



DÍOSPÓIREACHTAÍ PARLAIMINTE
PARLIAMENTARY DEBATES

DÁIL ÉIREANN

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

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DÁIL ÉIREANN

Dé Céadaoin, 01 Bealtaine 2013

Wednesday, 01 May 2013

Chuaigh an Ceann Comhairle i gceannas ar 10.30 a.m.

Paidir.

Prayer.

Leaders' Questions

Deputy Michael McGrath: I am sure we can agree that economic recovery and job creation are inextricably linked. The stability programme update published yesterday by the Department of Finance forecast that unemployment will remain stuck at 14% for the remainder of this year, falling to 13.3% next year and remaining over 12% through to the end of 2016. The Government has again downgraded its growth forecast for this year and the next number of years. The Taoiseach has generously given himself an “A” grade for job creation, and I acknowledge yesterday’s very welcome news on the upgrade of the M11 and N7, as well as the jobs announcement this morning at Squarespace, which I know the Taoiseach attended. None of this takes from the fact that the Government is starving the economy of investment. I will tell the Taoiseach why this is so.

Since coming to office the Government has slashed the capital budget by approximately a quarter, and it plans to cut it further next year. On top of that, the Government is not even spending the money budgeted for capital expenditure. For example, last year almost €150 million was pencilled in for capital expenditure but it went unspent. For the first three months of this year, the Government’s spend on capital projects is down 27% compared with the same period last year. The tendency has been to slam the brakes on capital spending, particularly early in the year, to make up for cost overruns in other areas of current spending.

The document published yesterday points out that investment in the economy is at historically low levels and does not compare favourably with other countries. In September 2011, the Government announced the establishment of a strategic investment fund to channel commercial investment from the National Pensions Reserve Fund towards productive investment in the Irish economy. Where is the strategic investment fund and when will it take effect? Unemployment is the biggest crisis this country faces, and the economy is crying out for investment. Nobody is suggesting that the more than €6 billion left in the National Pensions Reserve Fund should be spent aimlessly, but if there are viable commercial projects to help create jobs and position this economy for recovery, we should carry them out.

The Taoiseach: I thank Deputy McGrath for his comments and question. The grade was made in respect of the action plan as a document and it sets out the success and progress made by the Minister for Jobs, Enterprise and Innovation, and the strategy for continuing to open the

doors for business in the time ahead.

Deputy Billy Kelleher: I would love to have the Taoiseach marking my exam paper.

The Taoiseach: I am happy the Deputy recognises the impact of the decision by Glanbia yesterday, which will create between 1,500 and 2,000 jobs between construction and family farming from north Cork to Louth, taking advantage of the fact that milk quotas will be gone by 2015. There will also be the opening of upgrades to the M11 and N7 roads. These public private partnerships are complex and technical, and it took quite a long time to get that through the gap, with the contract signed yesterday.

The Department of Finance yesterday published its Irish stability programme April 2013 update, which was the subject of some discussion at the economic affairs committee yesterday. It sets out the official macroeconomic and fiscal forecast for Ireland to 2016, and it is the first time we have gone as far as that. It is the first update of the Government's macroeconomic and fiscal projections since the budget in December last year. The economy returned to growth in 2011 and continued to grow in 2012. The Department of Finance forecast expects the expansion to continue into 2013, with GDP forecast to grow by 1.3% this year. There has been a modest revision in the headline GDP forecast published on budget day, and this revision incorporates changes to growth.

On the plus side and in order to keep fiscal targets in line, domestic demand has been revised upwards slightly, which is a help. That is on the back of recent high frequency data, leading to slightly more positive revisions to employment growth for 2013. That is offset by a downward trend in export growth because of difficulties in other countries, and the global economy clearly remains weak. On the fiscal front the Department of Finance remains confident that the fiscal strategy to reduce the budget deficit to below 3% of GDP by 2015 is on target. Overall, it is clear we are making progress with the public finances and returning the economy to growth.

The Government has yet to consider the question of the investment fund arising from the National Pensions Reserve Fund and the setting up of the NewERA entity for assessing potential opportunities. It will do that in the period ahead. The Minister for Finance has made it perfectly clear that where there is flexibility for the Government in the preparation for the budget for 2014 and beyond, it would be preferable to put this into investment for infrastructure, whether in school buildings, primary care centres, road developments or retrofitting private residential houses for energy efficiency, where jobs can be created or contractors employed and the consequent spend goes right through the economy. The Government will focus on that issue.

Our priority must be to deal with the indigenous economy, which means restoring confidence to the Irish economy, thereby creating those jobs where people can see the effect of prudent economic management and effective spending. I share Deputy McGrath's view that investment should go into capital works that will create jobs. That is an issue the Government will focus on as we start to prepare the Estimates and discuss the investment strategy and the most effective use of that money.

The decision of the ECB to agree in respect of Ireland's programme has saved us €20 billion in borrowing over the next number of years and €1 billion in savings that the Government will consider how best to allocate in the time ahead.

Deputy Michael McGrath: The measure of the Government's performance in job creation is not the grade it gives itself, it is the results. The results at the moment are 14% unemploy-

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ment. No one in this House is happy with that level of unemployment but I find it difficult to believe that the Government has yet to consider the strategic investment fund and the use of the National Pensions Reserve Fund money to invest in the economy. It was announced in 2011 that such a fund would be established to channel commercial investment from the pension fund into productive sectors of the economy. If the Taoiseach acknowledges that unemployment is the number one crisis in the country, why is that not being matched with action, not an action plan document, but action people can see in their communities? Since September 2011, we still have not seen the legislation to permit that investment. There has been a 27% reduction in capital investment in the economy in the first three months of the year. The Taoiseach must back up his words with action. People want to see money used appropriately, being invested in the economy and creating jobs, bringing about the recovery we all want to see. When is that legislation going to be passed and when will we begin to see that investment filtering through-out the economy?

The Taoiseach: Unemployment has fallen from 15% to 14%, although I agree that it is unacceptably high.

Deputy Robert Troy: That is because of emigration.

The Taoiseach: Some 90,000 people on the live register are working three days a week. These statistics often do not give an accurate figure for those who are full-time unemployed. The National Pensions Reserve Fund launched an €850 million investment in three different categories in January. That is there to be taken up.

The Government has been dealing with the carnage in the last two years to sort out the promissory note and extend loan maturities, enabling a flattening out of the debt profile. We had come to a point, as the Deputy is well aware, where for the three years 2008 to 2011, every month the private sector lost 7,000 jobs. At least we have stabilised and now 1,000 jobs are being created in the private sector every month as a measure of increasing confidence and greater competitiveness, which has now increased by 20%. The country is becoming more attractive as a location for investment from international sources.

The challenge is to deal with confidence in the indigenous economy. Everyone understands the economic challenge people face. We have set out our fiscal plan and we must deal with the €300 million in savings from within the public sector. The NPRF has made investment funds available since January and the Government will now consider as we prepare for the Estimates and the budget how best to use any flexibility we have for direct investment in job creation where people can see the results. I will come back to the Deputy with a date for the legislation but it is important there be a direct injection into the economy where people can see the results in jobs coming through.

Deputy Gerry Adams: I welcome the publication of the heads of the protection of life during pregnancy Bill yesterday. Cuirim fáilte roimh an chéim thábhachtach seo. Women have been waiting for this legislation for 21 years and the Government is to be commended for bringing forward its proposals. Sinn Féin, for its part, will consider this Bill carefully and we hope the debate will be conducted calmly based on the wording as published.

In our view, the legislation must provide clarity for medical practitioners and legal protection for pregnant women when their lives are in danger. Could the Taoiseach clarify the Bill is about setting out in legislation that which is already provided for in the Constitution and for

those who have argued about this being the thin end of the wedge and that it will open the floodgates, these are alarmist suggestions? It must be clear that this represents nothing of the sort.

Does the Taoiseach agree citizens can be assured this legislation is about protecting mothers when their lives are at risk and the doctors who care for them, and that we will judge this against the obligations on the State and the principles for implementation as set out in the report of the expert group on the A, B and C *v.* Ireland case? Will the Taoiseach reassure the Dáil this Bill deals with these obligations?

The Taoiseach: I thank Deputy Adams for his comments. As a matter of courtesy, the Minister for Health and the Ministers of State at the Department of Health will be available for briefings for the Opposition spokespersons on health if they wish. I agree the debate on this sensitive issue has been conducted to date in a measured, constructive and sensitive fashion and I hope that will continue for the discussions that lie ahead.

As I said this morning at the press conference, the law on abortion is not being changed. No new rights are being conferred on anyone. This involves a focus on the fundamental issue of legal clarity for medical personnel who work in the medical area. Certainty for women who are pregnant, both for themselves and their unborn children, there are two lives involved in each of these cases. The legislation that will emerge from the discussions surrounding the heads of the Bill will be strictly within the Constitution and strictly within the existing law and the Government is now required to act within those parameters. What is involved here is giving clarity and certainty to rights that exist within the existing law and not straying outside that. The legislation in respect of the protection of life during pregnancy will respect those two parameters completely and will also respect the right to life of the unborn, which will be upheld, and the obligation on the medical profession to save both lives where that is possible will be confirmed.

This is an issue that was very divisive in Irish society for over 30 years. I ask people to reflect on this, to bring necessary certainty and clarity to women in particular in respect of their pregnancies, their own lives and the lives of their unborn children and legal clarity to medical personnel who work in this area and who have to work within that law. The laws on abortion here are not being changed. The legislation will be strictly within the Constitution, strictly within that law and will adhere to those basic principles. I hope the discussion can be tempered and considerate in understanding what it is that it is necessary to do within those constitutional and legal parameters.

Deputy Gerry Adams: I thank the Taoiseach for his answer. Given what he outlined, would he agree that arguments about opening of the floodgates and the thin end of the wedge, and the suggestion that some women might feign suicidal tendencies to exploit this proposed legislation, are downright disrespectful to women and, if I understand what he said, impossible in light of the proposed legislation? For any of us who read or listened to the evidence in the inquest into the tragic death of Ms Savita Halappanavar, if ever any evidence was required about the need for clarity for medical practitioners or protection for pregnant women, it clearly was set out in what was reported from that inquest.

Could the Taoiseach clarify the timetable for bringing this through the Dáil? I understand it may go to committee tomorrow. Does he intend to have this through the various Stages before the summer break?

The Taoiseach: I thank Deputy Adams. There is no question or intent in any circumstance

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for an opening, as they say, for abortion on demand in this country. The Government is required to act in accordance with the Constitution. We are required to act within the parameters as set out and the legal implications of the X case. In the three areas, where there is either a medical emergency or an issue in a pregnancy where there is a real and substantial risk to the life of the mother as opposed to her health, the procedure in so far as personnel is set out there, as it is also in regard to the area of self-destruction where there must be clearly a unanimous decision and, because there are two lives involved, an obstetrician and gynaecologist is one of the persons involved.

As Deputy Adams stated, many of the comments made have been disrespectful to women. After all, we trust the women of this country. It is a compassionate country. This is an area that requires thorough, comprehensive, understanding and sensitive debate, and I hope that will happen during the course of this.

The Deputy asked when it will come before the House. The committee of which Deputy Buttimer is chairman will receive the heads of the Bill. I understand they will hold a meeting tomorrow about the structure of how the chairman will propose to hold that debate. I urge everybody who has an interest in this in the Oireachtas to participate in the structure that the chairman will set out. Clearly, when the committee deals with this business, it will come back to Government and the Bill will be prepared and will be debated here in the House. As I stated earlier, I would hope that the Bill can be enacted, to bring clarity and certainty to this area after 30 years, before the House rises for the summer period. Over the years when Deputy Michael McGrath's party was in office, it offered the people two opportunities to reflect on this by way of referendum and the people made their decision clear in each case. We are now acting on the Constitution and within those legal constraints. There are no new rights being inferred here, but legal clarity and certainty for women. It is about saving lives - the lives of mothers and the lives of their unborn babies.

Deputy Clare Daly: Yesterday, the Taoiseach told us, when Deputy Halligan correctly registered the importance of marking May Day, that we have moved on since the days of "Big Jim". The Taoiseach was obviously not aware of the massive unemployment, the forced emigration, the return of soup kitchens and evictions and children going to school hungry. It demonstrates how out of touch the Government is with the majority of citizens in this State. This was displayed graphically by the Government's handling of the long overdue X case legislation, which was necessary because of the 1983 referendum which fudged the issue and equated the right to life of the unborn with that of the woman. Rather than addressing that fudge, the Government has chosen to reinforce it by even changing the title of the Bill to one of protecting life during pregnancy when we all know the legislation is necessary to protect women's lives.

For the past two weeks, we have been introduced to a new specimen, the Fine Gael backbencher, an entity that nobody knew existed. Suddenly, it has found a voice and a conscience.

(Interruptions).

Deputy Clare Daly: Where was that voice and conscience when the rights of born children were being decimated by the cuts in child benefit, by the cuts in social welfare payments to youngsters with a disability and the cuts in education? It was nowhere to be heard.

Their obstructing of this legislation is being presented as a battle to protect the unborn, a

battle to stop Irish abortion. The reality is that Irish abortion is pretty much the same as every other country's abortion. It is merely that it is exported out of here. Of course, this Bill will not change that, and never was to. What it should have done was to ensure that a woman who needed an abortion to save her life, not her health or well-being, could get access to that abortion here at home. It should have met the wishes of the majority of Irish people who voted in two referenda that this right should include where that risk came from suicide. Instead, despite the Taoiseach's denials last week that distraught suicidal women would not be dragged before tribunals, there is the spectre of a woman having to present her case to three doctors-----

Deputy John Halligan: Disgraceful.

Deputy Clare Daly: -----and getting unanimity among them and if she does not get it, going to another three. The last occasion I checked, three plus three was six.

I am glad this legislation is before us, but let us be clear. What the Government has presented is the absolute minimum. The clear intention is to make it so restrictive that most women who will be affected will not even bother and, instead, they will continue to make the journey to Britain so that the Government can continue to pretend that there is no Irish abortion.

My questions to the Taoiseach are as follows. How did he get his Labour Party colleagues to settle for this when SIPTU, ICTU, USI, Unite, the National Women's Council and every other organisation has stated the opinion of two medical practitioners was enough? Why did the Government bother to convene an expert group and hold hearings into its report, and then patently ignore its finding which stated that it was generally considered that two doctors of relevant experience and training were enough to make a clinical decision on the physical or mental health conditions of a woman? Would the Taoiseach agree that the only reason there have not been more maternal deaths because of the lack of abortion in Ireland is precisely because of our proximity to Britain?

The Taoiseach: I am not sure what Deputy Clare Daly's question is arising out of all of that. I can certainly testify that the Fine Gael backbenchers are interested in all pieces of legislation that come before the House and they are focused, along with the other members of the Government, in getting the country back to work and sorting out the financial difficulties.

Deputy Finian McGrath: They were not focused on the respite care grant.

The Taoiseach: The protection of life during pregnancy Bill is about saving women's lives. As I stated, the law on abortion is not being changed but in very specific circumstances, where there is a real and substantial threat to the life of the mother, a termination is permissible under the law. Each of those terminations that has happened here has been as a consequence of a real and substantial risk to a woman's life where a medical intervention was necessary to save her life. As I pointed out in the earlier reply to Deputy Adams, there is a requirement here to uphold to right to life of the unborn and, in so far as it is possible, to save the life of the unborn where these situations arise.

These proposals are very much in line with what the expert review group proposed. As Deputy Clare Daly will be aware, they also made the point, as was recognised in A, B and C v. Ireland, that the issue of suicide and suicidal intent is far more subjective than in the case of a physical risk where an emergency arises from a medical point of view. That is why a multidisciplinary team will be involved here and that is why in those cases, rare though they might be, there is an obstetrician and gynaecologist on that team who must speak, make a judgment and

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make a call for the protection of the life of the unborn.

11 o'clock

It is very necessary in those cases, which are subjective, that there be qualified, experienced, multidisciplinary personnel-----

Deputy John Halligan: It has to be six out of six.

The Taoiseach: -----in order to deal with the-----

Deputy Richard Boyd Barrett: One doctor out of six can veto it.

The Taoiseach: -----parameters of the law here.

Deputy Alex White: The Deputies opposite should read it.

Deputy Clare Daly: Obviously any legislation put forward on any issue has to be within the confines of the Constitution. Clearly many of the arguments being put forward in that regard are a red herring. Abortion, where a woman's life is in danger, has been the lawful situation in Ireland for decades, but it simply has not been legislated for. The issue is whether the Government's legislation provides that clarity. I am not sure why the Taoiseach did not understand the question because it was pretty obvious from what I could see.

The Government at the behest of the European Court of Human Rights decided to go down the path of establishing an expert group. The report of that expert group stated - perhaps the Taoiseach is not very familiar with it - "it was generally considered that two doctors with the relevant training and expertise appropriate to the case would be sufficient for making a clinical decision as to the risk to the life of the woman", which is pretty clear-cut. It is an outcome and conclusion the Government has chosen to ignore.

Deputy Alex White: The Deputy is being selective in her quotes.

Deputy Clare Daly: Why did the Government also ignore the group's request to remove the chilling effect of the-----

Deputy Ciara Conway: The Deputy should read the rest of it.

An Ceann Comhairle: I ask Deputies to settle down and let the Deputy make her point. The Taoiseach will reply.

Deputy Clare Daly: I thank the Ceann Comhairle.

Deputy Pat Rabbitte: The Deputy is quoting selectively.

Deputy Clare Daly: Why did the Government choose to ignore the call to remove the chilling effect of the 1861 Act? While penal servitude will come off the Statute Book, it is being replaced by 14 years in jail. Are women who go for abortions in Britain or who order abortifacients over the Internet now to be branded as criminals and subject to this law? The Taoiseach has made it clear that the Bill gives no new rights to women. The Tánaiste has tried to claim it vindicates women's rights. It is clear that it does not do that. It falls short of the clarity that is needed. It is a very regrettable step. While the legislation is welcome, the Government has not gone far enough, and I think it will be subject to massive change in the weeks ahead.

The Taoiseach: I do not agree that it falls short. It deals specifically with the case where a woman's life is in danger. It clarifies what the law is. The Deputy is selective in her comments because the expert group discussed the value of having an obstetrician involved as a member of the multidisciplinary team, which is crucial where there is the case of an unborn child to be heard.

As she is aware, in the case of a real and substantial risk to a woman's life arising from self-destruction, additional safeguards are put in place. Three specialists - one obstetrician-gynaecologist and two psychiatrists - must unanimously agree and certify that the termination of pregnancy is the only treatment that will save the mother's life. In such cases, where it is feasible of course, a general practitioner, who would know the woman involved probably better than anybody else, will also be consulted. It is about saving lives and providing clarity and certainty for women in respect of access to procedures if there is a substantial risk to a woman's life as distinct from her health.

In regard to the Deputy's comment about penalties, these are consistent with the law as it stands. As I said, the law on abortion is not being changed. No new rights are being conferred here. It is a case of legal clarity and certainty for women when the occasion arises when they need that.

Order of Business

The Taoiseach: It is proposed to take No. 19, Non-Use of Motor Vehicles Bill 2013 - Second Stage (resumed); No. 3, Land and Conveyancing Law Reform Bill 2013 - Second Stage (resumed); No. 20, Industrial Development (Science Foundation Ireland)(Amendment) Bill 2012 [*Seanad*] - Second Stage (resumed); and No. 4, Housing (Amendment) Bill 2013 - Order for Second Stage and Second Stage. Private Members' business shall be No. 102, motion re organ donation (resumed), to conclude at 9 p.m. if not previously concluded.

An Ceann Comhairle: There are no proposals to be put to the House.

Deputy Michael McGrath: When will the freedom of information (amendment) Bill, which proposes to fulfil a Government commitment to extend freedom of information to NAMA, the administrative side of the Garda and other public bodies, be introduced and enacted? When will the Ministers and Secretaries (Amendment) Bill 2012 be brought forward?

The Taoiseach: The freedom of information (amendment) Bill is listed for this session. The second one was published last September and we are awaiting an opportunity to take Second Stage.

Deputy Gerry Adams: Maidir le reachtaíocht atá forógraithe, I ask about promised legislation on workers' rights and also the Government's plans to implement fully the insolvency directive from the European Court of Justice. Today is May Day, a day when workers traditionally celebrate solidarity. It is also an Teachta McDonald's lá breithe. She was born a radical. Last week, a group of former Waterford Crystal workers argued successfully in the European Court of Justice that the Government had failed to ensure their pensions were protected after the company went bankrupt. This again shows the very weak nature of legislation protecting

workers' rights in the State. I congratulate the workers, who, I know, will be here later today to meet Deputies and Seanadóirí. The European Court of Justice ruled that the Government failed to give effect to the insolvency directive on pension entitlements in the event of a company's insolvency. There is planned legislation on workers' rights. What does the Government intend to do to fully implement the insolvency directive to ensure that workers' pensions are protected in the future?

The Taoiseach: Five Bills, the consumer and competition Bill, the county enterprise boards (dissolution) Bill, the employment permits Bill, the friendly societies and industrial and provident societies (miscellaneous provisions) Bill and the workplace relations Bill, are listed for this session and all deal with workers' employment rights. I cannot give the Deputy an accurate read on the insolvency directive, but I will come back to him today on that. In respect of the former Waterford Crystal workers, that case was referred to the European Court of Justice by the High Court on a number of technical issues. The European Court of Justice has now given its verdict. That case must now be heard again in the High Court with the clarifications on the technical issues the High Court sought. The Government is obviously studying the implications of the European Court of Justice decision, which will now be dealt with in the High Court again.

Deputy Richard Boyd Barrett: Yesterday the Taoiseach told the House that the sale of Coillte's harvesting rights was being considered and in the event of it going ahead, legislation would be required. However, the Minister for Communications, Energy and Natural Resources, Deputy Rabbitte, said the sale of Coillte's harvesting rights was unlikely because of protests and opposition, in which case no legislation could be expected. I ask the Taoiseach to clarify these competing messages from the Government. Can we expect legislation relating to the disposal of the harvesting rights of our public forests or not? I ask the Taoiseach to give a straight answer to that.

The Taoiseach: Maybe the Deputy cannot see the wood from the trees.

Deputy Mattie McGrath: The Taoiseach cannot either.

Deputy Richard Boyd Barrett: We are trying to figure out whether the Government will separate the wood from the trees.

The Taoiseach: The Deputy is trying to imply if he keeps protesting, he might stop the sale of everything. I will clarify it for the Deputy. The Government agreed a list of potential sales of State assets. Clearly the Government would need to evaluate the value and opportunity that might present itself for any of these assets, including the sale of the timber on Coillte grounds. A great deal of work has been done by NewERA on evaluating these opportunities. It remains the position of the Government that it must consider from this menu of potential sale of State assets which would be sold, at what time, the most appropriate fashion in which to do so and how the moneys would be used for investment and job creation. This is the position. When the Government makes its formal decisions on this, the House will be informed, as will everybody else.

Deputy Richard Boyd Barrett: When?

The Taoiseach: It will be considered in the time ahead.

Deputy Bernard J. Durkan: When is it proposed to introduce in the House the health (amendment) Bill, the criminal justice (forensic evidence and DNA database system) Bill and

the National Treasury Management Agency (amendment) Bill, which is to address the issue of third party legal costs of tribunals? Have the heads of these Bills been discussed?

The Taoiseach: The health (amendment) Bill and the criminal justice (forensic evidence and DNA database system) Bill are listed for this session. The National Treasury Management Agency (amendment) Bill is for later in the year.

Deputy Michael Healy-Rae: I wish to ask about two items.

An Ceann Comhairle: On promised legislation I hope.

Deputy Michael Healy-Rae: It is legislation. It is with regard to the Government's proposal to abolish our town councils which I believe to be a disgraceful decision and a very retrograde step.

An Ceann Comhairle: We will discuss this when the Bill comes to the House.

Deputy Michael Healy-Rae: It will hurt many of the people in the Taoiseach's own party and they are very upset with what the Government is doing. I am asking about the electoral (amendment) Bill. I wish to comment on the disgraceful way the Minister involved would not meet the mayor of Killarney who wanted to discuss making a special case for Killarney. He refused even to meet him. This is a disgrace.

An Ceann Comhairle: The Deputy should have a chat with him and see what he says.

Deputy Michael Healy-Rae: With regard to the critical infrastructure Bill, why does the Government not seek funding from the EU solidarity fund to deal with the fodder crisis we have in Ireland at present?

An Ceann Comhairle: What Bill is this? A fodder Bill?

Deputy Michael Healy-Rae: No-----

Deputy Mattie McGrath: There should be a fodder Bill.

Deputy Michael Healy-Rae: It is the critical infrastructure Bill.

An Ceann Comhairle: The critical infrastructure Bill.

Deputy Michael Healy-Rae: Yes, because it is a crisis. I am sure the Ceann Comhairle is aware-----

An Ceann Comhairle: I do not know whether the Bill will cover this.

Deputy Michael Healy-Rae: The hay being imported is one thing, but the farmers need cash.

The Taoiseach: The fodder situation has been extended for a further week. I expect the electoral (amendment) Bill will be published in this session.

Deputy Michael Healy-Rae: Why did the Minister not meet the mayor of Killarney?

An Ceann Comhairle: The Deputy can deal with Killarney by way of a parliamentary question.

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The Taoiseach: I cannot speak for why the mayor did not speak to the Minister.

Deputy Michael Healy-Rae: No. That is not the way I put it. Why did the Minister not meet the mayor?

The Taoiseach: I heard it was the other way around.

An Ceann Comhairle: Perhaps the Deputy and the Taoiseach can have a chat about this over a cup of tea.

The Taoiseach: Let us get together.

Deputy Ray Butler: When will we have the promised valuation Bill? We have a serious problem with regard to sporting and voluntary groups which place small bars in facilities and find it very difficult to pay rates. In my area the rates amount to €22,500 a year. These groups have no problem paying rates, but because many of these premises have bars, they are being rated-----

Deputy Mattie McGrath: What about the publicans across the road?

An Ceann Comhairle: We can discuss this when the Bill comes before the House.

Deputy Ray Butler: -----on their courts, showers and the entire area. They have no problem if they are evaluated on the bar itself but not on the entire area. It is ludicrous and many fine facilities built during the Celtic tiger throughout the country are being closed.

The Taoiseach: The Valuation (Amendment) (No. 2) Bill is on Committee Stage in the Seanad. I hope it will move through this fairly quickly.

An Ceann Comhairle: It will come to the Dáil shortly.

Deputy Ray Butler: I will raise this as a Topical Issue matter.

An Ceann Comhairle: I think the Deputy has raised the issue strongly enough this morning. He does not need a Topical Issue matter.

Deputy Tony McLoughlin: When is it expected the friendly societies and industrial and provident societies (miscellaneous provisions) Bill will come before the House? It will deal with combating the unfriendly activities of illegal moneylenders who cause hardship and stress to many people.

The Taoiseach: I can confirm for Deputy McLoughlin that the Bill will be published in this session.

Deputy Patrick Nulty: When is it proposed to bring forward the necessary legislation to place the Children First guidelines on a statutory basis?

The Taoiseach: It is listed for this session but I doubt it will make it through. I hope it does, but it may be in the next session.

Deputy Frank Feighan: I wish to ask about the sport Ireland Bill which provides for the establishment of sport Ireland to replace the Irish Sports Council. When does the Taoiseach expected publication of this Bill?

The Taoiseach: It is expected later this year.

Deputy Stephen S. Donnelly: This year, to comply with the European semester, the Government must submit a draft budget in October to the European Commission. This is a great opportunity for the votes to be taken as normal in December which would give the Oireachtas and the committees a fantastic opportunity of having several months, as is best practice in other countries, to interrogate the budget proposals. However, I have heard it suggested the votes on the social welfare Bill, which is promised legislation-----

An Ceann Comhairle: I thank the Deputy

Deputy Stephen S. Donnelly: -----will be voted on in October. Is this the intention for the timing of the legislation or will there be a gap between the submission of the draft budget in October to the Commission and time for the Oireachtas to debate it and vote on it at the end of the year as we did last year?

The Taoiseach: The budget will be on 15 October to be followed immediately by the finance Bill and the social protection Bill, so these votes will take place soon after 15 October. This is a requirement following a decision of the European Parliament. People will have the opportunity for a much broader discussion on the finance Bill and the social protection Bill which must be completed before the end of the year.

Deputy Barry Cowen: In addition to Deputy Boyd Barrett's question, is it the intention of the Government to prepare legislation to give effect to the reports of the proposed amalgamation of Coillte and Bord na Móna?

The Taoiseach: I do not have legislation on that.

An Ceann Comhairle: No legislation has been promised.

Deputy Barry Cowen: I asked whether it is the Government's intention.

The Taoiseach: Not at the moment.

Deputy Seán Crowe: When will the betting (amendment) Bill come before the House? Will it be superseded by the gambling control Bill?

The Taoiseach: It was drafted last year.

Deputy Seán Crowe: That is right.

The Taoiseach: It was withdrawn. I expect the redrafted Bill will be published during this session.

Deputy Seán Crowe: Is that the gambling control Bill?

The Taoiseach: No, the gambling control Bill is a much more complex and extensive Bill, and authorisation has not been given yet for the Minister to proceed with it. It will be much later on. It is a very broad, complex and extensive Bill.

Deputy Seán Crowe: Will the Taoiseach give a rough estimation of when?

The Taoiseach: The Government has not authorised the Minister to get on with it yet. It will probably come before Cabinet for authorisation in the coming weeks.

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Deputy Mattie McGrath: I also wish to refer to forestry, and the Taoiseach mentioned seeing the wood from the trees. Are there wood partitions in the Cabinet room because the Minister, Deputy Rabbitte, says one thing and the Taoiseach says another? In my area, groups such as Knockmealdown Active and Galtee Walking Club are concerned about what is happening to Coillte. I appeal for clarity.

With regard to the geothermal energy development Bill, Deputy Hayes is in the House and the Whip stated Deputy Hayes is looking after the project in Tipperary, which is underfunded. I have raised this matter with the Minister, Deputy Rabbitte. I wonder how far he has gone down this road.

An Ceann Comhairle: Which Bill?

Deputy Mattie McGrath: The geothermal energy development Bill. Yesterday morning I was told it would be 2014-----

Deputy Tom Hayes: I invite Deputy McGrath to my office any time.

Deputy Mattie McGrath: I hope Deputy Hayes has sorted it out for Tipperary and all the householders who need it. With regard to the Central Bank (consolidation) Bill, a certain Mr. Elderfield is leaving our shores and going back to Lloyds. There are a huge question marks about the way Lloyds dealt with Bank of Scotland Ireland.

An Ceann Comhairle: That has nothing to do with the Bill.

Deputy Mattie McGrath: I will raise it at our next interparliamentary session in London.

An Ceann Comhairle: That is good to hear.

Deputy Mattie McGrath: I am asking the Taoiseach about the Central Bank (consolidation) Bill.

The Taoiseach: It will happen after the Central Bank (Supervision and Enforcement) Bill. The geothermal energy development Bill is next year. The Deputy mentioned seeing the wood from the trees. I had an opportunity to do the Galtee walk a number of years ago and there was absolute clarity and no fog at all down there.

Deputy Michael Healy-Rae: The Taoiseach might not be able to walk there any more.

An Ceann Comhairle: I call Deputy Martin Ferris.

Deputy Mattie McGrath: We need the trees and amenities. What about Deputy Hayes looking after it?

Deputy Tom Hayes: If Deputy McGrath calls into my office, I will give him an update.

An Ceann Comhairle: Deputy Ferris is anxious to make his point.

Deputy Martin Ferris: Last Thursday, the Joint Committee on Agriculture, Food and the Marine met the Minister, Deputy Coveney, who assured the committee about the €1 million fodder transportation fund. He said he had spoken to the major co-ops which indicated they would give a three-month credit freeze. He also said the banks were prepared to help with the current crisis that is escalating daily.

Someone called to Deputy McLellan's office this week who had sought a €5,000 loan to cope with the fodder crisis. The person was told that they would have to repay it within one month. There is no certainty from the co-ops regarding the three-month credit freeze.

Deputy Mattie McGrath: Nor the banks.

Deputy Martin Ferris: Is the Taoiseach prepared to chair a meeting with the Minister and the relevant Opposition spokespersons, because of the urgency of this escalating crisis in rural Ireland?

An Ceann Comhairle: I thank the Deputy for making his point.

Deputy Martin Ferris: I must stress the urgency involved, including in the Taoiseach's constituency.

An Ceann Comhairle: I am asking for the Deputy's co-operation. He has had a good hearing.

Deputy Martin Ferris: This situation is continuing and I have no other forum in which to raise this matter.

An Ceann Comhairle: You can, indeed.

Deputy Martin Ferris: I have tried it under Topical Issue matters, which is hit and miss. It is a joke. There are people who are on their knees. They are being crippled.

An Ceann Comhairle: The Deputy has had his chance. I call Deputy Ryan.

Deputy Martin Ferris: Will the Taoiseach bring forward any legislation to help solve the crisis facing the rural community and farmers in particular?

An Ceann Comhairle: Is there promised legislation in this area?

The Taoiseach: No. Much more immediate action is needed here.

Deputy Mattie McGrath: When?

The Taoiseach: That is why the Minister for Agriculture, Food and the Marine has said that if people have an immediate or pending crisis, as the Deputy mentioned, the line is opened to the Department. I have evidence from Deputies on this side of the House of where the Department has helped farmers who have a fodder crisis. The scheme is being extended for a further week. I would advise the Deputy to get the details from his constituent with that particular problem and to contact the Department this morning. It will help.

Deputy Martin Ferris: What can be done about the co-ops and the banks?

An Ceann Comhairle: The Deputy should resume his seat.

Deputy Martin Ferris: The banks and co-ops are culpable.

An Ceann Comhairle: Other Deputies want to make points and the Deputy has had a good run. I am calling Deputy Ryan.

The Taoiseach: The Deputy should contact the Department today.

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Deputy Brendan Ryan: The programme for Government states: “We will seek a mechanism to compensate those women who were excluded on age grounds alone from the Lourdes Hospital Redress Scheme”, yet no apparent action has been taken on this matter. I have raised it before and others have also raised it with the Taoiseach. The last time I raised it, I asked the Taoiseach to take a personal interest in this to bring it to a speedy conclusion. I am asking him again today to give us an update on the matter. Will he give a commitment to bring the matter to a speedy conclusion for the women who are waiting on the sidelines in the hope that something will happen?

An Ceann Comhairle: I understand that these are all very important issues, but I am constrained by what is allowed and what is not. I try to be fair to everybody. However, I cannot allow a couple of Deputies to raise issues that are not in accordance with Standing Orders and then chop down others, as it were. I therefore ask Deputies to please respect the Chair. It is not that I do not think these are important issues but they will have to be raised in a different way.

Deputy Brendan Ryan: It is in the programme for Government.

An Ceann Comhairle: It may be in the programme for Government but it is not promised legislation.

The Taoiseach: I am sorry that I cannot give the Deputy an update now but I will come back to him today on it.

Deputy Brendan Griffin: I wish to ask a question about the thirty second amendment of the Constitution (abolition of the Seanad) Bill. When does the Taoiseach expect that to happen? Does he envisage that on the day of that referendum, it may be possible to hold other referenda on amendments to the Constitution, if required?

Today is the first day of May and, hopefully, we will be heading into summer with three or four months of good sunshine.

Deputy Michael Healy-Rae: We hope.

Deputy Brendan Griffin: It would be important for agriculture and the economy generally.

An Ceann Comhairle: Is there promised legislation for sunshine? We would all be interested in that.

Deputy Brendan Griffin: I hope there will be plenty of warnings about the dangers of ultra violet rays. I wish to ask about the public health (sunbeds) Bill because this is the time of year for first communions and confirmations. Young people can legally use sunbeds, which are absolutely detrimental to their health.

An Ceann Comhairle: We can get the information for the Deputy now.

Deputy Brendan Griffin: We have a major skin cancer problem in this country, so will this matter be prioritised by the Government?

The Taoiseach: The public health (sunbeds) Bill is to be brought forward later this year. I can confirm that the Government has authorised, and work is under way on preparing, the Bill for the abolition of the Seanad, for decision by the people later this year by way of referendum. We have confirmed that a second referendum will be held on the same date concerning the re-

quirement for a court of civil appeal.

The first report from the Constitutional Convention will be received by the Government shortly. The Minister for the Environment, Community and Local Government will bring a report on that to the Government. Arising from the recommendations made by the first report of the Constitutional Convention, we will consider whether there is scope for a further referendum, or more, to be held on the same date also.

I note the Deputy's comments on the fine weather and I hope that when we participate in the Ring of Kerry charity cycle, the sun will shine and the breeze will be nice and fresh up over Coomakista.

Non-Use of Motor Vehicles Bill 2013: Second Stage (Resumed)

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

Deputy Michael Healy-Rae: I thank the Technical Group Members for allowing me some of their time. I have studied the speech the Minister of State, Deputy O'Dowd, delivered to this House on 24 April, and what he insinuated was quite disgraceful. He is accusing a lot of people of being criminals in that they purposely took holidays from paying motor tax. By association, he has also accused members of An Garda Síochána of being complicit in a practice of allowing people to get away with not taxing their cars. The gardaí are under enough attack at present from the Government and are being badly let down by the Government.

The Minister of State's entire speech was very wrong. He stated that it is not intended to provide for refunds of tax where arrears straddle a rate increase, in view of the difficulties of repaying a large volume of very small amounts. The Minister of State is referring to sums of €10, €20 or €50. He should remember, however, that struggling families may only have €20, €30, €40 or €50 to survive on every week after taking out other expenses. On the one hand, the Government is telling people to button up and manage with what they have. At the same time, however, the Minister of State is saying that if the State owes them money, they can whistle for their ducks, suck their thumbs or bite their lips because they will not be refunded the money. That is a disgrace.

If a person owes money for property tax or anything else, they are expected to pay every penny. However, the Minister of State is saying that although people may be owed €10, €20 or €50, they will not get a refund. The sum of €217 is the maximum but even that will not be refunded. Surely to God some allowance can be made in this respect. I appreciate the Minister of State's point that a sum of €10 perhaps cannot be sent out, but if it was owed to the State he would seek it. Surely a system could be put in place whereby when a person is re-taxing their vehicle, they could get a rebate of the amount overpaid to the State. That makes sense so I cannot see why the Minister of State would not do it.

Since the Road Safety Authority has taken over issuing driving licences, one cannot get a licence now in County Kerry. I can only speak for my own county where there is a three, four or five-week wait for such documents. When one rings up, the phone is not answered, although that is not the fault of those staffing the offices in Tralee. The people who were there should

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have been left alone because they were providing an excellent service. One could walk in and get a licence, and if there was a query, one could ring them up. One could deal directly with them, but not since everything has been centralised. The Government centralised the medical card system and made a mess of it and is now making a mess of this issue. It made a mess of the SUSI grants although the system in place was working fine. All common sense has gone out the window since the Government got into power with its massive majority. It has made a bags of everything it has put its hands on. A carbon tax, which takes effect from today, will rob the elderly of the opportunity to have a little fire in their houses. Is anybody making any apology for it? This day next year it will impose a further increase. It was done in a cute conniving way on May Day. Surely, if there is any God in heaven we will get some good weather and people will not have to purchase as much fuel. However, when they go to purchase fuel at the end of September or October, they will find that the Minister and his famous Government have heaped a carbon tax on them.

An issue that has been ignored is those people who are trying to work. I am aware of a case the other day of a person who wished to tax his lorry which had been idle for the past 12 months. He got work for a couple of months and instead of being able to tax the lorry month by month, he had to produce €800 to tax it for three months. That is not fair to an honest man who had a lorry parked alongside his house and who wanted to get a couple of weeks pay to see whether he could get going again. However, the first obstacle for him is to tax his lorry for three months. He is also penalised for taxing his vehicle for a shorter period by having to pay an increased amount. This is the Government that is blowing about trying to get people back to work. Where is the incentive for a person to go back to work when he or she is hit in that way? In respect of vehicles that incur a large tax, surely it would make sense to introduce a four week system for payment of tax.

The Bill provides for a fine of €4,000 or imprisonment for a term not exceeding six months if a person is found guilty. The Government cannot jail the bankers or robbers, it cannot catch the drug dealers or provide proper vehicles for the Garda Síochána, but it can pursue the ordinary citizen for a €4,000 fine or six months in prison. An honest person in this country can be put in prison for six months but anybody else can do whatever one wishes.

An Ceann Comhairle: I call Deputy Paul J. Connaughton who is sharing time with Deputies Peter Fitzpatrick, Tom Hayes and John Paul Phelan.

Deputy Paul J. Connaughton: I thank the Ceann Comhairle for the opportunity to speak on the Bill. In the current economic climate, all opportunities for tax evasion must be examined and countered. I believe that up to €50 million annually may be lost to the country as a result of false declarations of non-use of motor vehicles and, therefore, the Bill is a common sense approach to closing that loophole. The decline in car ownership reflects the difficulty in which many people find themselves and it is worth considering the increased costs which rural living puts on families, the increased cost of sending children to school, fuel costs for weekly shopping and any extra curricular activities in which children are involved. Less well-off families cannot afford new cars and thus find themselves driving pre-2008 cars with high motor tax. These families are already in distress and are finding it difficult to cope. That is the reason I believe it is imperative that should the need arise for them to make a declaration of non-use. Families are already swamped with the number and nature of fees to be paid and if they comply with all regulations by making the declaration of non-use, no fee should apply.

This Administration came into Government at a time when the country's finances were in

the mire and it has had to take many difficult decisions in an effort to get the country back on track, to stop racking up the huge debts that had been added to daily life and to carve a leaner and more cost-effective method of governing the country. In order to do that, spending had to be reduced and income, through taxes, increased. However, prior to the Government taking office, too many charges were put in place by people with little or no understanding of how life is on the ground. It should be taken into consideration that for families living in a rural area a car is not a luxury, it is a necessity.

In regard to detection of motor tax evasion I do not believe it should be contracted out to a private firm. While Garda resources are stretched, the Garda come face to face, on a daily basis, with people in great emotional and economic distress and at the current juncture it would be injudicious to contract this work out. Motorists who are caught for motor tax evasion should at least be met in person. I believe that increasing the work of the mobile speed detector vans to encompass motor tax evasion would be counterproductive. Advertisements are running to try to increase public support for the placement of mobile speed check vans. The rationale is that they are placed at locations where there have been serious accidents. Of, course, this is not always the case. I have had many complaints from the people of Mountbellew, County Galway, about the constant presence of speed vans on the N63 approach to the town from the Galway side. On investigation with the Road Safety Authority it appears that, as a result of accidents that occur at the junction in the centre of Moylough, a neighbouring town, because there was no place convenient for the speed vans to park in the centre of the village, they were placed just outside the speed limit in Mountbellew. The location where the accidents occur is in the town centre but the speed vans are located just inside the speed limits in a different town.

Deputy Tom Hayes: The town centre.

Deputy Paul J. Connaughton: Were speed cameras to check for motor tax evasion it would negate the argument that they are there to save lives on our roads and boost the public perception that they are mobile revenue creating machines. Similarly, the idea of using toll operators to check for motor tax evasion is a bad one. Already many people cannot afford to use the best and most expensive roads in the country, the motorway network. Less well-off people are sidelined from these roads as they cannot afford the tolls. The prospect for families who cannot afford to tax their vehicles, being unable to use the toll roads, is a bridge too far. Under the new regime, these people would not be able to declare that their car was off the road and, therefore, the car would have to be scrapped or taxed for that period and that would be sufficient.

The Bill is a necessary step in shoring up the country's finances but should not be used as a stepping stone to the introduction of any further taxes or charges on motorists who are already facing increased carbon charges and ever increasing fuel costs.

Deputy Peter Fitzpatrick: The primary purpose of the Bill is to provide for a system of declaring vehicles off the road for motor tax purposes in advance, closing a tax evasion loophole, whereby owners can declare, retrospectively, that a vehicle has not been in use on the public road, which is unverifiable. It is estimated that the cost of this loophole is in the order of €55 million per annum. The new arrangement for making off-road declarations in advance will make no difference to those maintaining their vehicles on the road and paying tax correctly and will only require those planning to take their vehicle off the road to notify this fact in advance rather than retrospectively. The Bill also provides for transitional financial arrangements, following the transfer of the driving licence function from the licensing authorities to the Road Safety Authority.

