



DÍOSPÓIREACHTAÍ PARLAIMINTE
PARLIAMENTARY DEBATES

DÁIL ÉIREANN

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

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DÁIL ÉIREANN

Dé Céadaoin, 08 Bealtaine 2013

Wednesday, 08 May 2013

Chuaigh an Leas-Cheann Comhairle i gceannas ar 14.30 p.m.

Paidir.

Prayer.

Visit of Macedonian Delegation

An Leas-Cheann Comhairle: Before proceeding with business, I wish on my own behalf and on behalf of the Members of Dáil Éireann to offer a céad míle fáilte, a most sincere welcome, to a parliamentary delegation from the Assembly of Macedonia led by H.E. Mr. Trajko Veljanovski, President of the Assembly. I express the hope that you will find your visit enjoyable, successful and to our mutual benefit.

Topical Issue Matters

An Leas-Cheann Comhairle: I wish to advise the House of the following matters in respect of which notice has been given under Standing Order 27A and the name of the Member in each case: (1) Deputy Sean Fleming - the need for the third implementation report of the Croke Park agreement, showing the savings in public sector pay and non-pay areas in the period up to 31 December 2013, to be published; (2) Deputy Anthony Lawlor - the need to ensure that the €35 million ring-fenced for recruiting staff to mental health and suicide prevention services will be used in full in 2013; (3) Deputy Pearse Doherty - the need to reclassify Down's syndrome as a low-incidence disability in order that children who have Down's syndrome can get teaching and learning resources appropriate to their needs; (4) Deputy Jonathan O'Brien - the findings of the reports entitled Early School-Leavers - What's Next? and School Completers - What's Next?; (5) Deputy Dan Neville - the bypass for Adare, County Limerick; (6) Deputy John O'Mahony - the plans in place for the further roll-out of the Student Universal Support Ireland grants for the coming academic year; (7) Deputy Brian Stanley - the up-to-date position in relation to the 53 designated SAC bogs in terms of co-location, compensatory habitats, relocation and compensation for turf cutters; (8) Deputy Tom Hayes - the provision of high-speed broadband to South Tipperary; (9) Deputy Aengus Ó Snodaigh - the need to remove the cap on admitting students to Ballyfermot College of Further Education and reverse the changes to

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the teacher-pupil ratio; (10) Deputy Maureen O'Sullivan - the Dublin City Council report that 90% of private apartments inspected in the Dublin area are not fit for habitation; (11) Deputy Denis Naughten - the need to secure protections against excessive financial speculation in the food and other commodity derivative markets through the review of the markets in financial instruments directive; (12) Deputy Thomas Pringle - the need for Letterkenny IT to maintain a campus in Killybegs; (13) Deputy Mattie McGrath - the need to implement the first phase of the national asthma programme; (14) Deputy Clare Daly - the roll-back on the commitment to give GP cards to all those with long-term illness; (15) Deputy Billy Kelleher - waiting lists for outpatient appointments; (16) Deputy Robert Troy - delays in assessing the needs of children with suspected disabilities; (17) Deputy Seán Ó Fearghail - the provision of an honour guard by Óglaigh na hÉireann at the Mass for the annual Arbour Hill 1916 commemoration; (18) Deputy Michael McNamara - whether the regulation of small food businesses represents a barrier to growth and employment; (19) Deputy Aodhán Ó Ríordáin - the need to compile accurate data on the educational outcomes of children in care, as advocated by the Ombudsman for Children; (20) Deputy Caoimhghín Ó Caoláin - the introduction of free GP care to those on the long-term illness scheme and the plan to extend free GP care to the general population; (21) Deputy Mick Wallace - the decision not to introduce free GP care for people with long-term illnesses; (22) Deputy Dessie Ellis - the effects of the cut in the house adaptation grant; (23) Deputy Richard Boyd Barrett - the European Court of Justice ruling on pension protection for Waterford Crystal workers; and (24) Deputy Eamonn Maloney - the new planning regulator.

The matters raised by Deputies Aodhán Ó Ríordáin, Tom Hayes, Dan Neville and Thomas Pringle have been selected for discussion.

Ceisteanna - Questions

Priority Questions

Animal Feedstuffs

1. **Deputy Éamon Ó Cuív** asked the Minister for Agriculture, Food and the Marine the steps he has taken to deal with the fodder crisis; his views on whether the crisis is under control; the number of fallen animals recorded each month this year compared to the same period in 2012; the further steps he intends to take to alleviate the hardship of the present fodder shortage; and if he will make a statement on the matter. [21656/13]

Minister for Agriculture, Food and the Marine (Deputy Simon Coveney): Question No. 1 concerns the response to the fodder crisis in recent weeks that has also been an issue throughout the winter. We had a one-and-a-half-hour debate on it last night, which we will continue tonight. The Deputy opposite posed some questions last night that I will answer today and I think he might find the answers useful.

As I outlined, we are doing a number of things, including a transport subsidy scheme that has been extended for a week and that will facilitate the importation after the Friday deadline of fodder that has been purchased outside Ireland this week. We have an ongoing emergency animal welfare system whereby farmers can ring up a lo-call number and if they cannot afford to feed their animals or cannot find fodder to do so, we will help them to ensure no animal anywhere in the country starves. We spoke about the fertiliser initiative that co-operatives are facilitating by providing interest-free credit for this month to encourage farmers to get fertiliser out there. Teagasc is focusing its advisers on trying to get grass growing as quickly as possible to make up for lost ground. We also spoke about banks' and co-operatives' making credit available, the initiatives that are there, which are constructive and positive, and farm payments, particularly the agri-environment options scheme, AEOS.

