent more than 30 years working with Coillte, who has a pension of less than one euro for every year he worked. That issue needs to be addressed because it is a festering sore on Coillte's corporate image. Coillte had very highly paid executives and also people who gave blood, sweat and tears to build the company to what it is today but who are in receipt of disgracefully small pensions. That needs to be investigated and those issues need to be addressed in advance of a sale.

I refer to the private forestry sector. Deputy Moynihan will be very familiar with the Mullaghareirks. In that context, there is an inter-agency impasse involving the National Parks and Wildlife Service and the Forest Service with regard to the hen harrier. If one mentions the hen harrier in some parts of my constituency, certain individuals become very angry. There is a need to remove the artificial impediments that exist in order that people might get on with the job. I am not in favour of any diminution of our obligations in respect of biodiversity, etc., but a balance must be struck. I am of the view that such a balance does not exist at present.

**Deputy Michael Moynihan:** I welcome the opportunity to contribute to the debate. There are many issues which arise, including those which relate to Coillte and the sale of the trees for which it is responsible. Making flippant comments is not the way to proceed. For a raft of reasons, we have major reservations with regard to how it is proposed to proceed in respect of this matter. The Government and the Minister will state that we grow the trees for sale. We could retort by stating that farmers who raise suckler cows wait until their calves have matured before selling them in order that they might maximise their profits.

The serious issue which arises is whether the sale of Coillte's forests represents a sound economic investment, either now or into the future. In the 1960s, the then Government and the Forestry Service - as it was known at that time - were involved in a major initiative to increase the level of afforestation throughout the country. This was because that level was extremely low. Those involved sought to purchase huge amounts of marginal land and they gave the farm-

ers from whom they eventually purchased it the massive sum of £1 per acre. This is how the State built up the land bank it currently owns. The State benefited enormously from what was done in the 1960s because within five or ten years the land in question was worth huge multiples of the £1 per acre originally paid for it. We must ensure that we know what is going to happen with the land to which I refer.

Since the period 1989 to 1990, the level of private afforestation has increased dramatically. If somebody were to have offered to pay those farmers who became involved in afforestation in 1989 and 1990 a specific amount in respect of their trees when they had matured 20 years later, they would have made an absolute mint. The prospective return on timber at that stage does not even bear relation to the amounts for which they are currently selling thinnings as opposed to mature trees. Based on the evidence of what has happened since decisions taken 24 and almost 40 years ago, there is no way the State can be completely certain that it will get the best bang for its buck in the context of attempting to estimate what it should charge up front for a crop that will be maturing in 50, 60, 70 or 80 years time.

Many issues arise with regard to the replanting of forests and the obligations relating to the lands involved. In the context of what was done in the country's best interests in the 1960s, when land was bought for £1 per acre, and at the end of the 1990s, when farmers planted forests in respect of which they are now obtaining between €15,000 or €16,000 for just the thinnings from each 20-acre crop, the profits that have since accrued could not have been envisaged when the original decisions were taken. Regardless of the number of consultants' reports obtained or of how much the relevant officials go through the books, I am of the view that the Government cannot be absolutely sure that whomever purchases the exclusive rights to the trees on Coillte and other State lands will not reap huge benefits in the future.

There are many matters to which consideration must be given. We must examine the position of the industry at present. We must also consider the position with regard to Coillte lands and public access thereto. Coillte has developed many great walks, amenities, cycleways and recreational areas for the public in its forests. People in rural communities make extensive use of many of these. I was recently contacted by a person who is fortunate enough to own arable land adjacent to one of the walks to which I refer and who sells the products from their dairy farm directly to those who use the walk. This is an example of the benefits which can accrue from the forest walks which Coillte and the State have done a fantastic job in developing over the years.