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Motor tax is payable on most vehicles used in public places. Approximately €1 billion is paid into the local government fund from motor tax each year. The motor tax evasion rate has been estimated at approximately 5%. Currently, it is possible to claim back motor tax if more than three months remain on the tax certificate and a declaration is made that a vehicle will be off the road for a certain period. If motor tax has lapsed and a period elapses prior to renewal, it is possible to declare the vehicle off the road for that period and thus avoid paying tax for the period. The making of a declaration is not verified. Evidence shows there is a problem with false off the road declarations being made with a consequent loss to Revenue. Since 2010, only 160 cases have been taken in respect of the offence of making a false motor tax declaration.

The motor tax system is administered and enforced by a number of organisations. The Office of the Revenue Commissioners is responsible for the registration of vehicles. The Department of the Environment, Community and Local Government is responsible for motor tax policy. The Department of Transport, Tourism and Sport is responsible for the online collection of motor tax as well as maintaining the national vehicle and driver file, NVDF. The NVDF is a database which contains details of all registered vehicles and their owners as well as all licensed drivers in the State. It also provides the basis for a number of other services, including online motor tax, change of vehicle ownership, motor tax, driving licence renewal, vehicle registration certificates and penalty points.

The Garda Síochána also enforces the legislation. It issues and collects the fixed penalties for failure to up-date tax discs and initiate prosecutions where fixed charges are not paid. The Courts Service is responsible for the collection and processing of fines in respect of motor tax offences. According to the Comptroller and Auditor General's report 2012, the number of Garda witnessed off-the-road declarations increased by 40% in the period 2008 to 2011. During this period more than 1.1 million off the road exemption gaps were declared, with a total value of more than €226 million. While a substantial proportion of declarations made are probably legitimate, it is also likely that some are not. The role of the Garda is simply to witness the signature, not to confirm that the vehicle was off the road for the declared period of time.

The 2012 figures from the Comptroller and Auditor General show that half of the non-taxed vehicles recorded using the M50 were taxed three months later. However, payment covered this travel period recorded in less than half of these cases. More than 5,000 individuals who renewed their motor tax made a declaration that their vehicle was off the road although that vehicle had been recorded on the M50. Between 2008 and 2011, more than 185,000 fixed penalty notices were issued for failure to display an up to date tax disc. Approximately 145,000 of these vehicles were later taxed.

The Bill may have a positive impact on Ireland's EU environmental obligations. From 2006, there has been an obligation on vehicle owners who are scrapping a car to deposit same at an authorised treatment facility for appropriate treatment and recover. Failure to do so is an offence under the waste management end of life vehicles regulations 2006. Under the new system owners are more likely to go to legitimate waste operators when scrapping their cars as they will have evidence that the car has been destroyed.

Deputy Tom Hayes: I thank the Ceann Comhairle for the opportunity to speak on this Bill. The Non-Use of Motor Vehicles Bill 2013 is important legislation that will simplify the rules and regulations around declaring a vehicle as off-road, and will bring clarity to the situation for car owners and those enforcing the legislation. I welcome the main tenets of the Bill, as will all honest decent car owners and taxpayers who dutifully pay their car taxes as required - the

vast majority of the population. At present a car owner who has not paid car tax for a period of months can walk into a Garda station, fill out a form stating that the car in question was off the road for the previous few months, and have this signed by a garda. That is the reality of the current situation. The Garda does not have to validate the declaration by the car owner and need only identify the person making it. This allows a car owner to avoid paying taxes in arrears for a period in question and, as he or she drives home from the station it allows him or her to laugh at everybody else who has paid their taxes. This is clearly wrong and is a loophole that needs to be closed. According to a 2001 study, it is estimated that 5% of car owners do not pay tax. This figure may have risen in recent times as our economic situation worsens but as it is it equates to a massive figure of between €50 million and €55 million per year, according to the Department of the Environment, Community and Local Government. These are the facts. Some €55 million is being lost, a great loss of money to the Exchequer. Given that this money is supposed to be going towards local government funds the situation becomes worse - this is the kernel of the matter. If we take any constituency represented by any Deputy, some €1 million has been stopped going towards local roads there. We are coming through a difficult economic situation and every local authority in the country is under pressure for funding. I know of no county council that has enough money to do maintenance work on its roads but that €1 million for each constituency could be put towards such maintenance.

I have heard Deputy Healy-Rae speak on this, day in, day out. If he was honest and told the truth in this House, he would have to say that what is needed is more funding for each county council in the country because they are under desperate pressure. What is needed is that €1 million. It would go a very long way in places in my constituency such as the Cahir electoral area, mountainous areas around Hollyford, areas with bad road conditions in Balingarry and Killenaule. The list is endless yet the Deputy says we should not collect that €1 million. That much was said on the Opposition benches this morning.

Deputy Finian McGrath: Not from here.

Deputy Tom Hayes: I cannot believe that in these difficult and hard times a Deputy would be so innocent and foolish as to come into this Chamber and make statements like that. This is €1 million that can be found and which would make the quality of lives in rural areas much better. If roads were better this would encourage tourists into our areas. It would help people to carry their children to school and to go to work. Above all, it would save each individual taxpayer a considerable amount of money on their cars each year because bad roads lead to bad cars and higher maintenance costs. The reality is there would be €1 million available for every county council in the country. There would be many deputations to the Minister for the Environment, Community and Local Government if there were €1 million available for the coffers of county councils in any constituency.

It is fair for the Minister and his Department to introduce this legislation. It is good and fair for the taxpayer but, above all, it will be good for the roads and the local authorities in every part of Ireland.

Deputy John Paul Phelan: I have just a few comments on the legislation as proposed and will refer to some of the discussion and comments I have heard. Deputy Healy-Rae, who is not present, referred to the Minister's speech of 24 April, stating that the Minister more or less accused everybody of being crooks, including gardaí. I read the same speech and certainly did not take that inference from any part of what the Minister stated. A loophole has been identified in the current system, whereby an individual can go into a Garda station to be identified as

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a person by a garda, but the garda need not identify the owner of the car. The relevant motor tax can then be refunded following that procedure. That loophole needed to be resolved - it is the primary purpose of the legislation - and that was the subject of the Minister's comments on 24 April. I do not see how other motives could be read into what he stated on that particular occasion.

The Deputy also rambled on as far as the carbon tax. I may be wrong, because I was a Member of a different House at the time, but I was under the impression that the Deputy's father supported the carbon tax when it was introduced. The extension of the tax to include solid fuel was always bound to happen.

Deputy Finian McGrath: The Deputy is his own man.

Deputy Tom Hayes: Facts are facts.

Deputy John Paul Phelan: There is encouragement for people to use more environmentally friendly sources of energy - there is much of that in my constituency and in different parts of the country where wind farms are installed. Deputy McGrath is originally from Galway where there is considerable investment by the university there into a project to study the viability of wave energy. The introduction of a carbon tax was designed, in part at least, to encourage the provision of alternative clean energy sources. It is ironic that Deputy Healy-Rae lashed this particular legislation in regard to carbon tax when, as I understand it, his predecessor was one of those who introduced it.

I return to comments made and I echo what Deputy Hayes noted, being from the neighbouring constituency of Carlow-Kilkenny where I see local authorities pushed to the pin of their collar in terms of the funding available to do ordinary road maintenance work. Deputy McGrath would agree this is not only a rural issue. There are parts of this city and other urban areas where the street surfaces are simply not adequate. Any improvement in the funding available for local authorities that will enable them to do necessary repairs and reconstruction work will have a knock-on benefit for the people who travel those roads. It is hugely costly to live in an area where the roads are particularly bad and because of that to face constant repair bills for one's vehicle. The fact that this legislation will lead to an improved financial position for the local government fund and thereby the ability for more funds to be distributed to local authorities is to be welcomed. It is ironic to listen to people such as Deputy Healy-Rae who shout and roar for extra funding for local authorities for the provision of better road networks in their area and then, when the first chance for some extra funding arrives, they are opposed to it. They cannot have both sides of the argument; they are either for or against it. They are either for it or against it. I suppose that being in opposition allows them to be inconsistent on everything.

Deputy Finian McGrath: Not true. That remark is out of order.

Deputy John Paul Phelan: Deputy Finian McGrath might not be in that category but Deputy Healy-Rae has been very inconsistent on this subject. Given that his own family business is involved in providing services to the local authority in his area, the comments he made this morning beggar belief. It is still possible for people who purchase a new vehicle or change their car, jeep or tractor to transfer tax and insurance. It is a sign of the economic times that the number of registered vehicles has decreased. The current loophole whereby it is not necessary to identify the owner of a vehicle has to be closed. This Bill did not simply fall out of the sky; it has been discussed on and off for quite some time. This is why I have no difficulty in support-

ing it and I look forward to the time when some of the funds it makes available are spent on the roads in places like south County Kilkenny because they are badly in need of repair.

Deputy Finian McGrath: I am grateful for the opportunity to speak on the Non-Use of Motor Vehicles Bill 2013 and welcome the prospect of closing a loophole worth approximately €55 million per annum. It might surprise Deputy John Paul Phelan to learn that I agree with him on the need to increase revenue by preventing scams or tax avoidance. In the context of our current economic crisis, €55 million is a considerable sum. However, when we speak about motor taxes and the expenditure of taxpayers' money, we should link these issues to the broader debate on taxation.

The primary purpose of the Bill is to provide for a system of declaring vehicles off the road in advance for motor tax purposes, thereby closing a tax evasion loophole whereby owners can declare retrospectively that a vehicle has not been in use on the public road, which declaration is unverifiable. My colleagues spoke about roads and local government services. My area of Dublin Bay North could do with this money but other needs also arise in respect of revenue raising. The cystic fibrosis unit in Beaumont Hospital is seeking €1.7 million. Last night in Croke Park I met Joe Brolly and other people to discuss the funding needed for the organ donation scheme. For many projects, €2 million or €3 million would solve their problems.

The new arrangements for making off-the-road declarations in advance will make no difference to those who pay the correct tax on their vehicles and will only require those who plan to take their vehicles off the road to notify their intention in advance rather than retrospectively. Those who are compliant in paying their motor taxes make a massive contribution to this State. The Bill also provides for a three month transition period following enactment to allow those who are in arrears or who genuinely have their vehicles off the road to regularise their affairs and make arrangements so their vehicles continue to be off the road. The key word is "genuinely". Deputy Tom Hayes estimated that the number of those who use this loophole to pull stunts and scams in order to avoid paying motor tax is between 5% and 10%. It is not fair on compliant taxpayers that such individuals do not pay their fair share of taxes. The Opposition benches have experience of this issue. It is not acceptable, particularly at a time when the country desperately needs revenue. It is a cross-party and citizen rights imperative that everybody contributes in a fair and meaningful manner.

The Bill contains 12 sections, nine of which set out the substantive provisions for off-the-road declarations and three set out transitional financial arrangements following the transfer of the driver licensing function from licensing authorities to the Road Safety Authority and declaring the Minister for Transport, Tourism and Sport a licensing authority for the purpose of motor tax law.

In the past 24 hours a number of reports have issued on the subject of taxation. Many people are not aware that we pay less in taxes than the rest of Europe. The Irish pay less tax than anywhere else in western Europe and our tax rate on company profits is one of the lowest among EU member states. The Government is trying to claw back €3.1 billion in taxes and cuts next year. Figures from Europe show that the amount of money taken in by the Government through taxes and social contributions is equivalent to less than one third of the entire value of the economy. Despite the recession, the figure is lower than what it was in 2000. Only Slovakia has a lower tax rate than Ireland according to the European Commission. The latest data indicate that Ireland's tax to GDP ratio was 28.9% in 2011, compared to France at 43.9%, Belgium at 44.1% and the UK at 36.1%. The social security fund receives 16.4% of tax revenue, compared to an

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average of 37.3% across the 27 EU member states.

I outline these figures in the context of the debate on this Bill because we must face up to the need to make a fair contribution. We have to be creative and radical in considering new taxes. The Government appears to have problems with taxing wealthy people. It should up its game and investigate the potential for raising taxation. I support the commitments on raising tax contained in this Bill but 15 countries in Europe have a higher top rate of tax than Ireland. The Commission does not state the point at which the top rate applies in the various countries, however. For example, a single person in Ireland pays tax at 20% on income up to €32,800 and 41% thereafter. Irish GDP figures are also skewed because of the impact of multinationals basing their European operations here. The revenues reported by these companies as part of Ireland's economy ultimately make their way elsewhere. We should take cognisance of these facts.

A number of speakers referred to the carbon levy. People can jump up and down about the carbon levy but the reality is that people are suffering because of it. The price of a 40 kg bag of coal will increase by €1.20 and a bale of briquettes by 26 cent. Regardless of the broader environmental and tax issues, we must acknowledge that families, senior citizens and people living in isolation need our support. This levy is having a major impact on these people and the pressure will only increase if, as proposed, the rate is doubled in 2014.

12 o'clock

The total tax to GDP ratio in Ireland in 2011, at 28.9%, was the sixth lowest in the European Union and second lowest in the euro area. The figure in 2000 was 31.3%. Direct and indirect taxation accounts for 43.4% and 39.4%, respectively, of total revenue. Value added tax, at 54.1%, accounts for the largest share of tax receipts and is broadly in line with the European average of approximately 53%. At 12.5%, Ireland's corporation tax rate is the third lowest in the European Union, with only Bulgaria and Cyprus having a lower rate of 10%.

Motor tax is payable on most vehicles that are used in public places and approximately €1 billion is paid into the local government fund from motor tax each year. The precise figure in 2011 was €992 million, a 5% decline since 2009 when the figure was €1.045 billion. Part of this decline can be traced to a reduction of 1.8% in the number of vehicles being taxed and the move towards a tax system based on carbon emissions. Given the substantial contribution motorists make to the State coffers, it gets up my nose that we are not listened to in the broader debate on how money is spent and the quality of road infrastructure, services and so forth.

It also gets up my nose when I encounter the anti-motorist attitude that prevails among a section of the cycling population. Many, although not all, cyclists speed around Dublin, jump lights, cycle up one-way streets and clip the wing mirrors of cars caught in traffic jams. I regularly refer to these individuals as "Speedy Gonzales" types who arrogantly believe they are cool, clean heroes in contrast to motorists who are polluting the country. They should know that we motorists contribute €1 billion in motor tax to the economy and we also have certain rights. We should be listened to and taken seriously.

The motor tax evasion rate is estimated to be approximately 5%, which results in an annual loss in revenue to the Exchequer of between €50 million and €55 million. I hope this figure is accurate and has not been massaged, as the Garda Representative Association might say. That 95% of motorists are tax compliant in respect of motor tax should not be taken for granted, especially given the financial position of the country.

It is currently possible to claim back motor tax if more than three months remain on the tax certificate, provided a declaration is made that a vehicle will be off the road for a certain period. In addition, if motor tax has lapsed and a period of time elapses prior to renewal, it is possible to declare that a vehicle has been off the road for the period in question, thus avoiding payment of tax for the period. The making of such a declaration is not verified. Evidence shows a problem with false off-the-road declarations being made, with a consequent loss in revenue. Since 2010, only 160 cases have been taken for making a false motor tax declaration. Clearly, a large number of people are engaged in this scam. They should be targeted to ensure those who pay their motor tax every year are not penalised but are treated in a fair and just manner.

The Bill provides a prospective system of declaring vehicles off the road for the purpose of motor tax, with a view to reducing tax evasion. When a declaration is made in advance it will not be necessary to pay motor tax for the period that a car is off the road. The move to a prospective declaration will mean that individuals will no longer be able to claim, when renewing their motor tax, that a vehicle was off the road during the period that motor tax has lapsed and must thus pay arrears for such periods. Other proposed changes in the legislation include the removal of the current one month grace period for the renewal of motor tax, a provision making it possible to prescribe an administration fee for the making of a non-use declaration and the introduction of transitional financial arrangements following the transfer of the driving licence function from the licensing authority to the Road Safety Authority.

While the Road Safety Authority does great work, it is sometimes a little sensitive to criticism. We have all seen examples of signs on roads which have not been planned properly. Some of the speed limits are crazy, with drivers able to drive at fast speeds on small country roads but required to drive so slowly on certain stretches of motorway that they can barely shift beyond second gear. Sensible decisions must be taken by the Road Safety Authority. I accept, however, that we must up our game on road safety and support road safety policy.

Enactment of the Bill may have a positive impact on Ireland's EU environmental obligations. Owners may be more likely to avail of legitimate waste operators when scrapping cars to obtain a certificate of destruction, without which they may be made liable indefinitely for the off-the-road declaration fee. There is, therefore, an environmental aspect to this important legislation.

The motor tax system is administered and enforced by a number of different organisations. The Office of the Revenue Commissioners is responsible for the registration of vehicles, the Department of the Environment, Community and Local Government is responsible for motor tax policy and the Department of Transport, Tourism and Sport is responsible for the online collection of motor tax and maintaining the national vehicle and driver file, a database which contains details of all registered vehicles, their owners and all licences. It is important that all such information is held.

The Department of Transport, Tourism and Sport has compiled a report on the number of off-the-road declarations made in the year to August 2012. Over this period, the number of Garda witnessed vehicle licence exemptions was 538,312, of which approximately 20% coincided with a change in the ownership of the vehicle in question. It is likely that this category largely consists of legitimate declarations from the new owner or car salesperson. On the other hand, slightly more than 428,000 declarations were made when no change of ownership took place. The resulting loss in revenue to the State was more than €88 million. We need to focus on this issue.

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Section 8 creates an offence for the making of a false or misleading declaration of non-use, which on summary conviction carries a class B fine - up to €4,000 - and-or imprisonment for a term not exceeding six months. Section 10 creates an offence for the making of a false or misleading declaration as part of an application for a refund, with the same penalties as those contained in section 8 applicable. The way in which offences are dealt with under section 8 is both fair and reasonable. As already stated, 95% of people pay their motor tax on time and make a contribution to society. In view of the fact that almost €1 billion is coming out of their taxes, it is very important that those who fail to comply should be guilty of an offence. The imposition of a fine of up to €4,000 or imprisonment for a term not exceeding six months should put the frighteners on those who might contemplate not complying with the law.

Reports suggest that there is abuse of the system relating to the scrapping of vehicles, with illegal waste operators being responsible for a significant proportion of scrapped vehicles in Ireland. In 2009, for example, 21,883 certificates of destruction, CODs, were issued, while it was estimated that 152,544 cars were taken off the road. This means that approximately 130,000 vehicles were potentially left unaccounted for in 2009 alone. That is a massive number. Obviously, some of these vehicles might have been declared as being off the road, others could have been exported and others still may have been legitimately destroyed but a COD may not have issued. If there is a lack of proper regulation, then crime and drugs gangs are going to operate on the fringes of the industry. To some, those people may seem to be petty criminals. However, many of the cars are often used in the commission of murder and other crimes. This issue has arisen in my constituency, Dublin North Central. If the State is only in a position to indicate that 21,833 cars were destroyed in 2009 and if 152,544 other vehicles which disappeared from the roads in that year are unaccounted for, then we have a problem.

I thank the Acting Chairman for granting me some leeway. I broadly welcome the legislation, particularly in the context of the €55 million it can bring in to the Exchequer. During this period of economic difficulty, there can be no question of dilly-dallying. If we have the opportunity to close a loophole and bring in an additional €55 million as a result, then we should do so.

Acting Chairman (Deputy Joe O'Reilly): I understand Deputy Maloney proposes to share time with Deputy Harrington.

Deputy Eamonn Maloney: Is that correct?

Deputy Finian McGrath: No, Deputy Maloney should go it alone.

Deputy Eamonn Maloney: I do not mind with whom I share time.

Acting Chairman (Deputy Joe O'Reilly): That is fine. Deputy Maloney has five minutes.

Deputy Eamonn Maloney: I do not think I will need five minutes. I welcome the Bill, which is overdue. Some Members have criticised the Bill but I did not hear anything of any great substance which would make me change my mind about it. I may not agree with everything it contains but I do agree with the thrust of the Bill. Legislators have been extremely casual in the past on this issue. An equally casual approach to enforcement has given rise to the difficulties we are experiencing with regard to people either avoiding or evading motor tax. I agree, in principle, that such avoidance and evasion should be brought to an end.

One of the difficulties I have relates to the amount of time members of An Garda Síochána

spend policing this issue. I refer, for example, to the fact that people are obliged to go to their local Garda stations in order to verify that their vehicles have been taken off the road. The time of gardaí should not be spent on work of this type because it has nothing to do with policing as I understand it. This duty should be taken away from gardaí.

Many points have been made in respect of end-of-life vehicles and I will not repeat them. This is, however, an extremely serious issue from an environmental perspective. I return to my initial point regarding our casual attitude. Irrespective of which part of Ireland one might be travelling, one can see on our back roads the evidence of our casual approach to end-of-life vehicles. We have not been sufficiently stringent in respect of this issue and that is one of the matters which the Bill addresses. One need only cite the figures from the relevant year which indicate that many thousands of vehicles suddenly disappeared off our roads. That should not be allowed and, as legislators, we should not tolerate it.

I take this opportunity to praise the very fine work done by the Oireachtas Library and Research Service in preparing the digest relating to the Bill before us. The work of the service is always extremely impressive and it is particularly so in the context of the material prepared in connection with the legislation.

Deputy Noel Harrington: I welcome the Bill. It is interesting to note some of the differing views put forward by members of the Technical Group. I welcome Deputy Finian McGrath's support for the Bill. However, I am disappointed with those Members who have used this debate as an opportunity to attack the Government for not funding local government and roads infrastructure throughout rural Ireland. To be honest, that approach is somewhat perplexing.

The purpose of the Bill is to close off a loophole which, as the digest produced by the Oireachtas Library and Research Service indicates, could conceivably cost the State in the region of €88 million. The actual amount might not be as much as that. However, if it is in the correct ballpark then a huge amount of money which should be taken in is going uncollected. It is difficult to listen to some people accusing the Minister of accusing the Garda and public of some kind of conspiracy. Accusations were put forward to the effect that the Minister had admitted that gardaí and members of the public had been complicit in tax evasion. That is completely off the point. This matter is somewhat more nuanced than that and perhaps certain Members just do not get what is involved. The lack of controls relating to this matter could lead to a perception whereby motor tax evasion could conceivably occur. The position in this regard must be tightened up.

The motor taxation collected by local authorities is submitted directly to the Exchequer and then redistributed to those authorities through the local government fund. Ultimately, some but not all of this money is spent on our roads. I am of the view that the majority of moneys collected through the motor taxation system is not reinvested in the national and non-national road networks. I accept that the following matter may not be capable of being addressed in the Bill before the House. However, as time passes and as the position relating to the amount of funding available to local authorities via the property tax, etc., becomes clear, in circumstances where local authorities can raise their own funding then the motor taxation that is collected by them or other agencies should be ring-fenced for road maintenance, reconstruction and resurfacing. Road users are extremely concerned that the tax they pay is not invested in these areas. There is an element of cross-subsidisation in this regard and its days are numbered. I look forward to such cross-subsidisation coming to an end.

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I raised a particular matter last week and I was disappointed that the Minister for the Environment, Community and Local Government was not in a position to provide the relevant figures. I refer to the motor taxation which applies in respect of vintage cars. In the UK, the taxation on vintage cars is nil in most cases. I ask that consideration be given to minimising or removing the taxation of vintage car owners through registered clubs. These clubs do fantastic work in raising money for charities and they would welcome an alleviation of their tax contributions. I was hoping to have the figures for this debate, but they are not significant. Treating the clubs in this way would benefit them and acknowledge the fact that we value their work on behalf of charities throughout the country.

I am concerned about the administrative charge for the pre-removal declaration. It discourages compliance with the legislation. I accept that mandarins within the Department would like to maximise the revenue accruing from the closing of this anomaly, but if we are asking people to take steps to pre-declare so that they can be more tax compliant and responsible car users, it is unfair to charge them as well. We should encourage the declaration system, not discourage it.

I have noted the scale of the problem. According to the research done by the Library service, which I commend, the Comptroller and Auditor General's figures on vehicles using the M50 identified a significant problem, in that cars that had been declared as being off the road were using the tolls. The figures speak for themselves.

The Bill's measures would go a long way towards acknowledging the immense tax contribution of road users to road maintenance. Regrettably, not all of their taxes are used for the roads. This issue should be addressed.

I wish to ask a technical question on arrears. If a car is sold with motor tax arrears outstanding, the new owner should not be liable to pay them. We need a system to ensure that this does not happen. It is already the case in respect of commercial rates. If a tenant takes over a vacant building on which rates arrears are outstanding, he or she must pay them if they have not been settled by the landlord. This inhibitive system should be addressed.

I welcome the Bill. It is a necessary step in bringing compliance and fairness. For those who are compliant and pay their motor tax, it is inherently unfair that others take advantage of a loophole in the system. If the Bill accrues additional revenue for the Local Government Fund, so be it, but that revenue should be ring-fenced in future for car users and enthusiasts. We would all like this to be the case, particularly those of us in areas of rural Ireland where public transport is sporadic at best and non-existent at worst. Our road network is our lifeline and we would like to see greater investment in maintenance, reconstruction and resurfacing works through the local authorities, which could do with the extra money necessary. I thank the Acting Chairman for the opportunity to contribute on the Bill.

Minister of State at the Department of the Environment, Community and Local Government (Deputy Fergus O'Dowd): I thank all of the Deputies who contributed. Their contributions were interesting and thought provoking. The analysis on all sides of the House has been excellent.

A point was well made by everyone, particularly Deputy Finian McGrath today, is that the Bill's primary purpose is to close a loophole. If we are losing between €50 million and €55 million per annum through motor tax evasion, it is a serious issue. The Bill addresses it. As each Deputy has acknowledged, evasion hurts those who are compliant. Why should thousands of

motor tax evaders get away with it? No longer will people be able to take a tax holiday. It is not a victimless crime, as the burden falls on all road users. The existing system was intended to allow people who genuinely had their cars off the road to make signed declarations at Garda stations to that effect, but it has become a source of abuse over the years. There have been many calls to close this loophole.

Deputy Healy-Rae was wide of the mark in accusing the Garda, the Minister and everyone else of co-operating in an abuse. A garda is asked to affirm that the signatory is the person he or she claims to be. The garda is not asked to form a view on whether the car has been off the road or who is the car's owner. I urge the Deputy to read up on the facts instead of imputing motives to the Minister, the Department and gardaí.

The arrangements being put in place are simple and straightforward. They are not designed to inconvenience those who are compliant. Those who need to take their vehicles off the road will still be able to do so, but they must notify the licensing authority in advance. A similar system has operated successfully in the UK for more than a decade and I expect it will operate just as successfully in Ireland.

The Bill's measures are a key first step in addressing the recommendations of the Comptroller and Auditor General in his 2011 report. They will facilitate the putting in place of further mechanisms that may be necessary to tackle any residual minor evasion. In this regard and to reduce evasion, I noted Deputy Cowen's suggestion on the potential sharing of data through the use of existing mechanisms. My Department and the Department of Transport, Tourism and Sport are considering the feasibility of data sharing from traffic cameras as an anti-motor tax evasion mechanism. However, it should be borne in mind that traffic cameras are in place to manage road safety issues and have contributed significantly to the reduction in the number of lives lost on roads in recent years. If traffic cameras were used for data sharing, it should not impinge on the primary safety role of the camera system.

Currently, the requirement on a garda is to witness a statement that a vehicle has not been in use. It is not possible for gardaí to check the truthfulness of statements presented to them, as the persons making the statements are not required to produce any evidence that the vehicles are off the road. A system requiring such evidence would be unworkable and would place unreasonable demands on gardaí. The proposal for the new system is to remove any requirement to attend a Garda station, thus freeing up time that is currently spent by gardaí on administration.

The Bill is not anti-business. If a vehicle is to be parked up until trade picks up, the only action the business person will need to take is to make a declaration in advance. If trade picks up before the declaration of non-use expires, tax can be paid from the start of the current month in the normal way.

The current arrangements for motor dealers - they do not need to pay motor tax in respect of their stock in trade - are not affected by the Bill's provisions. The arrangements have been discussed with the trade and I understand that it is happy with the approach being taken.

Regarding the cost of fuel, I remind the House that, in budget 2013, the Minister for Finance announced a rebate on diesel that will take effect from 1 July 2013. This initiative will support small businesses in all sectors of the economy, as most rely on cost effective transport for their inputs and outputs. This transport is provided by hauliers, the majority of whom are small businesses. However, in regard to the introduction of a direct debit system, I have been advised

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there are no plans to provide a legislative basis for doing so at the moment. As well as requiring significant resources to set up initially, there are a number of potential risks associated with a direct debit system for which we would need to be legislate, not least the need to make provision for the cancellation and recovery of motor tax discs where the owner cancels the direct debit mandate or has insufficient funds in the account to meet the monthly charge. It should be borne in mind that introduction of a direct debit payment system would also impact on the flow of income to the local government fund and, consequently, on grant allocations.

At this point, I wish to assure contributing Deputies that ensuring a properly functioning, representative and responsive local government system is of high importance to the Government. The most significant restructuring of local government in over a century is now being implemented in accordance with the action programme for effective local government. We want a local government system that delivers local services in an efficient and effective manner. This debate is not the appropriate forum to outline the full details of the reform programme, but we will deliver a local government system that is fit for purpose for the 21st century.

Deputy Ellis queried the purpose of making the Minister for Transport, Tourism and Sport a licensing authority. The Minister for the Environment, Community and Local Government is currently a licensing authority for the purpose of motor tax online and has been since the online system was set up in late 2003. Amending references to the Minister for the Environment, Community and Local Government in legislation to refer to the Minister for Transport, Tourism and Sport is to reflect that the national vehicle and driver file, which was under the auspices of the Department of the Environment, Community and Local Government, is now part of the portfolio of the Department of Transport, Tourism and Sport. The amendments are technical and make no day-to-day impact on the online system, which has been very successful since its inception and through which half of all motor tax transactions are now processed.

I accept the points made by speakers on the administration fee. The Bill provides for the charging of such a fee through secondary legislation. There is also provision for a range of exemptions, should an administration fee be introduced. The Bill makes no provision for charging a premium over and above the reasonable cost of administration and it could not, therefore, be used as a tax-raising measure.

I wish to refer to a number of points to which reference was made in the debate. There are no provision in the Bill that affect the current system of allowing a month's grace. It is not a requirement that a vehicle must be notified as being off the road three months in advance. The Bill provides that the declaration must be made in advance, but in the month before the current tax expires, or if there is already a non-use declaration in place, within the month before that expires.

I again thank all Deputies for their contributions. On the question of arrears, I stress that this was a wholly inadvertent error, and was missed for many years. On charging arrears at the rate of one tenth rather than one twelfth of the annual tax per month of arrears, my Department made arrangements to rectify the error in a matter of a week or so, as soon as it became aware of the error. In the case of charging for arrears at the current rate rather than the old and new rates where arrears straddle an increase in the rates of tax, the lacuna in the law was an inadvertent error, again of many years standing. For technical reasons, correcting the rates of tax would be quite difficult and, regretfully, it has not been possible to prioritise the programming work involved. The legal position in respect of charging for arrears will be restored to one tenth of the annual rate following the transitional arrangements for the changeover to the new system,

and the system as everyone understood it will be reinstated.

In deciding not to repay the moneys, consideration has had to be given to the potential cost of repaying them. In one tax year approximately 300,000 individuals might have been inadvertently overcharged by small amounts. Considerable expense would be incurred in contacting the individuals to find out if they are still at the same address and in writing cheques for approximately €10 - the amount involved in most cases. It is not simply a matter of issuing cheques to the last known address. We could be accused of, literally, throwing away money. As I have already indicated, the amounts involved are very small in the vast majority of cases and the case for repayment must be balanced against the potential cost of the repayment.

The Department has commissioned a wide-ranging review of the existing producer responsibility agreements which are currently in operation, including end-of-life vehicles. There is no reference in the Bill to that particular provision but the potential for the introduction of additional producer responsibility initiatives to help Ireland to meet its environmental obligations are being considered. The Department expects to receive the report on the review shortly.

More than 240,000 on-the-spot fines were issued for non-display of road tax between 2008 and 2011. I commend the Road Safety Authority, in particular its chief executive, Mr. Noel Brett, and its chairman, Mr. Gay Byrne, who have made remarkable progress in a short time. The reduction in road deaths has been significant and unprecedented since the current road safety campaign commenced, notwithstanding comments made by Opposition Members, which are entirely wrong. The facts speak for themselves. The Road Safety Authority is doing an outstanding job on which I commend it. The Bill will proceed to a vote in the House if necessary. I thank all those who have supported it. I encourage Members to table whatever amendments they wish on Committee Stage.

Question put and agreed to.

Non-Use of Motor Vehicles Bill 2013: Referral to Select Committee

Minister of State at the Department of the Environment, Community and Local Government (Deputy Fergus O'Dowd): I move:

That the Bill be referred to the Select Sub-Committee on the Environment, Community and Local Government pursuant to Standing Order 82A(3)(a) and (6)(a) and 126(1).

Question put and agreed to.

Topical Issue Matters

Acting Chairman (Deputy Joe O'Reilly): 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 Aengus Ó Snodaigh - the future plans for the funding of youth-centred homeless projects such as St. Catherine's Foyer, Marrowbone Lane, Dublin 8;

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(2) Deputy Joan Collins - the decision by the NCPE not to make Pirfenidone available to patients with idiopathic pulmonary fibrosis; (3) Deputy Gerald Nash - the planned temporary centralisation of the national ambulance service control centre; (4) Deputy Michael McNamara - a proposal from Killaloe for a commemorative coin to mark the millennium of the death of Brian Boru in 2014; (5) Deputy Sean Fleming - the need to publish the third implementation report of the Croke Park agreement covering the period up to 31 December 2013; (6) Deputy Heather Humphreys - the importance of the Ulster Canal project to the Cavan-Monaghan region and the need to give continued commitment to the project; (7) Deputy Martin Ferris - the impact of fuel price increases; (8) Deputy Caoimhghín Ó Caoláin - the decision to introduce further changes in the calculation criteria for eligibility for a medical card; (9) Deputy Michael Healy-Rae - the retention of a full ambulance service at Kenmare Community Hospital, Kenmare, County Kerry; (10) Deputy John O'Mahony - the problems being experienced by persons attempting to pay the local property tax; (11) Deputy Pat Deering - the implications of proposed cuts to Carlow regional youth work services; (12) Deputy Brian Stanley - the implications of the HSE report on the future of Shaen and Abbeyleix public nursing homes, County Laois; (13) Deputy Tom Hayes - the provision of high-speed broadband to south Tipperary; (14) Deputy Eamonn Maloney - the 1,600 jobs created by Glanbia; (15) Deputy Thomas Pringle - the need to have Down's syndrome added to the low incidence list to ensure access to education supports for Down's syndrome children; (16) Deputy Mick Wallace - the need to encourage the US Administration to close Guantanamo Bay; (17) Deputy Mattie McGrath - the impact the public procurement policy has on the school supplies sector; (18) Deputy Peadar Tóibín - reduced paramedic cover in the Dublin north east HSE region; (19) Deputy Brendan Smith - the EU response to the possible use of chemical weapons in the Syrian conflict; (20) Deputy Ann Phelan - the need to resume the chronological operation of the placement list for the nursing home support scheme; and (21) Deputy Richard Boyd Barrett - the issue of availability of lung fibrosis drugs.

The matters raised by Deputies Heather Humphreys, Brendan Smith, Gerald Nash and Caoimhghín Ó Caoláin, have been selected for discussion.

Land and Conveyancing Law Reform Bill 2013: Second Stage (Resumed)

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

Deputy Stephen S. Donnelly: My view on the Bill is that it is unpalatable but necessary. Home ownership, as we know, is particularly strong in this country. It is something of which we should be proud. The figures are quite interesting. Our repossession rate is 0.25%, as opposed to figures we heard from the Secretary General of the Department of Finance who said that in the UK it is 3% and it is up to 4% or 5% in the US. Our low rate of repossessions, notwithstanding the recent lacuna, is something of which we should be proud. Unfortunately, I recognise in the Bill that if lenders cannot call on the security against a loan that they will do some bad things, ultimately, for citizens as the price of loans would go through the roof. The task before us is to ensure that the lacuna in the law is fixed and that repossessions are brought back in but that they are always a last port of call, that the process of repossession is as compassionate and understanding as possible and that it protects the borrower. Obviously, there is significant asymmetry in power between a bank, armed with lawyers, accountants and so forth, negotiating with, usually, very distressed borrowers. There is an enormous imbalance of power

and we need to do everything we can within this Bill to make sure that the relationship between borrower and lender is rebalanced in so far as possible.

I welcome the section of the Bill which gives judges the discretion to refer a borrower and lender to the personal insolvency arrangement process rather than go through with repossession. That is a very welcome change and I thank the Minister for including that provision in the legislation.

I would like to cover six issues in my contribution today. There are six additional opportunities presented by this Bill and I will propose solutions against five of those. On one issue, I am afraid the Minister will have to find a solution himself because I do not know what the answer is to it. The first issue relates to the veto that the banks have under the personal insolvency arrangements. The Minister knows that I do not believe the banks should have been given a veto but they have one and my sense is that it could be abused in repossession cases. Let us say a bank moves to repossess a home. It goes before a judge who says that he or she is not comfortable about granting a repossession order because he or she believes that an agreement could be reached via a personal insolvency arrangement. The judge then directs the bank and the borrower to go through the personal insolvency arrangement process. The bank can agree to do what the judge suggests, in the knowledge that it will eventually apply its veto and that it does not really matter what any personal insolvency practitioner might come back with. The bank knows it has a veto, complies with the court order but returns to court at a later date and applies that veto. There is a danger that the veto could be abused.

In that context, I ask the Minister to examine the possibility of including a provision whereby when a case comes back before the judge and the bank issues a veto, the judge can take evidence from the personal insolvency practitioner, as an independent, expert third party, and, ideally, from the borrower too. Should the personal insolvency practitioner give evidence to the effect that the bank is not co-operating with the personal insolvency arrangement and is exercising its veto despite the fact that a structure has been put together which that bank or other banks have accepted in other cases and that the bank is not co-operating with the spirit of the legislation, it would be very useful for the judge to be able to order further adjournments or keep instructing the bank to go back to the insolvency arrangement process. As long as the personal insolvency practitioner was not satisfied that the bank was co-operating - recognising that there may be a repossession at the end - the judge could continue to direct co-operation with the personal insolvency arrangement process. It would be very useful for the judge to know whether the lender has co-operated, has turned down reasonable offers or turned down offers which it or other lenders have accepted in other cases. That would be very useful, evidence-based opinion.

The second issue relates the bank's behaviour during the Mortgage Arrears Resolution Process, MARP, and whether it has adhered to the Code of Conduct on Mortgage Arrears, CCMA. My reading of the proposed legislation is that the bank's conduct within the MARP and whether it has adhered to the CCMA is inadmissible in repossession proceedings and does not matter. We would all like the banks to adhere to the CCMA but it is a voluntary code and ultimately the bank can decide to enforce the security, enforce the contract and take possession of the house. We know that there are pretty onerous requirements placed on the borrower to co-operate with the MARP and that a bank, if it deems a borrower to be unco-operative, can designate a borrower as such. In such circumstances, there is a chance that the borrower will not have access to the provisions of the personal insolvency legislation. I would like to see a situation whereby the behaviour of a bank, up to the point of the repossession hearing, can be taken into account by the judge. Ms Noeline Blackwell from the Free Legal Advice Centres, FLAC, suggested

recently that the Central Bank code of conduct should be converted to a statutory instrument. If we could find a way whereby, in a repossession hearing, if a lender has clearly not co-operated with the spirit of what the Minister and the Government intends, then that could have some substantive influence on proceedings, that would be very welcome.

The third issue is, I hope, just a technical one. The Bill provides that a judge can grant two months for borrowers and lenders to reach agreement under the personal insolvency arrangement process. The guidelines given by the Insolvency Service of Ireland, ISI, refer to 70 days. In order to engage with and set up a personal insolvency arrangement, a personal insolvency practitioner must first review the case, including the financial statements. The practitioner must then submit an application for a protective certificate to the ISI and from that point on, he or she has 70 days to develop a proposal, have it voted upon by the creditors and submit it to the court for assessment. The practitioner must obviously ensure that 65% of the creditors are in agreement with the proposal as well as carry out other tasks, such as recording meetings and so forth. The ISI itself has said that personal insolvency practitioners need 70 days to do their work but this Bill says two months. I am hoping this is just a technical timing issue. I would like to see the practitioners being given three or four months rather than 60 days or two months. If the timeframe could be extended from two to four months, that would provide some much needed time. I hope the Minister will give this proposal favourable consideration.

The fourth issue is a difficult one and relates to costs. Let us go back to the court, where a family is having their home repossessed. They clearly have no money or at least insufficient money to pay their mortgage or even a restructured version of the mortgage and hence the repossession proceedings. The judge can order them to engage a personal insolvency practitioner to put together a personal insolvency arrangement with their lender or lenders. The family has no money or certainly has no spare cash. The market will obviously decide how much personal insolvency practitioners will cost but we are hearing estimates of between €5,000 and €7,000. However, there is no direction regarding who must pay for that. We could very conceivably have a situation where the borrower tries to find a personal insolvency practitioner but the bank refuses to pay for that, except perhaps as part of a restructuring of the loan. The personal insolvency practitioner sees that the borrower has no money and may not be convinced that the borrower will succeed in getting a restructured arrangement, under which he or she will be paid. In that context, it is quite conceivable that the borrower will not be able to find a personal insolvency practitioner to do the work or maybe one or two practitioners who cannot get work elsewhere would agree to take on the case for a lower fee or on the basis of an agreement, but in the context of the market, the borrower would probably not be getting the best available service.

I would like the Minister to consider, in cases where a judge directs the parties to engage in the personal insolvency arrangement process, finding some other source of funding. I would like the banks to be that source of funding, obviously, but perhaps it could be done through some of the civic society groups such as New Beginning, for example, or through the Money Advice and Budgeting Service, MABS. I know that MABS is dealing with debt relief notices but I am not convinced it will be engaged in the personal insolvency arrangement process. Some method should be found whereby the banks or the Government, through service providers in the community, can provide the fees to the borrower. I ask the Minister to examine that option before Committee Stage and consider introducing an amendment to the Bill to ensure that an inability to pay does not exclude very distressed borrowers from the personal insolvency arrangement process. Such an amendment would be very welcome.

The fifth issue is the one for which I do not have a solution because it is very complicated.

The scenario is one where a buy-to-let property and a family home are connected and the repossession is coming about not because of the family home, but because of the buy-to-let property. This is a pretty standard case where there is a family home and the borrower has enough income to pay the mortgage. The mortgage may in fact be ten or 15 years into payment. The borrowers made an investment, like so many people, for a pension or other purposes, and bought a single apartment. That apartment has collapsed in both value and rental yield and, as a result, the bank moves for possession of that property. However, the property is in negative equity so the bank also moves for possession of the family home which, from a financial perspective, makes sense because the bank has security on the family home and the buy-to-let property. It is a perverse outcome for somebody to have a solid home which he or she can continue paying the mortgage for but as an investment has gone wrong, and the person would lose both. I do not know the solution and it is a tricky issue but I would like the Minister, his officials and the committee to think about how to stop this happening.

There is an analogy in the private sector where viable businesses in towns around the country bought one or two investment properties which have since tanked. Businesses may be shut down as a result. There is probably reasonably broad agreement in the House that we should not shut down viable businesses because they made one or two failed investment decisions about property. We are trying to ring-fence viable businesses.

Acting Chairman (Deputy Joe O'Reilly): The Deputy has used in excess of ten minutes in the slot. He could have had a 20-minute slot but I believe he indicated he would take ten minutes. Does he wish to proceed?

Deputy Stephen S. Donnelly: I will finish now. I apologise, as I thought the Acting Chairman would tell me when I had two minutes remaining.

Deputy Alan Shatter: The Deputy has another ten minutes if required.

Deputy Stephen S. Donnelly: I appreciate that. I do not know the answer to this issue but I would hate to see a case of people losing their homes because they bought an apartment in 2005.

Although not strictly connected to the legislation, the next issue should be considered in conjunction with the Bill. This is funding on the borrower side for representation. There is a range of organisations, including the insolvency service, the Money Advice and Budgeting Service, New Beginning, etc., and borrowers need representation. If the process has moved to the point where the bank is seeking to take possession of a house, it is at a pretty bad stage. In my office in Wicklow and I am sure in the Minister's office we can see a case of a bank negotiating with all its power and expertise with a couple who may have nothing and be stressed out of their minds. They have no representation or anybody to go into the bank with them in order to negotiate or go to court. They are fed to the wolves, as far as I can see, and I do not believe any of us would like that to happen. Perhaps in conjunction with the Bill - or even incorporated into it - we should ensure that any individual or couple going through a repossession process should have the kind of professional, legal and financial representation that the likes of New Beginning offer.

I am more than happy to submit the issues to the Minister in a letter and perhaps we could pick up on them on Committee Stage. I thank the Minister for listening.

Deputy Tom Hayes: I wish to share time with Deputy Alan Farrell.

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Acting Chairman (Deputy Joe O'Reilly): Is that agreed? Agreed.

Deputy Tom Hayes: I am thankful for the opportunity to speak to this complex legislation which deals with repossession. It is important to note from the outset that this Bill attempts to balance the law so that on the one hand, the principal private residence of an individual is protected, while on the other hand the banks' commercial interests can also be maintained. This is not an easy process in the current climate. As a public representative, not a week has gone by where an anxious and stressed constituent has not sat before me in my clinic, pleading for assistance in dealing with many debts and particularly mortgage issues. This is a recurring issue.

Any debate dealing with repossession must outline the current state of affairs in the overall picture. The current rate of repossession in Ireland is much lower than any other European country, according to the Secretary General at the Department of Finance, Mr. John Moran, who recently addressed the Committee of Public Accounts. He indicated that the Republic of Ireland has a repossession rate of just 0.25%, compared to 5% in the US. However, the Central Bank estimates that nearly 95,000 mortgage accounts are in arrears of over 90 days, which equates to nearly 12% of all mortgage accounts. The issue is nearly at breaking point.

Repossessions will always remain a measure of last resort but our current position demands robust, fair and sympathetic legislation that is practical for all parties concerned. This Bill deals with two particular issues striking the balance required between banks and homeowners. There is the issue of *Start Mortgages v. Gunne* and the provisions for banks to repossess a house are ambiguous for mortgages that started before 2010 and where court action did not start before 2010.

All efforts must be made to ensure a person can retain the principal private residence. That is important as these are the residences in which people raise their families, so they must be protected. With a neighbour who bought a house after 2010 or the local bank who sold the mortgages, there must be a satisfactory conclusion for all parties. If we are to have fair rules or regulations to deal with the unfortunate cases that can occur when repayments become unsustainable, we must ensure that all people will be treated the same and have the same legal entitlements, regardless of when the house was purchased. We should also remember that a commitment to closing this loophole was agreed with the troika in 2010.

We must welcome the aspects of the Bill that will allow the adjournment of certain repossession actions to allow for the possibility that the matter could be resolved by recourse to the Personal Insolvency Act 2012. This will offer hope to distressed mortgage holders facing the awful prospect of losing their home, as another arrangement may be found so that they can remain in a family home. The much-debated alternatives in the Personal Insolvency Act can and will provide an alternative to repossessions with the will and co-operation of all concerned. It would be of benefit to concerned parties to reach an agreement to ensure repossessions of the family home remain a last resort.

It is an ugly truth that there will be more repossessions in Ireland over the next few years. Our current rate of repossessions is not sustainable, given the climate we are in. However, this Bill will bring about a fair and practical way of dealing with an awful position that nobody wants or thinks they will be in. The economy could change and we may be in a better place in the not too distant future. People in trouble with banks and building societies in the 1980s suddenly got out when their houses were worth much more because they had time on their side. Along with the legislation brought before the House, people must be given time to pay and the

principal of the loan should be spread over a longer period. We should be considering longer term loans even than the 25-year mortgages. In days gone by, when people were poor in rural Ireland and land was divided and given out, land bonds were offered, with some given up to 40 years to repay loans on land. Those bonds were repaid and in the meantime, sustainable businesses were built.

In this debate that concerns repossessions and home ownership, we should seriously consider longer term loans. When a house is built, it will remain for many years. The standards used, particularly in the last number of years, are very high and the houses will survive for many years. I ask the Minister to consider the issue and comment on it. The banks, in particular, could be asked to provide longer term loans.

1 o'clock

Deputy Alan Farrell: No one in this House is under any illusion about the absolute necessity to introduce this Bill on the basis that we have to allow banks to be banks, to lend money for mortgage purposes and for that money to be repaid over a period of time. I do not think any mortgage holder is under any illusion that is the purpose of taking out a mortgage, with the eventual aim of owning one's own home after a period of years. The issue we are dealing with here is the consequence of the *Start Mortgages v. Gunn* case in 2011, in which we were dealt a blow when it comes to the repossession of properties with unsustainable mortgages or where individuals were unable to repay their debt. There was simply no recourse available to the home owner or the bank.

Equally, no one is under any illusion that the repossession of the family home, or any other property, is the last resort, although there are many anecdotal debates at the moment about individuals who choose not to pay their mortgages. The clear evidence in the number of repossessions that have taken place in the last 24 months versus comparable markets globally demonstrates that something is wrong and must be corrected. This is a very sensitive issue, particularly when it is a family home.

Deputy Donnelly referred to the repossession of a buy to let property, which leads to the loss of a family home as a result of a family's level of debt as perverse. I do not find it perverse. I am aware of huge numbers of people who bought multiple buy to let properties based on collateral, their own financial ability and the availability of cheap credit. We are dealing with the legacy of that as a nation. Much larger property and speculative deals led to the hundreds of billions of euro of debt this State is in but it all adds up.

The function of the bank is to lend money with a certain element of collateral to ensure it is covered if the debtor defaults. It would be ridiculous if a bank was to lend money and there was no collateral and it had no recourse if the debtor simply stopped paying.

The Government has put in place a number of approaches to deal with this issue, not least of which is the setting of targets for the bank to deal with the 90,000 people who are more than 90 days in arrears at present. They must be dealt with sympathetically to see if there is a sustainable way in which their mortgage could be spread out over an additional period, if there might be some equity in the property, if a mortgage to rent scheme would suit, or if personal insolvency is the right solution for that debtor.

Comments were made lately about the FLAC observations on the code of conduct and the need to ensure both the debtor and lender have complied with it, to protect further and compel

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banks to adhere to the arrangements. The tabling of repossession or debt resolution orders at the Circuit Court instead of the High Court would also reduce the overall cost of the process. Frankly, those are reasonable requests.

For those who find themselves in mortgage arrears and beyond the point where they can sustain the debt, whether they be unemployed or trying to pay enormous mortgages without any real hope of doing so over the term of that mortgage, and who wish to restructure their debt, the Government has provided all of the necessary tools to deal with the mortgage problems. Putting in place a reasonable repossession arrangement for the Irish banks is essentially about protecting taxpayers from the need to invest further in banks on the part of the State. It is equally for the banks to succeed and ensure they become profitable so the taxpayers' liability is removed.

Deputy Michael McGrath: I welcome the opportunity to speak on this Bill. Even though it might not be the intention of Government, the effect of the passage of this Bill will be to lead to a significant increase in the number of repossessions of family homes and buy to let properties. I fully recognise this Bill closes an unintended lacuna in the law arising from the passage of the 2009 Act but it is important we recognise the inevitable consequence that homes will be repossessed. Despite the Government's soothing words, the Secretary General of the Department of Finance and the Deputy Governor of the Central Bank have acknowledged that a significant increase in repossessions is on the horizon.

I accept the level of repossessions in Ireland is low by international standards; that is a good thing because I do not want to see homes being unnecessarily repossessed. At the same time, and I have advised borrowers on this myself, there are occasions where people would be better off forfeiting the home. There are people with mortgages that are utterly unsustainable, irrespective of any restructuring arrangement that might be put in place. They would be better off in some cases availing of the provisions of the new insolvency service, either voluntarily surrendering the property or having it repossessed and dealing with the legacy debt, the residual balance owing through the insolvency service being written off over a period of time, and starting afresh. For some people that is the best outcome.

The issue now, however, is that because of the build up in potential repossession cases, there are thousands of cases where the banks could move quickly following the enactment of this Bill. We all deal with them at constituency clinics, where the current mortgage arrears resolution process has been exhausted, forbearance measures have been offered and accepted but are coming to the end of their useful lives. It will now be at the discretion of the banks which properties will see this power invoked and repossession proceedings commenced. I listened to Ross Maguire from New Beginning at the weekend. He is not a sensationalist; he provides a fair and balanced analysis of the situation. He said this could result in tens of thousands of home repossessions so we must sit up and take notice.

I have a major concern about how the banks will use this power because there are so many potential properties where it could be invoked. They will choose the properties where it is in the commercial interests of the bank to do so. In many cases, they will choose the properties that are in mortgage arrears where there is equity involved, where somebody has gone a long way to paying his or her mortgage but has fallen on hard times and is unable to pay the balance of the mortgage. It will be far more commercially attractive for the bank to repossess such a property because it would have equity and the sale of it would clear the outstanding mortgage balance in full than it would be for the bank to repossess a property that is deep in negative equity. If

the bank repossesses a property deep in negative equity and sells it, there will still be a substantial amount of the mortgage owing which will be dealt with through the Insolvency Service or whatever. We need to monitor closely how the banks will use these powers and to ensure that they are not deliberately targeting properties which have a significant level of equity which, in essence, would protect the bank's own commercial interests by having them repossessed and sold to clear the balance of the mortgage.

This is a Bill where the only obvious beneficiary will be the banks which, to date, have held off on family home repossessions, not out of any sense of social solidarity or justice, or even out of recognition of the bill of billions of euro the taxpayers have had to take on because of their management of the institutions, but quite simply because so far their hands have been tied as a result of this lacuna in the law.

There is almost universal agreement that the response of the banks to date has been inadequate. The problem has been allowed to worsen steadily over the past number of years. It is only recently that the banks have begun to make offers to customers and we have yet to see if these can be properly and genuinely described as long-term sustainable solutions. The bottom line is that, under the mortgage arrears targets set by Government, it is the banks themselves that will define what is a long-term sustainable solution which, in the opinion of the bank concerned, could put a borrower into the insolvency system.

Homeowners in difficulty with their mortgage payments have been facing a sustained onslaught of late, in a number of policy changes and in legislation. The proposed changes to the code of conduct on mortgage arrears will remove the specific limit on the number of contacts a bank can have with a borrower and replace it with a vague requirement that "lenders draw up and implement a contacts policy" and "ensure that communications with borrowers are not aggressive". That is of cold comfort to borrowers who, if these changes to the code of conduct are implemented, will receive an increase in the number of contacts from the bank on a week-to-week basis. The number of contacts will be left to the discretion of the banks. We all will be aware from our work in constituencies the level of stress and anxiety among borrowers who are in distress and who fear the next call or message from the bank wondering when they will pay up.

In addition, new powers will be available to banks to nudge borrowers off their tracker mortgage in certain circumstances as part of an overall settlement of the mortgage. I do not understand why it is necessary to put that option on the table. We are all in favour of fair sustainable deals being done between the borrower and the lender but why for the first time is it being put on the table that the tracker rate would be removed from the borrower in those circumstances? I do not understand why that is necessary. That is also a proposed change to the code of conduct.

Those on variable rate mortgages face ever-increasing monthly payments which will force many more borrowers into arrears. There was the latest announcement by AIB of a 0.4% increase in the standard variable rate which it is charging on mortgages. Now there is this Bill, which will facilitate an increase in the repossession of family homes. I will not lose any sleep if buy-to-let properties are repossessed where every effort has been made to reach an agreement because it is inevitable, given that almost one in three of buy-to-let mortgages are either in arrears or have already been restructured, but a higher bar must be set in the case of a family home and that is what we are seeking to achieve.

Borrowers look at some of the deals that are being done at a corporate level. For example,

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there was commentary during the week on the deal which was done by a consortium of eight banks with Independent News and Media where up to €140 million of debt is being written off. That is merely one case which has come into the public domain, but there are many other cases of corporate debt restructuring involving the pillar banks where tens of millions of euro have been written off. Borrowers will understandably compare and contrast their treatment by the banks in their mortgage arrears problem with the treatment the banks are extending to large corporate entities that are going through their own difficulties.

We all are familiar with the arguments around the issue of the bank veto in the personal insolvency arrangements, and I note the Minister disputes that it represents a veto. I have argued strenuously for the removal of this veto and before Easter the House debated a Fianna Fáil Private Members' motion calling for the establishment within the Insolvency Service of an independent mortgage resolution office which would have the power to impose a settlement that would be binding on both the borrower and the lender. It remains my party's contention that only an independent mechanism such as this can break the logjam that currently exists. The Government disagrees. The Government has given the banks certain targets, that they must offer 20% of those in distress a long-term sustainable solution by the summer, 30% by the autumn and 50% by the end of the year. We will see if that works. I hope it does. There is evidence of action, for example, AIB states that it has offered 1,400 split-mortgage solutions to customers in quarter one of this year.

That would be a welcome improvement in activity levels in long-term forbearance, if, indeed, it comes through in the official Central Bank statistics for the first quarter, which we will see shortly. I hope that such is the case because I would be the first to recognise that it is far preferable that borrowers and lenders would reach agreements voluntarily outside of any independent arbitration process as there will be downsides for those who enter into the insolvency regime. For example, they will have their details on a public register and as I understand it, these will remain on that register indefinitely. I would also have concerns about the ability of those who enter into insolvency to get any credit again. Will they get a credit card in the future? Will they be able to borrow to buy a car? Have they any hope whatsoever of being able to borrow, for example, to buy a family home again in the future?

In addressing the issues that arise from the Dunne judgment, it is imperative that what happens now is done in a fair and transparent way. Unfortunately, I do not believe this Bill meets the standard required.

There is provision in the Bill where the court is considering an application for repossession of a primary home for the case to be adjourned for a two-month period if the judge considers that a personal insolvency arrangement, PIA, might be a more appropriate course of action. That is a welcome step in the right direction, although in my view two months is not a sufficiently long period of time. I would suggest that four-to-six months at a minimum would be a far more reasonable period of time to be considered.

In assessing the legislation, we also need to look at the scenario where the mortgage provider exercises its effective veto on the conclusion of a PIA and then proceeds to court to seek an order for repossession of the family home. In these circumstances, it is imperative that the court, with the consent of the debtor, directs the personal insolvency practitioner concerned to provide to it a report in writing which would include the content of the proposal for a PIA. This report should include an opinion from the personal insolvency practitioner as to whether the rejection by the creditor of the proposal for a PIA was reasonable. This opinion should be based

on whether the proposal contained an offer to repay an amount, whether on a restructured basis or not, equal to the current value of the property. At this stage, it would be appropriate for both the debtor and creditor to be given sight of this report from the personal insolvency practitioner and have the opportunity to make submissions based on it.

In determining whether the rejection of the proposal for a PIA was reasonable or unreasonable, the court should take into account a number of considerations. These include the report of the insolvency practitioner and any responses received by the debtor or creditor; whether the proposal of the PIA constituted an offer to repay an amount equal to the current value of the mortgaged property; the housing needs of the debtor and his or her dependents; the conduct of both parties, including the conduct of the creditor, in underwriting the loan secured by the mortgage; and any other circumstances or matters that the court considers relevant in adjudicating on the issue. The court should then, having considered the information laid before it, be in a position to put a stay on the order for repossession and adjourn the application for repossession for such time as is necessary to enable the creditor makes another proposal for a PIA and for a consequent vote by all of the relevant creditors. Alternatively, if granting the order, the court should be allowed put a stay on the coming into effect of the order for a period of time. We will table amendments on Committee Stage to give effect to these suggestions and others in order to seek to build consensus for what is in effect a reasonable attempt to balance the rights of borrowers and lenders.

If we are going to give extra powers to banks then at the very least as a society we need to ensure that citizens have a fair chance to have their rights vindicated before the courts. I concur with the Free Legal Advice Centres in their concerns about the adequacy of resources available to people who are going through the mortgage arrears process or are faced with repossession. The budget allocated to MABS of €19 million is money very well spent. In the context of entire cost of the financial collapse, it is arguable that we should be spending a lot more on high-quality impartial financial advice to distressed borrowers. This week we heard of the possibility of various MABS offices being forced to close. That this could be happening at the same time as the Government is pushing through legislation to facilitate repossession of family homes is nothing short of a scandal.

As has been reported, each of the 53 MABS companies has been instructed by the Citizens Information Board to sign a new service level agreement. While ensuring public money is spent wisely is a concern for everyone, I have never heard anybody suggest that the various MABS offices around the country do anything other than an excellent job with very limited resources. A number of the MABS companies, as they are called, have highlighted concerns about the nature of the proposed service level agreement and the possibility that it may restrict them in the carrying out of their work. In addition, the mortgage advice service that has been established whereby the banks are required to pay €250 towards advice from an accountant for a distressed borrower is not adequate. Very few people are aware of the service. When people come to my constituency office, I tell them about the service and advise them to get as much advice from as many sources as they can, but very few people are aware that they are entitled to some advice from a qualified accountant on their mortgage arrears problems.

Given the inevitable increase of cases and the added concerns of threat of homes repossessions, this is not time for an overly prescriptive regime to be put in place. I appeal to the Minister and to the Minister for Social Protection to ensure that the threatened wave of repossessions does not materialise. In line with what FLAC has recommended, I also believe that all repossession applications should be heard in the Circuit Court. I ask that this issue at least

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be examined and some clarity given as to the current position. While there are administrative attractions for banks in seeking a repossession order in the High Court, for the individuals involved, there are undoubtedly additional legal costs as well as greater personal inconvenience attached to having the issue dealt with by the High Court. I understand that there is some legal ambiguity surrounding how the 2009 Act applies in this regard. I ask the Minister to clarify the issue in his closing remarks.

The Bill comes at a time when the banks have so far failed to demonstrate their good will by agreeing long-term sustainable deals with the tens of thousands of distressed borrowers. The Bill needs greater balance. The Minister has now published the Bill and we have commenced Second Stage. I hope we can all enter the process in good faith and seek to improve the Bill on Committee Stage. We should also listen to the independent commentators who are dealing at the coalface with distressed borrowers on a daily basis. They have made a number of practical constructive suggestions which should be considered in order to enhance the Bill and give a greater balance between the rights of lenders and borrowers in closing the loophole in the law.

Acting Chairman (Deputy Joe O'Reilly): I call Deputy McNamara who is sharing with Deputies Kyne, Jim Daly and John Paul Phelan. Is that agreed? Agreed.

Deputy Michael McNamara: In his remarks, Deputy Michael McGrath spoke about the need to balance the needs and rights of the borrowers with those of the banks. I clearly agree, as I am sure does the Minister and his Government colleagues. It is self-evident that we need to live in a society that is just and in a functioning economy. It is very much in the banks' interest to ensure the economy functions as efficiently economically as possible.

Deputy Michael McGrath and to a far greater extent those who sit in the Independent benches behind him paint a picture of banks where there is a rush and desire to repossess and take over properties. From what I heard at the Oireachtas Joint Committee on Finance, Public Expenditure and Reform, on which Deputy Michael McGrath sits, and from what I have heard locally in County Clare, there certainly are repossessions. Banks are putting considerable pressure on people and some of that pressure should not be applied. However, the pressure is to pay the banks money. I do not sense that there is a desire among the banks to repossess. There is talk of waivers of repossessions. There is an increase in repossessions, particularly of investment properties and obviously the provisions of the Bill do not apply to investment properties. However, banks are obviously repossessing as a very last resort. Why would a commercial entity seek to take a property it then needs to sell in a completely depressed market and crystallise a loss? I do not accept there is a rush by banks to repossess. The banks are not acting as they should and are putting people under considerable pressure, but that does not necessarily mean they want to repossess.

I welcome the Bill's provisions that any such proceedings would be adjourned to seek a personal insolvency arrangement. As I have done previously, I also question the rush to point out the failures and deem the personal insolvency arrangement, which is just about to commence its work, a failure in advance of it even operating after years of having nothing operating. We have to give this a chance. Banks are cold-hearted commercial creatures and it is in their interests to make this work. The Minister, Deputy Shatter, is on record as saying that if the banks stone-wall and do not co-operate, which is unlikely, the Government will review the legislation. The banks enter the personal insolvency process knowing that in many instances the alternative is bankruptcy in which case they would lose considerably more. Of course, if they are sufficiently secured, they may gain the property but then have to sell it in a depressed environment. The

banks are not interested in property owning, unlike the great majority of people who are caught in this horrendous situation.

I refer to one particular category of people. Considerable noise has come from the GRA conference as it does from all such trade union and association conferences, but usually amid the noise there is a grain of truth. In this instance it has been revealed, as many of us already knew, that many gardaí are in financial difficulties, some of them with their own personal mortgages, but many in respect of investment properties. They find themselves barely able to pay the family home mortgage and unable to pay the investment property mortgage if there is a break in the tenancy for whatever reason.

There is doubt as to whether members of the Garda Síochána can enter into a personal insolvency arrangement. I see the Minister shake his head. If there is absolutely no doubt and the Minister wishes to clarify that for the benefit of the House, I would welcome it. However, there is a doubt among members of the Garda to whom I have spoken, including friends with whom I attended school, constituents and neighbours. There is doubt in their minds as to whether they can apply for and enter a personal insolvency arrangement without falling foul of their code of conduct. If there is no such doubt, I would greatly welcome the clarification. As long as there is a doubt, it is a matter that needs to be considered urgently in the context of seeking to achieve €300 million savings in the public payroll and also in the context of this Bill.

Deputy Jim Daly: I welcome the opportunity to speak on the Bill, which is not about assisting banks to repossess homes.

Debate adjourned.

Sitting suspended at 1.30 p.m. and resumed at 2.30 p.m.

Ceisteanna - Questions

Priority Questions

Property Taxation Exemptions

1. **Deputy Barry Cowen** asked the Minister for the Environment, Community and Local Government if he will detail the criteria used to set out the list of estates eligible for exemptions under the local property tax; and if he will make a statement on the matter. [20595/13]

Minister of State at the Department of the Environment, Community and Local Government (Deputy Jan O'Sullivan) (Deputy Jan O'Sullivan): An exemption from the local property tax applies to developments listed in the schedule to the Finance (Local Property Tax)

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Regulations 2013. The list of unfinished housing developments eligible for the exemption was compiled by local authorities utilising the categorisation employed for the purposes of the national housing survey of 2012. The survey was carried out over the course of the summer of 2012 by the Department in conjunction with local authorities and the Housing Agency.

The categorisation methodology for the survey was different from that used in 2011 which provided the basis for the waiver from the household charge. This earlier categorisation related largely to the level of on-site activity at the time the 2011 survey was carried out and had less to do with the physical character of a development. The 2012 survey was based purely and objectively on the actual state of completion of a development, and established there were 1,700 unfinished developments, with 1,100 of them deemed to be in a seriously problematic condition. This represents a 37% reduction in unfinished developments since 2010. Only developments deemed by local authorities to be in a seriously problematic condition, regardless of whether a developer was on or off site, were included in the local property tax regulations. For the purposes of preparing the final list of developments to which the exemption from the local property tax would apply, local authorities were asked by the Department to confirm or update the then existing list of estates in a seriously problematic condition, as appropriate.

Deputy Barry Cowen: Will the Minister of State confirm whether it is correct to state that where local authorities carried out the instructions and inspections, they were instructed to do so by the Department and to take into account certain criteria when devising the lists? Obviously this was the case because in my county, 26 estates were exempt from the household charge but only one estate was exempt when it came to the local property tax. Does the Minister of State have faith in the standards and requirements demanded by local authorities on a regular basis before taking charge of local authority estates? Does she support the mechanisms and procedures involved in the process? If she does, it totally flies in the face of the policy she and the Department employed lately when devising the secondary list of exemptions. Does she also believe it was totally unfair and unjust for the Department not to employ any appeals mechanism once the list was completed?

Does the Minister of State believe it was opportunistic, to say the least, of her colleague and senior Minister to give a candidate in the Meath East by-election the impression of the distinct possibility that any representations might result in an appeal, and by association give the impression in some way or another that certain estates in the county might see favour in being taken from the list? This does not take from the point I made in the first instance. Any candidate, whether a representative of a local authority or otherwise, was quite entitled to make an appeal. The Department brought out a system which was unjust and unfair and did not allow for appeals. To return to the kernel of the point I am making, if the Minister of State agrees with the procedures and the mechanism by which local authorities take estates in charge, and I am sure she does as the Minister of State with responsibility in this regard, will she admit it flies totally in the face of the policy and criteria which she directed local authority staff to use when devising the list?

Deputy Jan O'Sullivan: The list was drawn up by the local authorities then transferred to the Department in accordance with-----

Deputy Barry Cowen: The criteria-----

Deputy Jan O'Sullivan: -----the national housing survey guidelines. It is only estates in a serious problematic condition or which have parts in a serious problematic condition which are

exempted in the legislation from the Department of Finance on the property tax in this category. There are other exemptions. As Deputy Cowen knows, an estate being taken in charge involves a totally different test.

Deputy Barry Cowen: Does the Minister of State agree with it?

Deputy Jan O'Sullivan: The Deputy asked me my view on the taking in charge process. Thousands of estates throughout the country have not been taken in charge, and some have been in existence for 30 years. They were not part of the household survey upon which this exemption is based.

Deputy Barry Cowen: There are different standards for different schemes. That is fine. It explains it.

Deputy Jan O'Sullivan: It is an entirely different system. Taking in charge is a serious issue and one we want to address with local authorities.

Deputy Barry Cowen: They do it regularly.

Deputy Jan O'Sullivan: It is a different category from that of problematic conditions in an unfinished estate, which was the category laid down in the legislation by the Department of Finance. I am sure the Minister, Deputy Hogan, can answer for himself, but he tells me he did not say what the Deputy suggested he did with regard to the Meath East by-election. Deputy Cowen asked whether there should be a waiver system. This would be a matter for the Department of Finance, which established the property tax and brought forward the legislation to Cabinet for agreement by the Government.

Deputy Barry Cowen: I have a related question, and I would like to use this opportunity to ask the Minister of State to consider extending the period of time by which the forms must be returned by post. I believe the deadline is next week. Many queries and questions are emanating from members of the public to many representatives in the House and I ask the Minister of State to consider extending the deadline.

Deputy Jan O'Sullivan: It is not a matter for me. It is a matter for the Department of Finance.

Deputy Barry Cowen: Will the Minister of State pass on our-----

Deputy Jan O'Sullivan: I have heard the Deputy's request but I cannot give him an answer.

Deputy Barry Cowen: Will the Minister of State pass on my request?

Deputy Phil Hogan: We will pass on the Deputy's best wishes.

Unfinished Housing Developments

2. **Deputy Brian Stanley** asked the Minister for the Environment, Community and Local Government the number of unfinished estates; if he will provide a breakdown of the stage of completion that these are at; the estates that are categorised as unfinished; the timeframe for completion of outstanding work in those estates classified as unfinished estates; and if he will make extra funding available to local authorities to assist in their management of those estates.

[20640/13]

(Deputy Jan O’Sullivan): I am chairing the national co-ordination committee on unfinished housing developments to oversee implementation of the report of the advisory group on unfinished housing developments, together with the Government’s response to the recommendations. The committee includes representatives from the Irish Banking Federation, local authorities, Housing and Sustainable Communities Limited, NAMA and the construction sector. Real progress is being made with regard to the public safety works required to improve the living conditions of existing residents on some unfinished estates, and the committee meets regularly to oversee this effort.

The 2012 national housing development survey, published by the Department in November 2012, revealed steady quantifiable progress in tackling the issue of unfinished housing developments. A renewed focus by all stakeholders, including local authorities, developers, lenders and local residents, is working and communities are benefitting. Since the survey was first commenced in 2010, there has been a 37% decrease in the number of unfinished developments and a 27% decrease in the number of vacant units. In 2012, almost 300 housing developments were resolved. Further details of this survey, including details of the stage of completion of unfinished developments throughout the country, can be found on the Department’s website, *www.environ.ie*. The survey identified a further 1,770 developments remaining unfinished. While this is a substantial reduction on the 2,874 developments identified in the 2010 survey, it also indicates the scale of the challenge remaining. The focus of the Government’s actions is directed at resolving these developments, of which approximately 1,100 are in a seriously problematic condition.

The Department launched a public safety initiative in March 2011, which provided funding to address immediate public safety issues. The types of works approved to date under the public safety initiative include fencing off unsecured and hazardous areas, capping pipes, installing street lighting and other works to secure sites. Under the public safety initiative, the Department has made allocations totalling approximately €3.877 million to 21 local authorities from the funding made available, and to date a total of €2.515 million has been drawn down by local authorities.

Deputy Brian Stanley: I thank the Minister of State for her reply. She mentioned the progress. A report was done in June 2011 and I admit the Government inherited a difficult situation with regard to unfinished estates dotted throughout the country, including my county of Laois which has 70 unfinished estates. I have also studied the progress report published in July 2012. I am anxious to find out where we are today with regard to these matters. The 2011 report found 23,250 complete but vacant houses and another 9,976 almost complete but vacant houses. This is a total of more than 33,000 houses in 1,655 developments with works outstanding in categories 2, 3 and 4. At the time, the NAMA share was listed in the report as 3,200 homes possibly available for social housing use. Two years on, however, how many of those 3,200 houses have been brought into use?

The report mentioned site resolution plans for the 1,650 estates, but how many of those are in place for category three and category four estates? Some 636 estates were subject to legal enforcement last June, 44 of which were in County Laois. There were three in Offaly and seven in Kildare.

An Ceann Comhairle: I am sorry Deputy but we are running out time.

Deputy Brian Stanley: I am seeking answers to those specific questions. Does the Minister agree on the need for legislation? We have 33,000 empty houses in unfinished estates, while 100,000 family units are on the housing waiting list. Can we not put legislation in place to make a match between them? There is a precedent with the Land Commission whereby unused land was bought by the State and leased out to people who eventually bought out the holdings. Thus a match was made between those who needed land and land that was unused or under-used.

In this case we have houses that are not being used, while we have an accommodation crisis. Does the Minister agree that due to the slow progress, legislation is required to use such accommodation for social and affordable housing?

Deputy Jan O'Sullivan: I am not sure we need legislation, but we need action which is what we are doing on the committee. To answer the Deputy's question, NAMA issued some information yesterday. There are 110 houses on which contracts have been agreed with regard to NAMA units. A special purpose vehicle has been established which is speeding up the process. We hope we will get about 500 over the line this year but that will depend on how fast the process can be moved. The special purpose vehicle is a means whereby NAMA can gather units that are deemed suitable by local authorities into this financial vehicle, so that they will then be available for the local authorities and voluntary housing sectors to take them over. We are therefore expecting progress. I would like to see it happening faster because it has been very slow, particularly in the early stages. However, we are getting some traction now, which is to be welcomed.

With regard to site resolution plans, the intention is that by the next meeting of the unfinished housing developments committee we will have such plans in place for nearly all the estates. We will then be at a point where we can make a decision on the future of estates where nobody is living and where, in some cases, houses are only half built. We will have a plan in place to finish the others, be they under receivers, NAMA, local authorities or private ownership. The intention is to move this process on as quickly as possible. We have made quite good progress in the last year.

An Ceann Comhairle: We must move on to Question No. 3.

Deputy Brian Stanley: May I ask a supplementary question?

An Ceann Comhairle: No. I am sorry but we are out of time. I am calling Question No. 3 in the name of Deputy Joan Collins. There are only four minutes after the first question, giving a total of six minutes. Therefore the longer a Deputy takes for a supplementary the less time is left.

Shared Ownership Scheme

3. **Deputy Joan Collins** asked the Minister for the Environment, Community and Local Government if he will amend the Housing Act 2009 to resolve the problems which are affecting people who availed of the shared ownership scheme. [20639/13]

Deputy Jan O'Sullivan: The Government's 2011 housing policy statement announced the standing down of all affordable housing schemes, including the shared ownership scheme, in

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the context of a full review of Part V of the Planning and Development Act 2000. That review is now almost concluded and I have also asked the Housing and Sustainable Communities Agency to provide me with a stand-alone analysis of the shared ownership scheme, including identification of the main difficulties and recommendations for mitigating measures. Any future changes to legislation governing affordable housing schemes, including the shared ownership scheme, will be made in the context of both pieces of work and I expect to make announcements in this regard in the near future.

It is relevant to note that the purchasers were in the position of having their share of the property rise in value when the market was rising. It should also be borne in mind that local authorities have drawn down loans on the rental equity portion with a view to facilitating the ownership of the property incrementally for the occupier. Every effort is made by housing authorities to assist borrowers who encounter difficulties in meeting their commitments. For example, article 10 of the Housing Regulations 1980 (Amendment) Regulations 1996 provides that, in cases of hardship, the loan repayment period may be extended and arrears capitalised so as to make repayments more manageable for the borrower.

Mortgage interest supplement under the supplementary welfare scheme, administered by the Department of Social Protection, is payable, subject to the qualifying conditions of that scheme, in respect of mortgages under shared ownership transactions, in the same way as in the case of mortgages generally. An annual subsidy towards rent payments under the shared ownership scheme is available, through the rental subsidy scheme, to households with a gross household income of up to €28,000 per annum in the preceding tax year. The level of subsidy ranges between €2,550 for incomes up to €13,000 and €1,050 for incomes up to €28,000.

Deputy Joan Collins: I thank the Minister of State for her reply. She must be very much aware of the situation in which people find themselves in shared ownership. I wish to raise the matter concerning the Housing Act 2009. Without going into detail, in our area a particular person had a shared ownership crisis. She discussed it with the local council which agreed to take back the house and said that she would pay off the outstanding loan over 50 years at €200 per instalment. It would then put her on a voluntary housing list, although some people cannot get onto the list because they voluntarily gave up their home.

I was surprised that the Minister of State mentioned the mortgage interest supplement because people are not aware of it. We can take up that matter. The only way this can be dealt with is if the pressure is taken off local authorities in paying back the loan taken out by the Housing Finance Agency. Councils have to pay that money back and there are no insolvency arrangements. It must be taken in that context and there have to be opportunities for people to park their mortgages as part of an insolvency arrangement. I would like to hear the Minister of State's comments on that matter.

Deputy Jan O'Sullivan: I am aware that a number of Deputies have a big interest in this issue. That is why we are having this review which has nearly been concluded. Part of it concerns the fact that local authorities have taken on the financial burden and so we must find a way of addressing that problem. It has to work both for those in shared ownership and the local authorities.

We should spread the word more widely that the mortgage interest supplement is available to people on shared ownership schemes. As the Deputy said, I do not think it is widely known.

Deputy Joan Collins: Does the review include examining the Housing Act 2009 because it does impact on that? There has to be a change at Government level to take pressure off local authorities which are being forced to pay back loans taken out under the Housing Finance Act.

Deputy Jan O'Sullivan: I have not prescribed what the review will examine. I will see it fairly shortly, as far as I know. There are a number of amending pieces of housing legislation coming down the track. Therefore, if we do need to amend legislation, we will have the facility to do so under the housing legislation we are currently working on. At this stage, however, I do not know if that will form part of the recommendations or not.

Leader Programme.

4. **Deputy Éamon Ó Cuív** asked the Minister for the Environment, Community and Local Government the total amount of money provided for projects in the LEADER programme 2007 - 2013 broken down by measures; the amount sanctioned in each measure to date; the amount that remains to be sanctioned; the latest date for sanctioning projects; the total spend to date on projects in the programme; and if he will make a statement on the matter. [20597/13]

Minister for the Environment, Community and Local Government (Deputy Phil Hogan): My Department recently completed a full and comprehensive review of commitments under the axes 3 and 4, Leader elements, of the Rural Development Programme 2007-13. Project approvals were suspended during this time. However, on 24 April, as a result of this review, I was able to release the remaining €90 million funding for the Leader elements of the Rural Development Programme.

As a first step, I have allowed the issuing of contracts for approximately €42 million worth of projects that have all the necessary approvals in place. The Local Development Companies contracted to deliver the Leader elements of the programme have two weeks to notify the Department as to whether all of the projects considered within this €42 million are ready to proceed. Once this exercise is complete my Department will then be in a position to establish how much of the €90 million is remaining and will notify each local development company of its allocation for the remainder of the programme. To date, over €214 million has been committed by the LDCs under the programme with €123 million of this paid and €91 million in outstanding commitments. The measures with the highest commitments are basic services for the economy and rural population with €48 million, village renewal and development with €39 million, encouragement of tourism activities with €33 million and support for business creation and development with €31 million.

Once the LDCs are notified of their final allocation the Department will request a revised financial plan from each LDC, which will detail how their overall allocation is apportioned under the various measures. The national allocation per measure will be based on these returns.

In the context of EU regulatory requirements, project commitments under the Leader elements of the RDP must be approved by the end of 2013, but a further two years are permitted to complete the projects and register the expenditure.

I propose to circulate with the Official Report a tabular statement setting out the information requested.

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RDP Measure	Committed	Paid to Date	Outstanding Commitments
Axis 1			
Adding Value to agricultural & Forestry	€652,491.76	€89,554.07	€562,937.69
Axis 3			
Diversification into Non Agricultural Activities	€8,737,999.06	€4,649,297.91	€4,088,701.15
Support for Business creation and Development	€31,403,610.85	€16,448,988.11	€14,954,622.74
Encouragement of Tourism Activities	€33,069,048.76	€18,958,837.08	€14,110,211.68
Basic Services for the economy and rural population	€48,819,325.40	€31,983,717.29	€16,835,608.11
Village renewal and development	€39,976,287.81	€21,977,607.18	€17,998,680.63
Conservation and upgrading of the rural Heritage	€21,615,785.43	€12,922,866.00	€8,692,919.43
Training and Information	€17,460,239.27	€10,578,294.23	€6,881,945.04
Skills acquisition and animation	€7,805,809.38	€3,435,325.63	€4,370,483.75
Co-operation	€5,006,575.90	€2,176,448.89	€2,830,127.01
Total Axis 3	€213,894,681.86	€123,131,382.32	€90,763,299.54
Total Axis 1 & 3	€214,547,173.62	€123,220,936.39	€91,326,237.23

Deputy Éamon Ó Cuív: I thank the Minister for that information. However, about six weeks ago during parliamentary questions, he did say that we would have the information in ten days since the companies would be allowed to give approvals. Will the Minister explain why this did not happen and why it has taken six weeks to come half way? Each company will put in a revised financial plan. Is there any limitation on the Department in respect of swapping money between subheads or is it at the discretion of the Department that if one subhead has a heavy expenditure and another has less expenditure to swap the money around between the subheads?

Deputy Phil Hogan: Deputy Ó Cuív is correct that it took longer than anticipated. I am sorry it took so long but we are there now and we have got a comprehensive report from the division in the Department to ensure we have a clear picture of what can be spent under the various axes and the remaining funds in the programme. We have to get approval from the managing authority, in this case the Department of Agriculture, Food and the Marine and the European Commission about changing money from one axis to another. We did that successfully last year. Therefore it is possible to do it. Certainly there is more interest in some of the measures than others, as the Deputy will be aware from his constituency. There is particular pressure on the basic services measure and on the tourism measures which appear to be the most attractive for people in communities seeking to have projects approved. We are conscious of the need to be flexible so far as we can within the guidelines of the Commission and with the approval of the Commission to move money around.

Deputy Éamon Ó Cuív: I would not have thought there would be a need to move it between the axes. If memory serves me correctly, axis 3 is the project money and axis 4 is the administration money. I presume the administration money will be used for administration which means there will not be much swapping. However, what is required is swapping between the measures. I presume the Department of Agriculture, Food and the Marine will do whatever

is necessary. Does the Minister foresee any difficulty with the Commission in swapping money between the measures and reformulating between the measures? When we agreed the process at the beginning I was told there would not be any difficulty in swapping the money within the measures, once it was kept within the correct axis. Perhaps the Minister would confirm if that is still the case. The Minister said a comprehensive analysis was carried out. On the last day I recall the Minister saying that €100 million remained to be allocated, whereas today he said it was €90 million. The difference is not hugely significant, considering that no project was passed in February and March with only a small number in April. Is it possible to give permission for small projects with clear time constraints? For example, festivals, assisted by the Leader programme, which are due to take place in the summer, will not significantly change the arithmetic. Would it be possible to give permission for these events well in advance as it is difficult to plan without knowing whether one will get Leader funding?

Deputy Phil Hogan: I am glad to inform Deputy Ó Cuív that the festival money was approved last week and all the various festivals that would have applied for funding would have received their notification in the past ten days.

Deputy Éamon Ó Cuív: I am aware of a festival which is to take place in July and it has been told by the Leader company that it cannot approve it as it is not on the list.

Deputy Phil Hogan: If it was not on the list before the allotted time, perhaps it was not approved. If the Deputy supplies me with the details I will certainly try to assist.

Deputy Éamon Ó Cuív: I thank the Minister.

Deputy Phil Hogan: I have put resources into the section in order to speed up the approval process for projects. I am conscious that there is a time limit on these projects. There is often a misunderstanding about the number of large projects in the system. There are only 39 nationally in the system. I can assure the Deputy that I will do everything possible to release money as quickly as possible for the benefit of the projects. In line with precedent for moving money from one axis to the other, which we secured about a year ago, when the basic service measure needed more money we were able to get agreement from the Commission on that issue. I hope for the same flexibility in the future if the demand arises.

Deputy Éamon Ó Cuív: The Minister has deep pockets. Will those over €150,000 be paid now?

Deputy Phil Hogan: Some 39 of them will be paid now.

Deputy Éamon Ó Cuív: Very quickly.

Deputy Phil Hogan: Yes, once everything is in order, from the next couple of weeks.

Deputy Éamon Ó Cuív: I thank the Minister.

Climate Change Policy

5. **Deputy Thomas Pringle** asked the Minister for the Environment, Community and Local Government the way he sees Ireland benefitting from the green economy and climate change opportunities; the way the carbon tax will assist this; and if he will make a statement on the

matter. [20695/13]

(Deputy Phil Hogan): The Government's ambition for growth and job creation in the green economy, as well as a range of associated actions, are set out in the policy statement on Delivering our Green Potential which was published by my colleague the Minister for Jobs, Enterprise and Innovation in November 2012. Publication of the statement followed on from a commitment under the Action Plan for Jobs 2012 and must also be seen in the context of the Government's new sustainable development framework, Our Sustainable Future, published in June 2012. It is estimated that well over 10,000 extra jobs could be created in the green economy sector over the next number of years.

A key element of the context for the emerging global green economy is the gradual emergence of new technologies and practices that are responding to the threat of climate change and the need for a significantly more efficient approach to using natural resources.

In meeting our international climate commitments, greenhouse gas mitigation policy in the EU is being developed around early and cost-effective transition to a competitive low-carbon economy in 2050. In Ireland, policy is being developed on an equally progressive approach, as borne out both by the outline heads of the climate action and low-carbon development Bill and the ambitious policy initiative on sectoral mitigation roadmapping for 2050 which I announced recently. Our commitment to environmental sustainability, including climate protection, will be fundamental to our success in shaping and engaging competitively in the emerging global green economy.

The carbon tax is one of the key policy responses to support the transition to a low carbon economy. Responsibility for the carbon tax rests with my colleague, the Minister for Finance.

Deputy Thomas Pringle: I thank the Minister for his response. On the day the carbon tax comes into play and many low income households see significant price increases in fuel to heat their homes, it may have been some consolation for them if the revenue generated from the carbon tax was used to develop alternative green energies that could possibly provide them with carbon neutral energies for home heating. That the carbon tax is going into the central Exchequer and there is no ring-fencing for the development of the green economy is a retrograde step that needs to be reversed. We should be looking to develop green energy with biomass for home heating and converting large parts of the country to that which is carbon neutral, contributes to the green economy and also would provide people with a carbon neutral and carbon tax free heating source for their houses. The Minister should focus on that and ring-fence the carbon tax for those developments but unfortunately the carbon tax is going into the Exchequer and there will be no benefit in terms of developing the green economy.