I take the point made by constituency colleague, Deputy Creed, in respect of Gougane Barra and the forest there. If one walks through that forest, one could not foresee the sawmill companies or those who are going to invest arriving at a huge rate. There are many trees on Coillte lands throughout the country which might not be as mature or as saleable as people might believe when they look at a map detailing the thousands of hectares of such lands. In the context of the sale State assets, it should not be the case that Coillte lands should be sold because they are going to be sold in any event. As already stated, that is not an economic argument. In the context of the amounts which the Government has publicised as being attainable, I wonder whether the position has been the subject of serious consideration. If the real costs were taken into account, I am of the view that the amounts eventually obtained will fall far short of the original estimates. This means that those who may purchase Coillte's forests will ultimately make a mint and that the State will be short-changed to a massive degree.

Two issues have arisen in respect of special areas of conservation in the past, namely, those

relating to the hen harrier and to the development of wind energy. The relevant EU directive relating to hen harriers, which emerged in 2004, made provision to the effect that an entire region should be designated for these birds and should be closed down completely. The experience to date has been that the planting of trees on particular lands has no impact on hen harriers. Indeed, such plantings create conditions which encourage hen harriers to breed and increase their numbers. The language used by the European Commission and those opposite who occupied the benches on this side of the House in 2004 and 2005 left a great deal to be desired, particularly as the reality was far different to the level of concern that was whipped up.

Coillte is considering developing wind farms on some of its lands and such farms have been developed adjacent to those lands. Everyone is aware of the benefits and profits which can accrue from such developments.

The motion questions whether we should proceed with the proposed sale of the trees on Coillte lands. Previous speakers raised a raft of issues including those relating to Coillte staff and their pensions. I have already referred to what were the perceived benefits when certain decisions were taken 24 or almost 50 years ago and the fact that the actual profits realised have surpassed all expectations by many multiples. If one strips the motion down to brass tacks, then one fact emerges, namely, that 11% of the State's land bank is under Coillte trees. The Government is faced with a decision as to whether it is going to sell the harvesting rights to those trees as part of the deal with the troika. The approach which appears to be under consideration in this regard is that the trees in question would have been sold at some point in the future so why not sell them now. I am of the view that this is the wrong thing to do. Twenty or 30 years from now we will be examining the issue of whether Coillte was sold this year, 2014, 2015 or whenever the decisions are made.

In this time of recession, rather than multiplying upwards as we did ten years ago, we are multiplying downwards to ensure we get a realistic figure, but whoever comes in here, whether it is banks or other international companies, they will only come in if they see that there is a killing to be made, so to speak. However, it would be wrong to allow others to make a killing when the State needs to make a killing because in the 1960s landowners were paid £1 an acre by the then Department of Agriculture, or the Forestry Commission as it was at the time. The State bought back that land subsequently. Also, in terms of side benefits, we had a presentation on that in the audio-visual room, but Deputy Andrew Doyle alluded earlier to the downside of it, and we have seen the benefits of the State owning something. When the State owns something, it can take a strategic view, and rather than taking commercial view at the time, it took a long-term view, from which it has benefited enormously.

Like my constituency colleague, Deputy Creed, I would urge caution in respect of some consultants' reports because they are not all what they seem. We must stand back in terms of our view of this issue but we must ensure the Government or the Dáil proceeds in the right way on it. Figures such as €600 million or €700 million have been bandied about but even if the figure was a multiple of that, and we are looking 50 or 60 years into the future, there is still a greater benefit in the State holding on to the Coillte crop. I understand the Coillte lands will not be for sale but in some instances the Coillte lands have been sold. In some instances when people have come together to try to buy Coillte land for one reason or another, that has been a protracted issue.

On a side issue, there is a debate ongoing at another level in the Department of Agriculture, Food and the Marine and the European Commission about commonages on some Coillte land

and their eligibility for single farm payment purposes and so forth, but a document was released recently which indicated they would have to have an action plan on all the commonages. One farmer told me that the last bomb scare in the South of Ireland about 20 or 25 years ago was in part of my constituency when a meeting was due to be held between the supposed owners of the commonages and the Department to agree a way forward.