Deputy Phil Hogan: In terms of the overall taxation policy, the Government will want to ensure it can limit taxation increases on labour. If there are environmental taxes that can be deployed for the purpose of ensuring we do not increase tax on labour and work, that is a noble aspiration and a reality to date during this Government's term of office, however, it is not true to say that no money goes into matters relating to the climate change agenda to which the Deputy referred. Some €35 million has been allocated for an energy efficiency fund and €9 million has been allocated for research and development in the Department of Jobs, Enterprise and Innovation in respect of new technologies along the lines mentioned by the Deputy. While initiatives have been taken, I agree we could do more. We are working on proposals on the energy efficiency side and on home improvements that may assist some of the measures advocated by

the Deputy between now and the end of the year. I am conscious that people will respond to some of the initiatives being taken, whether it is grant assistance or they may be in a position to benefit from lower energy costs in their homes arising from better insulation or better energy efficiency standards. The carbon tax is a tax for the purposes of the Central Fund but the Government is equally conscious of the need to meet our climate change objectives on the energy side. We will continue to invest some of that money in the context of the proposals I have mentioned.

Deputy Thomas Pringle: As Minister for the Environment, Community and Local Government it would have been important that the carbon tax be ring-fenced. The carbon tax is a revenue generating vehicle rather than for the purpose of dealing with climate change or moving to carbon neutral technologies. A great deal more investment is needed in the area and the Government should move quickly to ensure we change over and become carbon neutral. It appears from his response that the Government has a vested interest because the more carbon neutral home heating is provided the less is generated in carbon tax.

3 o'clock

The Minister will not cut off his own source of revenue but that is the sad situation many home owners are facing.

Deputy Phil Hogan: I do not agree with the Deputy in any way in regard to his last assertion. More has been done in the past year and a half in developing our green economy potential than happened under my predecessors. We have now set out a road map as to how jobs can be created in the green economy and how we can reduce the costs of business in terms of energy efficiency. There was a €4 million investment by 24 companies in recent times which received a return of €3.5 million during the course of a year in energy efficiency savings and water conservation savings made. Those are examples of pilot schemes we have been carrying out around the country and are a clear indication that people want to engage in both the green economy and the energy efficiency agenda. Each Minister must draw up a sectoral plan in regard to how they can meet our climate change objectives and targets by the end of this year and I am sure that will spark off new initiatives they will have to take in order to meet those objectives.

Other Questions

An Ceann Comhairle: I remind Deputies there are six minutes allocated per question, with up to two minutes for the Minister's reply and a minute for each supplementary.

Dormant Accounts Fund Management

6. **Deputy Michael Moynihan** asked the Minister for the Environment, Community and Local Government his plans to introduce legislation to reduce the liability on the State for the re-imburement of dormant accounts; and if he will make a statement on the matter. [20469/13]

(Deputy Phil Hogan): The Dormant Accounts Act 2001, together with the Unclaimed Life Assurance Policies Act 2003, the Dormant Accounts (Amendment) Act 2005 and the Dormant Accounts (Amendment) Act 2012, provide a framework for the administration of unclaimed accounts in credit institutions, namely, banks, building societies, An Post and insurance companies, and in unclaimed life assurance policies in insurance undertakings. The legislation

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requires the institutions or undertakings to take steps to identify and contact the owners of dormant accounts and unclaimed life assurance policies.

The main purpose of the legislation is to reunite account holders or policyholders with their funds in credit institutions and insurance undertakings and, in this regard, such institutions and undertakings are required to take steps to identify and contact the owners of dormant accounts and unclaimed life assurance policies. The fund consists of a reserve account from which reclaims and various expenses are paid and an investment and disbursement account from which investments and disbursements are made.

The transfer of moneys to the dormant accounts fund takes place on the basis that the beneficial owners of the moneys have a guaranteed right to reclaim their property at any time in the future. The dormant accounts fund derives, in the main, from private bank and building society accounts and must be handled and invested prudently having regard to the constitutionally guaranteed right to private property and the confidential nature of the relationship the credit institutions enjoy with their customers. I have no plans to amend this legislation.

Deputy Éamon Ó Cuív: Can the Minister tell me how much money has been disbursed under the dormant accounts scheme and how much there is in the disbursement account, not including the reserve account? Does he agree that in the real world it is slightly farcical that all this money is considered to be a contingent liability on the State? When the Minister goes to spend that money for the benefit of citizens, he is told by the Department of Finance the sum is adding to the national debt. Will the Minister further confirm that in every year since the dormant accounts fund was set up the claim for reimbursement on the fund has been less than the amount of inflow from the financial institutions?

Deputy Phil Hogan: As a former Minister, Deputy Ó Cuív understands better than anybody the difficulties relating to this matter and the complex nature of how the fund is operated. I believe some €82 million is currently in the account. The dormancy period is 15 years, dating each year from 30 September. An account is designated dormant when on 30 September there have been no transactions by the account holder in the previous 15 years. Due to constitutional and privacy issues it can often be difficult to trace people who may be entitled to the money in an account that is lying dormant. The dormancy period of 15 years is a considerable period of time and has its own implications as to how one can draw down moneys that might ultimately be drawn down by the account holder. It is a complex relationship. As to what the Deputy stated in regard to the general Government balance, this money is counted because it is deemed to be money owed to people at present under the law.

Deputy Kevin Humphreys: The dormant account money was spent very well when Deputy Ó Cuív was a Minister. I will be precise - the dormant account funding was very important to urban areas just as the Leader fund is welcome to rural communities as their social infrastructure money. Since dormant account funding has closed there has been no money for social infrastructure for urban areas throughout the country. Given the funds present, is there any opportunity to release some of them for urban areas?

Deputy Phil Hogan: There is a designated fund for urban disadvantage and the local community development funds provide some sort of assistance. The local and community development programme, LCDP, still operates in urban as well as rural communities - does the Deputy know that? I realise the moneys are not as great as they were and I agree the dormant accounts fund was certainly a good fund for educational, economic and social disadvantage needs. I

have explained the difficulties in getting some of this money released. Since we had visitors to town, known as the troika, we must now include this money as part of the general Government balance but the matter is kept under review by the Department of Public Expenditure and Reform. If there are any moneys that can be released there are very worthy urban projects in the Deputy's and in other urban constituencies which can be taken into account.

Deputy Éamon Ó Cuív: It is fair to say that, constitutionally, rights to property are not absolute but are subject to the exigencies of the common good. Nobody is saying that when a person comes to make a claim his or account would not be paid. There is all the money coming in plus the reserve fund for that end. The problem is that about €300 million is written in the books of the State, of which the vast majority has been paid out. That is a contingent liability and it stops the Minister from supporting very worthwhile projects. I believe there are two measures he could adopt immediately. One is flagship projects where dormant account money is used to match community or philanthropic money. The other is the discretionary money we were giving to the RAPID area implementation teams, or AITs, for small projects within areas of severe disadvantage.

An Ceann Comhairle: Thank you.

Deputy Éamon Ó Cuív: To free up the money, all the Minister must do is to decide that the order of claim on the money would be slightly changed. In other words, the person would be reimbursed and the first call would be on the constant funds coming in every year that become dormant. The second call would be on the reserve fund and the third would be on all the new dormant accounts coming in which every year have exceeded the outflows in reimbursements. However, to say that one needs-----

An Ceann Comhairle: Thank you, Deputy.

Deputy Éamon Ó Cuív: -----a back-up of all the moneys that have ever been put in as dormant-----

An Ceann Comhairle: We are over time, thank you.

Deputy Éamon Ó Cuív: -----is, in my view, farcical. I ask the Minister at least to consider I might have a point in this respect. I have followed this matter for years and will admit to having tried to persuade a Minister of Finance in the last year of the last Government to change this situation as part of a Bill we were introducing but unfortunately it did not get through in my time. For a number of years I have believed this was an understandable provision when the Bill was introduced-----

An Ceann Comhairle: I must ask the Deputy to conclude. We are way over time. The Minister must be very brief.

Deputy Phil Hogan: I have sympathy with what Deputy Ó Cuív indicated and since I became Minister I have tried to implement what Deputies Ó Cuív and Humphreys have suggested. However, the people in the Department may be the same as those who were there in Deputy Ó Cuív's time. We have not yet got political buy-in on this matter that would allow me to make the changes they advocate.

Property Taxation Exemptions

7. **Deputy Jonathan O'Brien** asked the Minister for the Environment, Community and Local Government the reason some unfinished estates were excluded from liability for the property tax and some in similar conditions were not. [20493/13]

Deputy Jan O'Sullivan: An exemption from the local property tax applies to developments listed in the schedule to the Finance (Local Property Tax) Regulations 2013. The list of unfinished housing developments eligible for the exemption was compiled by local authorities utilising the categorisation employed for the purposes of the national housing survey 2012. The survey was carried out over the course of summer 2012 by my Department in conjunction with local authorities and the housing agency. The categorisation methodology for the survey was different to that which was used in 2011 and which provided the basis for the waiver from the household charge. That earlier categorisation related largely to the level of on-site activity when the 2011 survey was carried out and had less to do with the physical character of developments. The 2012 survey was based purely and objectively on the actual state of completion of a development, and it identified 1,700 unfinished developments, of which 1,100 were deemed to be in a seriously problematic condition. This represents a 37% reduction in unfinished developments since 2010. Only developments that were deemed by local authorities to be in a seriously problematic condition, regardless of whether a developer was on site, were included in the LPT regulations. For the purpose of preparing the final list of developments to which the exemption from the local property tax would apply, local authorities were asked by my Department to confirm or update the then existing list of estates in a seriously problematic condition as appropriate.

Deputy Dessie Ellis: The Minister of State referred to a survey carried out by councils. I understand housing managers in Fingal County Council and Dublin City Council were not consulted. Who carried out these surveys and where did they get their information? There are nearly 100 unfinished estates in Dublin alone but Priory Hall is the only exempted development. Smaller counties have more exemptions than the entirety of Dublin. Something is not adding up. I invite the Minister of State to visit the unfinished Heathfield estate in my own area. Seven estates remain unfinished in my area. In Heathfield, the roads are unfinished, some of the houses are unoccupied and the underground services and boundaries have not yet been sorted out. I cannot fathom how somebody could decide these houses should not be exempt. If they were exempt from the household charge why are they not exempt from the property tax?

Deputy Jan O'Sullivan: I have explained that the lists were drawn up by the local authorities, all of which received a circular on the matter. While I do not know whether the housing managers saw the circular, some competent person would have been tasked with drawing up the lists. Every local authority designates an official to deal with unfinished housing estates and the public can engage with this individual if they have issues with unfinished estates. I presume Dublin City Council and Fingal County Council have designated people to carry out this role.

Deputy Ellis referred to an estate that he believes should have been on the list and described the condition of the estate. I am sure he has seen the list contained in the legislation which sets out the various criteria used to designate estates. It is a transparent process. We asked the local authorities to draw up lists in accordance with the guidelines they were given.

Deputy Brian Stanley: There is limited consistency in the designation of estates. The Minister of State indicated that the survey was carried out by the Department in conjunction with local authorities. Parts of the Rockview estate in Portlaoise lack footpaths but the property tax is supposed to be used to provide footpaths and lighting, which comes from the roads budget in

every county council with which I am familiar. It is a question of ring-fencing money. Some €150 million has been taken from the car tax fund this year and moved to the loan account to pay off debts.

Deputy Mick Wallace: I was contacted in regard to four unfinished estates, namely, Bridgmeadow in Enniscorthy and Cluain Aoibhinn, Riverchapel and Aylesbridge in the Riverchapel area. These estates lack open spaces or footpaths and contain a number of unfinished buildings. When I asked the council why they were not included in the list of exemptions I was told that the original survey of estates was completed by the Department of the Environment, Community and Local Government, which then compiled a list of what it deemed to be unfinished estates around the country. The council stated that it has tried to include additional estates it knows to be unfinished but the Department refused to add them to its list. It thus has estates which are not deemed to be unfinished and, therefore, cannot be exempted from the property tax. The Minister of State says the process is transparent but these estates meet the criteria. I do not understand why they cannot be included on the list.

Deputy Clare Daly: The reality is that the Department has moved the goalposts. It is not logical to suggest that local authorities across the country have experienced a dramatic improvement in the completion rates for these estates. The Minister of State referred to estates which are in seriously problematic condition. Each of us can identify developments in our areas which meet these criteria and where residents are left without footpaths, lighting and basic amenities. They now face the insulting idea of being charged a property tax for local services they do not get. In many cases they are also being charged management fees. There appears to be a discrepancy between what local authorities are telling us and what we are hearing from the Department. Both sides cannot be true.

Deputy Jan O'Sullivan: A number of the Deputies' questions related to finances. Deputy Stanley will be aware that funds were made available for the safety initiative. These funds have not been fully drawn down and they remain available to local authorities.

Deputy Brian Stanley: I welcome that.

Deputy Jan O'Sullivan: Local authorities did not have their money reduced this year. From next year onwards, 80% of the property tax will be retained by the relevant local authority and the remainder will be redistributed fairly. The money will be used for the purposes that Members have suggested, such as completing roads and footpaths, as well as for other local authority needs.

With regard to the argument by Deputies Wallace and Daly that certain estates should have been included, my Department was in contact with local authorities in February, before the list was drawn up, to ensure that the inclusion of estates was finalised by local authorities. They were to identify the estates that fitted the categories concerned.

Deputy Phil Hogan: What happened in Wexford if it is not getting a break? What went wrong?

Deputy Jan O'Sullivan: We cannot second guess local authorities.

Deputy Dessie Ellis: Why is there only one estate in Dublin?

Deputy Jan O'Sullivan: Criteria were drawn up on a national basis but we asked the local

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authorities to identify which estates fitted the various categories, including the seriously problematic category that was included in the exemption from property tax by the Department of Finance.

Deputy Mick Wallace: Can we find out who signed off on the list?

An Ceann Comhairle: I stated at the outset that we had six minutes for each question. We have spent eight minutes dealing with this question. It is unfair to other Deputies.

Deputy Phil Hogan: I do not know what is happening in Wexford if it is not getting a break. I hope it will do better in the championship.

Deputy Mick Wallace: The Wexford youths won last night.

Rural Development Programme Projects

8. D'fhiafraigh **Deputy Éamon Ó Cuív** den an Aire Comhshaoil, Pobail agus Rialtais Áitiúil cén uair a íocfar na deontais ar fad a bhí ceadaithe ag MFG Teo. sular leachtaíodh é, cén fáth go bhfuil an oiread sin moille leis na híocaíochtaí seo; agus an ndéanfaidh sé ráiteas ina thaobh. [20459/13]

Deputy Phil Hogan: Meitheal Forbartha na Gaeltachta, MFG, the group contracted by my Department to deliver axes 3 and 4, which are the Leader elements of the rural development programme in the Gaeltacht areas, went into liquidation on 7 September 2011. Since then my Department has been working with the liquidators and other relevant stakeholders to ensure the winding up process was conducted in an efficient and effective way. In 2012 a new system was put in place whereby the local development companies, LDCs, situated in the geographically contiguous areas were contracted to deliver RDP funds to the Gaeltacht areas.

The liquidation of MFG inevitably caused delays in project payments and approvals. However, the system put in place by my Department has been operational for a number of months and the contracted LDCs continue to facilitate the project payment process for projects in Gaeltacht areas. I understand that issues arose with the companies obtaining the necessary insurance bonds but this matter has been resolved and should no longer be a cause of any delay.

The new companies were required to review the MFG legacy projects to ensure compliance with European regulations and programme rules and this has taken some time. The revised arrangements for the Erris area will be finalised over the coming weeks with the Mayo North East Leader Partnership and the Department. The rebalancing of the RDP is now complete and I expect to be in a position to notify local development companies of their final allocations under the programme shortly. In this regard, I will be ring-fencing an allocation for the former MFG areas and for new projects in these areas. However, my Department has directed the LDCs to pay promptly all contractual commitments properly due and has funded the companies in this regard.

Deputy Éamon Ó Cuív: An bhfuil a fhios ag an Aire nach bhfuil íocaíocht dá laghad déanta i gceantar Chonamara atá faoi chúram Comhairle na n-Oileán? Le sampla a thabhairt dó de na fadhbanna atá ag éirí as seo, tá eagraíocht amháin atá ag fanacht le deontas ón samhradh 2011 agus táimid anois i mí na Bealtaine 2013. Tá fiacha ag an eagraíocht leis an chomhar creidmheasa agus tá €14,000 íoctha in ús aici. Níl Comhairle na n-Oileán ag tabhairt leide cén

uair a íocfar na tograí seo i gConamara. An féidir leis an Aire Stáit deimhniú cén uair a íocfar na tograí i gConamara, a raibh airgead ceadaithe acu roimh leachtú MFG agus nach bhfuil a gcuid airgead faighte acu fós?

Deputy Phil Hogan: As Deputy Ó Cuív correctly noted, Comhar na nOileán Teo delivered the programme for the Galway Gaeltacht. A bond is required under the regulations for the payment of advances under the Leader programme. However, it is only required by the Department for administration advances. The bond that was in place until February 2013 also covered project payments. In February 2013, the insurance company gave notice to the Minister that it would no longer provide cover. Its decision appeared to be linked to the liquidation of MFG and a claim made by the Department on the bond. The board of Comhar na nOileán Teo was not agreeable to issuing project payments without a project bond being in place. The Department informed the local development company that it would not accept this position and the company was to issue payments to promoters. I understand that, following negotiations with insurance providers, the local development companies have now sourced a provider for the insurance bond and it is anticipated that this will address the delays with regard to project payments to projects previously approved by Comhar na nOileán Teo.

Deputy Éamon Ó Cuív: Mar a dúirt fear liom uair nuair a bhí mé ag déanamh leithscéalta, “Ní leithscéal atá uaim, tá maidí adhmaid uaim.” Sa chás seo, séard atá ó na daoine atá ag fanacht ar a gcuid airgead ná airgead. Ní fadhb dóibh siúd plé idir an Roinn agus na comhlachtaí Leader. Cén uair a dhéanfar íocaíocht leis na dreamanna ar fad atá ag fanacht ar íocaíochtaí i gceantar Chonamara ar dheontais a bhí ceadaithe ag MFG? Sin an cheist. Tá siad ag fanacht le freagra ar an cheist sin le bheith in ann a rá leis an dream a thug iasachtaí dóibh cén uair a bheidh siad in ann íocaíocht a dhéanamh orthu siúd. An ndéanfar an íocaíocht sin as seo go ceann coicise?

Deputy Phil Hogan: I wish we did not have a problem with MFG as this is causing the delays. The liquidation process was far from satisfactory. The Department had to threaten to go to the High Court to extract files from MFG when it was in liquidation, which was highly regrettable.

Deputy Éamon Ó Cuív: I agree.

Deputy Phil Hogan: The problem of delays can be traced to those who were charged with responsibility and contracted, on behalf of the Department, to do the work for the Gaeltacht areas. I am sure Deputy Ó Cuív knows a significant number of the individuals in question. I assure him that I have done everything possible, notwithstanding the protracted nature of the process, to get the legal certainty resolved, the contiguous areas involved and the bonds in place in order that payments can be made to the project promoters for job creation purposes.

I cannot provide a day or date on which the payments will be made but it appears everything is in place following negotiations with the insurance providers. The local development companies were reluctant to get involved and the Department had to force the issue to ensure the insurance bond required to allow payments to be made to promoters was put in place. I hope the payments will be made shortly.

Local Government Reform

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9. **Deputy Barry Cowen** asked the Minister for the Environment, Community and Local Government the total number of councillors in each Dublin local authority area; the total amount planned under Putting People First [20442/13]

(Deputy Phil Hogan): The number of councillors for each Dublin local authority area currently is as follows: Dublin City – 52; Dún Laoghaire-Rathdown County Council – 28; Fingal County Council – 24; and South Dublin County Council - 26. I announced the establishment of an independent local electoral area boundary committee on 15 November 2012 to carry out a review of local electoral areas. An objective in this context is to achieve a better balance and consistency in representation ratios. In light of the terms of reference for the boundary committee, there is a strong and logical case for reducing the degree of representational imbalance currently in the Dublin authorities. The terms of reference specify, therefore, that the number of members for Dublin City Council shall be fixed at 63 and for every other area, including the Dublin counties, it shall be subject to a minimum of 18 members and, other than for Cork County, a maximum of 40 members.

Deputy Barry Cowen: The Minister has been highly selective in the manner in which he answered the question. I asked whether, based on the population ratio included in the Putting People First document, he envisages provision being made for up to 60 new councillors in Dublin. Is that the case and, if so, what are the estimated costs of having a new cohort of councillors in the Dublin region? I do not propose to speak in detail about the rest of the country as the position in Dublin differs from that in the rest of the country. The boundary commission will report on the rest of the country in May. Is it envisaged that provision will be made for up to 60 new councillors in the greater Dublin area, that is, Dublin city and county? What will be the costs to the Exchequer of providing for more new councillors?

Deputy Phil Hogan: As Deputy Cowen will be aware, the terms of reference already provide for an increase from 52 to 63 in the number of councillors on Dublin City Council. The local boundary committee will make decisions on numbers based on its terms of reference and subject to the maximum and minimum number in each other local authority area, including the Dublin local authorities. If one takes a ratio of one councillor per 4,830 population, which is the average outside Dublin, it is clear there will be an increase in the number of councillors in the capital. I do not know the precise figure as this will depend on the decision of the boundary committee.

Deputy Barry Cowen: Surely the Minister has an idea of what will be the increase in numbers.

Deputy Phil Hogan: No, I do not interfere with boundary commissions as Fianna Fáil may have done in the past.

Deputy Barry Cowen: Based on the population ratio the Minister provided, the figure will be roughly 60. Is that correct?

Deputy Phil Hogan: I can tell the Deputy what the current ratios are. In Fingal County Council, South Dublin County Council, Dublin City Council and Dún Laoghaire-Rathdown County Council, the ratios of councillors to population are as follows: 1:11,416, 1:10,200, 1:10,146 and 1:7,366, respectively. If we were to apply the ratio of 1:4,830 that applies in the rest of the country, the number of councillors in Dublin would increase substantially. That is not the intention, however.

Deputy Barry Cowen: How much will this reform cost?

Deputy Phil Hogan: I do not know the outcome of the boundary committee's deliberations.

Deputy Barry Cowen: Has the Minister not been given any indication of the outcome?

Deputy Phil Hogan: No.

Deputy Eoghan Murphy: In terms of local authority reform plans for Dublin, is it still the Minister's intention to propose a directly elected mayor to the electorate of Dublin at the next local elections? If so, will this be done by means of a simple referendum with "Yes" and "No" options? Will the ballot take place in all the local authorities in the Dublin region? If the electorate vote in favour of a directly elected mayor, will further reforms be introduced after 2014 to accommodate the new system?

Deputy Kevin Humphreys: I welcome the Minister's reply. Not only has Dublin been vastly under-represented for, but the city has also been under-funded in terms of local government grants. For this reason, the re-balancing proposed by the Minister is welcome. I will make an issue of the under-funding of the capital in the coming year.

Deputy Phil Hogan: If we were to apply the 1:4,830 ratio, the number of councillors in Dublin would increase to 264. That is not my intention.

Deputy Barry Cowen: I understood the Minister was awaiting the report of the boundary committee.

Deputy Phil Hogan: If the Deputy were to read the terms of reference of the boundary committee, he would note that it is precluded from applying that ratio.

Deputy Barry Cowen: Did the Minister give any thought to the likely costs of the proposal?

Deputy Phil Hogan: The number of public representatives nationally will be reduced from 1,647 to 950, which is a radical decrease in numbers.

I thank Deputies Murphy and Humphreys for highlighting the imbalance in the number of councillors per head of population in respect of the Dublin area. A colloquium, chaired by the Lord Mayor of Dublin and involving all councillors in Dublin city and county, will be triggered immediately. Its first meeting will be held in May and it will discuss the merits and demerits of holding a plebiscite on the day of the local elections in 2014 on whether to have a directly elected Lord Mayor of Dublin. This will be a decision for the people of Dublin city and county to make in due course.

Deputy Barry Cowen: I get the Minister's point on the overall issue as well as the culling of councillors and abolition of town councillors. He has made a populist statement on this issue, which reflects the mantra he has used since the document was first published. I specifically asked questions in respect of Dublin. The people of Dublin are entitled to be made aware of the sort of costs that can be associated with the expectation that, as the Deputy representing the Labour Party indicated, there will be a need for 60 additional councillors. I am sure those in the Labour Party will be delighted to think that their party's core urban base will be strengthened by virtue of this proposal.

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Deputy Kevin Humphreys: Is the Deputy referring to underfunding in respect of Dublin?

Deputy Barry Cowen: It is only right and proper that the Minister should have made some provision or allowance in respect of the sort of costs that will arise as a result of what is proposed for Dublin.

Deputy Phil Hogan: Nationally, we expect the costs associated with providing support and services for local authority members to be reduced by €4 million.

Deputy Barry Cowen: What will be the position in Dublin?

Deputy Phil Hogan: I do not have a figure for Dublin.

Deputy Barry Cowen: The cost is going to increase.

Deputy Phil Hogan: Yes, that will be the case. If one is intent on increasing the number of councillors, then there must be a corresponding increase in costs. We are quite clear on that fact but I cannot indicate what will be the precise cost until the exact numbers become apparent.

House Purchase Schemes

10. **Deputy Richard Boyd Barrett** asked the Minister for the Environment, Community and Local Government when legislation underpinning the proposed incremental purchase scheme for existing local authority houses will be drafted, in view of the fact that there is currently no scheme available to tenants to purchase their local authority houses; and if he will make a statement on the matter. [20477/13]

(Deputy Jan O'Sullivan): I propose to take Questions Nos. 10, 21 and 66 together.

While the 1995 tenant purchase scheme for existing local authority houses closed for new applications on 31 December 2012, two incremental purchase schemes, one for newly-built local authority houses and the other for local authority apartments, remain in operation. It is intended to advance the necessary legislative proposals as soon as practicable in order to underpin an incremental purchase scheme for existing local authority houses. Such a scheme will involve discounts for tenants which will be linked to household income and a discount-related charge on the property that will dwindle away over a period unless the house is resold or the purchaser fails to comply with conditions of the sale. The precise terms of the new scheme will be set out in regulations when the necessary legislation is enacted.

Deputy Richard Boyd Barrett: Will the Minister of State explain why there is a time lag? The tenant purchase scheme, which operated from 1995 until December of last year, was quite successful. It provided reasonable discounts for local authority tenants who wanted to purchase their own homes. The Minister of State was very vague regarding the context of when a new scheme will be established and she also did not indicate why there is a time lag between the end of the old scheme and the establishment of a new one. I am sure she is aware that many council tenants wish to purchase the homes in which they live. Obtaining council homes often acts as a stepping stone for those on lower incomes to eventually purchase their own homes. There is no good reason for the time lag to which I refer. Will the Minister of State clarify why it exists and will she be more specific as to when the relevant legislation will be brought forward and when the new scheme will be established?

I have been contacted about this matter by many people who live in the city. I stress that I am of the view that all of the moneys relating to any new scheme should be ring-fenced in order to provide new social housing. It should not be a case of running down the stock of social housing. If anything we desperately need a new social housing programme, particularly as the waiting time relating to some housing lists is now 12 years. Will the Minister of State answer the questions I have posed and indicate whether a new social housing programme designed to deal with the unsustainable waiting lists to which I refer will be put in place?

Deputy Jan O'Sullivan: I am very supportive of facilitating tenants in purchasing their houses or apartments. In 2010 we informed tenants that the 1995 scheme was going to be brought to a conclusion at the end of 2012. Quite an amount of notice was given. I am sure the Deputy will recall that we discussed the matter in the House. Everyone agreed that we should inform tenants that the scheme would be coming to an end and that if they were interested in tenant purchase, they should submit applications. I also informed the House at the time that we would allow one year - this year - for the processing of outstanding applications from the 1995 scheme. There was also a once-off scheme in 2011 under which tenants with up to 15 years tenancy could avail of a maximum discount of 45% of the selling price of their homes. We did, therefore, provide plenty of advance warning.

I want to bring forward the legislation as quickly as possible. As the Deputy is aware, a number of Bills relating to housing are in the offing. I refer to that which relates to the Residential Tenancies Board and that which may or may not be introduced this week and which deals with the setting of new rents. There will also be another housing Bill later in the year and I intend to bring it forward as quickly as possible. It is not the case that we wish to delay matters in any way. We want to facilitate people in purchasing their houses. As already stated, however, plenty of advance warning was given in respect of the previous scheme coming to an end. We asked those who were interested in purchasing to submit their applications before the end of last year.

Deputy Dessie Ellis: The tenant purchase scheme was excellent. I availed of it myself only recently.

Deputy Phil Hogan: So the Deputy is now a property owner.

Deputy Dessie Ellis: Many people in local authority housing purchased their homes by means of this scheme. Everyone is concerned with regard to the stock of social and other housing stock. In the context of the incremental purchase scheme - the Minister of State referred to new houses in this regard - what is it proposed to do about people who have longer-running tenancies in older homes? The incremental purchase scheme documentation makes specific reference to new houses. Are we going to continue along similar lines to the old tenant purchase scheme? In the context of how the value of houses will be calculated under the incremental purchase scheme, it has been stated that the cost of building and the land will only be taken into account. I am not sure how this will work. The value of many houses has dropped considerably in recent times. A few years ago one would have paid €200,000 to €300,000 for houses in local authority schemes that would now be valued at under €100,000. Will the Minister of State elaborate further on what is going to happen?

Deputy Éamon Ó Cuív: I have always been very supportive of tenant purchase schemes. When one considers the houses purchased under such schemes, one will see that they are always kept in very good order. These schemes encourage people to help themselves and to look

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after their properties. In view of all the cutbacks that have occurred, it is very difficult to ensure that local authority properties are maintained.

Why do local authorities refuse to advance loans to people who are on social welfare payments even in circumstances where the loan repayments would be lower than the amount they pay in rent? It is ridiculous that the less well off are caught in this poverty trap. Will the Minister of State indicate if tenants who have been in their homes for 20 or 25 years will, under the proposed new scheme she outlined, be able to purchase those homes cheaper than would have been the case under the 1995 scheme or the 2012 scheme?

Deputy Richard Boyd Barrett: The Minister of State indicated that people were put on notice in 2010. I was not a Member of the House at that stage. The Minister of State has still not indicated why there is a time lag. The tenant purchase scheme was successful. As has been pointed out, giving people the right to buy their own local authority homes is obviously very good for them but in general it is also good for local authority areas because it gives those to whom I refer a stake in those areas. This is a positive, win-win situation. I do not, therefore, really understand the reason for the delay. If one were suspicious one might think that the Government is trying to wind down matters in respect of social housing altogether. I say this particularly against a background of there being no social housing programme, where the waiting times on the housing lists in my area are stretching out to ten or 12 years, where the only people who seem to be able to obtain houses are those who are given overall medical or some other form of priority and where normal applicants in places such as Dún Laoghaire are no longer being housed. Will the Minister of State explain the delay in bringing forward the legislation to create a new scheme? The old scheme was a success and there is no need for a break between the two.

Deputy Jan O'Sullivan: I must inform Deputy Ellis that it is the current scheme which relates to new houses. The scheme it is proposed to introduce will relate to old and new houses. Old houses will not be omitted from the new scheme.

Deputy Dessie Ellis: That is not stated in the material which was circulated in respect of this matter.

Deputy Jan O'Sullivan: That relates to the current scheme, which involves new houses. We have work to do in the context of deciding how valuations will be dealt with under the new scheme. To address one of Deputy Ó Cuív's points, the payment system will centre more on income than the current scheme does. In the case of the latter, much depends on the length of time one has spent in a house. The income assessment model is fairer than the tenancy one. There is no conspiracy to stop people from purchasing their houses. I want to introduce this scheme as quickly as possible.

Deputy Richard Boyd Barrett: Where are the scheme and the houses?

Deputy Jan O'Sullivan: It is normal to allow one scheme to end before the next one starts. I do not want the gap to be long and I want to introduce the legislation as soon as I can. I do not see a reason for a conspiracy. Not permitting people to purchase their houses will not address the issue of waiting lists, as people are already in the houses. There is no reason not to facilitate them in purchasing their houses as soon as possible, which is my intention.

Deputy Éamon Ó Cuív: What about the loan issue?

Deputy Jan O’Sullivan: I am sorry, but I did not catch that.

An Ceann Comhairle: No, we have gone over time.

Anti-Social Behaviour

11. **Deputy Róisín Shortall** asked the Minister for the Environment, Community and Local Government the progress made to date on reviewing section 62 of the Housing Act 1966, in view of a court ruling (details supplied); the target month in 2013 to which he is working to have legislation passed and commenced; and the issues that have arisen in relation to dealing with serious anti-social behaviour addressed. [20418/13]

Deputy Jan O’Sullivan: The Supreme Court judgment referred to concerned two cases relating to section 62 of the Housing Act 1966. In one case, the court made a declaration under the European Convention on Human Rights Act 2003 that section 62(3) of the Housing Act 1966 was incompatible with the State’s obligations under Article 8 of the convention due to the absence of appropriate procedural safeguards where there was a factual dispute as to the basis for termination of the tenancy agreement. There was no dispute as to the essential facts in the other case and the court did not make a declaration of incompatibility. It is a matter for housing authorities to decide in individual cases whether there is a factual dispute between the parties that would preclude the authority from applying for a possession warrant under section 62 of the 1966 Act.

The Government’s legislative programme for the summer 2013 parliamentary session includes a housing Bill that is expected to be published later this year providing, among other matters, for a revised procedure for repossessing local authority dwellings that takes account of the Supreme Court judgment. I will progress that Bill as quickly as possible so that housing authorities have the necessary powers to deal with all serious breaches of tenancy agreements.

Deputy Róisín Shortall: I thank the Minister of State, but I got no sense of urgency from her response. We must accept the fact that people who pay their rent and live with the scourge of neighbours’ anti-social behaviour also have human rights and are entitled to live in peace and harmony, free from the types of trouble caused by anti-social tenants. Their rights should be upheld.

Does the Minister of State accept the urgency of the matter? The Donegan case dates from February 2012. Since then, promises have been made about conducting a review of the 1966 Act, particularly its section 62. However, there has been no firm commitment as to a date for that review.

Local communities are facing significant difficulties in dealing with the problems associated with anti-social activity. Council officials’ hands are tied because the law has not been on their side since the judgment. Will the Minister of State deal with this issue as a matter of urgency? When will the review of the legislation be completed and the new legislation be ready? Will the Minister of State assure the House that adequate staff resources are devoted to the issue? My understanding is that there was a gap in those resources for several months. Will she take this issue seriously once and for all?

Deputy Jan O’Sullivan: I take it seriously. In fact, I met one of the officials working on

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the legislation this morning. We will have it ready and published this year as part of the housing legislation.

Deputy Róisín Shortall: When?

Deputy Jan O’Sullivan: As to the delay, discussions with the Attorney General’s office and a detailed examination were necessary. Complicating matters is the fact that the European Court of Human Rights has issued rulings in a number of other cases relating to Article 8 in other countries. We must consider those rulings when drafting our legislation.

I assure the Deputy that we want to deal with this matter as quickly as possible. It was raised by many Deputies when the House debated the residential tenancies legislation. We are also working on addressing anti-social behaviour issues in respect of private tenancies, although the Deputy’s question relates to local authority tenancies. I intend to take action as quickly as possible, as there is a lacuna that must be addressed.

Deputy Róisín Shortall: With all due respect, saying “sometime this year” is not good enough. Officials cannot take action. While nobody wants to see anyone being made homeless, councils must have the ultimate sanction of evicting people who make life hell for their neighbours. This behaviour can be found in many communities. We need urgent action. Law-abiding tenants in local authority housing deserve better.

Deputy Jan O’Sullivan: I can only agree with the Deputy that the problem needs to be dealt with urgently. Indeed, it is being dealt with urgently. The issue will form part of the next substantial Bill that comes from my Department. We will ensure that the lacuna-----

Deputy Róisín Shortall: For what month is the Minister of State aiming?

Deputy Jan O’Sullivan: The legislation is being worked on. As the Deputy knows, there are lists of legislation and Ministers must ensure their priorities are included on them. We are working on doing so with the Attorney General’s office. We will lay the Bill before the Houses and have it passed as quickly as possible.

Deputy Róisín Shortall: Will that be before the summer?

Deputy Jan O’Sullivan: I cannot give the Deputy a date.

An Ceann Comhairle: We have gone over time.

Written Answers follow Adjournment.

Topical Issue Debate

Cross-Border Projects

Deputy Heather Humphreys: I thank the Ceann Comhairle for the opportunity to raise

this Topical Issue matter. As someone from the Clones electoral area, I am delighted to be in a position to discuss the Ulster Canal and the importance of this project to the Border region, in particular the section from Lough Erne to Clones, the first stage of the restoration project. There has been significant progress in recent weeks, with planning permission granted for the project north and south of the Border. I was pleased by last week's announcement by the Northern Ireland Minister of the Environment, Mr. Alex Attwood, MLA, that the planning application to restore the canal from Quivvy Lough to Gortnacarrow and on to Clones had been approved. This followed last month's approval for the southern part of the project. The Minister for Arts, Heritage and the Gaeltacht, Deputy Deenihan, stated that the approval of planning permission would be a significant milestone for the canal project. It is important we build on the progress.

The Ulster Canal is an important flagship cross-Border project that will bring many benefits in terms of tourism. We have seen this at first hand with the arrival of the canal to Ballyconnell and Belturbet, contributing significantly to the vibrancy of both towns. The town of Clones and the surrounding area were impacted upon by the Troubles. The building of the canal has given hope to many people in difficult times and its arrival is awaited with great excitement. Indeed, the project can be seen as a beacon of light for the people of Clones at the end of a dark tunnel.

The restoration of the Ulster Canal is a tangible North-South project that is testament to the commitment to peace and reconciliation in an area that was savaged by the Troubles in Northern Ireland. In this regard, I was delighted this week to hear the Tánaiste confirm during his visit to Stormont Castle that the Government was focusing on achieving a €150 million PEACE IV package for Northern Ireland and the Border counties during our Presidency of the EU. If such a funding package is secured, serious consideration should be given to ring-fencing some of it for the Ulster Canal project. I would welcome the Minister's opinion in this regard.

It is important that authorities North and South continue to work together to ensure the project's progress. I raised the issue at the inaugural meeting of the North-South Inter-Parliamentary Association. From those discussions, it is clear that the project has widespread support.

In light of the fact that planning has been approved, I encourage the Minister to ensure the project is raised by the Taoiseach and the Tánaiste with the First and Deputy First Ministers and put full square on the agenda for the next meeting of the North-South Ministerial Council. The project is constantly on the local political agenda. My colleagues and councillors for the Clones electoral area, the mayor of Monaghan, Councillor Hughie McElvaney, and Councillor Ciara McPhillips, are present in Leinster House today. This is a project that is very close to their hearts and one on which they continue to work hard at local level.

The Ulster Canal project has cross-party support. Clones Regeneration Partnership, Clones Town Council and Monaghan County Council have done Trojan work together with Waterways Ireland to promote and progress the development of the canal project. Only today, I received an invitation to a conference on the Ulster Canal project which is to be held in the Creighton Hotel in Clones later this month.

I thank the Minister, Deputy Deenihan, for taking the time to visit Canal Stores in Clones some time ago where he confirmed his and the Government's continued commitment to the project. The challenge for us now is to build on significant recent progress. I look forward to hearing from the Minister in that regard.

Minister for Arts, Heritage and the Gaeltacht (Deputy Jimmy Deenihan): I thank Dep-

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uty Humphreys for raising the matter and for her continuing and strong interest in advancing the project. Her colleague, Deputy Smith, has a similar interest.

The Ulster Canal is a total of 93 km long and extends from Upper Lough Erne to Lough Neagh. It runs through counties Armagh, Monaghan and Fermanagh. It was originally opened in 1841 to link the northern navigation systems to the western and southern systems via Lough Erne and the Ballinamore and Ballyconnell Canal. Due to operational and financial difficulties the canal struggled to be viable and was finally abandoned in 1931.

As canal re-opening progressed in the 1980s and 1990s, and following the success of the re-opening of the Shannon-Erne canal, a number of studies were carried out into the re-opening of the Ulster Canal or parts thereof. The studies concluded that the restoration of the Ulster Canal from Upper Lough Erne to Clones would be likely to have direct economic benefits and also encourage economic regeneration in the area by providing construction jobs through restoration and maintenance, increasing property prices, encouraging investment in the local area, increasing private consumption and creating long-term employment through increased tourism, construction, hospitality and the multiplier effects of increased spending.

It is anticipated that the re-opening of the Ulster Canal from Clones to Upper Lough Erne will also provide significant direct and indirect benefits in the areas of tourism and heritage. The canal is an invaluable heritage and cultural resource as it formed an intrinsic part of the development of the localities through which it passed. Its strategic value lies in its potential contribution to rural development in a disadvantaged area on the Border and in its key link within the existing inland waterway network across the island.

The outcome of these studies was that in July 2007, the North-South Ministerial Council, NSMC, agreed to proceed with the restoration of the section of the Ulster Canal between Clones and Upper Lough Erne, a distance of approximately 13 km. The Government at that time agreed to cover the full capital costs of the project, which were estimated to be of the order of €35 million. It was also agreed that Waterways Ireland would be responsible for the restoration of this section of the canal and following restoration for its management, maintenance and development. The annual maintenance costs, which are of the order of €300,000, are to be met by the Northern Ireland Executive and the Government.

Canal restoration projects have previously been shown to act as a catalyst for significant regeneration of rural communities, including tourism growth. As the waterways often run through less developed areas, their potential for acting as regeneration catalysts in this manner is considerable. The Ulster Canal project is a long-term investment in the economic regeneration of the surrounding rural communities in Cavan, Fermanagh and Monaghan that will reap long-term dividends. Evidence of the impact that projects such as this have on the ground can be seen from the very positive effects gained from the restoration of the Shannon Erne Waterway in the 1990s at a cost of IR£30 million.

Planning applications were lodged by Waterways Ireland with Monaghan County Council, Clones Town Council and Cavan County Council on 25 October 2011 and with the Department of the Environment, DOE, planning service in Northern Ireland on 28 October 2011. Cavan County Council granted planning permission on 14 December 2011. Clones Town Council and Monaghan County Council granted planning approval on 4 April and 8 April 2013, respectively. They are now in the four-week waiting period allowed for the possibility of an appeal to An Bord Pleanála. If no appeal is made, Clones Town Council and Monaghan County Council will

issue grant of permission in early May. Planning permission has also been given by the Department of the Environment planning service Northern Ireland and announced by the Environment Minister, Mr. Atwood, in a press release of 25 April 2013.

An Ceann Comhairle: I am afraid we are short of time. The Minister should be aware of that.

Deputy Jimmy Deenihan: The planning applications for this project are now likely to be determined in May 2013. The compulsory purchase order, CPO, land maps are well progressed. It is estimated that the CPO process will take approximately 12 months and, depending on the funding in place, the CPO process may proceed incrementally. A decision on the construction of the project and on whether to have a single large contract or a number of smaller contracts will also have to be made. As the project is above the EU procurement threshold the tender process will be required to comply with the EU procurement process and will take approximately six months to complete. Taking that into consideration the earliest the contract could be awarded would be late 2014 with a contract period of 24 months giving a completion date of spring 2017. If the project is to proceed in a more piecemeal fashion the completion date could be some years later, depending on the number and timing of individual contracts. Funding for the project very much depends on the availability of funding from the Exchequer. Deputy Humphreys referred to the possibility of funding from a European source. The Taoiseach referred to a similar possibility.

I established an inter-agency group comprising county managers from Monaghan and Cavan, the director of leisure, development and arts from Fermanagh, representatives from the Northern Ireland Tourist Board, Fáilte Ireland, the Strategic Investment Board, Waterways Ireland and senior officials from the Department of Culture, Arts and Leisure, Northern Ireland and the Department of Arts, Heritage and the Gaeltacht. The inaugural meeting was held on 20 September 2012 and the next meeting will take place shortly. Its challenge is to find alternative sources of funding. I again thank the Deputy for raising the matter. With the planning permission process completed, the next stage is to acquire the land and we will proceed with that immediately.

Deputy Heather Humphreys: I thank the Minister for his reply and for reaffirming the Government's commitment to the project. As I stated previously the project is a beacon of hope for Clones and the Border area and it is important that people are aware that the Government is committed to the project. I welcome the establishment by the Minister of the inter-agency group on the Ulster Canal. It has been charged with examining possible funding options for the project. In particular I would like it to explore the possibility of getting funding for the Ulster Canal from the potential €150 million PEACE IV funding that might come on-stream. The canal is an iconic, achievable project that is worthy of support. I assure the Minister that I will continue to work with him to the best of my ability to ensure the project comes to fruition, as I know all of the elected members and various groups in Clones will do also.

Deputy Jimmy Deenihan: Potential funding from the €150 million PEACE IV programme is very important. If we could source funding from it that would give a greater possibility of the project progressing in the near future. I hope that having completed the CPOs we can make a start on the project in 2015 or 2016. As Deputy Humphreys indicated, it is an iconic project and it would give a major boost to that part of the country which has suffered considerably from rural depopulation. The farming community is under a lot of pressure as well.

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Certainly, this project would be seen to be a major asset to the local community and local economy.

Foreign Conflicts

Deputy Brendan Smith: The tragedy unfolding before our eyes in Syria has claimed over 70,000 lives over the past two years, although I understand that is a conservative estimate of the terrible loss of life. The country has been consumed by a civil war that has caused a major humanitarian crisis in the region. The war has also served as a proxy battle between various states and factions in the Middle East. The announcement today by Hizbollah confirming its role in the conflict underlines the broad nature of this conflagration. More disturbing is the evidence that points to the use of chemical weapons in the country. President Obama has stated that chemical weapons have been used but that no chain of custody has been established. The United States of America has committed to reviewing its approach if it is clear that chemical weapons have been deployed and the hostile parties involved are identified. It is most likely option is the selective arming of rebel groups in the war against the Assad regime if it is proven to have deployed chemical weapons.

Observers fear that as the war intensifies, the Assad regime will fall back on using chemical weapons as it runs out of other options. Alternatively, disparate rebel groups will acquire the weaponry which is dispersed across the country and use it as part of their arsenal. The presence of chemical weapons in a country tearing itself apart is a ticking time bomb. The humanitarian crisis will be on an even more unprecedented scale. The Syrian National Coalition, the umbrella opposition group that has been recognised by the West, has called on the UN Security Council to allow its inspectors in Cyprus to enter Syria to search for chemical weapons. In a statement, the opposition said: "We have confirmed reports from a number of countries in the world that the Syrian regime used chemical weapons on a limited scale, but it is seriously preparing for repeat use on a large scale, and the world must act before a major disaster occurs, not afterwards."

The escalation of the threat begs the question as to what actions the EU will take in dealing with this crisis. Humanitarian assistance is one aspect but the prevention of the outbreak of chemical warfare must be of paramount importance. What actions will the Government support if there has been proven use of chemical weapons in Syria? What unity of purpose is there in the European Union to work alongside other international groups, such as other major powers and the United Nations, to give this major crisis the urgency and attention it deserves and to try to resolve this conflict, which is an unimaginable humanitarian disaster unfolding before us every hour of every day. Sadly, the work of the United Nations to date has been most disappointing.

Minister of State at the Department of Foreign Affairs and Trade (Deputy Joe Costello): I thank Deputy Smith for raising this important issue.

The European Union has repeatedly called on the Syrian authorities never to use its chemical weapons and to store them securely, pending destruction under independent verification. Ireland has made the same calls. Recent information which suggests that chemical weapons may have been used in Syria is of the utmost concern to us all. Any use of chemical weapons

would have an appalling humanitarian impact, is clearly contrary to international legal norms and must be utterly condemned.

Information that chemical weapons may have been used in Syria first came to light last December. Additional allegations were made in March. On 20 March, the Syrian authorities formally requested the UN Secretary General to undertake an investigation into the allegations that chemical weapons were used in Khan AI-Assal, near Aleppo, on 19 March. Opposition forces denied that they had conducted these attacks and also alleged that the Syrian authorities had used chemical weapons in additional attacks in the suburbs of Damascus on the same day.

UN Secretary General Ban Ki Moon has agreed to undertake the investigation, with the support of the World Health Organization and the Organisation for the Prohibition of Chemical Weapons. In agreeing to undertake the investigation, the Secretary General stated that it must have unfettered access. He has also said that all serious claims that chemical weapons have been used should be examined without delay, without conditions and without exception.

The EU has written to the Secretary General to insist on a comprehensive investigation. The investigation team, led by Dr. Ake Sellstrom, has been established and is ready to travel to Syria at short notice. It is a matter of deep regret that the Syrian authorities have not yet agreed to the UN investigation team being given full and unfettered access. At the recent review conference of the chemical weapons convention, which took place only last month, the EU again expressed its grave concern at the allegations and again called on the Syrian authorities to permit the investigation to begin without delay. The 188 states which are party to the convention agreed that “the use of chemical weapons by anyone under any circumstances would be reprehensible and completely contrary to the legal norms and standards of the international community”. While Syria is one of only eight states which is not party to the chemical weapons convention, it must not ignore this clear statement of principle made by the global community.

We have seen in recent days increasing indications that there is evidence to support the claims that chemical weapons, specifically the nerve agent sarin, have been used in Syria. These indications make it all the more urgent that the UN Secretary General be allowed to undertake his investigation without delay. The EU fully supports the UN Secretary General’s efforts and stands ready to offer whatever support it can to him. Future steps which the EU may take must be on the basis of evidence.

I also wish to note that the EU is collectively the largest donor of humanitarian assistance to support the people of Syria, having committed over €600 million to date. This includes the €8.15 million that Ireland has contributed nationally, mainly through UN agencies and the International Committee of the Red Cross, ICRC.

Deputy Smith will be aware that last August I visited the Za’atri refugee camp, which was the first major camp established in Jordan to deal with the refugees and displaced persons from Syria. At that time I met the representatives of United Nations agencies, including UNICEF as well as the International Federation of Red Cross and Red Crescent Societies, and discussed the issue of refugee status and the difficulties that they were experiencing as a result of the terrible conflict that is continuing in Syria.

Deputy Brendan Smith: I thank the Minister of State for his reply and welcome his ongoing efforts and those of the Tánaiste to keep this issue on the agenda at EU level. Indeed, it is not long since myself and the Acting Chairman, Deputy Ann Phelan, raised this matter in a

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previous topical issues debate. It is an extremely difficult situation.

Last Wednesday, a former Member of this House, Barry Andrews, now CEO of Goal, addressed the Oireachtas Joint Committee on Foreign Affairs and Trade. He pointed out that after little more than two years of conflict, the most conservative estimates are that 70,000 people have been killed, 6.8 million people are in need of aid, 4.25 million people are internally displaced and 1.3 million are seeking refuge in neighbouring countries. It is estimated that half of the 6.8 million people in need of aid are children. He went on to say that it beggars belief that the world has allowed this tragedy to unfold and is still doing so little to halt it. He referred to a report in the *New York Times* last month indicating that less than 20% of the money promised by governments to the relief effort in Syria has thus far been delivered, which is nothing short of disgraceful. In that context, I appreciate what the Minister of State has done on behalf of the Irish taxpayer.

In conclusion, along with other members of the aforementioned committee, I received a briefing from Oxfam on this issue. The introduction states: "It will not be over until the great powers of the region and of the world unite to press all sides for peace. The world's failure to do so over two bloody years is now shockingly compounded by the failure to provide sufficient funding soon enough for the humanitarian response."

The statement from Oxfam continues:

But by and large the world has sat back and watched Syria's conflict and humanitarian crisis escalate out of all proportion to what could have been expected two years ago. Now is the time to escalate the humanitarian response.

I appeal to the Minister of State, along with the Tánaiste and every other Government representative with the opportunity, to ensure this is top of the agenda in discussions in all international relations. It is not widely enough known that this is the humanitarian crisis of our generation. We should do anything we can to urge action by international powers such as the United Nations. Regrettably, many of these major powers have stood back and not played the part they need to. I urge the Minister of State, his colleague, the Tánaiste, and other Government Members to keep this high on the agenda in all fora where they have a chance to contribute.

Deputy Joe Costello: I know the Acting Chairman has an interest in the issue and she has raised it before. I take on board everything said by the Deputy about this significant tragedy. He mentioned a figure of 70,000 and the number has certainly risen, with probably 100,000 killed in the conflict at this point. The number of displaced persons is enormous, at 6.8 million, and surrounding countries have huge refugee camps. The UN Security Council is unable to formulate an agreed resolution because of different interests, which is an unsatisfactory response to the tragedy from the perspective of the global community.

There are allegations of chemical weapons being used by both sides, with an allegation that opposition groupings have used them in Aleppo and that the Syrian Government has used chemical weapons in Damascus. We do not have the hard evidence that would allow the United Nations or European Union to make a final decision. Undoubtedly, the use of chemical weapons crosses a line already mentioned by the international community and it could well be the game changer with regard to involvement. At this time there is no hard evidence and until the investigation team established by the UN Secretary General, Mr. Ban Ki-moon, is allowed access to verify the use or otherwise of such weapons, we will not be in a position to make a firm

decision on what action can be taken.

I assure the Deputy that at every opportunity we will focus on the issue as much as possible. I may very well be returning to that theatre before too long and I know the Tánaiste has raised it at every opportunity in the European Union. We raise it on a regular basis wherever there is the likelihood of an impact being made in getting a solution. I thank the Deputy for tabling the issue and we will keep it under close examination.

Ambulance Service Provision

Deputy Gerald Nash: I am glad to have the opportunity to raise the proposed interim move of the Navan, Cork and Kerry ambulance control centres into one unit to be housed at the facility at Townsend Street in Dublin. The plans to create two new state-of-the-art control centres in Tallaght and Ballyshannon to manage all national emergency calls is very laudable and it is in accordance with international best practice. As the Minister of State knows, change is difficult and must be handled very carefully, especially when concerned with such a critical service as this. I doubt if anybody in the Chamber can point to such a critical service from a life-saving perspective as the ambulance service. The ability and capacity of the ambulance service to respond to emergencies should never even be tinkered with at the edges until we can all be confident that what comes after represents an enhancement.

Centralising the system in Tallaght and Ballyshannon, supported by the best personnel, technology and systems available, is a good move. However, it is bizarre in the extreme and, frankly, suspicious that the national ambulance service has unilaterally decided to centralise ambulance control from Navan, for example, and the other centres to a facility in Dublin 2 that will be shared with the Dublin fire brigade service for the moment. This begs the question of why two changes should be implemented over a short period when we only need one. This leads to the final resolution of the issue, which is the development of the facilities at Tallaght and Ballyshannon.

Surely this adds to the cost of change and risk of errors and accidents, as not all the existing control centres operate to the exact same procedures, which is a critical point. They do not have the same systems or formats. Additionally, there are practical concerns held by workers in the ambulance service that the control centre at Townsend Street is not physically capable of facilitating the extra staff and equipment required. This leads me to suspect that the proposed move to a new five-storey state-of-the-art facility in Tallaght may not go ahead at all.

It is important that the Minister of State should use the opportunity today to clarify the matter. When will this move ultimately take place, as there are suspicions that as a result of this interim measure, the ultimate move may not happen, at least in the timeframe laid out? In the meantime, I have yet to hear health and safety concerns around this proposed move being adequately addressed. I have yet to hear a solid rationale or any real justification for the interim measure or be convinced that this move will not potentially adversely impact the ambulance service and its ability to respond in a timely and efficient manner.

If no arguments exist, the ambulance service should ensure that the existing centres in Navan, which covers my area of Louth, and Cork and Kerry should be permitted to continue to operate ahead of the moving of the control aspect to the new national centres in Tallaght and Ballyshannon.

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Minister of State at the Department of Health (Deputy Alex White): I thank Deputy Nash for raising the issue. A significant reform programme has been under way in recent years to totally reconfigure the way the HSE manages and delivers pre-hospital care services to ensure a clinically driven, nationally co-ordinated system, supported by improved technology. The national ambulance service, NAS, is not a static service and it deploys its emergency resources in a dynamic manner and works on an area and national, rather than a local, basis. The NAS has been addressing response times through a number of measures, including the performance improvement action plan, the development of the intermediate care service, the trial emergency aeromedical service, and the national ambulance service control centre reconfiguration project.

The national control centre will consist of one national control system on two sites - Tallaght and Ballyshannon - and it is intended to improve dispatch and response times, with regional, rather than local, deployment and better use of first responder schemes. The NAS control and dispatch system is currently operating within eight ambulance service regions with no interconnectivity of radio systems, thus restricting the service response flexibility. The service control centre reconfiguration project and associated ICT enabling projects aim to reduce the number of ambulance control centres from eight to one, operating over two sites - Tallaght and Ballyshannon - and transition communications from analogue to digital, including voice and data. The total value of this project, which commenced in late 2010, is €23 million.

The national ambulance service control centre reconfiguration project represents one of the most critical and complex pieces of the State's emergency infrastructure ever undertaken. The HSE's intention to reconfigure the existing ambulance control centres is consistent with international best practice and endorsed by the Health Information and Quality Authority, HIQA, as the most appropriate approach to improve the quality of services to patients and facilitate investment in technologically enabled service delivery. This project is also a key element of Future Health: A Strategic Framework for Health Reform in Ireland 2012-2015.

Based on current known variables, the expected timescale for full commissioning, including the migration of all NAS ambulance control centres, is the end of 2014. Both the NAS and HIQA have a number of concerns about the control and dispatch structures at some existing control centres. In this context, the NAS intends to migrate a number of these centres to our existing facility in Townsend Street with a view to mitigating these concerns ahead of the completion of the national centre. The NAS is satisfied that Townsend Street is suitable and infrastructurally sound to facilitate the interim migration of Cork, Tralee and Navan control centres and it is providing additional staff, training, technology and equipment to facilitate this process. The migration of these control centres in the short-term will also improve the optimum and dynamic utilisation of all available resources in those areas, and peripheral areas, such as rapid response vehicles, intermediate care vehicles and emergency ambulances.

There can be no question of any compromise of patient safety and safety generally in the system in respect of any decision that is taken. That is paramount in respect of all considerations.

Deputy Gerald Nash: I thank the Minister of State for his reply; we are on the same page on this. Those who represent staff in the ambulance control centres, particularly SIPTU, are very concerned about patient safety. They have raised concerns about the move to this interim facility in recent days.

The Minister of State remarked that based on current known variables, the moves to the Tal-

lught and Ballyshannon centres will be complete by the end of 2014. That is welcome and those who represent staff have bought into that process. It complies with international best practice.

The Minister of State also mentioned that the National Ambulance Service and HIQA have some concerns about the control and dispatch structures at some of the existing control centres. It is my experience that the centres operate in a very effective fashion and comply with HIQA regulations and other aspects of the regulatory environment, as they are required to do. In this context, however, concerns have been raised by SIPTU that have been referenced with HIQA and the Health and Safety Authority related to the working environment at Townsend Street. As I understand it, the National Ambulance Service has refused to engage with the trade union concerned on an independent risk assessment of the site. These are experienced people working in the ambulance control sector and this is an experienced health sector trade union. If there are legitimate concerns, they should be pursued with the National Ambulance Service and should be taken seriously by HIQA and the HSA.

There is also a concern about the technology that is being used at the site. The move will not permit a single use system for call taking and dispatching, which can lead to confusion. We are all concerned about patient safety and efficiency in the ambulance service in terms of responding to emergencies and supporting staff to play a critical role in our health service. It is a concern for the Minister of State and the House and we must all ensure we do the right thing not just on behalf of the workers involved in the service but, specifically, the people who depend upon it.

Deputy Alex White: I thank Deputy Nash and I agree with him; the input of staff and their representatives, including SIPTU, is vital. I expect and believe any concerns raised by SIPTU or any trade union should be taken seriously. I will not comment on the specific question of a specific risk assessment but I would expect there would be engagement with the trade unions on the proposals for Townsend Street. In fairness to the union in its press release, it acknowledged the National Ambulance Service is providing additional staff, training, technology and equipment to facilitate the process. I hear what the Deputy is saying about remaining concerns and I hope there would be positive engagement between management in the National Ambulance Service, SIPTU and other unions and the staff to ensure those issues can be addressed.

Medical Card Eligibility

Deputy Caoimhghín Ó Caoláin: During the Easter recess, Members of the Oireachtas received an email from the HSE informing us that further restrictions in medical card eligibility were being introduced in April. In the communication the HSE told us it was amending the eligibility criteria relating to medical cards by removing home improvement loans and excluding the first €50 per week from travel to work expenses from the standard medical card means test assessment. The exclusion of travel to work costs relates to removing the weekly amount of €50 allowed to cover standing charges such as depreciation and running costs used when considering travel to work costs as an outgoing where public transport is not available or suitable and a car is required. The HSE says it will continue to consider the standard mileage and transport costs when assessing eligibility.

The impact of these changes will be significant, there is no getting away from that. The home improvement loan repayments have been a factor in the qualification of a number of people currently depending on the medical card. The added restriction with the removal of

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that first €50 will impact greatly, especially on rural Ireland, where there is no public transport service. In my constituency there is almost no public transport service and that dependency on travel to work costs being met is crucial.

These further restrictions follow the recent legislation that lowered the income threshold for medical card qualification for people over 70 years of age that we addressed in the week prior to the Easter recess. I asked repeatedly for details of where the other 20,000 who would be impacted by the HSE's service plan for 2013, which projected the loss of 40,000 medical cards in 2013, with 20,000 of those belonging to over 70s. Is this what was planned but could not be exposed here a week before Easter but was slipped out during the Easter recess? These further measures represent another cut to health services and I deplore the matter in which this was communicated. The cover note made no reference to the information that was contained therein, referring only to the eligibility criteria for over 70s, something we thought we had already addressed prior to Easter, with the unsatisfactory outcome I have already described.

It is regrettable the Minister for Health and the Minister of State with responsibility for primary care had not utilised the opportunity in the House prior to Easter or on our return to address this. I have endeavoured to raise this matter every week since the conclusion of the recess and have only now succeeded in having my issue selected. I appeal to the Minister of State to secure a withdrawal of these measures mindful of the very serious consequences they will have for individuals and families currently dependent on the medical card.

Deputy Alex White: I thank Deputy Ó Caoláin for raising this matter. The maintenance of health services is a priority in 2013 for the Government, despite the need for significant and challenging financial savings in the health area. Even with the extra resources made available to the Health Service Executive as part of budget 2013, just over €750 million in savings are needed during 2013. My script states €750 billion and bad and all as matters are, it is not a figure of that magnitude.

Budget 2013 set out the wide range of savings that were required and the general medical service, GMS, scheme was one of a number of areas identified. A number of steps are being taken to reduce the cost of the GMS, which costs about €2 billion per year. At the end of 2012, there were approximately 1,986,000 qualifying people under the GMS. Medical cards make up the majority of this number, amounting to about 93% of the total. As part of budget 2013, the Government has made provision for an additional 200,000 persons to be covered by the GMS. Nonetheless, it is important that we prioritise the use of scarce financial resources in the current budgetary position.

Among the budget 2013 savings measures announced was a reduction in the income limits for over 70s medical cards referred to by Deputy Ó Caoláin. It should be noted that the overwhelming majority of medical card holders aged over 70 are unaffected by that change. For the wealthiest 5% that are affected, those cardholders under the old income limits will continue to be provided with a free GP service. The Health (Alteration of Criteria for Eligibility) Act 2013 was enacted on 28 March last to give effect to the revised eligibility arrangements and the Deputy actively participated, as he always does, in the debates on the various Stages of that Bill.

Last December, at the time of the budget, it was also announced that the rules on a person's expenses that are taken into account in calculating their net income for medical card purposes would be tightened. The changes recently introduced by the HSE mean that payments on a home improvement loan and a €50 per week allowance for a car are excluded from the standard

means test assessment. These changes took effect from April.

Where a decision is made by the HSE not to grant a medical card or a GP visit card, the applicant will be advised that they can request a review of the HSE decision if they believe their financial or other circumstances have not been correctly assessed. In such a circumstance the applicant may also be requested to provide any additional relevant information or details of any change in their circumstances since their original application.

To make the point clear, and Deputy Ó Caoláin clarified this correctly in the course of his contribution, the exclusion from travel to work costs relates to removing the weekly amount of €50 allowed to cover standing charges, such as depreciation or other running costs, used when considering travel to work costs as an outgoing where public transport is not available or suitable and a car is required. This means that the HSE will continue to consider the standard mileage costs or public transport costs when assessing eligibility. The Deputy will be aware that there are a broad range of allowable expenses under the means test assessment for medical cards that have not been affected by these changes.

I assure the Deputy that the changes were identified with a view to mitigating the impact on the assessment process while also yielding savings. In so doing, the new assessment arrangements continue fully to take account of a person's mortgage or rental expenses. In addition, other allowable expenses were protected in budget 2013. The need to reduce the income limits for medical cards was thereby avoided.

Deputy Caoimhghín Ó Caoláin: Again, I have to ask the Minister to accept that the situation regarding the transport expenses will significantly discriminate against people who live in the vast swathes of rural Ireland where there are no public transport facilities. Workers on comparable incomes carrying out similar tasks on a daily basis located in any of the major urban and city centres that have public transport will not be similarly affected. This is discriminatory against people who live throughout the country and, as I know of cases personally, in my constituency, particularly in Cavan and Monaghan.

Equally, in terms of home improvement loan repayments, while the Minister is continuing to make provision for the mortgage repayment element in the calculation, the home improvement loan, in terms of upgrading to particular enjoyable standards, is often essential. It can be for an expanding family or the particular needs of a disabled member of the household. There are a range of home improvement loans that are essential. They are not for decorative purposes or the sheer enjoyment of it. They are essential to the needs of the particular household and to cut that off with these consequences is unacceptable.

How can the Minister of State square the oft-claimed commitment of this Government, shown in its programme for Government document, to introduce universal access to primary care free at the point of delivery with the ongoing restrictions of medical card eligibility? These measures run contrary to the Minister's stated programme and his stated intent.

Deputy Alex White: Deputy Ó Caoláin has raised that issue several times and I have answered it several times. I will now answer it again, particularly in the case of the over 70s debate we had and the legislation we introduced. It was pointed out to the House, and I repeat it today, and the Deputy must accept this because it is a fact, that anybody who had a medical card removed from them as a result of the changes made had a general practitioner, GP, visit card extended to them instead. It is simply not true to say, therefore, that this measure runs

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contrary to the policy.

Deputy Caoimhghín Ó Caoláin: There is no such guarantee in this situation.

Deputy Alex White: The Deputy has many criticisms-----

Deputy Caoimhghín Ó Caoláin: That was for the over 70s.

Deputy Alex White: Please, Deputy. There are not many people here. We do not have to interrupt each other. The Deputy has many criticisms that he can legitimately make and questions he can legitimately ask but it is not logical to say that it runs contrary to a policy when nobody has lost access to their GP-only card through any of these measures.

Deputy Caoimhghín Ó Caoláin: We are not talking about the over 70s now. I ask the Minister of State to please deal with the issue.

Deputy Alex White: The Deputy asked how that runs contrary to the Government's policy to extend GP visit cards to the full population. It does not run contrary to it.

Deputy Caoimhghín Ó Caoláin: This is not about the over 70s.

Deputy Alex White: The Deputy must accept that because it is factual. The Deputy asked me how it was consistent with the policy of free GP care. It is not inconsistent with that.

Deputy Caoimhghín Ó Caoláin: Home improvement loans. Transport costs to work.

Deputy Alex White: This is difficult but the Deputy saw the level of cuts that had to be made. There is no doubt that it is extremely difficult but when we examine the various options, and we had to examine the options, we found every one of them difficult. Does the Deputy believe there is any adverse change or cut with which anybody on this side of the House feels comfortable? The answer is "No". We want to maintain as best we can the integrity of the system we have and the maximum amount of resource we have available to it to ensure that those resources are best used. That is what we are trying to do in the circumstances.

Deputy Caoimhghín Ó Caoláin: There is no automatic entitlement to a GP card when losing one's medical card under these measures.

Land and Conveyancing Law Reform Bill 2013: Second Stage (Resumed)

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

Acting Chairman (Deputy Ann Phelan): Deputy Jim Daly was in possession. There are 15 minutes remaining and I understand the Deputy is giving five minutes to Deputy John Paul Phelan.

Deputy Jim Daly: This Bill is not about assisting banks to repossess family homes. It is about rectifying a flaw identified in current legislation that prevents banks exercising their full right to recall security pledged by the borrower in the event of default beyond sustainable solu-

tions. Investment properties will and should be repossessed by banks. Developers are pocketing cash from rent in many cases. That is taking cash directly from the pockets of the taxpayer.

Some of the arguments against this measure miss the key point. The flaw identified does not protect family homes from being repossessed. That element is protected under the Code of Conduct for Mortgage Arrears. We cannot rely on a flaw in legislation to do that and to suggest otherwise is disingenuous. Further protection is offered by the personal insolvency legislation.

This issue requires leadership from politicians and not some fairy tale sympathy. Some of the reports at the weekend from a certain Ard-Fheis were regrettable in that people tried to make a political football out of this issue. They frightened home owners by saying the Government through this legislation was pushing the banks to remove people from their family homes. I regret that people have chosen to play politics with this, which indicates further spin coming from some - not all - quarters on these very sensitive issues. It is easy to play on the vulnerabilities of people under financial pressure. It is akin to the argument that there should be an independent office to judge who should repay money to the banks. Having such an office - I have referred to it as An Bord Pleanála-style office - where somebody independently adjudicates whether Deputy Jim Daly should repay money to the bank would not only undermine the banking system, but it would bring it to a halt as no commercial bank would lend into the real economy. We all agree the banks must lend into the real economy. They would not lend into the real economy if an independent-style office, outside everybody else's control, adjudicates on whether people should pay back.

The Bill is another step in restoring the property market. It needs to hit the floor and we need to get to the real value of properties as they are. Anything that falsely prevents that from happening is a hindrance to the recovery of the country. I wholeheartedly support the legislation and look forward to its implementation.

Deputy John Paul Phelan: The legislation obviously stems from the Start Mortgages High Court judgment a number of months ago. While that case is still under appeal, it identified a gap in the law that was adopted by the previous Dáil on land and conveyancing. That was major legislation, which attempted to codify and update several Acts dealing with property and the conveyancing of property. When debating it in the other House, I remember the then Minister speaking about the area of repossessions that this Bill seeks to rectify. It was the intention of the previous Government that the law as it stood in the area of repossessions would continue to remain on the Statute Book, which is why it is ironic to listen now to some from that same quarter say that they are opposed to what they introduced four or five years ago.

Along with filling that gap in the law, the Bill allows for certain measures to be taken in compliance with the Personal Insolvency Act, which we passed a few months ago. This would allow an intervention between the borrower and lender to try to ensure that the parties could enter some sort of arrangement under the personal insolvency arrangement if both are agreeable. That is a necessary provision given that the law on insolvency has changed since the original legislation in 2009.

I take this opportunity to raise a number of reasonable suggestions made by the Free Legal Advice Centres. I suspect I was not the only Deputy to receive their e-mail because any e-mail that starts with "Dear Deputy" - of which I have received many hundreds in recent days - tends to be one that might have gone to other people as well. In this context they suggested that the Government consider including certain provisions in the legislation.

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The Bill as published proposes a two-month adjournment to allow people to explore the personal insolvency arrangement and they suggest it is too short and should be from four to six months. I believe that two months, or eight weeks, is too brief. The Minister should consider extending that eight-week period to at least double that length. This should certainly apply in the case of people in jeopardy of losing their family home, of whom Members on all sides will have met many in recent years. The same should also apply to people with investment properties who may be in a position to enter an arrangement with their bank. That two-month period should be extended further, perhaps later in the legislation.

They also, rather reasonably, suggest an amendment in the case of repossessing a family home to ensure the lender has fully complied with all steps of the Central Bank's code of conduct in that area. Perhaps the Minister might be able to include such an amendment on Committee Stage.

They also suggest that the level of legal and financial support offered to borrowers in distress is not sufficient. I am sure many Members of this House have provided information to borrowers who are in trouble. The Free Legal Advice Centres have suggested that more support for MABS and the legal aid board is required in order to deal with the glut of people in difficulty at present. I do not believe that is particularly cumbersome and perhaps the Minister could include it on Committee Stage.

Deputy Seán Kyne: It goes without saying that repossessions should be the very last resort in cases of mortgage default or mortgage arrears. However, to be a last resort a measure must actually be possible. An unintended consequence of the Land and Conveyancing Law Reform Act 2009 has prevented repossession from being the last and final option for financial institutions. This became apparent as a result of a High Court case, which I believe is currently on appeal to the Supreme Court, involving a non-traditional mortgage lender. With the current events in our political system, this is another reminder of the centrality of the courts in our legislative system and an indication of the pervasiveness of judicial decisions.

It is very likely that this Bill will be vociferously opposed by the Opposition and will be portrayed in an incorrect light. Without doubt legislation must always be carefully constructed and rigorously analysed. This ought to be the aim. At times, however, unforeseen developments can emerge which need to be addressed. The Bill will rectify an unintended consequence of legislation and restore the previous position.

Furthermore, the Bill introduces a new provision to enable a court to adjourn repossession proceedings and seek an examination to determine whether the personal insolvency arrangement can be utilised. As Members will be aware, the personal insolvency arrangement is a new remedy available to heavily over-indebted people and is a non-judicial alternative to bankruptcy. It has been specifically designed to better handle large debts such as those associated with mortgages.

We must recognise, despite our hopes to the contrary, that some mortgages are simply unsustainable. Whether they should have been approved by the financial institution or whether the applicant should have applied for a mortgage in the first place are irrelevant factors. The unfortunate fact is that some mortgages are unsustainable and will probably never be repaid in full.

With this in mind it is important to consider what will happen if a financial institution is

unable by law to seek repossession of a property purchased with a mortgage. There is a real danger that some unscrupulous people would adopt a *laissez-faire* attitude towards meeting their financial commitments. This would in turn endanger the stability of the financial institutions and possibly require further intervention and investment at the expense of the taxpayers.

The focus of the Bill must be the same as that with the personal insolvency legislation which radically overhauled our personal debt laws. The emphasis must be on differentiating between those who will not pay and those who cannot pay - of whom, unfortunately, there are too many - and in concentrating solutions on those citizens who cannot meet their mortgage repayments but are making genuine efforts to do so.

The Government has correctly committed to a number of actions to address the mortgage arrears problem including providing advice, information and guidance to people in arrears; reforming our personal insolvency legislation; requiring the financial institutions to develop and implement operational plans for addressing mortgage arrears; and updating the Central Bank's code of conduct on mortgage arrears which protects borrowers. Today, the Free Legal Advice Centres, FLAC, published its analysis of the Bill which contains a number of sensible, common-sense suggestions which will maintain and-or increase protection for borrowers in advance of the re-introduction of repossession mechanisms. A requirement that a lender seeking repossession fully complies with all steps of the Central Bank's code of conduct on mortgage arrears is a very welcome suggestion. It would make no sense at all for a court to allow a lender to secure a repossession order if this same lender had not bothered to comply with the Central Bank's regulations.

Another suggestion with which I agree, and I urge the Minister to consider it seriously, is to extend the time permitted for exploring the personal insolvency arrangement option from two months to between four and six months. A personal insolvency arrangement is a significant undertaking and should not be entered into lightly. Therefore it is vital that time and space are afforded to all concerned parties.

While it is often quoted that ignorance of the law is no defence, I concur with the concern of FLAC and others that there exists an inadequate and incomplete source of advice and information for borrowers who find themselves in financial difficulties or mortgage arrears. To be clear, MABS and other organisations provide an exceptional service to people, providing advice, information and support. However, I am concerned by the pressure on these organisations which are experiencing unprecedented levels of demand for their services. I appeal to the Minister to enhance the State resources available for MABS. If a person is aware of all the facts, obligations, rules, requirements and regulations from the very outset it will benefit all concerned and will reduce costs, both economic and social, that may arise if financial difficulties emerge.

While I appreciate and understand why the Bill is being introduced, and I agree that repossession has to be part and parcel of a normal, properly functioning financial system, we must also ensure that genuine, honest borrowers receive all the support necessary to navigate their way out of their financial difficulties.

Deputy Mary Lou McDonald: I will share time with my colleague, Deputy Pearse Doherty.

Yesterday, on introducing this legislation, the Minister for Justice and Equality told the Dáil it is necessary that our legal system provides, and is seen to provide, processes which work properly to give effect to a lender's age-old right to repossess where there is serious default.

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To reinforce his point, the Minister, Deputy Shatter, reminded Members that when introducing the original land and conveyancing law Bill, Fianna Fáil clearly determined that the repossession arrangements which had existed for centuries should remain in place. Both Fianna Fáil and Fine Gael are at one in their shared commitment in ensuring this so-called age-old right of financial institutions is guaranteed above all else. There is no real surprise there as Fine Gael and Fianna Fáil are cut from the same cloth.

Deputy Micheál Martin was to the fore in Fianna Fáil's decision to sign up to the troika deal. He was the man who agreed to a property tax, a water tax, cuts to Garda numbers and massive reductions in public sector numbers and public sector pay. I could go on. Deputy Micheál Martin championed every regressive step his Government took, but only after he and his colleagues had brought this State to its knees. Fine Gael, having been elected by the people on the promise of reform, decided instead simply to implement Deputy Martin's austerity agenda, where private finance trumps the public interest every time. And what of the Labour Party? What happened to the aspirations of the democratic programme, which affirmed that all right to private property must be subordinated to the public right and interest? What would Tom Johnson think of the Labour Party now? Doing all it can to ensure families stay in their homes and have sufficient resources to care for their children should be the number one priority of the Government, and the Labour Party in particular.

It is fair to say this legislation merely deals with an unplanned loophole. However, it is this anomaly which has kept families in their homes during a crisis that has yet to abate. This unforeseen loophole has protected pre-December 2009 home owners from the financial sector's most aggressive tactics and has prevented banks seeking unjust repossessions. Let us be clear about the very simple objective of this legislation. This so-called tidying-up exercise achieves one simple goal, which is that the Government is making it easier for the banks to repossess family homes. The pattern continues, as Fianna Fáil devised the plan, leaving Fine Gael and the Labour Party to implement it. Of course, this legislation cannot be viewed in isolation. It is part and parcel of a Government strategy which hands back the State's limited power to protect family homes from the financial sector. Once upon a time banks gaveth through reckless lending and now they will taketh away with punitive repossessions.

One in four family homes is in mortgage distress. This amounts to 198,000 homes, with hundreds of thousands of parents and children living day in, day out under a cloud of anxiety and fear. Unemployment remains high. The Government, which is the State's biggest employer, has already shed 30,000 jobs and plans to cut another 10,000 over the coming years. Health, education and social protection services, the very services low-income families rely on simply to get by, are being slashed with every quarterly budget review. The long-awaited personal insolvency scheme of Fine Gael and the Labour Party does not offer the type of protections necessary to shield families from unfair banking practices and, more importantly, neither does it protect the wider public good. When and if a family is forced out of its home, it might well benefit private finance, but the State will pick up the tab and the family will pick up the pieces of its broken hopes and dreams.

Sinn Féin submitted a significant number of constructive and progressive amendments to the personal insolvency scheme. Our amendments made business sense for banks and offered sensible protections for families and individuals. We argued very strongly against the bank veto because there is no incentive for banks to engage with the personal insolvency process in a fair and reasonable manner in advance of repossession. The code of conduct works against the mortgage holder and there are clearly insufficient protections for families experiencing severe

mortgage distress. In addition, there is not sufficient scope in the legislation for the courts to assess whether the banks are acting reasonably or responsibly.

Sinn Féin has called for an independent body to force banks to accept reasonable arrangements on a case-by-case basis. We have real concerns about the role of the personal insolvency practitioners. Yesterday, when speaking on the legislation, my colleague, Deputy Pádraig Mac Lochlainn, set out our concerns that by choosing the private sector route, personal insolvency practitioners will cherry-pick the cases with greater opportunities to make money, meaning those in greatest need will be left to fend for themselves. It is our strong view that MABS should have been the appointed practitioner. It is a respected mediator of long standing and, critically, it is trusted. MABS has an established network and is, in real terms, best placed to work with citizens experiencing debt distress.

Women, particularly single women with children, will continue to be among those citizens worst affected. For decades Fianna Fáil, Fine Gael and Labour Party Governments have failed to deliver an affordable child care system. Women still disproportionately populate modestly paid work in the public and private sectors. A total of 91% of nurses are women, as are 88% of primary school teachers. Women make up 75% of clerical officers in the public service, who start off on a salary of €22,000. Lone parents are being forced back into the workplace when their children reach seven years of age, regardless of whether they can afford child care or not. Child benefit has been cut, affecting low and middle income families in particular.

Inequality is deepening under the watch of Fine Gael and the Labour Party.

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In that regard, handing over the kind of powers to banks that Fianna Fáil, Fine Gael and Labour have decided on and are implementing will only make this very bad situation utterly unbearable for many citizens.

Deputy Pearse Doherty: There is no doubt that Maura and Robert Gunn have done a huge service to many individuals who would have seen their family homes repossessed were it not for the case adjudicated upon by Ms Justice Dunne in July 2011. Many people refer to it as the Dunne judgment, but it should be called the Gunn judgment because of the individuals involved in the case against Start Mortgages at the time. That judgment was a relief for many families struggling to pay their mortgages. We know that it is not an ideal solution to rely on a loophole to protect the family home. Indeed, it has been said that the judgment let the Government off the hook and allowed them to get away with over a year of inaction.

It is unfortunate that we are now acting to remove the judgment's effect, but we are completely failing to provide the necessary safeguards for individuals and families. If this Bill was part of an overall solution to the mortgage crisis, I could try to understand the logic of where the Government was coming from. However, the facts are that this is part of a process of hanging struggling home owners out to dry. The banks were bailed out, stressed tested and capitalised at the expense of the taxpayer to deal with their impaired loans. Now, however, they are not being asked to play their role in resolving the crisis that they played a huge part in creating in the first place. Let us be clear that this Bill is about squeezing every last penny out of struggling families and then taking their homes from them at the end of that process. It is about scaring more than 180,000 households in mortgage distress and doing the banks' dirty work for them. It is about making repossessions part of life and creating a society where, once more, the banks

rule and people suffer.

Last month, I made a submission on behalf of Sinn Féin to the Central Bank's review on the code of conduct on mortgage arrears. I pointed out in that submission that the review had been sought by the troika and in my view had a predetermined outcome. That outcome was to allow banks to put more pressure on those struggling to pay and to free their hand to repossess properties.

We are discussing a Bill which is the next step in the repossession dance. Sinn Féin will oppose the legislation for good reasons. In opposing it, we are also acknowledging that the Government has support to get this measure through the Dáil. We will, therefore, table a number of amendments which will protect the family home and give courts power to decide on the reasonableness of lenders' behaviour and to accept or reject that.

As it currently stands, this Bill is simply another sop to the banks. There is a general co-ordinated strategy to reduce the number in arrears, not by dealing with the core problems but by making evictions a fact of life in modern day Ireland. Since this Government came to power, the numbers in arrears have almost doubled, just like they did in the last 18 months of Fianna Fáil's rule. Now it seems there will be action at long last, but what type of action? The answer seems to be that it will be action to help the banks.

Once more, the interests of the banks are being put before society's interests. We know that this Government will not stand up for the people when bankers in State-supported banks pay themselves obscene salaries. We also know that it certainly will not stand up for the people when banks bully them with a secrecy clause in negotiations and other tactics that are being widely used.

The current situation is unsatisfactory. We need a new regime of laws and practices that protect the family home against repossession. We agree that relying on a loophole is bad law. However, as long as banks have the final say in the Personal Insolvency Act and as long as this Government will not force the banks to deal reasonably with people doing their best to pay their mortgages, then we will not support this move to make it easier to repossess the family home.

The Government should be clear that it is the Bill's intention to facilitate the repossession of family homes. That is not scare-mongering; it is a fact. I will not flinch from pointing out that such is the case. Sinn Féin has shown how a different approach is needed. We would protect the family home and empower an independent body to force banks into reasonable arrangements. This is part of our constructive solution. As the Bill is part of the Government's crumbling attitude to the banks we will use it to show how our positive alternatives to repossessions can lead to sustainable situations for many families and other sectors.

The Gunn judgment is the only protection that many households have. It is irresponsible for the Government to repeal it while not asking banks to play their part. We will move amendments to this Bill that will make it responsible. We want it to be part of the solution, not part of the problem. We will move amendments to this Bill to make it fairer and to protect the family home. That means changing the rules so that, for starters, citizens' names can be removed from the register after their application to the insolvency service.

We will insert a reasonableness test that courts can use as a guideline. This will empower sensible judges to protect the family home from aggressive, unreasonable banks. Such a test would take into account the code of conduct of mortgage arrears, how parties have behaved and

the proposals made by the personal insolvency practitioner.

We would look at the potential problems in accessing a personal insolvency practitioner that some people may have. The Personal Insolvency Act is flawed in that a personal insolvency practitioner will be rewarded for taking on bigger cases, while excluding from the process smaller ones involving those struggling with debts. We will seek to extend the two-month period for which courts can adjourn a case to allow the personal insolvency to take place. The Personal Insolvency Act gives 70 days protection, yet this Bill would only give a 60 day adjournment period.

There should be a test that lenders have met the conditions of the Central Bank's code of conduct on mortgage arrears before they can move to repossess. Crucially, a lender should be required to outline to the courts the approach it will take to the residual debt in the case of a family home being repossessed.

Such amendments would move us some way towards making this Bill part of the solution. As it stands, we cannot support removing the last line of protection for the family home while banks are not being asked to contribute to the solution. We all know more than 180,000 households are in mortgage distress in this State. People in that situation are asking if the Bill is fair and whether it will improve things for them. The answer to both questions is "no".

This Bill is part of a co-ordinated plan to reduce on paper the numbers of those struggling with mortgages. It is a plan that could have, and to a large degree has, been written by the banks. It has no regard for social consequences. This is a plan to allow repossessions to be part of daily life in Ireland in 2013. The plan was hatched because the Government refuses to make banks play their part. Sinn Féin rejects this plan. Instead, we stand for the protection of family homes and making banks play their part in solving a mortgage crisis that they were part of creating. There is still time for the Government to do the same.

Deputy Terence Flanagan: I wish to share time with Deputy Olivia Mitchell and Deputy Liam Twomey.

Acting Chairman (Deputy Ann Phelan): Is that agreed? Agreed.

Deputy Terence Flanagan: The mortgage arrears situation is another mess inherited by this Government and one which the Government intends to deal with this year. There clearly is an epidemic of mortgage arrears, as previous speakers have stated. The property bust and the collapse of the Celtic tiger have led to a huge number of people losing their jobs and having difficulties in repaying their mortgages. Houses which once sold for €400,000 and more are now worth half that amount in some parts of the country. It is really disheartening for those home owners who have to continue making mortgage repayments on a property that is now worth half what they paid for it. A few years ago people were being freely offered 100% mortgages by a large number of banks such as Bank of Scotland. The houses on which these mortgages were taken out are now worth less. People are repaying huge mortgages on a monthly basis and trapped in locations where they have lost jobs and, when they find a new job, they have a long commute to the new place of employment. Due to the downturn in the economy, the loss of jobs has contributed greatly to the stress and difficulty in paying a mortgage.

This Government recognises that the current loophole in the law is a further hindrance in the mortgage arrears crisis. This loophole came to light in the *Start Mortgages v. Gunn* case in 2011 where it was found that in certain cases mortgagees were being restricted from exercising their

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repossession rights. The Government is determined to address this matter and committed in the memorandum of understanding, agreed with the troika, to remove any unintended constraints on banks to realise the value of loan collateral under certain circumstances. In conjunction with the Personal Insolvency Act, which, for the first time, aims to provide options for those in debt, this change will make a big difference.