I have been negotiating with a landowner for the past two and a half years in regard to deeds for their own land. Coillte might examine all its land titles, searches and so forth because it might not have full title over some lands it is claiming as its own. I am aware there are issues in that regard because in one case a father who was transferring land to his daughter faced a difficulty in that some of the land was being claimed by Coillte going back 40 years or so. A rigmarole had to be gone through to ensure the proper transfer went ahead, and the State benefits from that were held up until that process was properly concluded.

The Government should make haste slowly because this is the wrong thing to do. The timber from the Coillte land is and will be far more valuable. Under the MacSharry proposals in 1992 huge premiums for afforestation came on stream but many people who planted in 1989, 1990 and 1991 were given projected figures for the first thinning and for the mature crop. The figures they were given at that time are only fractions of what they are now realising from first thinning. That is far more valuable than what is being proposed.

**Deputy Martin Ferris:** I welcome this motion as it is a timely opportunity to highlight a potentially disastrous decision to go ahead with the sale of harvesting rights in State-owned forests. This is an issue that has caught the public attention and the highlighting by people like the Woodland League, Deputies, myself and others in recent years of the likely move on Coillte has had the positive effect of holding it up.

When news of a possible selling off of the forestry rights or even the land was first brought to attention, I referred to the interest that had been expressed by a company involving the former Taoiseach, Bertie Ahern. It would be interesting to know whether that company, the Irish Forestry Fund, and its Swiss partner, Helvetia Wealth, are still in the running to acquire harvesting rights if and when the Government acts on the McCarthy recommendation to privatise public forestry assets.

Interest has also been expressed by the Chinese state overseas investment corporation, and I have it on very good authority that this issue was discussed during the visit of the high level Chinese diplomatic and financial delegation last year. It would be the ultimate irony if this Government was to sell off Irish state assets to another state.

It is also the case that when the possible sale of Coillte assets became an election issue in February 2011, both Fine Gael and Labour moved quickly to assure voters that they would never agree to any such sale. The now Minister of State, Deputy Sean Sherlock, rightly asked at the time: "Do we really want to end up in a situation where this for-profit company could turn around and do whatever it feels like with a natural resource that rightly belongs to the Irish people, including many of our forests, rivers and lakes?" If the Minister of State still feels that way, he knows what he should do here tomorrow night.

The same applies to Deputy Andrew Doyle who during that election stated:

Our vital national resources are not up for sale. National resources, like forestry, agriculture and marine, are held in trust for all the people of Ireland. Ministers are stewards of

these resources and must return them to the people with benefits after their term in office. That includes the forests of Ireland.

I concur with what Deputy Doyle said at that time.

As the Bacon report concluded, the sale of forestry harvesting rights would “in effect bring an end to Coillte as a commercial entity”. Not only would such a sale be financially bad, entailing a loss of €1.3 billion, it would also hardly make sense to have Coillte remain in existence if the objective is to realise value from such a sale. The clear implication is that a sale of harvesting rights is in effect the first step in full privatisation. It also has massive implications for other uses of the 7% of the State’s land that is under Coillte stewardship. What, for example, will happen to any mineral deposits under Coillte land? A geological survey was conducted some years ago, but Coillte is very coy about what it revealed. When I raised that issue in a committee meeting before Christmas, I was told by Coillte that it has a ballpark notion of where potentially valuable mineral deposits are to be found. I wonder if some of the potential privateers also have a similar ballpark notion and if that is one of the motives for wanting to gain access to Coillte lands. I have no doubt that certain people know more about those potential deposits than the rest of us. During several debates we had on this issue, one of the aspects mentioned was that the more valuable assets of harvesting would be easily purchased and sold, but there was an acceptance that part of Coillte forestries would not realise any potential value and therefore would be left in Coillte hands.

I welcome this motion and hope that all of those who have expressed concern about the proposed sale and who have in the past gone on the record in opposition to such a sale will act in accordance with their opinion and support this motion and, more importantly, strongly oppose within Government any move towards stripping Coillte of its core assets. I trust that the Deputies I mentioned will live up to what they said prior to the election.

The Dáil adjourned at 9 p.m. until 10.30 a.m. on Wednesday, 27 February 2013.