The Land and Conveyancing Law Reform Act 2009 was major legislation that reformed areas of land law, including ownership, trusts, co-ownership, conveyances and mortgages. The Bill simplified the land law and facilitated the introduction of e-conveyancing. Section 1 of this Bill will ensure the continued application of certain repealed and amended statutory provisions to mortgages created prior to 1 December 2009. Section 2 makes provision for the adjournment of court proceedings for repossession of a principal private residence to consider other options available under the Personal Insolvency Act. As Members, we all agree that house repossession must and should be the last course of action undertaken by banks when dealing with the debt situation. It is crucial that a clearly defined system is in place for future generations.

It has been noted that investment properties will be repossessed and that all efforts will be made to ensure family homes are not repossessed, where possible. Certainly there are many people who purchased second and third properties and who find themselves in extreme hardship and would be only too glad to see the back of some of the investment properties, but clearly not their principal private residence. That is why it is crucial that family homes are not repossessed. It is important that all avenues are exhausted to enable people to stay in their family homes and to agree a debt plan that enables them to do that.

The most recent statistics from the Central Bank on mortgage arrears show that there were 94,488 cases of mortgage arrears over 90 days on 31 March 2012. Although the number of mortgages in arrears have increased, the number of repossessions in this country are much lower compared with other countries. In the Republic, the rate of repossessions was 0.3% of total arrears cases in 2012, while in the US and the UK, the rate is between 3% and 5%. The banks have a hugely important role to play if the issue of mortgage arrears is to be dealt with and repossessions are to be avoided. The Central Bank has stipulated that banks should propose sustainable mortgage solutions for a sizeable number of distressed borrowers, and banks have been given targets of 20% of the loan book by June 2013, increasing to 50% by the end of this year. I am aware from discussions with some of the CEOs of the banks that they are determined to address this long-standing issue and ensure home owners are put on a more sustainable path in repaying their mortgages.

The Central Bank has set a target that the majority of distressed borrowers will have been given proposed solutions by their bank by the end of 2014. The Central Bank will monitor the rate at which each bank is addressing the issue and all information will be publicly disclosed. That is important, particularly in light of the serious problem the Government has inherited.

The measures outlined in the Bill will ensure that any further delay in economic recovery will be avoided as the revised system to be introduced will support Ireland's exit prospects and growth outlook. We need to ensure a balance is struck and every step is taken to ensure repossession of a family home is the last resort in addressing an individual's debt problems. The repossession of a family home has a significant negative impact on any family and should only be undertaken in very extreme circumstances.

Deputy Olivia Mitchell: Basically this is a technical Bill. I had not intended to speak on

it but having heard the inexplicable response of the Opposition, I felt compelled to do so. For whatever reason, whether the Land and Conveyancing Law Reform Act 2009 was flawed as a result of an oversight or some other reason, the courts ruled that a saver in that legislation to do with repossessions and which came under the old legislation did not have the intended effect.. It was found that the saver did not apply. In the current climate that uncertainty in regard to repossessions could not be allowed to persist and, therefore, the Government is seeking to remove that uncertainty. That is all that is planned in the Bill. In effect, we are merely reinstating the law as it was pre-2009 and as the 2009 Act intended it should remain. One can imagine my surprise when I heard at the weekend, last night and today, an Opposition spokesperson refer to the legislation as a plan for wholesale repossessions. Let us bear in mind that this is a Bill which merely affirms a measure the Opposition thought was secured in its own legislation. This would be funny were it not for the fact that so many people are in mortgage difficulties and the last thing they want is dishonest hyperbole and political and populous cant.

In terms of an about-turn, it is matched only by the U-turn on property tax, a tax which the Opposition readily conceded when in Government in return for a bailout. Similarly, it criticised the personal insolvency arrangements but in the same breath criticised the delay in introducing and getting them implemented. It is time for honesty, consistency and realism. I have never come into House to criticise the Opposition but on this occasion I do because people are hurting on all fronts. The recovery from the catastrophe that befell the country and the people is inevitably slow and painful. For some the recovery will come too late and for some it will not come at all. The very least we owe the public is absolute honesty. There is no future for them or for politics in pretending debts do not matter, whether personal, bank or national debts. I understand and feel exactly the same fury at the banks as everyone else for their part in bringing down the country. Like everyone else, I would like to see bankers who sailed off into the sunset penalised bitterly. I would like to see managers who are part of the problem and who are still in place reflect in their salaries some element of apology and regret for their part in what happened to this country. Criticising bankers is one thing but undermining the banking system and its potential for recovery is an another thing. The Opposition, Fianna Fáil, Sinn Féin and everybody knows that the only basis for banking and any lending institution to continue to lend is that there would be a threat of repossession. One cannot break the link between lending risk and security. If so, there will be no basis on which any bank would lend. Why would they? How should they?

It may be an unpalatable truth and I realise people do not want to hear it but the personal insolvency legislation gives people in difficult situations the possibility of gradually sorting out their problems. It is clear repossession is a last resort option but it must remain an option. There will be no banking lending at all if it is not an option which is not in anybody's interest. Pretending to oppose that option is dishonest and damaging to the economy. It is damaging because continuing to portray the banks as the big bad wolf is to deny the fact we are the owners of those banks. As their creditors it is in our collective interest as a people that banks should recover and begin to prosper again and ultimately be in a position to pay to the Irish people the money they owe us, which we lent to them. Pretending debt can never be incurred without any risk to the security borrowers freely offered is not fair to the public at large nor is it fair to those who find themselves unable to meet the full terms of their mortgage. It falsely and dishonestly raises their expectations and we owe them better than that.

We all hope the personal insolvency arrangements will solve the majority of mortgage holders' problems but for some there may be no prospect of extricating themselves without the loss

of their home. The least we owe those people is honesty.

Deputy Liam Twomey: As politicians, all of us, of whatever hue, deal with people every day who have been overwhelmed by their debts. We deal with people whose debts are such a heavy burden that they and their families will be dealing with it for a number of years to come. For some members of Fianna Fáil to make speeches in this House, therefore, as they have done in recent days, is not just cynical but is outright hypocrisy and an insult to the people and all they have been going through in recent years. If Fianna Fáil had got its legislation right in 2009, all of these individuals would have had no protection in the course of the past four years, especially from sub-prime lenders. We have no control over those particular lenders so they would have been free to throw individuals out of their homes in the past four years without there being any of the protections the insolvency legislation now gives to these people.

This Government did not introduce this legislation until we had first brought in the insolvency legislation in order to help to protect those very individuals. We have some control over what we can do with the banks but we have no control over the sub-prime lenders and it would have been very much those types of lenders who would have moved in to dispossess people of their homes. It is a mockery of the individuals in question and what they are currently going through, therefore, when the leader of Fianna Fáil, a former Minister who would be well aware of the background to this type of legislation, stands up at his own Ard-Fheis and proclaims we are doing something wrong. If he had got it right - and that party got many things wrong - those individuals would have been thrown out of their homes in hundreds, if not thousands, in recent years arising from the fault in the current legislation.

The insolvency legislation we are putting through tries to strike a balance for individuals so that, as often as possible, they can stay in their own homes and, for the banks, to force them to a degree to sit up and take notice. Strangely, one problem for the banks is that they do not have expertise to deal with mortgage arrears or how to deal with people who have run into difficulties. For so long the banks have been geared to throwing out hundreds, thousands and millions of euro to people that they have actually forgotten how to lend prudently and are now learning banking again. It has been made quite clear by the Minister and by everybody in government, fully supported by all backbenchers, that we can change insolvency legislation in this House if there is a sense the banks are not being reasonable with the people they are dealing with.

This mortgage arrears crisis is massive in terms of personal debt and loans to individuals, whether for buy-to-let, residential or second home mortgages. The sum involved is probably in the realm of €15 billion. The banks have been recapitalised for some - but not all - of this, so there is a need for us to be realistic as to what we can achieve. Both the insolvency legislation and this Bill try to reach that compromise.

I was in opposition long enough myself so I know what passes as the usual Opposition cant we rattle off whenever possible because we know we will never have to worry about it. It sounds good, gives a nice sound and makes people feel happy in themselves. However, one thing I know is that when one is in government one has to do things responsibly. Thank God we put the insolvency legislation through first. We have given people a chance and now it is important for those of us on this side of the House to watch what is happening and what the banks are doing. If at any point the Opposition parties would care to mature and grow up they should act like politicians who are well-paid, do their job properly and not try to mislead the people. People are fearful and are very concerned about what is going on. We still have very high rates of unemployment and very many people are concerned about their debts. However,

we will ensure we are on their side as much as possible and will do the very best for them.

I ask members of the Opposition, as they have more time on their hands than members of Government, that if they come up with policy alternatives at least to try to make sure these are sensible propositions that the people will respect, rather than add to the fear people are experiencing at this time. It is a very difficult time: one that really hurts for many individuals. Some people know their debts have so much overwhelmed them they will lose their homes. In addition, they are concerned about being burdened by debts that are very much the responsibility of the lenders, how they will deal with these and write them off. Some people know that if the banks were a little more understanding of their plight they could work their way through this crisis but this will not be done in months; it will be done in years. Then there is the 85% of people with mortgages who are making their repayments, even though everybody who took out a mortgage since 2001 is in negative equity. That is difficult for many people, knowing they find themselves in this situation because the crisis was so huge. There was a 20% collapse in our economy in the course of a couple of years. Such a collapse does not recover easily and our property sector will not recover easily. For that reason many people will carry their negative equity debt probably until the date they make their last mortgage repayment. That is difficult for people to stomach and there should be a more honest and fair appraisal of their situation rather than have it exploited for political gain in the short term.

Acting Chairman (Deputy Ann Phelan): Deputies Joan Collins and Tom Fleming have 20 minutes. I assume that is ten minutes each.

Deputy Joan Collins: My colleague will be here shortly.

This debate is important and many points have been made, from one side of the House to the other. There is no doubt that the rate of repossessions has been very low, partly because of the 2009 judgment but also because of negative equity and the banks not wishing to move to repossess because of the effect it might have on their loan books. The banks have already partly been bailed out to the tune of some €64 billion for the loss of equity in homes. The idea that a low level of repossession, or evictions as it would properly be, should be seen as a good thing and preferable for society than to have people lose their homes because they cannot afford their mortgages seems to be a problem for the troika. It has demanded legislation by the end of March in order to close the judgment of 2009.

There have been Ministers and Deputies assuring us that repossessions, evictions of families from their homes, will only be a last resort but there is absolutely no guarantee this will be the case. After this legislation is passed it is inevitable that there will be an increase in evictions, not only in the buy to let area but also including family homes. Some €62 billion of the €142 billion outstanding in mortgages lies with foreign-based banks - Ulster Bank, the Bank of Scotland, RBS, ACC and various sub-prime lenders, all of which have withdrawn from the Irish mortgage market. They are not lending into the market and are more concerned to get what they can and exit. That is it - they will get what they can. I know from my experience in dealing with people in mortgage crisis that these are the most aggressive lenders in terms of resorting to the courts.

If the Government was serious about protecting the family home it would accept that what is required is specific legislation to restructure mortgages for people who are in arrears and struggling with their mortgage for the family home. I have raised this issue a number of times. I have also tried to have it included in the insolvency legislation. It is well known that specific

legislation is needed to deal with mortgage restructuring.

The Bill I prepared is based on the Norwegian model and aims to protect people in their family homes. It is a tried and tested approach that worked effectively in dealing with a mortgage crisis in Norway. As these loans were solely on the family homes, the legislation provided for a right to a suitable family home and only permitted the property to be sold on the basis of sufficient after-loan clearance to purchase a suitable home in the same locality. Payments were based on maintaining a reasonable standard of living, which would be determined by an independent personal insolvency practitioner if voluntary agreement could not be reached between creditor and borrower. Any negative equity was treated as unsecured debt and secured debts were based on the market value of the security of the home plus 10%. The legislation also required that all financial matters be fully and truthfully disclosed.

Members of the Labour Party suggested similar ideas before they were elected to Government only to ignore them afterwards. The Minister for Social Protection, Deputy Burton, argued that the price of a home should be set at market value plus 10%. I cannot understand why these provisions are not being included in the insolvency legislation. The only explanation is that the Government fears that the banks will not accept legislation of this nature.

These measures will mean nothing if people who are struggling to pay the interest on their mortgages are required to pay up to €5,000 to a personal insolvency practitioner. People are right to believe this will be another gravy train for the legal profession. The Government should have established a similar process to that of MABS so that a public entity could help with cases of personal insolvency. Repossessions are inevitable if people cannot afford the services of a personal insolvency practitioner. Even if the Government allows the legal eagles to make large amounts of money, it should also allow people access to a publicly funded personal insolvency agency. MABS should be resourced sufficiently to provide this service because its staff has gained valuable experience in assisting people with debts. It could use its expertise across the board rather than leave it to individual legal professionals to work on a case-by-case basis. This may be why the Government is not allowing MABS to take on this role. It would be useful if the experience gained in specific cases can be used to assist others to find a resolution. As the legislation stands, however, the banks will be able to make the final decision on whether to accept the resolution proposed by a personal insolvency practitioner.

A previous speaker stated that our personal and national debts are painful for people. It is very painful for some people but I recently spoke to an individual who was invited to a dinner at which two bottles of wine worth €95 each were served. Somebody in this country can still afford to splash out €95 on a bottle of wine. That is a social welfare payment. There is plenty of money in this country but the pain has been put on the shoulders of ordinary people who are struggling to pay their mortgages and stay in their homes. They want to be debt free in order to be able to spend money again on our high streets. Unless we introduce specific legislation on the family home and lifting the burden, the issue of repossession will not go away. If attempts are made to repossess ordinary family homes, people like me will defend the occupants. It will become a big issue in this country.

Deputy Tom Fleming: If this Bill is enacted it will open the floodgates to wholesale evictions and repossessions by the ruthless and unscrupulous banks which lit the fire in the first place with 100% loans and ill-advised mortgage arrangements. Customers who walked in the door of these institutions were practically blindfolded and ended up walking out with loans of up to 130% of the value of the house. Money was thrown around like confetti.

In many cases loss of employment is the reason for distressed mortgages. A study by the Central Bank indicates that 32% of residential mortgages in serious arrears involved mortgage co-payees who were unemployed. Unemployment does explain the remaining 68% of mortgages in arrears. Mortgage payments have been subject to unsustainable increases relative to after tax incomes. Last week AIB increased its rates for the majority of its mortgage customers by 0.4%. This represents a substantial increase in monthly repayments for most mortgage holders.

The consequences of this uncontrolled and unethical system have now come home to roost for thousands of unfortunate victims of an inflated market and soft or non-existent regulations. The former regulator, Mr. Neary, was brushed aside or kept his head in the sand while the fires burned around him. The banks have been rescued with taxpayers' money but they are still in control even though they are State companies at this stage. They are acting in an independent manner and do not appear to feel responsible to anybody, least of all the Government, which is acting in a defeatist manner. Citizens remain at the mercy of these institutions. The German Chancellor, Ms Angela Merkel, and the troika are calling the shots.

We should provide a mechanism in the legislation to afford judges additional powers of direction to deny banks the right to repossession when they are treating their misguided customers in a most unfair manner. The banks do not have any appetite for the personal insolvency legislation, under which a personal insolvency practitioner is required to find ways and means to advise clients on how to avoid being put out of their homes.

I concur with Deputy Joan Collins that the money advice and budgeting service already provides a service on the ground that could have been upgraded. MABS has outstanding staff with great expertise and abilities. If the organisation had been provided with additional staff, it could have provided a much better intermediary service at a much lower cost to customers than that envisaged under the personal insolvency legislation. Unfortunately, the matter is done and dusted. It may still be possible, however, to find a means of integrating the service provided by MABS into this problematic area.

The Bill is premature and should be parked for at least six months to allow the long awaited Personal Insolvency Act to be tried and tested. Those holding the most distressed mortgages will experience dire straits as a result of this Bill, which does not provide an opportunity to explore the limited protections afforded by the Personal Insolvency Act. If robust, practical and pragmatic solutions are found, repossessions will be kept to a minimum.

According to statistics from the Central Bank, more than 20,000 mortgages have been in arrears for more than two years. In some cases, a debt write-down will be required to make these mortgages sustainable. Of the approximately 760,000 mortgages held for private residential properties, more than 140,000 are in arrears. The Bill should be delayed until later in the year to give the most vulnerable mortgage holders time to negotiate and avail of solutions such as interest only or reduced repayments. Other viable options include split mortgages, which involve giving home owners an option to freeze a portion of their mortgage until their finances improve, and the making of a bullet payment at the end of the loan term or when other assets can be converted into cash. The downside of the current arrangements is that split mortgages account for only 12 of the approximately 85,000 mortgages that have been reconfigured thus far. This minute number demonstrates that the split mortgage option has not been adequately pursued. The mortgage arrears resolution process, MARP, is another option available for those who hold distressed mortgages.

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The argument that investment properties rather than family homes are the primary focus of the Bill should be taken with a grain of salt. Homes will be targeted in a vigorous and proactive manner. In view of the appalling vista of mortgage indebtedness, every avenue must be explored. The Central Bank must proactively promote the mortgage arrears resolution process. It has indicated that it has established a framework of mortgage arrears resolution performance targets for the six main Irish mortgage credit institutions. Under these targets, the banks in question should have proposed sustainable mortgage solutions to 20% of distressed borrowers by the end of June 2013, 30% of distressed borrowers by September 2013 and 50% of distressed borrowers by the end of 2013. The aim is that the majority of distressed borrowers will have been proposed a solution by the end of 2014. In the circumstances, the Central Bank should ensure that the priority of any proposed solutions should be to enable people to remain in their family home, whether by rolling out the mortgage-to-rent scheme or developing options for the mortgage-to-lease scheme. More comprehensive advice and guidance must be made available on new arrangements for people in arrears.

Immediate action is needed to provide an alternative to the proposals in the Bill as the banks will not show any sympathy to those who are in trouble - their motivation, as they have demonstrated repeatedly, is profit - and the courts will enforce the law. We must tread carefully with this Bill. It should be redesigned to provide some solace to a worried population. I ask the House to assess, evaluate and amend it, rather than rushing to conclusions. We should give the personal insolvency arrangements a chance before proceeding with this legislation. For this reason, I suggest putting it to bed for at least six months.

Deputy Dessie Ellis: Home repossessions are not in anyone's interests. The Bill before us makes easier the repossession of homes by banks in the case of mortgage arrears. Instead of protecting people from being thrown onto the streets, the Government has worked diligently and efficiently to produce legislation that will increase the stress and fear already experienced by families struggling to keep their heads above water. The Bill will create more worry for people who lie awake at night fearing the day the debts they accrued to provide a roof over the heads of their families catch up with them.

I propose to address an issue that many Deputies do not consider when speaking of repossessions. I have raised this issue repeatedly in the House but have received little in the way of a concrete response on what is being done to tackle the problem. I fear this Bill will open the door to a much greater threat. The group I speak of are tenants in homes owned by landlords who are in arrears on their mortgages. Prices in the rental market have increased significantly in recent years, with demand causing Dublin rents to increase by 6% in the past two years. The number of available homes has decreased fourfold since 2009 and a large number of people are living in rented properties. The precarious nature of the ownership of many of these homes is clear from the most basic figures on mortgage arrears. Some 29% of the 150,000 buy-to-let mortgages are in arrears and of these, 17% have been in arrears for 90 days or more. This means a staggering 26,770 rental properties are at serious risk of default. What will happen to the tenants of these properties? Thankfully, the individuals and families in question do not face the problem of crippling debt experienced by many mortgage holders. However, they face a serious problem that must be addressed.

The level of housing need has never been greater or more severe in the history of the State. This Bill, which, if the Government was being honest, would be named the "Home Repossession Bill", is going to put more families at risk of being in severe need of housing. In recent weeks and months I have dealt with many families whose rented homes are under threat. De-

spite the fact that they are paying rent - in many instances the amount they pay is greater than what they would be obliged to furnish in mortgage repayments - they now face eviction. Landlords are receiving people's rent but are not paying their own mortgages or else they are only paying them in part. The banks do not want these homes to remain in their ownership. They do not want to be landlords or to honour the agreements which tenants signed with their own landlords and which they did nothing to break. Banks want to make a quick buck by selling these properties and moving on. It is likely that this is going to happen on a large scale. Where will we find ourselves at that point? If nearly 50,000 buy-to-let mortgages are in arrears, then these problems will only become worse and their impact cannot be underestimated. To underestimate them would be to play with the lives of many people. The Government has already done too much of that.

One group of tenants is in particular danger - those who are in receipt of rent supplement or on the rent allowance scheme. The latter scheme, which involves the use of private housing to deal with the State's failure and unwillingness to provide a sufficient number of publicly-owned homes, has been shown to be unreliable and unsuitable in the context of meeting the huge housing need that exists throughout the State. Families who are in receipt of rent supplement and on the rent allowance scheme are, by definition, those in the low-income bracket. Those in receipt of rent supplement are prevented from working. This perpetuated the existence of a poverty trap even in boom times. People who are in receipt of rent supplement are in no position to find new accommodation, particularly with the advent of spiralling rents and the imposition of deposits, not to mention the terrible condition of much of the housing on offer at the lower end of the scale. Recent Dublin City Council inspections revealed that 90% of the flats visited in the city fall below even the most basic of standards.

The Bill before the House and the cuts which have already been introduced will force many families into housing which is not suitable for human habitation. That is the result of Fine Gael and Labour policy. People on the rent allowance scheme were, by virtue of the contracts they signed, guaranteed that they would not be obliged to go without homes. They lived up to their side of the bargain but the State has been found wanting in respect of its responsibilities. Local authorities do not want people to be without homes but what can they do? They are not allowed to build any houses and cuts of over €1 billion have been made to the housing budget since 2008. We must address these problems and we cannot allow the potential catastrophe to which they might give rise to become a reality for the thousands of people who are at risk. I call on the Minister for the Environment, Community and Local Government and the Administration of which he is a member to take the initiative and negotiate a binding code of conduct with lending institutions in order to ensure that families will not be thrown out on the street as a result of repossessions. I also call on the Minister to work with these families which, in many instances, the State has already failed.

The crisis in housing is becoming worse. At my constituency office each day I meet people who are in serious trouble and who cannot even obtain rent supplement. Landlords are saying that they do not want to be paid by means of that supplement. That matter must be addressed. Landlords cannot be allowed to refuse money. Why are they refusing to accept the rent supplement? What is happening is outrageous. We need to address this issue.

Deputy Sandra McLellan: I welcome the opportunity to contribute to the debate on this Bill. Housing is one of the core issues relating to an individual's well-being and his or her life situation. Even more importantly, it is a fundamental expression and building block of society. One could go further and say that housing has much to tell us about the values, identity and in-

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tegrity of a given society. If we follow this logic and consider Ireland, and, by extension, Irish society, what we see is a society that is in free fall. This is a country which is in economic ruin and in which large numbers of people are struggling to pay their mortgages and keep a roof over their heads and who live in constant fear of eviction. Many of them are faced with making a decision with regard to whether it would be better to hand over the keys to their homes to the banks.

Living a life where every day is a struggle and where one's nights are full of worry and an all-encompassing dread of what the future may hold severely damages the human psyche and causes families to self-destruct. In the Ireland of today, thousands of people and families live like this. Unfortunately, what I have described is life in the real world, a world in which people live with the mistakes of the past on a daily basis. They do not have the luxury of talking nonsense about some great future we are all going to enjoy. Every day they struggle to find the money to pay for bread, potatoes or a pair of shoes for one of their children. They are living in the real world. This is a world of debts, arrears, loans and scrimping and scraping. It is a world devoid of hope, with no light at the end of the tunnel.

If one listened to Deputy Martin's presidential address to his party's Ard-Fheis on Saturday evening last, one would think he only joined Fianna Fáil in 2011. In February, the Governor of the Central Bank, Professor Patrick Honohan, said that household financial distress is at unprecedented levels and that this can be seen in the extraordinary rates of arrears relating to owner-occupier mortgages. The Central Bank's figures inform us that more than one in ten mortgage holders are now in arrears of three months or more and that some 27,000 - or almost 18% - of buy-to-let mortgages are in arrears. The Bill does nothing for the people affected in this regard other than increasing their fears and by enshrining in law the fact they can be evicted from their homes on the say so of some bank which probably engaged in highly unquestionable actions in the past. This is not right. It is also neither fair nor just and it makes no political sense.

Sinn Féin is opposed to the Bill because it does nothing to help people whose mortgages are in distress. Indeed, the opposite is the case. The Bill, like all the other policy initiatives of the Fine Gael-Labour Government, comes down on the side of the rich, the privileged and those with big money. It favours the banks and financial institutions over the ordinary people of Ireland. It also favours money and finance capital over the futures and lives of families, children, mothers and fathers and single people. The Land and Conveyancing Law Reform Bill 2013 does nothing to help those who are struggling and whose mortgages are in arrears. It may ingratiate Messrs. Kenny, Gilmore and Noonan to the troika but this is not what good politics or, for that matter, good governance are all about. In a republic, good governance puts the people first. It is the people, Mary and Joe Bloggs, who are centre stage, not bankers, international bureaucrats or financial capitalists. This Bill is contrary to the people's interests. Any legislation which does not put the people first and protect their interests will be opposed by Sinn Féin. Sinn Féin is on the side of the people and will continue to fight for their interests in this House.

Deputy Michael Colreavy: In the late 1800s Michael Davitt stoked the fires of dissent and agitation among the people of Ireland, especially those living on the western seaboard. He launched a campaign against landlords and gombeen men in order to tackle the injustices that was resulting in the eviction of families throughout the country from their homes. Michael Davitt was a revolutionary, an agitator, a social campaigner and a national hero. Given that it is May Day, it is good to remember him. I wonder what he would make of this particularly nefarious legislation.

Ministers like to quote figures but I am not at all sure the Government fully understands and appreciates the terrible position in which many families find themselves at present. One in four households is experiencing mortgage distress. How many such households were given loans well in excess of what they could sustain? How many received loans well in excess of those which would have been approved under prudent and sensible bank guidelines? To what extent did reckless lending lead to the price of houses shooting up to unjustifiable and unsustainable levels? Have the banks paid any price for their part in all of this? When one considers the salaries and pension packages of their senior decision makers, one comes to the conclusion that they are being well rewarded for the mistakes they made.

During the Celtic tiger years, the then Government and certain sections of the mainstream media propagated the myth that the property bubble was a sustainable economic mechanism. The then Taoiseach and leader of Fianna Fáil, Bertie Ahern, stated that anyone who talked down the Irish economy should kill himself or herself. We were informed that the patriotic thing to do was invest in the inflated property market.

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We were warned that if we did not get a foot on the property ladder, we would end up living on the side of the road. Instead of investing in the real economy and creating sustainable jobs, the then Government put all of its eggs in the fragile basket of the property bubble. Now, the people of Ireland must pay the price for this reckless gambling.

An increasing number of people from all strands of society are falling into mortgage arrears. A report published two weeks ago by the money advice and budgeting service, MABS, found that clients in mortgage difficulty were primarily households with children, located in urban areas and headed by people between the ages of 45 and 65 years.

The Personal Insolvency Act 2013 was rushed through the House with inadequate time for a thorough examination. This is not the time to make it easier for banks to evict people from their homes, which is what this Act does. It grants greater power to banks and takes power from ordinary citizens. That is not what a functioning democracy should do. This is not democracy, but oligarchy - government by the few on behalf of the privileged few.

Section 2 of the Act allows the court, either by its own motion or on application by a relevant person, to adjourn repossession proceedings for a maximum period of two months to allow for the consideration of the making of a proposal for a personal insolvency arrangement, PIA. Two months is insufficient time to make arrangements, deal with banks or find alternative accommodation. Greater leniency is the minimum that the Government can provide to families that are about to be evicted.

As elected Members of the House, we all represent our constituents. Collectively, we represent all of the people of Ireland. We should not be Members to represent banks or banking interests. We must make up our minds. Do we represent those who elected us or the privileged few? Do we want democracy or oligarchy?

Acting Chairman (Deputy Joanna Tuffy): Deputy Wallace is next. I understand that he is sharing time with Deputy Clare Daly. Is that agreed? Agreed.

Deputy Mick Wallace: The Bill is designed to make it easier for banks to repossess properties and seems to address a discrepancy in the July 2009 Act. It was amusing to hear Deputy

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Niall Collins of Fianna Fáil state yesterday that the prospect of a collapsing housing market and a mortgage arrears crisis on the scale that we are now witnessing was never considered by any party in this House. My building crisis began in September 2007. It is scary if Fianna Fáil did not know what was happening in July 2009.

Much of our discussion on the banks relates to questions of what is sustainable. It is difficult to decide what is sustainable for one person but not another. A bank may make an offer that it claims is sustainable but that the borrower views as impossible. Sadly, there is no neutral referee. Although there is an appeals board, it is staffed by bank employees who we cannot be certain will be impartial.

The Government has claimed that repossessions will be a last resort. It is difficult to know what “last resort” means. What will happen to legacy debts? Will they hang over people’s heads forever, causing stress and fear? Will people become homeless because banks repossessed their properties? If the banks repossess properties, how much they receive for them will be interesting. In Iceland, a decision was taken to write down mortgages to the amounts that banks or other financial firms could expect in the best of circumstances to gain from taking over those assets. Realising their monetary value was viewed as sensible. If someone paid €400,000 for an apartment that is now worth €200,000 and the bank sells it in a fire sale, it will probably go for €150,000 or €160,000, meaning that the bank will lose €240,000. Why not find out a property’s real value, as happened in Norway in the early 1990s? If a property’s value decreased from €400,000 to €200,000, 10% was added and people were given new mortgages of €220,000. This made sense for everyone and Norway’s economy recovered more quickly. As long as the Irish banks refuse to engage on a sustainable basis with their mortgage debtors, many people will not recover.

The Government would correctly claim that its debt is unsustainable, leading to it asking Europe for write-downs. We took on debts that we should not have. We also sought to extend our repayment periods so that we might deal with our debt more easily. If this approach is good enough for the Government when dealing with Europe, perhaps the same relationships should be developed between banks and citizens. The Irish citizen needs a break. It makes no sense for banks not to deal with citizens in a rational way. I do not know how repossessions in any form will solve problems, even those of the banks.

Regardless of whether we like it, there are different strokes for different folk. Independent News and Media, INM, received a bank bailout recently for which the taxpayer will pay. That company is still trading, and presumably well. It is keen to keep going. This case causes concern. Many people in Ireland would have loved to get support from the banks. Many companies would have liked the banks to be patient, to give them time to deal with their problems, to write down their debts to sustainable levels and to give them a chance to continue and keep their jobs. In the past two years, many companies have received letters from banks telling them that they had 24 hours to repay the banks what they owed, after which the banks would get court judgments against them. Obviously, the law is not the same for everyone.

On the bailout of INM, Mr. Colm Keena wrote in *The Irish Times*:

No-one is arguing that it is better that companies with unsustainable debts be allowed collapse rather than have their debts reduced to manageable levels. But giving write-downs to companies that are wholly or in part owned by non-resident billionaires who appear to be flush with cash, raises the kind of issues referred to in the OECD report. This is especially

so when so many people on moderate incomes are being levied with extra taxes, while also struggling with debts which the banks, and the Government, say should not be written off if the debtor can pay, lest it create a moral hazard.

Moral hazard is an interesting topic and is used as an excuse by banks. When I discussed the idea with a bank with which I have a few issues, I was told that moral hazard was a concern. Where was the moral hazard excuse when the banks, with their reckless business practices and overpaid managements, were bailed out by taxpayers who are still paying for it day and night? It is a bit rich of any bank to mention the term “moral hazard”.

If banks engage in repossessions, they will sell those properties for less than it would cost to build them today, even if the site was acquired for free. How logical is it to put people out of their home and to sell it for less than it is worth? We need a common-sense approach. If we are not going to deal with the mortgage debt crisis in a sustainable way, we definitely cannot expect the domestic economy to recover in the near future. Neither can we expect to see any serious inroads in the unemployment figures. I do not think we will see a huge change in the emigration figures either. We are facing significant levels of rising inequality in this country and around the world. Repossessions and a failure to deal with mortgage debt in a sustainable way, rather than just kicking the can down the road, will increase inequality in society and that will have major repercussions for this country.

I wish to refer to a few issues raised by Noeline Blackwell to which many speakers have referred. She has called for more balance between the power of the bank and the borrower. We would all admit that it is a little unfair. The period of two months allowed for a person to work out his or her problems with a financial institution is a joke. Not a lot happens with financial institutions in two months. One would need much more time than that. Six months would be far more realistic. A period of two months does not allow sufficient time for real negotiations. Things do not happen like that. The financial institutions are in a different world.

The Companies Bill was discussed last week in the House. I noted that one proposed change would allow the Circuit Court to deal with problems that were previously in the jurisdiction of the High Court. That is a good idea. The same approach should be taken to the reform we are discussing. As Ms Blackwell pointed out, going to the High Court is a considerable extra expense for people, and having cases dealt with by the Circuit Court would make a lot more sense and ensure costs were more manageable. It goes without saying that Ms Blackwell’s point about the lack of legal and financial advice for distressed borrowers is a big factor. The financial institutions will not be short of legal advice or financial advice, but we can easily imagine the distressed borrower being short of the same. Perhaps we should try to balance matters in that regard as well.

Deputy Clare Daly: It is somewhat ironic that there are so many problems in the State and so many issues on which the Government could legislate to fix them, yet it has frantically decided to address one of the areas that is probably not that bad in an international context due to the very low level of repossessions in this country. It is doing so at the behest of the troika.

It is also ironic that the action is taking place simultaneously with the demands from the troika on the introduction of a home tax, a tax on what is in many instances a liability for many people who are struggling, and for the hundreds of thousands of citizens who are in mortgage arrears and great personal and emotional distress, not to mind economic hardship. One would have to ask where the Government is going with the Bill. Talk about great timing. The Govern-

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ment is introducing the Bill at the same time as we had reports last night that what we can face in the future is continuing austerity, the prospect of further tax hikes and public sector cuts of €3 billion next year, followed by another €2 billion the following year. However, at the same time, the stability programme update revealed that in fact the Government will have a primary surplus of approximately €1 billion in 2014. In other words, we are collecting approximately €1 billion more in tax revenue than we are spending on public services. The reason we cannot enjoy the surplus and use it to develop public services is because of the enormous national debt, one that was in the main undertaken to bail out banks and bondholders. That is the nub of the issue, yet those very same people whose actions are crucifying ordinary workers and citizens in terms of their pay packets are the very ones who are also putting the squeeze on people in their own homes.

It is a little sad the speed at which the Government can move to address what is being called in a derogatory way a loophole but which I would call a safeguard and a good thing. The Government is moving faster to make it easy to repossess properties through the courts. The points have been well articulated by other Deputies about why that needs to be absolutely balanced in terms of protecting lenders and why a number of amendments will have to be made on various Stages of the Bill. I will not repeat the points made. I pose the question as to how it could be a good thing that people's homes are to be repossessed. One could ask how that will benefit anybody, not least the overall economy. While the Government can say that the family home is being protected and will only be seized as a last resort, the reality is that we all know that it is not the experience currently. If the law is changed further, the process will accelerate further.

This afternoon, my colleague, Deputy Joan Collins, had a telephone call to her office from a very distressed woman who is having terrible dealings with Bank of Ireland. Her mortgage is unsustainable as a result of a separation. Her husband has left the country and stopped paying the mortgage long ago. She lost her job two or three years ago and the bank is putting her under enormous pressure to sell the property. The reason the bank is pursuing her particularly aggressively is that the property is not in negative equity and it knows it can get its money back. If that happens, the woman in question, who is without a job and without a roof over her head in the latter years of her life, would be thrown at the mercy of the local authority social housing list or society in general at a time when an arrangement whereby she could stay in her family home is being ignored by the same bank.

Another young couple who have two children with severe disabilities were advised to get a bungalow which could not be supplied by the local authorities and were encouraged to buy one. They spent a lot of money adapting the premises to meet their children's needs. The husband lost his job and they are being squeezed and threatened by the sub-prime lenders with repossession of their home. They made a reasonable offer that would result in a more sustainable mortgage and the lender getting more money than it would if the house was sold, but their wishes were ignored. One could ask where they will end up – back on the social housing list that could not accommodate them in the first place. It makes no sense whatsoever.

As Deputy Wallace said, the only solution is that the banks would engage in some form of a write-down of mortgages where the value of the properties is written down to their more reasonable current value. Sub-prime lenders in particular are not operating. They have shut down and they just want to get out of the Irish market and realise as much cash as they can before they go. Making appeals to them to be reasonable, fair and nice to people who are struggling will not work. The only measure that will protect the family home is legislation to enforce it. It is somewhat sad that the people whose homes are not in negative equity but who have lost their jobs are

the ones who are most at the mercy of the banks. All of the points that have been made about the lack of protection for borrowers have been ignored. We have seen very aggressive actions taken by the banks in the courts, and that will only get worse. Not only that, we have also seen many scams where some lenders are engaging in fire sales of properties for which people have handed back the keys and left the country. There are many examples of people making a higher offer for a property and the lender not accepting it, presumably because someone they know or a friend of theirs is in the running to buy the property at a knock-down price from which they can benefit and make a killing later.

We have to put this firmly in the context of the overall economic situation. This measure and home repossessions will do nothing to protect the economy. If anything, it will drive down property prices and lead to an increase in suicide. I do not say that lightly but based very much on the experience in Spain. In that country, the credit crunch and rising unemployment has resulted in a situation where home repossessions are at a record level. Almost 30,000 repossession procedures were initiated in the first quarter of this year alone in Spain, which is an increase of 126% on the figure in 2008 and 59% on the 2009 figure. In actual fact, the numbers are probably even higher because a number of repossession procedures often involve more than one property. The result is that the banks have in excess of €20 billion worth of repossessed properties on their books, which in and of itself is causing a problem in the commercial courts and so forth. Nobody is benefiting from that situation. Overall, almost 400,000 evictions have taken place and studies show that this situation is demonstrably linked to the frightening rise in suicide in Spain. It is a bit ironic that we have heard so much here about suicide *vis-à-vis* pregnant women who may need an abortion, with everybody in a big flap about that, but nobody is taking into account the very real pressure on people because of the economic situation and the housing difficulties they face.

I will not repeat the points made by others but we have heard organisations like New Beginning, FLAC and others explaining how they meet thousands of people who are literally at their wits' end. People are at an incredibly low ebb and there are hundreds of new cases every week of people struggling, trying to engage with the banks to get fairer settlements but being ignored. This Bill is designed to make that situation not better for them, but worse. It will add to the pressure they are under. The lives and well-being of our citizens are being sacrificed on the altar of the banks. The banks have been bailed out and they, in turn, are putting the squeeze on us.

It was quite correct of Deputy Wallace to highlight the bailout granted to Independent News and Media, which is one of the organs which champions Government policies and stands idly by, allowing this situation to go unchallenged. It does not challenge the fact that the taxpayers and ordinary citizens are bailing out developers through NAMA. Billions of euro in taxpayers' money has been spent on developers, many of whom continue to trade, while the ordinary taxpayer picks up the bill. Where is the objection to this from Independent News and Media? There is none because it has been bailed out too. It is the very same organisation that warns that we cannot have a similar write-down for hard-pressed home owners because that will taint everything and will represent moral hazard, with negative repercussions for everybody. That is not the case, however. Keeping people in their homes, with sustainable and real solutions, is of benefit to the individuals concerned and to society, but it will not be facilitated by this Bill.

Deputy Seamus Healy: I wish to share time with Deputy Luke 'Ming' Flanagan, with the agreement of the House.

There is huge mortgage distress in this country, with almost 12% of mortgages in arrears of

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more than 90 days. There is also an enormous level of negative equity, with property values down by approximately 51% since the boom. We also have extremely high levels of unemployment and emigration. There are many people who are simply and honestly unable to make mortgage repayments and who are in serious financial difficulties. What those people need is a mortgage bailout. However, this Bill proposes to ensure it is easier for the banks, which have been bailed out to the tune of billions by the citizens of this State, to repossess homes and evict families. It is difficult to believe such a Bill is before the House. We treat the banks and bondholders in one way, supporting them and bailing them out, while we treat honest-to-goodness householders and mortgage holders in a completely different way, ensuring they are put under continued pressure and at risk of losing their homes.

We must support distressed mortgage holders. Mortgage rates must be frozen at September 2008 levels. The capital debt should be reduced to the level of current house prices and, far from ensuring the banks can more easily repossess homes and evict people, we should provide legal protection for householders in this situation. We must remind ourselves of how all of this came about. During the boom, the kept economists and commentators of the finance houses and banks and the media told people to get their foot on the property ladder before house prices increased further. They said there was no chance of a property crash, that there would be a soft landing and that the banks were well capitalised. RTE broadcast such comments almost daily. Every national newspaper published such forecasts and advice, along with enormous property supplements. They told people not to miss the opportunity to get on the property ladder. Now, tens of thousands of people are in negative equity and are finding it impossible to make their mortgage repayments. Some have been threatened with eviction and more will be so threatened.

The Central Bank is funded by taxpayers, including mortgage holders. It is the duty of the Central Bank to ensure prudence in banking. There were top business people, top trade union officials and senior civil servants on the board of the Central Bank during the so-called boom, who reported to the Minister for Finance. They allowed banks to borrow €90 billion abroad between 2003 and 2007. They also allowed the banks to lend out that money, with meaningless security, to developers and others, creating a property bubble which drove the price of houses over the moon. I include here professors of economics from the ESRI, an institute that is also funded by taxpayers and charged with giving expert advice to the Government. Nobody shouted stop. The Government, the print and broadcast media, auctioneers, valuers and many others advised people, young couples in particular, to get their foot on the property ladder. They were all wrong and those same young couples are now in enormous difficulty.

I believe that mortgage interest rates should be frozen at 2008 levels, capital debts should be reduced to current property values and we should legally protect mortgage holders from eviction. We certainly should not be making it easier for the banks to evict people and repossess homes.

The current situation with regard to mortgage arrears is horrendous. At the end of 2012, 11.9% or 94,488 mortgages were in arrears of 90 days or more. Significant numbers of people have found themselves in negative equity. I came across somebody recently who bought an apartment through the affordable housing scheme in Dublin. It cost €275,000 but was meant to be affordable as apartments in the same block were on the market for €375,000. The individual is now in the position where the apartments have lost at least 51% of their value, with the market price perhaps as low as €120,000. That is huge negative equity. The person in question has had two wage cuts and a pension levy applied, and he will have a home tax to contend

with as well as astronomical management fees and a water tax next year. That is the kind of pressure being felt by ordinary people who took the advice of Government agencies in buying their homes. It is time for the Government to support such people rather than make it easier for banks to evict them.

One can contrast what has happened to those people with what has happened to bankers and bondholders. Bankers still have controlled salaries of up to €500,000, and there are also uncontrolled salaries. Last week the Minister for Finance would not even vote against a salary of €843,000 being approved for a particular banker. A part-time chairman in the same bank receives approximately €394,000, and every auctioneer, valuer, solicitor and developer-type professional in the country, who led mortgage holders into difficult positions, is being employed by NAMA and the NTMA and looked after by the State. It is time for the State to look after the citizens and householders.

The Bill should be withdrawn as it is wrong to take away what little support was afforded to mortgage holders by the 2009 Act. The Bill should be redrafted with the provision I have discussed withdrawn. Other areas have been highlighted to Members by various other organisations, like New Beginning and the Free Legal Advice Centres, and these should also be taken on board. They concern waiting times and using the Circuit Court in preference to the High Court for proceedings. There is also a case for providing legal and financial support and advice for mortgage holders who find themselves in severe difficulty.

Deputy Luke ‘Ming’ Flanagan: There are times in here when one considers the names of Bills and wonders what they are about. I suggest the name of this Bill be changed to the “how to make it easier to chuck people out of their houses” Bill as it would explain it better. Perhaps it could be described as a Bill to facilitate the banks in shafting the public even more. That would explain what the Bill is about, so it would be a better title. As Deputy Healy noted, the Government should withdraw the Bill and spend its time putting together architecture whereby people can have debts written down. That is not something which is unknown in the Irish banking system. People need debt write-downs and they do not need to be further bullied by the banking system. Almost 100,000 households are in mortgage distress and if people are evicted, in most cases the State would have to step in. This legislation will not save the State any money, and although some might believe State banks will save some money down the line, overall the cost will increase.

At an Oireachtas committee meeting in later October last year, AIB chief executive, Mr. David Duffy, indicated that AIB would be in “very dangerous territory” if people who made “mad” decisions would get part of their debt “magically waived”. The question needs to be asked as to who really are the mad people. Was he referring to the people who purchased a modest family home at the then market rate? The same people faced increased prices because banks like AIB and the now deceased Anglo Irish Bank shovelled money into the market. We know who he was not referring to. He was not referring to multi-billionaire media moguls, people who went “mad” by making the decision to buy newspapers around the globe at inflated prices, those who decided to buy many local titles based on prices reached from the assumption that the building boom would go on forever or media organisations who benefited from the bank and Government-engineered housing bubble by filling pages with advertisements for deluxe and exclusive apartments, otherwise known as shoeboxes. He was certainly not referring to any of those.

If Mr. Duffy had been referring to any of those, the bank would not have “magically” - to use his phrase - given Independent News and Media a write-down in the region of €35 million

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in the last week. That is the estimate only for that bank, of which we own 99.8%. Allowing for the biggest shareholding of 29.9% in the company, the Irish people have made a direct cash transfer from their pockets.

Who made this “mad” decision? It was not Mr. Duffy alone, as we have public interest directors after all, including a former Tánaiste, Mr. Dick Spring, the socialist, until he could not afford it. He is meant to represent the taxpayer on the board of AIB, so what was he at when this decision was made? In fairness to Mr. Spring, the socialist, he is recorded in his role as public interest director as having only worked 60 days in 2011. Maybe at the time this decision was made, he was on one of his 305 days of holiday per year, spending his €59,000 cheque from AIB, along with his €121,000 from a ministerial pension. Maybe he was spending his wonga while the bank was making its latest “mad” decision. I hope my language will be excused but I am quoting from the experts in the banking sector. What is the point in having a public interest director if the only people they are interested in protecting are multi-billionaire media moguls? Where is the voice of the AIB public interest directors when the bank is putting up interest rates on ordinary mortgage holders? It is yet again those who can least afford to pay who must pay the most.

I am sure all Deputies have had a stream of people coming to their offices with harrowing stories of how mortgage debt is crippling them both financially and, more worryingly, mentally. Deputy Clare Daly mentioned suicide, and the Government is obsessed with what the Green Party used to call “end-of-pipe” solutions to suicide. Perhaps we should concentrate on ensuring people do not end up at that precipice in the first place by making it a bit more bearable to live here and offering write-downs, as banks have done to the multi-billionaires. There was hope for these people when the Insolvency Service of Ireland was set up, but in examining its guidelines, we can see how the banks still have the whip hand, so it is easy to see how people’s hopes are ebbing.

The service has published on its website guidelines on a reasonable standard of living and expenses. These are “essential to the process of moving towards long-term restructuring measures in that they enable the debt servicing capacity of a distressed debtor to be calculated in a fair and consistent manner so the sustainability of repayments can be established”. Did the Taoiseach’s buddy, who got the €10 million euro write-down, have to go through such a process? Was he asked to get rid of all but one of his jets and all but one of his helicopters? Was he asked to get rid of his health insurance and to put his health at risk in a public health service that does not work? Were his living expenses examined under a microscope before we decided to write down the €10 million of his debt? Was he asked about the sustainability of his job, given the cost of child care? It is clear that Independent News and Media is not sustainable so perhaps he should go back to minding children instead of running a newspaper organisation that loses money that we have to pay for in the end. Was he asked what food he would eat and his clothing and personal care? Was he asked about household goods and communications? No, he would not be asked about communications. We gave him our communications for nothing. I imagine he would get a good deal if he went to some of his own companies. Did we ask him about his education? No, we had already educated him with taxpayers’ money, tax he does not bloody well pay. Did we ask him about his household energy costs? No, we did not. Did we ask him about his insurance or about social inclusion and participation? No, we bloody well did not. We did not ask him about any of these things.

Instead, however, we go after the vulnerable.

Acting Chairman (Deputy Joanna Tuffy): The Deputy is not supposed to talk about a person who is not here to defend himself.

Deputy Luke ‘Ming’ Flanagan: It is stretching it to call him a person.

We did not ask any of those questions of multi-billionaire media moguls when we were writing down their debt, but I am dealing with people who tell me they are on the verge of suicide because their debts will not be written down. I spoke to a man last week who told me he had three bottles of wine in his house left over from a couple of years ago. He had not touched drink in a while. He put them on the table in front of him because he did not know where to go. He got all of his tablets and put them on the table in front of him. He was going to kill himself because he could not pay off his banking debt. The dog put his paw on his knee and the man decided not to do it. A good job he did not do it but he never would have thought about killing himself in the first place if he was treated the same way as multi-billionaire media moguls being protected by the Government.

We would imagine foster carers would be all right, that the banks would not see them as fair game. They certainly did not see them as fair game when they handed out the loans, they did not allow for foster care payments when deciding what loans they would offer. Now, a family has come to me in distress with a mortgage the bank should never have approved in the first place because it was unsustainable and they have been told they will have to hand over their foster care payments. That child, who is from a difficult background, will now have to live in a house where the new parents will struggle to put food on the table and the child will be denied the shared cultural experience of watching sport on television and will not have the same standard of living as anyone else because they are fair game for the banks, but the multi-billionaire media moguls are not.

Those people in this republic are worrying about whether they will be able to keep being able to foster in the long term. As I am sure the Minister of State is aware, it is difficult enough to get someone involved in foster care without attacking the cohort of those people who have serious banking debt, thereby lessening numbers even further.

I did not expect this Government to be perfect. We knew what we were getting in the tin with Fine Gael on the label. We knew it would be a right-wing Government, but when people voted for the Labour Party, they voted for some form of socialism. They did not vote for welfare for the rich and punitive terror for the poor and most vulnerable and society. I will vote against this Bill and I will certainly not facilitate the Government in evicting people from their houses. May the Government feel their wrath if it does this.

Deputy Mattie McGrath: I am delighted to be able to speak on this Bill but I am ashamed and saddened to think that with a Labour Party Minister of State in the House, in the year of the 100th anniversary of 1913 and big Jim Larkin, that we are bringing in this Bill to deal with the Gunn judgment as if that judgment was wrong.

I cannot understand what this Government has against ordinary people. I cannot understand why it will not accept the judgment of any court. I will speak again about the Supreme Court judgment on the children’s referendum, where five judges of the court found the Government had acted wrongly and had misappropriated money. In actual fact, in a court case today a senior official admitted the Government paid too much for advertising. Easy for it when it did not have to raise the money, but we are where we are.

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This Bill is an effort to continue the mockery and charade that protects the so-called rich, the blackguards, the so-called developers, bankers, former politicians and regulators, and the guy who was sent off to Brussels at all costs, even though he failed the interview. He had to be sent anyway because he knew too much. It is disgusting to think that the Government is here with its bully-boy majority, but when a colleague in the Technical Group had a wonderful motion on Private Members' business last night, about organ donation, the Government paid lip service to it. There was not a single Labour Party Member in the House. The Minister of State spoke for seven minutes out of 15, and the debate had to be suspended when she stopped. She did not have it in her brain to keep going for 15 minutes. That shows the interest the Labour Party has in the people. Labour Party Members went up to Meath East to canvass in the by-election and were rejected for their liberal policies. They did not want to know about bread and butter issues. They wanted to talk about gay marriage and whatever you are having yourself. They got their answer. I do not know where they will hide but they cannot hide anywhere. I do not know what vendetta they have against the people.

I heard the Labour Party when it was in opposition. I was over there for some time myself. I fell out with my party because of its policies. I voted for the bank guarantee and it was the biggest mistake of my life. I have regretted it ever since. The Tánaiste used an awful word against the former Taoiseach, although it might have had some merit. What happened when he entered office? He put on the same clothes and continued to support the people he had previously denigrated, perpetrating the biggest cover-up that ever existed in this State. There was a cover-up of the shenanigans and blackguarding that went on with politicians, regulators, bankers, chancers, speculators, the Europeans and the senior bondholders the Tánaiste was going to burn hotter than the fires of hell. Now he has allowed them off scot free in spite of the fact that they had their shady investments insured and they got their money anyway. The Tánaiste wants to penalise the ordinary people of the country. It is shenanigans. It did not happen in Cromwell's time. The Government is just as bad as him.

This is the second Government that is going to do this. I do not know what it is afraid of. I have asked again and again who the Government is protecting. I am talking about this Government, the previous Government and the permanent government, the lads in the State cars and offices with the Ministers, and the lads who escaped the pension levy. No one else escaped it except a cohort of senior civil servants because they twisted the arm of the late Minister for Finance. It is disgusting. Ordinary people had to pay it while they got off with it.

This is a Bill that will persecute people before there is any banking inquiry to examine what the banks got up to. Four years later, there is still no banking inquiry.

This Bill does not protect the family home, which is sacrosanct. The bank can refuse a resolution under a mortgage arrears resolution process. Banks are calling the shots. They wrote the Bill. We see how they move around. I will not mention any names but there was one in the Central Bank who is going back to Lloyds TSB. It is a merry-go-round. Lloyds TSB is the company that allowed Bank of Scotland (Ireland) to rob the country and now it is robbing the British taxpayer. I am going to raise this at the meeting of the Inter-Parliamentary Union and I hope to get some support there.

Complaints to the Financial Services Ombudsman of Ireland could take nine to 12 months. People do not have the time. They cannot put food on the table. This Bill will involve the courts in negotiations. Is that the function of judges? Judges are busy people. They have a job. The separation of Government and the Judiciary must be protected, and we saw the shenanigans

lately with our wonderful Minister for Justice and Equality who wants to torment everyone.

Three hundred thousand people are in trouble at present and more will be in trouble before this Government is finished doling out this punishment. The people are being punished for the mistakes of the bankers. That is the order of the day. I am shocked because the Minister of State, Deputy Perry, has a small business background. He should know well what is going on. He does know but he failed to disclose.

The people have not received any help or bailouts from the State during these unprecedented times. The ordinary people got nothing. That is the preserve of a small few. The Dunne ruling to which I referred earlier that the Government proposes to overturn or ignore is not a legal loophole. It is the law enacted by previous Parliaments.

This Government has an obligation to protect the citizens of the State from eviction. If it fails, who will benefit? The banks will have to house the citizens of Ireland. The State will bear the cost while the banks ride roughshod over corporate governance and individuals' rights. It is unbelievable.

I am in negotiations currently with both the Revenue Commissioners and the sheriff in Limerick, and the blackguarding an ordinary family is getting in west Limerick is disgraceful. Machines can be seized. The sheriff can arrive today, make a deal with someone and come back three weeks later and tear it up, even though he signed his good name to it. In one case he seized the man's goods and chattels and, under Garda escort involving two or three patrol cars, gave them to an auction house in Dublin. That was done without any resistance. It was to show that very sick man that the State can do what it wishes. The blue lights were flashing, no one was resisting and the goods were brought to an auction house in Dublin. The goods were then advertised without VAT being charged. I was told today that under a 1972 Act, Revenue does not have to charge VAT. It is a matter for the auctioneer to charge VAT on his or her profit. The goods can then be sold for half the value. This man's goods were sold last Saturday, but because of the low deposit, they have to be sold again. Revenue does not care. It issues the warrant and the sheriff goes off, and he gets his fat charges. He gets all his money and therefore the misfortunate taxpayer gets nothing out of it. It is downright blackguarding. It did not go on in the days of the Penal Laws. It did not go on when we were trying to get rid of the British and Cromwell out of our country. What is going on here is disgusting.

Our banks do not have a code of practice. The Central Bank has a code of practice but it is useless. It is toothless because the banks are allowed to do this. Many of these repossessions are taking place without a court order. They only have to wave a bit of paper because in many cases the members of the Garda Síochána do not understand what is going on and will not insist that the proper paperwork is shown. Bully-boy tactics are being used. I raised that here last week with the Ceann Comhairle. They are hit men. A third force - a militia - is going out, beating up people and leaving them nearly dead on the road. I have photographic evidence of it. The Minister can shake his head but it is happening. Thankfully, it is being investigated by An Garda Síochána. Many of these people are not even from our country. They are hired from other countries because the Irishman might be known. It is unbelievable.

The Government has protected bankers for long enough. It is time to protect the citizens of this country. When will we decide to protect the citizens?

This Government is allegedly in charge but it is responsible for the growing chaos in the

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country and it will be held accountable for its actions by the citizens of the nation, and by history. The sooner that happens, the better.

Article 41.1 of Bunreacht na hÉireann states: “The State recognises the Family as the natural primary and fundamental unit group of Society, and as a moral institution possessing inalienable and imprescriptible rights”. What has happened to that? We all sign a pledge when we come into this House but where is that now? We are ignoring our Constitution that was fought so hard for and that has served us well for so long.

Article 40.5 states that the dwelling of every citizen is inviolable and shall not be forcibly entered save in accordance with law, yet men are arriving at houses with keys, breaking down the door and changing the locks. A month ago in this city an unmarried mother in this city went to the shop with her child to get a bottle of milk, and when she returned, she met these fellows who were sent out by an insolvent bank that had no licence to trade. When she rang her landlord and he rang the Garda, they fled, having changed the locks and locking her out on the street at 9 o'clock.

Article 40.1 states: “All citizens shall, as human persons, be held equal before the law.” Does the Government intend to pass another law? Its members passed a law at Cabinet last night to deny the unborn the right to live. Why would they not do that when they do not care about the people who are living? All I can say is that they will burn in hell for it. The Taoiseach, Deputy Kenny, wrote to people before the last election pledging-----

An Ceann Comhairle: Will the Deputy stick to the subject?

Deputy Mattie McGrath: I am sticking to the subject. It is all relative, a Cheann Comhairle. We are getting one piece of legislation after another to damn the people. To hell or to Connacht, or wherever. It is unbelievable.

Article 40.1 states:

All citizens shall, as human persons, be held equal before the law.

This shall not be held to mean that the State shall not in its enactments have due regard to differences of capacity, physical and moral, and of social function.

Article 40.3.1o states: “The State guarantees in its laws to respect, and, as far as practicable, by its laws to defend and vindicate the personal rights of the citizen.” The Government has abandoned the people. It has told them to go to the courts, and it is trying to make the judges be negotiators or mediators. A mediation Bill is proposed. There are professional mediators who could help but that Bill will not be moved on because it might upset vested interests in the legal progression.

Article 40.3.2o states: “The State shall, in particular, by its laws protect as best it may from unjust attack “. Article 43.1.1o states: “The State acknowledges that man, in virtue of his rational being, has the natural right”. Article 43.1.2o states: “The State accordingly guarantees to pass no law attempting to abolish the right of private ownership or the general right to transfer, bequeath, and inherit property.” However, here we are at the beck and call of the banks which condemned the Dunne judgment because they say it is a loophole. It is not a loophole. It is the law, and the good Ms Justice Dunne was only upholding the laws of the land, but we will browbeat her.

We are facilitating corrupt, unlicensed financial institutions above the needs of citizens. That is happening every hour of every day in this country. Some months ago I occupied a bank in this city because of the way it treated people in Wexford. They waved a hire purchase agreement at me and told me that was more powerful than any court order. That is the arrogance and contempt they display because they know they will get away with it. The managing director of that particular bank told me and six other people, two of whom had been severely beaten and a boy of 15 who was almost killed on the side of the road.

We are bringing in legislation that will give legal credence to assisting fraudulent financial institutions. That beggars belief. It would not happen in any other country. This must be the greatest banana republic of all time.

Current mortgage agreements are in contravention of the Unfair Terms in Consumer Contracts Directive 93/13/EC. That is a directive of the European Union - then called the European Economic Community - governing the use of surprising or onerous terms by business in dealings with consumers, but we will pass this law and another law just to suit these people. We passed financial resolutions here the night we debated the promissory notes legislation. I spoke against it. I tried to table an amendment. Following the debate I crossed the floor to speak to the Taoiseach, Deputy Kenny, and the Minister, Deputy Noonan. I told them what they had done to Seán Quinn and the other people who had court cases pending against IBRC that they could not continue because of that legislation. Any eejit would know that. A person has a right to go to court but we simply banished that right. Thankfully, Seán Quinn was able to go to the courts because he could afford it and challenge that. It was total nonsense. If I or anyone else had a court case pending, we could not pass a law here to deny the rights of any citizen.

This Government is punch-drunk believing it can do what it wishes at the behest of the bankers, the chancers, the gangsters, the speculators and the people who wreaked havoc on the country. They destroyed the country, and not one of them has been arraigned. The former Minister of State, Ned O’Keeffe, was brought before the courts in full view of the television cameras for some discrepancy involving some €100. I do not know whether he is guilty or not. That will be decided in time.

An Ceann Comhairle: The Deputy should try to avoid mentioning names.

Deputy Mattie McGrath: I have his permission to mention him. He was a good Deputy and a good Minister of State. He had to be dealt with, but we cannot bring the bankers before the courts. We see the merry-go-round that is going on. They are moving between top executive jobs. Another one of them is going off to join Lloyds, and more are coming back here.

We had a case involving two brothers recently, one in the bank and one in the courts. One of them said that what was going on was reprehensible and wrong.

I thank you for your forbearance, a Cheann Comhairle. I will hand over to my good colleague, Deputy Michael Healy-Rae.

7 o'clock

Deputy Michael Healy-Rae: I thank Deputy Mattie McGrath for allowing me some of his time. The Government should have called the Land and Conveyancing Law Reform Bill what it is. Some people in the Visitors Gallery might have just arrived and might not know what the Bill is about. The Government is making it easier for banks and lending institutions to repos-

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sess and take over property and businesses. It is making it easier for banks to take property and homes back from honest-to-God people who work hard and try to do their best. I am baffled at how Fine Gael and Labour Ministers and backbenchers can stand over this Bill given the crisis families and businesspeople are going through at present. It is introducing a Bill making it easier to take property away from honest-to-God hard-working people.

People took out mortgages in good faith. They were being told at the time by those writing in the national press and others to get on the property ladder before it was too late and that they would be left behind if they did not buy then. They did their honest-to-God best and scrambled together whatever bit of money they could. The bankers were jumping out the windows trying to give them the money. What do we have here tonight? After bailing out the banks and the Government doing everything in the world to help and facilitate the banks, we are again going after the vulnerable people. We are again going after the families who are struggling and trying to put food on the table.

I could swear on the Bible that I know people living in homes without electricity tonight. The reason they do not have it is that they are in arrears, cannot pay the bills and their electricity has been cut off. What is the Government's answer to that? On the first day of May, today, it put a carbon tax on coal and bales of briquettes making it impossible for them to be able to buy a bit of fuel for the fire when the winter will come around again. The Government is acting disgracefully. Government Members are a shame and a disgrace. To bring this Bill before the House tonight shows that the Government, because of its massive majority, is holding the people in utter contempt. Government Members have no understanding of how families are struggling to survive, trying to send youngsters to school and buy them books and uniforms. They really cannot manage. They are doing their level best. The Government hit them with a property tax and hit them with water charges. It is trying to plunder the ordinary worker in every conceivable way it can.

Last week a Minister would not use his vote to register his opposition to a banker getting €850,000 a year. How can Government Members try to stand over it? It is ridiculous. They were the people who said Fianna Fáil was wrong and that they would do everything right. The vast majority of the people believed them and thought they had the best interests of the people at heart. If they have, they have a funny way of showing it because they are again hurting the people tonight with the Land and Conveyancing Law Reform Bill. Who thinks up these names, which are beyond belief? Why not call it what it is given that it will hit vulnerable people and make it easy for the banks to repossess property?

Deputy Mattie McGrath: The eviction Bill.

Deputy Michael Healy-Rae: The Deputy is correct. It would be more in order to call it the eviction Bill than the Land and Conveyancing Law Reform Bill. The people will not forget how they have been treated by Fine Gael. They certainly will never forget how they have been treated by Labour. We often hear of politicians who try to dodge elections and would try to put off an election. I would never be afraid of an election any day of the week because we can face the people in an honest and straightforward way but, by God, Government members have a lot to be responsible for. On top of it all - the geniuses that they are - they decided to put a carbon tax on solid fuel at a time when it is centralising functions from around the country to make it impossible for people to access medical cards and student grants. One cannot even get a driver's licence in County Kerry because the Government has centralised that also.

I voice my total and absolute opposition to this. Although I was not in the Chamber, I heard all the speakers who spoke in opposition to this, including Deputy McGrath who gave a great overview of the whole situation. I got under the skin of the Minister of State on another night when I highlighted the broken promises about upward-only rents. The Government parties made all types of promises before the election and the first thing they did was to break those promises just as they have broken every other promise they made. It is the Government of broken promises and shame on all its Members, including those people supporting from the back benches - the silent lambs who support every bit of rubbish the Government comes up with.

Deputy Joanna Tuffy: There has been considerable scaremongering about the Bill, some of which is opportunist, populist and disingenuous. All of the Opposition speakers I have heard in the past hour and 35 minutes I have been here have been guilty of that. Sinn Féin is opposing the Bill. The logical conclusion of that is that Sinn Féin in the North should basically delete the equivalent provision for repossession under mortgage legislation in the North. If that is what it wants down here it should do the same up in the North. Of course, it will not do that because it is in government there. I suppose it is the bad cop up there and the good cop down here. Acting and behaving like that just has no credibility.

Deputy Mattie McGrath was a Member of the previous Dáil as a Member of the main Government party. He only jumped ship from that party over the stag hunting Bill. He supported everything else the Government did back then.

Deputy Mattie McGrath: Untrue.

Deputy Joanna Tuffy: He supported this repossession provision in the law back then.

Deputy Mattie McGrath: Did I?

Deputy Joanna Tuffy: The Land and Conveyancing Law Reform Act 2009 was passed on the understanding that this repossession provision still applied.

Deputy Mattie McGrath: Was it?

Deputy Joanna Tuffy: Sometimes I am in the Chair and I know Deputy Mattie McGrath is a very good speaker, but today he really lowered the discourse. It is wrong to wish that his fellow Deputies should burn in hell, which is inappropriate language. I do not know if it is allowed under the rules. He should show a bit of decency and respect in a democracy.

Deputy Mattie McGrath: I obliged the Deputy by speaking early.

Deputy Joanna Tuffy: That is the freedom of speech within a democracy, but it is wrong to say something like that.

Deputy Mattie McGrath: On a point of order, I spoke 20 minutes early to accommodate the Deputy, who was in the Chair at the time, given that there was nobody here to speak from Labour.

An Ceann Comhairle: Deputy Tuffy is entitled to say what she is saying.

Deputy Mattie McGrath: I am just saying I came in and spoke 20 minutes earlier.

Deputy Joanna Tuffy: He did and we all agreed that he could share his time. However, it is not right in a democracy to use terms he used regarding his colleagues.

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Deputy Mattie McGrath: Does the Deputy think it adds to it to put the legislation through?

Deputy Joanna Tuffy: I do not remember anybody in the then Opposition saying that to the Deputy when he was on the Government benches.

Deputy Healy-Rae also used language that was over the top. He forgot to mention the councillors who were going around rezoning all the land for unnecessary development that was part of the property boom that caused the financial crisis. It is convenient to say it was all about the bankers.

Deputy Michael Healy-Rae: What has that to do with it?

Deputy Joanna Tuffy: It has a lot to do with it.

An Ceann Comhairle: Members should speak through the Chair.

Deputy Joanna Tuffy: Councillors in the Deputy's part of the country were rezoning land that did not need to be rezoned.

Deputy Michael Healy-Rae: Is the Deputy making an allegation against me because I was the chairman?

Deputy Joanna Tuffy: No. I am not making an allegation against him.

An Ceann Comhairle: I ask Deputy Healy-Rae please to allow Deputy Tuffy to speak. He dished it out so now he should let other people reply to his points in the debate. That is the art of democracy. I ask Deputy Tuffy to proceed.

Deputy Joanna Tuffy: I am most certainly not making an allegation.

An Ceann Comhairle: People are entitled to reply to a debate and it is up to me to ensure fair play on both sides. I ask Deputy Healy-Rae to allow Deputy Tuffy to speak without interruption.

Deputy Joanna Tuffy: I am most certainly not making that-----

Deputy Michael Healy-Rae: The Deputy was mad to call to Kerry one time.

An Ceann Comhairle: I ask Deputy Healy-Rae to stay quiet or leave the Chamber.

Deputy Joanna Tuffy: It happened in every county in Ireland.

Deputy Michael Healy-Rae: I think I will leave because I will not listen to this.

Deputy Joanna Tuffy: The Deputy does not like it-----

An Ceann Comhairle: Will Deputy Healy-Rae leave the Chamber?

Deputy Michael Healy-Rae: I will. Eaten bread is soon forgotten.

Deputy Joanna Tuffy: The Deputy does not like it being mentioned. It is not all about the big bad Government and the bankers. A lot that went on in this country led to where we are, including local authority members rezoning land that did not need to be rezoned.

Deputy Mattie McGrath: Mainly in Dublin.

Deputy Joanna Tuffy: It was all over the country but the Deputy is right, it was in Dublin.

The Bill will reinstate a provision for repossession which was always there but, as people have said, was put in doubt by the 2009 legislation and its subsequent interpretation by the courts. When it was passed it was on the understanding that the repossession provision would apply. It is absolutely wrong for people to say it would make it easier to repossess. This is not the case. It reinstates the situation as it was and introduces an amendment which makes it more difficult to repossess. This is the factual situation. If people were truthful about it we could have a much better debate.

This is a country where we have mortgages and people own their own properties. Mortgages are given on the basis of undertakings by the mortgagee to the mortgagor. This is how it works and what underpins the transaction. If we do not have this the entire thing would collapse. We expect people to comply with their undertakings. This is the basis of how our society is organised. What about a millionaire? The point has been made by speakers that some millionaires seem to get away scot free, and this should not happen, but it does not mean we should undermine our entire law with regard to mortgages, which has been in place for hundreds of years. Mortgages are issued on the basis that this is the way it works.

I agree more needs to be done to help people in mortgage distress. Section 2 of the Bill includes such steps as do the personal insolvency provisions. Many people speak about the need to be able to write off debt. The personal insolvency regime allows for this and it is in place. We have also taken many other steps. More needs to be done in this regard.

A few people have mentioned the FLAC submission which we all received by e-mail today. It proposes amendments to the legislation on the basis it accepts the need for the legislation. It does not state it should not happen or that one should not be able to repossess. People came here and spoke about FLAC but do not want the legislation, which is contradictory. FLAC made several points, and I hope the Minister and the Government will examine some of the issues it has raised. I will not go into the detail because I do not have time. FLAC spoke about the two-month period mentioned in section 2(2) and speakers here also raised this issue. I do not know whether FLAC or the speakers noticed that section 2(4) allows for further adjournment of the proceedings concerned where it is considered significant progress has been made on proposals for personal insolvency. Perhaps this needs to be examined further. FLAC has made a number of other points and I hope the Minister will examine them to see whether they are necessary.

Other steps must be taken. It is a statistical fact that we have a low level of repossession in this country and we should keep it this way. I support those speakers in the Opposition who stated this and we should do more to help. There needs to be more State intervention to help people stay in and keep their homes. In 2010 a report was done into market indebtedness which recommended with regard to mortgage interest supplement that the requirement one must be working part-time should be abolished and people working full-time should be able to qualify once they meet the means test requirement. This report, and the Department of Social Protection's review on the mortgage interest supplement, recommend the means test criteria be revised. Neither of these measures were taken. There has been a drop in the number of people qualifying for mortgage interest supplement while at the same time the number of people in arrears has trebled and this needs to be examined.

Deputy Joe Higgins: The Land and Conveyancing Law Reform Bill 2013 is a mean bit

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of proposed legislation to give back to the banks the terrifying power over homeowners who purchased prior to 1 December 2009 and who might have been in a position to benefit from the repeal of section 62(7) of the Registration of Title Act 1964 in that their homes could not be repossessed by virtue of this repeal.

What is extraordinary is that the Government, instead of devising bold and imaginative new ways of dealing with and resolving the huge issue of mortgage distress in the State on the part of homeowners, can only think of one recourse which is to give the financial institutions draconian powers over homeowners even when this can mean people in mortgage distress being evicted from their homes as a result of the disaster which was allowed to develop in the period from approximately 1997 to 2007, what we now know as the property bubble.

What is shown here is that the Government of Fine Gael and the Labour Party is utterly beholden to the banks and, in a wider sense, beholden to the dictatorship of the financial markets which really rule the European Union in terms of financial and economic policy. The Government, like Governments throughout Europe, will tolerate nothing except that the sharks which dominate the markets have all the power they demand over the small fish in the pool.

In this sense the attitude of the Fine Gael-Labour Party Government here towards the massively powerful financial markets on the one hand and the small people on the other reminds me very much of the moral underpinning of the plays of William Shakespeare. In Shakespearean drama anything which threatened the established feudal order and the divine right of kings of the day is seen to bring chaos and disorder, and equilibrium can only be re-established when the small people know their place, which is being subject to the monarchical dictatorship of the day, which has the divine right to rule and does so with a vengeance. This is the underlying policy of all the right-wing governments of Europe at present.

The Labour Party and Fine Gael from their first day in office have ruled on exactly the same basis as their Fianna Fáil predecessors. They prostrate themselves at the altar of the financial markets, the banks and the financial speculators, known popularly as the rulers of the universe, and anything which would challenge this system and anything which would provide a practical solution to the huge problems of debt, and mortgage debt in particular, of ordinary people will not be entertained because there is a veto by the bankers, bondholders and speculators who dominate the financial markets of Europe.

Alternative approaches to this situation are possible. It is possible to implement radical solutions to the crisis of mortgage debt. It would mean writing down to today's prices the value of homes for which ordinary people were forced to pay massively inflated prices during the bubble. Monthly mortgage repayments could then be calibrated accordingly. That would provide a basis for a solution to the horrific crisis of mortgage distress faced by up to 180,000 householders. Naturally, the establishment, right-wing media and right-wing commentators would snort in derision at any such proposal. However, let us examine both the morality and the economics of this situation.

I was a Member of Dáil Éireann from 1997 to 2007, which coincided fairly closely with the beginning of the property bubble, which became the craziness in the Irish property market, up to its penultimate year. Mine was perhaps the only voice in the Dáil that, at many stages over those ten years, raised the issue of the rapid and dizzying escalation of house prices and their effect on working class people.

The government of the day - Fianna Fáil and the Progressive Democrats - was legislating for this and facilitating it in every way. The dominant ruling party, Fianna Fáil, regularly entertained the instigators, and those who benefited from this situation to the tune of billions, in, for example, in the party's tent at the Galway races. In opposition, however, Fine Gael did not once raise a principled objection to the type of profiteering that was having a devastating effect on young working people who needed to put a roof over their heads if they wanted to begin a family or for whatever reason. They were forced into paying these massive house prices, with mortgage terms going from 20 years up to 30 or 40 years. At the time, I cited the example of a young post office worker who related his experience to me. An average new home in the Swords area cost him €375,000 and he was forced to take out a 39-year mortgage. I got a bank worker to estimate that, at an interest rate of 4%, the total repayments of that worker and his partner would be €750,000 over the 39 year period. If interest rates went to 6% the total repayments would be €1 million.

About 50% or €200,000 of the €375,000 sum that young couple were forced to pay for their home would have been sheer profit for the developers, depending on the prices they had paid for the land. To describe it as profiteering would be mild - it was racketeering to an incredible degree, with young working people as the victims. That situation was validated in the media of the day. Those responsible for the situation, including builders and developers, were lionised and glorified in the media, while the politicians courted them. The whole system supported that massively immoral situation.

That generation, who are now in negative equity, has been left with unsustainable mortgage levels as their wages have been cut or they have lost their jobs. Even from a moral perspective they are entitled to expect the State and the Government to make amends for their situation. Therefore, rather than caving in again to the banks in this Bill, which will give banks the right to evict these young victims of the building bubble and the profiteering of that time, it would be better to say that those crazy prices should be written down to today's values and the monthly mortgage repayments should also be written down. At a stroke, that would not only relieve huge distress and pressure on so many people, but it would also free up the literally billions of euro to go into the domestic economy that now go straight into the banks in mortgage payments. It would give a much needed shot in the arm to the retail sector, thus underpinning the jobs of shop and service workers who are suffering so much because of the austerity policy.

A few months ago, when the banks' representatives attended the Committee on Finance, Public Expenditure and Reform, Allied Irish Banks provided some very interesting information. At the time, its total residential mortgages amounted to €41 billion. Some 34,000 mortgage accounts had been subject to forbearance, with 66% of those being interest-only. Therefore, instead of a radical solution we now have a whole cohort of people shackled and imprisoned in an interest-only situation. It will go way beyond the 39 or 40-year limit if this system prevails.

AIB said the quantum of negative equity was €6.8 billion. In other words, to write down the mortgages' total value to today's real value would cost €6.8 billion. Is that so much against the €64 billion that was put into the banks generally? That is the type of radical thinking we need for a solution. It is not possible, however, on the basis of the crazed logic of the system today. It would be possible in a situation where banks and financial institutions were in public ownership, under democratic control and run for the benefit of the majority in society, rather than for shareholders and the elite who dictate policy.

Molaim athló an díospóireacht, a Cheann Comhairle.

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An Ceann Comhairle: Go raibh maith agat. The Deputy will have five minutes left when he resumes the next time.

Debate adjourned.

Organ Donation: Motion [Private Members]

The following motion was moved by Deputy Tom Fleming on Tuesday, 30 April 2013:

That Dáil Éireann:

notes:

— the life-saving and life altering gift that is organ donation;

— the incredible generosity such gifts represent on the part of families of donors at times of great loss, and of those individuals who make their wish to be donors known during their lifetimes; and

— the significant contribution made to the lives of organ recipients by those involved in operating, supporting and advocating for organ donation and transplantation services;

recognises that not only do organ donations offer life-changing outcomes for recipients but also represent the potential for significant savings to the State through reduced dependency on services such as dialysis and other acute supports, as proven in the Spanish and Croatian experiences; and

calls on the Government to immediately devise and implement a multi-pronged approach aimed at improving donation services through legislation that will:

— institute a system where everybody is deemed to have opted-in for organ donation, and if any person opts not to be part of that system they sign themselves out of the automatic donor involvement scheme;

— provide for sufficient numbers of specialised donor coordinators to be put in place in all major hospitals of Ireland to create a national network of expert personnel charged with operating this vital service;

— establish a national donor registry that facilitates engagement among prospective donors and is accessible by all acute hospitals; and

— initiate a nationwide and effective public information and education campaign that will promote the vital importance of organ donation, the very real and life-changing difference it can and does make for so many and, most vitally, the urgent need for an increase in donation levels in Ireland.

Deputy Caoimhghín Ó Caoláin: I commend the 15 Deputies who tabled this motion on

the very important issue of organ donation. It is a timely debate on a pressing health matter that requires concerted and early action on the part of Government.

We need to address the question of organ donation and transplant in its entirety. There is, clearly, a severe shortage of organs for transplant. There is also a severe deficit in the infrastructure for delivering transplants, in terms of personnel, physical structures and funding. All of these shortfalls need to be addressed in a comprehensive manner.

Speaking last week at the Joint Committee on Health and Children, Professor David Hickey, director of the national kidney and pancreas transplant programme, identified the three big gaps in the current system. These are lack of organ donors, poor infrastructure in which our transplant patients are housed and a shortage of transplant surgeons. He said these gaps must be filled by means of increased organ donation, investment and legislation.

The motion focuses on what is called “presumed consent”, a system where all persons are deemed to have opted in for organ donation and they opt out if they do not wish to be donors. As a matter of party policy, first adopted by the Sinn Féin Ard-Fheis in 2008, Sinn Féin supports the “presumed consent” or opt-out rather than opt-in system of organ donation. That reflects our desire to meet the need for greatly increased donations and transplants which, as the motion states, are life-saving and life-altering gifts. That desire is shared by all, whatever their views on the best model of consent for organ donation. I acknowledge that there are differing views on the issue but it is important that we say to each other, irrespective of our disposition, that we are all on the one page hoping to get to a much better place in this regard.

Underlying our position are a number of key principles which we believe should underpin the delivery of health services. We believe that everyone has the right to enjoy the benefits of scientific progress and its application without discrimination. We believe that it is necessary to use regulatory policy to protect the public good including the safeguarding of public health and safety. Everyone has the right to participate in decisions affecting their health and to have their concerns heard. This means that individuals must be empowered to exercise control over their own health and to participate in the decision-making process around health law and policy and, very importantly, people should not be subjected to medical or scientific intervention without their informed consent.

We recall the pain inflicted and injustice done to families in the cases where the organs of children were removed without parental knowledge much less consent. On this basis, we believe that a complete and comprehensive public consultation should take place on the issue of organ donation, in order to canvass clear public and professional support for a policy of presumed consent. We have called on the Irish Government, British Government and Assembly Executive to ensure that the principle of presumed consent will operate only with regard to organs available for donation to other patients and will not extend to reproductive organs, other tissues and organs for research; presumed consent will operate based on the idea that everybody carries a donor card; all persons who have the ability under the current opt-in policy to provide consent shall have the ability to dissent from presumed consent, that is, those who are over the age of 16 years and with legally recognised mental capacity; for children under 16 years of age and those adults lacking legal capacity to consent, the next-of-kin should retain full control over consent, and the opt-in requirement should remain in place; it should be the responsibility of the relevant health bodies to inform comprehensively the public of a presumed consent policy and an information booklet fully outlining the rights of potential donors and their families should be sent to every household and educational institution - this should include the ability to consent or

dissent, how to register officially and opt-out of donating, the legal position regarding children, how organ donation works, how the new process will work in practice and safeguards that will be put in place to protect the public; and an all-Ireland national register on withholding consent to organ donation should be established. This would be automatically accessible to the organ procurement services and managed by the health departments.

The State currently operates under an opt-in scheme. There is no legal restriction on the age at which one can choose to donate organs in the event of one's death but one must carry an organ donor card should one wish to donate, or otherwise register one's willingness to opt-in with a voluntary organisation such as the Irish Kidney Association.

There is no legislation governing organ donations and the law regarding consent and who can provide it is, therefore, unclear. There is currently no legal definition in the State of what constitutes informed consent. In some cases where there is no registered opt-in the medical team may request the next of kin to donate the organs of a deceased person but there is no law governing this practice. Generally, the consent of the next of kin is accepted as valid and a refusal by the next of kin is not contested. Those over the age of 16 may consent to medical treatment and organ donation on their own behalf. Where a person is under this age a medical professional can take consent from the next-of-kin.

All organ donations are coordinated by the national organ procurement service at Beaumont Hospital, Dublin, under the authority of the Department of Health. An opt-in system also operates in the Six Counties. All organ transplantation within the North is governed by the British Human Tissue Act 2004. Transplant NI is accountable to the Six Counties Minister for Health in the Assembly and to the British Parliament through the English Department of Health.

Transplantations occur when a person has died in hospital, usually when brain stem death is confirmed using strict criteria. Consent is needed – either given previously by the deceased making her or his wishes known or being a registered donor through the NHS Organ Donor Register – and a nominated person or qualifying relative can also consent on the person's behalf. As in the Twenty-six Counties a child of 16 years of age will have capacity to consent to organ donation. Where they are under 16, they are governed by the Gillick Competency rule which stipulates that as a matter of law, the parental right to determine whether or not their minor child below the age of 16 will have medical treatment, or opt-in to organ donation, terminates if and when the child is able to understand fully what is proposed. However in practice it is generally the family of the child who have legal power to donate organs.

Research published in 2009 in the British Medical Journal found that donation rates do increase after the introduction of presumed consent systems. That position has been contested in terms of other jurisdictional experience and very particularly to members of the Joint Committee on Health and Children last Thursday by professionals who have a particular and clearly expressed view. However, the British research seems to support the presumed consent approach. The same research showed that legislation, availability of donors, organisation and infrastructure of transplantation services, investment in health care and public attitudes to and awareness of organ donation all play a role.

This latter is an extremely important point. It is far from a one-dimensional issue. Changing the donor consent system is not by any means a panacea. It may form a key part – but still only a part – of a more comprehensive approach. That was well put by the leading transplant surgeon in the country, Professor David Hickey, when he addressed the Joint Committee on

Health and Children. He said:

The other area that will certainly help increase donation rates has been Joe Brolly's initiative re the so called 'presumed consent' or 'opt out' option. Much has been said about the unfortunate wording of presumed consent, and I believe that this has to be removed from the lexicology. The presumption should be that the medical and nursing staff bring the topic to the awareness of the potential donor family to allow them the opportunity to think about this process and decide whether it is suitable for them. It must also be remembered that this is a service to the donor family and immense consolation can be derived from donating. Conversely there is also immense desolation derived from not being afforded the opportunity...

However, it has to be accepted that in the countries that have seen a significant increase in organ donation and this increase has been attributed to the adoption of presumed consent, in reality has been the result of massive investment in both physical and personnel infrastructure.

I wish to lay emphasis on that holistic approach that Professor Hickey has outlined and was at pains to point out to us as members of the Joint Committee on Health and Children last Thursday.

I also pay tribute to Joe Brolly's powerful example and his advocacy for the importance of organ donation, in his instance a living donation which, all too sadly, failed in the transplant that proceeded. He is a voice and an example that needs and deserves all our respect.

Again, I commend the proposers of this motion, which we in Sinn Féin will support. We must address all aspects of this issue, most especially the need for greater resources to be devoted by Government for organ transplant. This would result in significant long-term savings for the State but, far more important, it would save and enhance the lives of so many who would benefit from it.

Acting Chairman (Deputy Tom Hayes): I call Deputy Jerry Buttimer who, I understand, is sharing with a number of speakers.

Deputy Jerry Buttimer: Is it agreed that I can share time with the Deputies on the Acting Chairman's list?

Acting Chairman (Deputy Tom Hayes): Agreed. They are Deputies Patrick O'Donovan, Michelle Mulherin, Dominic Hannigan, Alan Farrell, John O'Mahony, Paudie Coffey, Peter Fitzpatrick, Pat Deering and Paul Connaughton.

Deputy Jerry Buttimer: Deputy Mary Mitchell O'Connor may also be included. I am not entirely sure of that.

Acting Chairman (Deputy Tom Hayes): We are short of time so I will have to keep all of you rigidly to time.

Deputy Jerry Buttimer: It is my privilege to speak on this motion, not least as Chairman of the Oireachtas Joint Committee on Health and Children which had the privilege in the past two weeks of hosting witnesses and kidney and other organ donors and recipients in its rooms. I am very conscious that Joe Brolly and Shane Finnegan have become poster people for organ donation and, as Deputy Ó Caoláin noted, they have raised the profile and created a new template for how we can promote advocacy for organ donation. We must change the cultural at-

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titude towards donation and make it the norm in our country. An opt-out system would require an extensive and well-resourced communication strategy, along with other infrastructure. In the four minutes available to me I will not go through all of that. However, this issue has been debated in many countries and it is time that we, as a Government and as a country, began to look seriously at how we can make changes and increase our rate of organ donation. Countries that have changed to an opt-out system have seen a significant increase in their organ donation rates. Over a three-year period Belgium has seen an increase of more than 100% and Singapore has had a massive 700% increase. Any similar increase here would make a positive impact for those who require a transplant.

Those of us who attended the presentation in Croke Park last night can testify to the improvement a kidney or other organ donation makes to the life of a person who needs and deserves one. If we change to a soft opt-out system we must ensure there are simple and convenient procedures that allow people to opt out. We must also make it possible for people to change their mind at any time. Equally, we must ensure that poor language or reading skills, educational levels or the socio-economic, health or other status of individuals will not limit a person's ability to opt out of the system.

I am pleased the Government has put into the programme for Government this proposal to change to a soft opt-out system, with presumption of consent to donation upon death, unless specifically stated otherwise. I commend Deputy Fleming for his motion and thank him for participating at our health committee hearings. The Minister for Health and his Department have confirmed to us there would be no instance where organ donation would proceed without the consent of the deceased person's family. A person's family will always have the final say, which is the way it should be. This maintains the principle that donation is a gift that will help to change the life of another person. As legislators and Members of this august House, we must help not only to change public opinion and perception but must also lead it so that organ donation becomes the norm rather than the exception.

Equally, I praise Deputy Patrick O'Donovan who recently held a very informative presentation on organ donation given by people from my county, Cork, and from County Limerick. Legislation alone will not solve our shortage of available organs. We have heard this from Jim Egan and David Hickey and others at our committee. We must look at the overall infrastructure, at our systems and how potential donors and their families are encouraged to donate.

I hold up this iPhone to demonstrate that we can all download an e-app which in this era can make it easy for all of us to opt in, even those of us who are technically challenged. I commend the Bill and look forward to further discussions on this issue at the health committee.

Deputy Patrick O'Donovan: I thank and pay tribute to Deputy Tom Fleming for bringing forward this motion. It is an example of what can be achieved in Private Members' time, when motions that really mean something to many people in their lives can be agreed, rather than have some of the political posturing that happens, week in, week out. I compliment Deputy Fleming on what is a very mature motion.

I wish to pay tribute to three people who came to the Dáil last week at my invitation, as Deputy Buttimer noted. The Acting Chairman will be familiar with them: Mr. Michael Kiely, Ms Noreen O'Halloran and Ms Annette Beston. They came to tell the human side of the stories of a person who received a kidney from his sister and another who received one from an anonymous donor. They spoke of the life-changing experiences those people underwent, both donors

and recipients, as well as the persons on the waiting lists. In Ms O'Halloran's case this was her father who undergoes dialysis in a hospital in Cork.

One thing I learned last night at the presentation organised in Croke Park, in conjunction with the GAA and Joe Brolly, is that although there have been almost static numbers of those who donate organs and those who are suitable for transplantation the reality in this country is that rates for procedures such as dialysis are growing exponentially and at a frightening rate. Some aspects we need to address, which are relatively urgent, are to have a national register that makes it easy for people to register, regardless of the opt-in or soft opt-in options, and to have co-ordinators. We must ask ourselves why it is that some small hospitals, such as the one in Bantry, have a great track record in encouraging families at a very vulnerable time in their lives to donate organs. We must ask why this is not the case in the larger and more acute hospitals. There is an interesting piece of work that needs to be done regarding co-ordinators.

I was also struck last night in Croke Park by comments made by those people who ultimately hold people's lives in their hands concerning the standards required and the facilities that are available for the carrying out of organ transplants in Beaumont Hospital. There is no doubt that throughout the great days of the Celtic tiger we left a very poor national infrastructure in place in terms of the facilities that are needed for organ transplant and organ donation.

I compliment Deputy Fleming for introducing the motion. I have invited Members to join an informal all-party working or discussion group on how this can be advanced, outside the hustle and bustle of the health committee. I pay tribute to Deputy Jerry Buttimer for the work he is doing in the committee. I encourage Members to engage in this process because, politics aside, this is something by which we, as Oireachtas Members, can make a real difference to people's lives. I compliment the motion and thank its proposer.

Deputy Dominic Hannigan: I too welcome the motion proposed by Deputy Fleming and am happy we have cross-party agreement on it. A great deal of work has been done in the health committee by Deputies Jerry Buttimer, Ciara Conway and others to progress this scheme and they must be complimented on the work they have done.

The setting up of an organ donation system is a programme commitment of the Government. I understand that work on this has already been commenced, which is good. The next step must involve public consultation. It is important that we give everybody an opportunity to make their views known and to make submissions so we can understand what type of opt-out system would work best in this country.

In the short time available to me, I will outline some figures about donations in Ireland and talk about some e-mails I received from some of my constituents. Last year, there were 78 people who unfortunately passed away but also gave great hope and additional quality of life to other people because they donated their organs. In all, almost 250 people were given the gift of a new organ last year which obviously made not only their lives better but also those of their friends and families. That is not enough, however. Currently there are 650 people on waiting lists for organ transplants, which shows that the current system is not sufficient to deliver the number of organs needed. I have been contacted by various constituents on the issue, including an individual with a lung disease that has much reduced his quality of life. A new drug which could vastly improve his quality of life is unfortunately not yet available. He wants an opt-out transplantation system to be introduced because he has been on the transplant list since last June. Such a system will offer great improvements to many people in Ireland. This motion is

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a step forward and it will give hope to many people.

Deputy Paul J. Connaughton: I commend Deputy Tom Fleming on tabling this motion and welcome the cross-party support for it. Much work has already been done on this issue and the heads of the human tissue Bill are at an advanced stage of drafting. That Bill will deal with the removal, use, storage and disposal of organs and tissues of deceased persons and provide for consent on the use of organs from a living person for transplantation and research. It reflects a timely transposition into Irish law of European Union regulations which came into effect last August.

The need for this Bill is apparent for several reasons. The issue of retaining tissues from deceased babies arose a number of years ago and safeguards must be put in place to ensure proper consent for the donation of tissue. The aspect of the Bill which relates to tonight's debate is its provisions on organ donation. The lack of an opt-out facility for organ donation has resulted in many deaths but while the vast majority agree with the introduction of an opt-out system, the arguments of those who disagree must be considered. It is important that the new opt-out is properly explained and widely advertised because the issue of organ donation only arises in the most difficult and traumatic circumstances.

The number of deceased donors has remained steady over the past ten years, with a small increase from 76 in 2005 to 93 two years ago. Advances in medicine have resulted in an increase in the number of living donors but deceased donors remain key to many types of transplant and consent is therefore vital to the success of the organ transplantation programme. Patients awaiting organ transplants will welcome the EU action plan on organ donation and the strengthened co-operation it envisages between member states after 2015. At a national level we must bring the human tissue Bill before the Dáil at the earliest opportunity so that the opt-out facility becomes a reality and the lives of the many people awaiting transplants are enhanced.

Deputy John O'Mahony: I welcome the opportunity to speak on this motion and thank Deputy Tom Fleming for tabling it on behalf of the Independent Group. I discussed organ donation with the Minister for Health several weeks ago and I am delighted not only that the Government is supporting this motion but also that the Minister has indicated his intention to bring forward legislation to address the issues raised.

I was glad to be able to facilitate the visit of a cross-party delegation of Deputies and Senators to Croke Park. We were invited to Croke Park by the ard stiúrthóir of the GAA, Páraic Duffy, in order to meet Joe Brolly, who is leading an all-island campaign to introduce an opt-out system. Having listened to Dr. David Hickey, Professor Jim Egan and other eminent experts in organ transplantation, I suggest that we cannot afford not to introduce such a system. Evidence from other countries shows that we need to put an infrastructure in place and develop a public awareness campaign.

It is not often one hears a Mayo man praising Joe Brolly but he has led by example on this issue and I commend the GAA for supporting him. The GAA could be a vehicle for persuading Irish people to support the legislation the Government will be introducing in the near future.

Deputy Paudie Coffey: I welcome the opportunity to contribute to this important debate and commend Deputy Tom Fleming on introducing this reasonable and logical motion. I also commend the Joint Committee on Health and Children on the cross-party approach it has taken to this sensitive issue. When I attended a meeting of the committee last week I was delighted

to hear contributions from live donors and people working in the area of organ transplantation. Joe Brolly is a high profile donor but many people around the country have donated organs to siblings and people close to them.

I come from an organ donor family. I tragically lost a sister 23 years ago. At the aforementioned committee meeting I spoke publicly for the first time about my late sister, Ita, who died at the age of 22. My family had to make a tough decision about whether she would donate. I was happy that we decided she would because her tragic loss has resulted in life changing events for two families. A young man her own age and an older man received her kidneys and it changed their lives forever. I am happy to report that my family built a long-lasting relationship with these individuals, who have now become family friends. We have found a sense of fulfilment from our tragedy by offering new lives to others.

I welcome that the Government is supporting the motion. It is important that we appoint co-ordinators for donations in all acute hospitals in this country. At the very least we must establish a donor registry, which is best achieved by means of the soft opt-out option. However, we must also listen to the concerns that have been expressed about such a system. We have an opportunity to work together to provide adequate resources and offer a life changing solution for those who need it.

Deputy Peter Fitzpatrick: The programme for Government envisages the introduction of an opt-out system of organ donation with a view to improving the availability of organs for patients in need of transplantation. The introduction of this opt-out system will mean that the consent of an individual to organ donation is deemed or presumed to have been given, unless he or she registered a wish not to become an organ donor his or her lifetime. However, even though consent will be presumed the family will in practice always be consulted prior to organ donation and if it objects the donation will not proceed. This is known as a soft opt-out system. The Department of Health plans to undertake public consultation on the practicalities of introducing a system of presumed consent. It is proposed that the consultation process will comprise an invitation for written submissions from the public followed by a workshop with key stakeholders.

The most significant issues to be addressed include the difficulty of ensuring the correct identity of individuals in the absence of a national unique health identifier.

8 o'clock

Funding would be required to establish and maintain a robust and secure national information technology system to record a person's wish to opt out of organ donation. Funding would also be required for an ongoing advertising campaign to advise people of their right to opt out of the new system.

The new driving licence application form includes an option for applicants to tick a box if they would like a code to be included on their licence indicating their wish to become an organ donor. However, in keeping with the current legal position, it states that applicants' next of kin will be consulted in the event of any decision being taken on organ donation. Since the introduction of the new type of driving licence on 19 January 2013, some 115 people have indicated that they wish to become organ donors.

Last night, I met Dr. David Hickey, the director of the national transplant centre at Beaumont Hospital, Professor Jim Egan, the overall national director of organ procurement and

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transplantation, Mr. Philip Watt, the chief executive of Cystic Fibrosis Ireland and chairperson of the national donor network, and Mr. Joe Brolly, an organ donor. I commend all of them on the work they have done to date.

Deputy Alan Farrell: I thank Deputy Tom Fleming for introducing the motion. As with previous speakers, I welcome any measure that will result in an increase in rates of organ donation. The reference to “presumed consent” in the programme for Government opened up a conversation on this issue and it is appropriate that the Chairman of the Joint Committee on Health and Children, Deputy Jerry Buttimer, arranged for a discussion of organ donation to take place in the past two weeks.

We stand to gain a great deal from the reform of the organ donation system. Figures from 2011 suggest that, notwithstanding the low level of organ donations, 64% of Irish people would be willing to donate an organ. Ireland is one of a small number of countries in Europe that continue to operate an opt-in organ donation system, the others being Germany, Denmark and the United Kingdom. The introduction of presumed consent is not straightforward, however, and I would be interested to ascertain the Minister’s view on whether the unenumerated right to bodily integrity, which has been found by the courts to be present in Article 40.3.1 of the Constitution, will have an impact on possible legislation. The courts have interpreted the article as inferring the right to “bodily integrity”, which is the inviolability of the physical body, personal autonomy and self-determination of the physical body. I am interested in hearing the Minister’s view on the possibility that any legislation for presumed organ donation would be unconstitutional on that basis.

In practice, the Department of Health would have to provide a robust database and high profile awareness campaign to advise people of their opt-out rights and procedures for availing of them. If we are to invest valuable resources into such a system, it would be imperative to first hold a full consultation process with expert groups before making any legislative changes. I understand such a process is under way. In the United Kingdom, an expert group commissioned to report on the impact of presumed consent recommended retention of the opt-in procedure and the establishment of structures aimed at achieving a meaningful increase in organ donation rates.

I was pleased to hear a principal officer in the Department of Health recognise during last week’s committee hearings that it is not legislation but the infrastructure and systems in place and the way in which potential donors and their families are encouraged to donate that make a difference in increasing the number of donations. Family participation in the discussion on organ donation is essential. While I recognise the considerable work that has been done by a number of organisations and individuals, including Joe Brolly, in encouraging people to carry a donor card, it is high time the State, through the Department of Health, assisted in this process.

Deputy Pat Deering: I compliment the Technical Group, in particular Deputy Tom Fleming, on initiating this constructive debate. This is an example of how the Oireachtas can hold constructive discussions when people think outside the box. While I normally visit Croke Park to watch GAA matches, my visit last night was to attend a discussion on organ donation. I was especially struck by the presentation given by Joe Brolly about whom we have heard a great deal recently in which he highlighted the need for to increase efforts to promote the Opt for Life initiative.

I compliment Páraic Duffy, Ard Stiúrthóir of the GAA and Liam O’Neill, its president, on

taking on the issue of organ donation. The GAA is involved in every community in the country, all which have been affected by the shortage of organ donations. I was approached recently by a constituent whose name was recently added to the list for a heart transplant and who will have to wait until an appropriate heart becomes available. Without a donation, the lifespan of those waiting for a donation may be shortened. As the former county chairman of Carlow GAA, I urge the organisation to do more to try to educate people about the importance of organ donation.

The proposal to adopt a system of opting out is an important one. The reason many of us do not carry organ donation cards is that we are too lazy to bother. For instance, I have not given one drop of blood, which is a matter I must address. The opt-out clause would help us to increase the number of organ donors within a short period. It is great that a life can be saved through organ donation.

Joe Brolly related a poignant story last night about a person who thanked him for the work he was doing before recounting a case where one individual was able to save the lives of seven different people by donating organs. It is important to communicate the benefits of organ donation to help us make progress in this area.

Another important point made last night was that while the cost of transplantation may appear expensive, that is not the case. For example, a kidney transplant costs €74,000 in addition to a further annual cost of €10,000 per annum for patient care. However, a transplant will save an astronomical amount when one considers the costs of dialysis for a patient for a number of years. This is another example of thinking outside the box. Appropriate care must also be provided for patients.

I compliment the outstanding doctors and consultants in the health system, in particular Dr. David Hickey in Beaumont Hospital, on their work. While this initiative is now coming to the fore, Dr. Hickey informed us last night that he is working in Third World conditions in a prefabricated building in the hospital in which the transplant unit is located. This is not good enough in 2013 and the issue must be addressed. While finances are scarce, it is important not only to introduce legislation, but also to provide infrastructure to follow it up. I am pleased to support the motion and compliment Deputy Tom Fleming again on proposing it.

Deputy Joan Collins: I am pleased to speak to the motion and thank Deputy Tom Fleming for tabling it. It is good the Government has agreed to accept it.

I have a personal interest in the issue of organ donation. I attended the meeting in Croke Park last night at which Joe Brolly stated that when the issue of organ transplantation impacts on us at a personal level, it heightens our awareness. One tends to go about one's business without considering the option of giving blood or carrying an organ donor card. However, when the issue hits close to home, one starts to think that it is necessary to carry a card, especially when one sees that transplants can save lives.

We heard poignant words in the audiovisual room last week when speakers addressed Members on kidney transplants. We learned there was a chronic shortage of kidneys in 2011 when only 165 kidney transplants were performed and between 250 and 300 transplants were needed.

What are the next steps? I understand the reason people do not like to discuss organ donation as it relates to what happens to the body after one's death. The legislation, particularly if it encourages people to become donors, will change the thinking in respect of organ donation.

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This is very important, particularly as provision is made for people to opt out. If, for example, a person who is in hospital dies, the consent of his or her family or next of kin will still be required in order for his or her organs to be donated. Co-ordinators are crucial to the process and they have made a massive difference at Beaumont Hospital, where they talk to people and work with families to ensure kidney donations.

I spoke to a few doctors last evening and they indicated that what is really needed is a single transplant unit. This is because the infection which arises in respect of all transplants is the same. If all transplants were carried out under the one roof, it would be fantastic. In that context, reference was made to the conditions in the prefab units at Beaumont Hospital. Those who work in those conditions at that facility are doing tremendous work.

On public awareness, organ donation week took place some three weeks ago. I do not believe that too many people were aware of its passage. We need to put plans in place to get a message out during organ donation week. Perhaps the public broadcasting company, RTE, could do a programme on people who have undergone kidney transplants and the positive things that have happened to them, those who have become live donors and those who have undergone heart and lung transplants.

I am sure previous speakers referred to the model in Spain. In Northern Ireland, an all-party group involving politicians, clinicians and groups which are part of the transplant family have entered into discussions on this matter. In the South, Cystic Fibrosis Ireland, CFI, and other organisations operate in this area. An important first step in the process might be to pull those groups together to discuss what is practical and what is needed. We do not need a debacle like that which took place with the national children's hospital, where the various institutions tried to have the hospital located at their facilities. We need to begin very soon the conversation about what is needed.

I must admit to being somewhat frazzled because I have just returned from the May Day march in O'Connell Street. I take this opportunity to express my solidarity with my former work colleagues in An Post, with the members of the United Left Alliance and with all my friends here. I wish everyone a happy May Day. This year is, of course, the 100th anniversary of the great Lock-out.

Deputy Finian McGrath: I welcome the opportunity to contribute to this important and urgent debate on organ donation. I thank my colleague, Deputy Tom Fleming, and the other Independent Deputies for bringing forward this motion and commend them on it. The motion shows how Independent Deputies can work together in respect of a very important issue such as organ donation. This motion contemplates humanity, the importance of care and the need for support both for individuals who are trying to stay alive and for their families. The bottom line is that we are trying to save lives. This motion is all about life and I commend the Government on accepting it. This is an important decision because it clearly demonstrates that it is possible for us all to unite around sensible proposals put forward by Opposition Deputies.

I was present in Croke Park last night with Deputy Joan Collins and representatives from all the political parties. The event we attended there was a very moving and professional one. We met Joe Brolly, Shane Finnegan and many other amazingly brave people, including Dr. David Hickey and Dr. Rory Dwyer from Beaumont Hospital. The individuals in question made a massive impression on all the Deputies present. They were sincere, professional and had their figures ready. The presentation they made was excellent. Above everything else, however, one

was struck by their sincerity. I was extremely impressed by their presentation. My colleagues from across the political spectrum were both delighted and honoured to be present. When I heard that the Government had accepted the motion, I was absolutely delighted for the families and for everyone who has worked in respect of this matter. I met one particular little girl last evening who had a transplant and I was struck by the amazing and dramatic change which has occurred in her during the past nine months. As I stated, Joe Brolly was at the event, and he had donated a kidney to Shane Finnegan, who was also present. I understand that in the region of 470 people require transplants. This motion is about giving those individuals an opportunity to lead real lives. I take this opportunity to thank the GAA for its magnificent support for Joe Brolly and Shane Finnegan and I commend the organisation on allowing us to use its facilities.

In the context of the economic position, the cost of running the health service is a matter which regularly arises in the presence of the Minister for Health, Deputy Reilly. The cost of keeping someone on dialysis for ten years is €750,000. If that person underwent a transplant, the position would be different. We should all make an effort to become donors. I have been one for a number of years. However, there is a need for public representatives to show leadership in respect of this matter. When one witnesses the impact a transplant can have on a family, then one realises the importance of what is being done.

A number of speakers, including Deputy Joan Collins, referred to the conditions which obtain. We have top quality doctors in this country, such as Dr. David Hickey, Dr. Rory Dwyer and others, but they need our support in the context of the provision of proper infrastructure. We must focus on matters of this nature. We have skilful individuals but we have a difficulty in that there has been an exodus of many of the top medical people out of Ireland. I have major concerns about this matter. We spend millions training these people and suddenly, as a result of the economic climate and issues relating to pay, they are going elsewhere to use their skills. This is an issue we need to consider carefully.

I am very close to Dr. David Hickey, who does a great deal of work with the health service in Cuba. Beaumont Hospital, which is located in my constituency, has many links and is involved in many projects with the health service in that country. People might not necessarily agree with everything that goes on in Cuba but their health and education systems are world class. We can definitely learn something from them. I recall having a pint with a medical student in Havana on one of my visits there. There is no smoking ban in that city but I will not go into that matter now. The student in question told me that as part of his training as a doctor, each summer he is sent into the mountains to work with poor families on a voluntary basis. When doctors in Cuba qualify, they work in the health service and give a commitment to it. This is almost regarded as being a patriotic duty. We have top class doctors and nurses in this country and we should look after and develop them.

One hears a great deal of criticism of the North. If, however, Sinn Féin, the DUP, the Alliance Party and the Ulster Unionist Party can agree on this issue, there is no reason we cannot do so. I am glad that all the parties on the two parts of this island have come together on this matter. "Make Life Your Legacy" is the slogan used by campaigners in this area. A good infrastructure for organ donation and transplantation is in place in the North. There is now a proposal for a modern, fit-for-purpose organ donation system here in the South. We also need a stable donation transportation infrastructure.

It is important that we should learn from what has happened in the North. In that context, on 5 February, the Executive formally announced that it is moving forward with its legislative

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plan. All of the parties in the Northern Ireland Assembly fully support the proposal and it has been endorsed by the British Medical Association, BMA. All the patient groups, including the Northern Ireland Kidney Patients Association, the Northern Ireland Transplant Association, the UK Heart Foundation, and others, support it. An all-party group comprising Assembly Members, clinicians in the relevant fields and leaders of the patients' associations was formed at Stormont on 24 of February 2013 with a view to spearheading the move towards the new system and dealing with all the other relevant issues. Public consultation is to be announced shortly and the Executive's ambition is to have the new legislation in place by the end of 2014. The Assembly is working closely with these groups.

The proposed legislation has two components. The aim is a system that accurately reflects the view of society that organ donation is a good act and thereby maximises the number of donors after death. Under this system, we would all start as donors. Those who do not wish to be donors after death will be able to register their objection by opting out of consideration for donation online. Importantly, this will be a confidential process. Have I gone over time?

Acting Chairman (Deputy Paudie Coffey): No. The Deputy has two minutes remaining.

Deputy Finian McGrath: Even if someone does not register an objection to donation, the family or loved ones will need to give written consent at the hospital in order for the donation to proceed. Therefore, this system is based on informed family consent. It is critical that this central message be communicated strongly and simply to the public to prevent misunderstandings about the new system. The importance of good public education cannot be understated. As such, we all have a role to play in this debate. Last night's meeting at Croke Park played another part. We need to develop that approach and improve our game.

Family consent will be required because organ donation is a sacred gift from one family to another at a difficult time. The new law will enshrine the principle that donation after death is a gift freely given. In turn, this will ensure public support. Under this system, the fact that citizens will decide on whether to opt out will effect a change in society's mindset.

I welcome the debate and the Government's acceptance of the motion. I commend my colleague, Deputy Tom Fleming, who has led on this issue and has brought us all on board. He has shown courage and vision and has sent out a simple and straightforward message, namely, we care about people and must do something for the 470 patients currently awaiting transplants. I commend the motion to the House.

Deputy Seamus Healy: I welcome the opportunity to contribute on this Private Member's motion. I commend my colleague, Deputy Tom Fleming, for introducing the motion and for presenting it in a simple and straightforward way. It brings the topic of organ donation to a new level and puts on the agenda a call for new legislation to ensure the future availability of organs for transplantation. I welcome the Government's decision to accept the motion and I hope it will introduce legislation urgently to implement a new system of organ donation.

Undoubtedly, organ donation is a life saving and life altering gift that shows incredible generosity on the part of families at times of great loss and sadness and on the part of individuals who have made their desire to be donors known. Transplants transform the lives of recipients. As some of the literature on the matter reads, organ donation is the ultimate act of love.

It is important to mention Ireland's proud record of organ donation since it first began in 1964. Transplantations have been carried out in three hospitals, namely, St. Vincent's Hospital

in respect of liver transplants, the Mater hospital in respect of heart and lung transplants and Beaumont Hospital in respect of kidney and pancreas transplants. Since 1964, the total number of deceased organ donors recorded is 2,272 and the number of transplants performed is 5,183. The majority were kidney transplants, followed by heart, pancreas, liver and lung transplants. In 2012, deceased and live donors numbered 78 and 32, respectively. In December 2012, the number of patients on the transplant list was 563, 35 more than at the same point in 2011. The number of donations fluctuated in 2010, 2011 and 2012, with 2010 seeing lower numbers than in previous years. In 2011 and 2012, however, the numbers increased again. All of this places on the agenda the question of a new approach to our system of organ donation, the matter with which this motion is concerned.

Per head of population, Ireland has one of the better records of organ donation, placing us above our nearest neighbour, the UK, where 16 donations are made per million of population. We fluctuate between 18 and 22 donations per million. We use the opt-in system, which is under review. The programme for Government proposes a soft opt-out system, whereby it is presumed that individuals have opted in unless they have deliberately opted out or their relatives indicate their wishes not to donate. Such a system has provided higher numbers of organs for transplantation in other countries. While it would do the same in Ireland, it would need to be placed on a legislative basis. The motion calls for the implementation of a system whereby everyone is deemed to have opted in for organ donation. If anyone opts not to be a part of that system, he or she must sign out of the automatic donor involvement scheme. As such, legislation must be introduced.

Another question is that of the availability of co-ordinators at acute hospital level, particularly in intensive care and accident and emergency departments, to organise this vital service. In other countries, co-ordinators have been found to be the key to an increased number of donations. They must be provided as quickly as possible.

The motion correctly calls for the establishment of a national donor registry that would facilitate engagement with prospective donors and be accessible to all acute hospitals. This element of the scheme would be beneficial. An information campaign does need to be rolled out. The four elements outlined, namely, a soft opt-out system, the appointment of co-ordinators, the establishment of a register and a publicity campaign, are necessary to provide a successful system for this vital service. I commend the motion to the House and I thank Deputy Tom Fleming for introducing it.

Deputy Maureen O'Sullivan: Gabhaim buíochas don Teachta Tom Fleming as ucht an obair a dhein sé ar an ghnó Comhaltaí Príobháideacha seo atá á phlé againn. I will begin with a personal story. Some years ago a young male relative of mine contracted a viral infection when working abroad. The hospital where he was treated identified that he would need a heart transplant at some stage. He came back to Ireland and over the next year or so his physical deterioration was visible. During that time he received various treatments, medication and procedures in the cardiac section of the Mater hospital. Eventually, he had to be taken into hospital because it was identified that he needed a heart transplant. He was connected to machines to keep him alive. When visiting him in hospital during those weeks the care and dedication of the team was obvious. We were also aware that in order for him to get a heart it would mean another person losing his or her life. While hoping for life for him we were also conscious of the implications of that.

I spent a couple of weeks visiting him and then I remember getting a call one afternoon

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from his mother to say that a heart had become available and she asked me to stay with them while they were waiting. I went straight to the hospital. I clearly recall the emotion and tension during the wait while tests were carried out on the heart and various other procedures to see whether it would be a match. Once the word came that it was a match I can remember the rush to get him into the operating theatre. It was about 11 p.m. and we thought we would be there all night but the operation was relatively short and after a couple of hours the surgeon came in to say it had been successful. I would love to say that the story had a happy ending, it did not but he did get about three or four years with the new heart, which gave him a great life, one that he did not have for the previous couple of years when his health was deteriorating. Unfortunately, he passed away in spite of getting a new heart.

Being in that situation made me realise the importance of organ donation. I had always carried a card but that experience brought it home to me how vital it is that we are aware of the need for organ donors. I am conscious of the other lives that might have been saved if more people carried organ donor cards or if families or next of kin knew the wish of their loved ones to donate organs in the event of the situation arising. As the motion states, it is important to emphasise the incredible generosity of families who give consent for donation because it is at a time of great stress and great loss for them.

The motion refers to the Spanish and Croatian experience where there is a cost saving. Apart from the moral and ethical reasons, there is also an economic one. In Croatia, organ donation structures resulted in increased donation rates to 30 per million of the population compared with 18 per million of the population in this country. What is significant in Croatia is the network of hospital physicians responsible for organ donation within intensive care units and also that the legislation there was adjusted to include the opt-out in keeping with Spain, Belgium, Austria and Portugal. The countries that have made serious efforts on organ donation and transplants have seen major benefits, both medical and financial.

This country did have one of the highest rates of donation but, unfortunately, it has fallen. It is interesting to note that in 2010 there was a record low of 58 donations, in 2011 there was a record high and in 2012 the figures were below average at 17% less than the previous year. The first step is to introduce legislation as that is a major way forward. Another step is to intensify a public awareness campaign to address the need for donors. One aspect of that is the opt-in system for organ donation. If a person decides not to be part of the system, he or she can sign out of the automatic donor scheme. Those who do not wish to donate have an opt-out, otherwise they are presumed to have opted in.

According to Mark Murphy of the Irish Kidney Association, even in countries which have the opt-out clause the law still dictates that relatives have the final say and can veto any decision. Presumed consent is not always feasible in practice. If presumed consent is the way forward in this country then citizens must be informed and know as much as possible. A donor should be able to have the satisfaction of knowing that he or she will be a donor if the situation arises. A clear public campaign is needed in order for people to know what they are doing and that it is a very important civic duty. Equally, the campaign must ensure that people who opt out know the position. It must be phrased in language that can be understood by everybody, including those who have literacy issues.

Demand is outstripping supply. Organisations such as Falun Gong tell us of the growing black market for organs. That can be eliminated if we all have the same system of presumed consent. I note that a couple of years ago the Irish Medical Organisation advocated for a hard

mandated choice model which takes away the burden of decision-making from the family. That would help both the family and the medical workers during times of traumatic or sudden death.

The team in the Mater hospital was excellent. I can see the need for more such teams with trained personnel to co-ordinate the donor system so that we have qualified donor co-ordinators in hospitals across the country. It is important to acknowledge the three transplant programmes we have in Beaumont Hospital, the Mater hospital and St. Vincent's Hospital. Because of the increasing pressures on them there is a need to ensure that the work is not just confined to those three hospitals in Dublin. We know the cost effectiveness of organ donation. Treatment for people waiting for organs costs the health care system more than the organ transplant operation so investing in donor co-ordinators would be cost effective.

I read a recent article by Professor Jim Egan in *The Irish Times*. He also made the point about the need for an independent national organ procurement office. If we had different policies on alcohol, drugs and diet we could eliminate some of the need for organ transplants. In the article to which I referred, Professor Egan outlined that there are 685 people awaiting transplants. I know the stress of waiting for a transplant for my young cousin and I can only imagine what those families are going through now as they wait for another family to experience loss and distress so that their loved one will have a chance of life.

I will conclude by quoting Professor Egan:

Organ donation and transplantation in Ireland is at a crossroads. With both the proposed "soft opt out" legislation and infrastructure support there is an opportunity to provide enormous benefits for generations to come.

It is excellent that we have had another experience tonight of across-the-board support for the motion.

Minister of State at the Department of Health (Deputy Kathleen Lynch): I congratulate both Deputy Tom Fleming and everyone who has contributed on the issue. It genuinely shows how we can operate in a very effective way when we co-operate. I speak about both Government and Opposition. It is rare enough that we agree on issues even when they are clearly of benefit to society but when we do it is illuminating and we do it well.

I am responding to the debate on behalf of the Minister for Health, Deputy Reilly. I thank Deputy Tom Fleming and members of the Technical Group for raising this important issue. It is encouraging that there is agreement throughout the House on the motion that is aimed at increasing the number of organs available for transplantation. I was listening to the debate and while it may be a cliché it is nevertheless true that the gift of an organ is the gift of life. Those who receive and those who give benefit in equal measure.

Many Deputies mentioned Joe Brolly and the positive impact of his gesture in terms of increasing awareness of organ donation. Indeed, we must consider organisations like the GAA and the impact they can have. The GAA is in every parish in the country and can have an enormous impact when it gets involved in any issue. Of course, members of Irish Donor Network already host a Organ Donor Awareness Week, which is all about keeping the spotlight on the issue.

I listened with interest to Deputy O'Sullivan's speech. I have an experience from the other side, that of the donor. I agree there is great joy associated with the gift of an organ, whether it

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is a retina, heart, lung, kidney, or in some instances, liver. At the same time, I must commend the bravery of families who make the decision to donate the organs of their loved ones. Having seen that at very close quarters, I know how difficult such a decision is. We speak about issues such as opt-in and opt-out systems but without having had any personal experience of these issues, we sometimes do not realise the difficulties involved in making the decision to donate. Once again, I commend the bravery of those people who have to make such a decision. They make it in the knowledge that there is no hope for their own loved one. They also make it in the knowledge that there are people who are desperately awaiting those organs, which will make an enormous difference to their lives. The most spectacular changes I have seen have been with people who get kidney transplants. There is nearly an overnight change in their condition. It is quite spectacular to see that and to see the joy it brings to them and their families. However, we should never forget the courage and bravery required in order to ensure that this happens.

The Government has recognised that improving organ donation rates is a national priority. That is why the programme for Government contains a commitment to the introduction of an opt-out system of organ donation. The overall objective of this commitment is to improve the availability of organs for patients in need of transplantation. Those who have received organs and who have gone on to have different lives as a result have become very involved in this campaign. Deputy Sherlock and I know a lady, Noreen O'Halloran-Hannon, who is a recent recipient of a kidney and has become hugely involved in the organ donor awareness campaign. Her own personal experience tells her the benefits that organ donation can have. We should not forget those people either. Those waiting on an organ donation are in the need of the gift of life.

Prior to introducing this new opt-out system, the Department of Health will be embarking on a national consultation process on how such a scheme should operate. Of course, changing the consent system alone will not improve donation and transplantation rates. Many times in the course of the debate on this motion Deputies emphasised that consent must be part of a package of measures which will serve to improve the infrastructure within our hospitals to support the teams who already do sterling work in this area. Donor co-ordination, education and awareness about the benefits of transplantation must be part of the package. Deputy Kelleher said last night that he wanted to see a broad-based consultation and information campaign undertaken and research conducted into the most successful methods employed in other countries, a statement echoed by many other Deputies. We know that some countries which have an opt-out consent system do not have good donor rates which indicates that other factors must also play a role. We will analyse practices and patterns of donations in other countries. We will also ensure that the views of the voluntary agencies, through the Irish Donor Network, are an integral part of the process, as their members have a wealth of knowledge and experience in this area.

Deputy Boyd Barrett question whether our air ambulance service was adequate to meet the needs of patients. I assure the Deputy that all of the recommendations made by HIQA in 2011 following its investigations into why a patient was not transported in time to receive an organ donation have been implemented. A national aero-medical co-ordination centre ensures that all transport between hospitals, including transport of retrieval teams for organs, takes place in a timely fashion.

As a nation we have proven many times in the past that we can change our cultural attitudes and adapt to new ways of thinking and working to achieve our health goals. Similarly, the Government wants to see a change in our cultural attitude towards organ donation so that in the future organ donation becomes the norm.

I thank everyone who contributed to the debate in a very genuine fashion. Simply changing the system by which people give their consent will never be good enough on its own, however. There are, for example, very small hospitals in Ireland which have a very high rate of organ donation, while some of the biggest hospitals have a lower rate. That is more than a systems issue. That clearly demonstrates that some people in certain hospitals have a particular interest in this issue and take the time and summon the courage to broach what is a very difficult subject.

Deputy Thomas Pringle: I wish to share time with Deputies Donnelly and Tom Fleming, with the agreement of the House.

I commend Deputy Tom Fleming for tabling this motion for debate, which is very worthwhile and timely. This is something to which we must commit ourselves wholeheartedly. We must commit to changing the system we have for organ donation. I welcome the Government's commitment to initiate a consultation process and I hope that it will commence and conclude sooner rather than later. We must change the system of organ donation with the aim of having an enormously positive impact on people's lives.

The current situation in Ireland is that if one wishes to become an organ donor after one's death, one needs to inform one's next of kin of that intention. Consent is never presumed and even if a donor card has been signed, the next of kin will always be asked for consent for the organs to be donated. If the next of kin refuses that consent, even though the donor card has been signed, the donation does not take place. It is very difficult for the next of kin, who may be in a very traumatic situation, to have to make decisions like that when they are consumed with thoughts of the loss of their loved one. They should not be put in that position and asked to make those decisions at such a difficult time.

Several Deputies made reference to the opt-in or presumed consent system and asked whether it would be viable and would work here. In that context, we must look to the Spanish experience. In 1999, the Spanish introduced a presumed consent system but it did not increase the organ donation rates and did not have the desired outcome. They then realised that they needed a system of informed rather than presumed consent, so that people at all stages of their lives, be they children in school or adults at work, could be informed constantly of the benefits of organ donation. In that way, people became very aware of what the process involved, the benefits to be achieved and they then gave their informed consent. That appears to have worked and to have significantly increased the organ donation rates in Spain, leading to the improvement of so many lives.

During the consultation process we must explain the process fully and explore how informed consent could work in practice. If we do decide to change the consent system and work towards an automatic opt-in system, we must continue with the education process on a constant and well-funded basis. The education programme must work all year round, every year so that we can improve donation rates here.

There are currently 650 patients awaiting transplantation around the country and one deceased donor can potentially help nine other people and have an enormous impact on many lives. We must recognise the value of that and develop a system to greatly enhance and improve it.

One of the hard facts of increased transplantation is that it assists the Exchequer. Figures were given out last night indicating that a patient on dialysis who receives a kidney transplant

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saves the Exchequer in the region of €750,000, which is not insignificant and may be a hard fact to be considered by the bean counters. Perhaps it will make this policy change possible if they can see those benefits.

This has been a very worthwhile debate and we will also look forward to and will participate in the consultation process that is commencing. We will be looking to see how the issue changes. I pay tribute to Mr. Joe Brolly and his selfless act in being a live donor of a kidney to somebody he did not know all that well. He tried to help that person but unfortunately it did not work out. That kind of act has put this issue front and centre, making us all focus on the donation system and the need for developing informed consent. It is a great tribute to Mr. Brolly, and I know many other live donors in the country who may not have the same profile. His action has raised the profile of this issue. We must have informed consent and I look forward to the start of the consultation process and the change it could bring.

Deputy Stephen S. Donnelly: I start by congratulating Deputy Fleming on putting down this very sensible motion. It is fantastic that we have the time in the Oireachtas to raise it. As I examined the statistics of the issue, I was most puzzled by the fact we do not have a donation programme, and it is obvious that this is the right way to go. There is no compunction on anybody to be a donor and it is a very simple psychological switch between opting in and opting out of such action. That is not a criticism of the Government but I am puzzled as to why the Oireachtas has not debated this issue. I am delighted to hear there will be what sounds like a very comprehensive review, and as part of that the Government might examine why something that is so obvious and useful has not yet happened.

I was quite taken by the effectiveness of the opt-out policy. Austria has such a policy and has a registration rate of 99%, which is eight times that of Germany, which operates an opt-in policy and has a registration rate of 12%. There are 24 European countries with opt-out policies, so it is great that this issue has been raised. I am genuinely puzzled as to why it has not happened before, as there is obviously a great need for it. I have examined the figures and only 25% of the population hold donor cards; I hold up my hand, as I do not have one and I will have to get one after this debate. Last year, we had 560 people on the donor list but only 110 donors. It is a no-brainer, as there are waiting times of six to 12 months and our ranking in Europe is pretty bad. We are ranked 24th with regard to heart transplantation, 12th for pancreatic transplantation, 12th for liver transplantation and 15th for lung transplants. There is an obvious solution to that problem and there is a great need for us to improve. I hope that will happen soon.

There has been cross-party support in the Dáil for this process but the public does not seem to share our view. That may be why the rates are so low, and perhaps there has been political self-interest exhibited by Governments over many years that has led to the matter being neglected. A survey was done by *thejournal.ie* just a few days ago on 26 April, and I imagine to Deputy Fleming's credit, it was down to him putting the issue on the agenda. It is interesting as 46% of people indicated we should move to an opt-out policy, 45% indicated we should not and a small margin had no opinion on the matter. It was not a statistically significant sample and it clearly was not randomised but it indicates the responding population was split almost down the middle. There is an interesting disconnect between what we are saying in here and what the people we represent are saying around the country. It sounds like serious communication and debate must happen on the issue, and I was surprised that the public seems to be in no way fully behind such an initiative.

As Deputy Pringle and others have said, the acts of the Gaelic Athletic Association, GAA,

and Mr. Brolly in particular, will go a long way, I hope, in raising the issue. I read in the papers yesterday that the GAA will have a full page in all match programmes throughout the year highlighting the matter, which I hope will be a phenomenal help. The Minister of State and her Government will have to bring the public along on this issue.

I will conclude by congratulating Deputy Fleming and welcoming the Minister of State's comments. I did not hear the Minister of State speak about timelines and it would be great to hear them. It is fantastic that there will be a report, as although it is in the programme for Government, it is not on the legislative agenda; no Bill has been tabled in this regard. I understand the need for a report but it would be great to have a specific timeline. We are approximately halfway through this Dáil and there may be a significant lead time if we take into account public consultation and debate, an expert group process and drafting of a Bill etc. I apologise if such a timeline has already been given but if it has not, perhaps the Minister of State could revert to the House to outline how this may be turned into law.

Deputy Tom Fleming: I will be brief in summing up the debate. Some vital components must be put in place and there is no major cost to the Exchequer in dealing with some of these basic matters. For examples, the establishment of a national organ donor register would encourage more people to sign up and be willing to be a donor. It would be most effective in this technological age, providing a central database that could be accessed by all hospitals. The UK has a similar register, and the country ran a campaign at the beginning of last year to highlight organ donation. Some 157,000 people registered in that instance, although I realise we cannot necessarily make comparisons because of a significant variation in population. It is nonetheless a tremendous response so we should immediately look to forming a register.

A new driving licence format has been introduced, giving an opportunity for people to agree to become an organ donor, designated by the code "115" printed on the back of the licence. The Government is essentially collecting information in this process, which is most important, and it will be a natural starting point for a national database at no extra cost to the Exchequer. Nevertheless, we must not forget that there are many people out there with no driving licence, so we may need to work out other mechanisms to bring in those people in a simple manner. There are people with no access to computers and organ donor cards could be allocated through other ways, including using a prepaid envelope to send details to the register.

We must continue to promote the idea of living donors and reduce the time taken for cross-matching and other aspects involved in the process. I applaud Mr. Joe Brolly for publicly becoming a living donor, as well as the recipient, Mr. Shane Finnegan. Such an act is the ultimate gesture of selflessness and bravery. It is really beyond the call of duty.

9 o'clock

All those living donors who would do likewise are giving people life saving opportunities to live a normal life and they deserve the highest commendation. A high profile person like Joe Brolly is highlighting the issue for the public and raising awareness. He is a well known figure from his involvement in the GAA and what he did is to be highly commended.

We cannot forget the excellent work being done by the coordinators. There are six of them in Beaumont and we must provide more of them. It is an essential service and I hope the Minister will note that tonight and make proposals to develop it.

Given the current financial constraints on the health service, a primary barrier to the devel-

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opment of a successful programme is the requirement for a commitment to additional allocation of both financial and human resources to enable the service to develop and deliver. This will require a number of key elements including investment in infrastructure in the national renal transplant centre in Beaumont Hospital and investment in the development of the transport team, and the reorganisation of general urology services regionally and nationally. The kidney transplant programme is at a critical juncture; development of the programme needs further investment. The investment will result in the doubling of life expectancy of patients with renal failure and will save the health service in excess of €240 million in the next ten years. We should not overlook the financial gains or the new lease of life that is given to those who have been affected. The extension of the kidney transplant programme to cover 250 kidney transplant would result in enormous benefits.

I thank the Technical Group for allowing me to put forward this motion. I also thank Ms Yvonne Murphy, the secretary to the group, for her input and help with this. I am grateful to Deputy Patrick O'Donovan who brought in the transplant expertise group to Dáil Éireann. I approached Deputy O'Donovan saying I had an opportunity to keep up the momentum on this issue and he liaised with the Chief Whip who put me in touch with a very helpful senior civil servant in the Office of the Taoiseach who very generous with his time and services. We reached a consensus across the political divide and I welcome that. We should not make a political football of these sensitive matters.

I thank everyone who contributed over the two nights. The "Healthy Ireland - A Framework for Improved Health and Wellbeing" document was given to every Member today. In the forward by the Taoiseach, the last line is "We are in turn calling on leaders from every sector of society to join us, and help us. By getting involved, by working together, we can make real progress in making Ireland a healthier nation." We have set out, tonight and last night, down that route.

Motion agreed to.

Message from Select Sub-Committee

Acting Chairman (Deputy Paudie Coffey): The Select Sub-Committee on Education and Skills has completed its consideration of the Further Education and Training Bill 2013 and has made amendments thereto.

The Dáil adjourned at 9.05 p.m. until 10.30 a.m. on Thursday, 2 May 2013.