I am glad to give the House an update on REPS 4 payments, which Deputy Ó Cuív raised last night. There is no delay in respect of REPS 4 payments for 2012. To date, just over 29,200 of the remaining 30,200 REPS 4 participants have been paid a total of €166 million in respect of the 2012 application period. Over the past week, over 700 REPS participants received a total of €2.2 million in respect of their REPS 4 2012 payment. A further 220 will be paid just under €1 million this week, bringing the total paid close to €170 million under the REPS 4 scheme. This represents a significant improvement on last year's figures, with further payments continuing to issue on an ongoing basis as queries are resolved. In other words, we are genuinely trying to fast-track payments as best we can this year, be they AEOS or REPS. We are well ahead of where we were last year in terms of getting payments out and will continue to put pressure on because I know the stress that many farmers have been under, particularly over the past month, and this continues in many farmyards. Getting payments out on time or early certainly helps to relieve that stress.

An Leas-Cheann Comhairle: The same arrangements apply to Priority and Oral Questions pursuant to yesterday's order from today onwards. There will be six minutes for each question, two minutes for the Minister's initial reply, four minutes overall for supplementary questions and replies and one minute for each question and reply, respectively.

Deputy Éamon Ó Cuív: I did not get any reply on the number of fallen animals. However, I welcome what the Minister said about AEOS and REPS payments. I hope he will get all the outstanding payments out quickly. In respect of the fodder scheme, setting an arbitrary deadline of this Friday is wrong. I ask the Minister once again if he will extend the date to 17 May. Otherwise, co-ops or other suppliers would have to buy fodder that they might not need because they cannot take the chance that they can order and deliver it next week. I ask the Minister to extend the time to 17 May.

There was a 9% decrease in the number of cattle between 1998-99 and now. How is it we are in such a mess now when we were able to handle the situation, seamlessly, in that period?

What are the Minister's plans to help farmers to conserve fodder for next year? He knows that this is already an issue. In particular, is he willing to waive Teagasc fees where these relate to advice pertaining to conserving and maximising the amount of fodder we produce this year?

Deputy Simon Coveney: The Deputy asked for information on the figures for fallen animals. The most up-to-date figures available to me show that at the beginning of May, the total for 2013 is 143,000 fallen animals, compared to 117,000 last year. In the first three months of 2009, there were just under 100,000 fallen animals compared with 106,000 this year. It is

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important to put those figures in context. I acknowledge there have been more fallen animals this year than previously. This is the result of a significant increase of 3.5% in the number of calves being born this year because many farmers are trying to increase their herd numbers. The main reasons are the unusual weather pattern last summer, an unusual autumn and a much longer winter than normal. As a result of the feed problems and the unusual temperatures, animals have been more prone to disease. Their levels of immunity and nutrition are not what they would normally be.

An Leas-Cheann Comhairle: Thank you, Minister.

Deputy Simon Coveney: Are we being allowed the same time for replies as is usual? We seem to be very rushed.

An Leas-Cheann Comhairle: As I announced yesterday, an order was agreed that it would be two minutes for the Minister, one minute for a question and one minute for a reply.

Deputy Simon Coveney: I will come back to answer the rest of the Deputy's questions.

Deputy Éamon Ó Cuív: I will be very brief with the rest of my questions. Does the Minister intend to relax the stocking rules under the disadvantaged areas scheme? As he knows, there is a seven-month period in which minimum stocking must be made. What are the Minister's plans to ensure adequate markets for cattle and sheep this year and in particular for store cattle and light mountain lambs? These would be particularly difficult to market because farmers will not be in the business of buying lambs for grazing. I have a final question in addition to the other two or three which the Minister did not answer. The Minister for Social Protection could come up with €10 million to add one week to the free fuel scheme and she does not seem to have had any difficulty in getting approval from the Government. In the interest of both animal welfare and farmer welfare, will the Minister get approval from the Government for the reintroduction of the suckler welfare scheme this year on a once-off emergency basis?

Deputy Simon Coveney: Sometimes it would seem that the Deputy opposite has never been in government. When the Minister for Social Protection, Deputy Burton, announced the extension of the scheme to which he refers, she found that money from within her own budget.

Deputy Éamon Ó Cuív: Will the Minister find it from his budget?

Deputy Simon Coveney: I have to find any extra money I spend from within my budget. There is no point in taking money from farmers in one scheme to give it under another scheme.

Deputy Éamon Ó Cuív: The Minister needs to prioritise it

Deputy Simon Coveney: We have prioritised it.

Deputy Éamon Ó Cuív: Or else he should get it from the Government.

Deputy Simon Coveney: It is nothing to do with getting approval from Government; I can manage my own budget. We are spending €1 million or so on the transport subsidy. We have said there is no ceiling to what we will spend on animal welfare when farmers need to be assisted in extreme cases. The Department has taken more than 500 calls on the emergency assistance help line. We have directly assisted 100 farmers by intervening to feed their animals. We will continue this policy for as long as necessary.

On the request to extend the fodder scheme beyond Friday, we have already extended it by one week. I am trying to avoid low volumes of hay and other forms of fodder coming into Ireland over a prolonged period and into the summer.

Deputy Éamon Ó Cuív: Why not extend it by seven days?

Deputy Simon Coveney: I ask the Deputy to listen. We are trying to incentivise the importation of large volumes of fodder over a short period of time. Therefore, we are sticking to the date of this Friday. This date already includes an extension. However, if a farmer has proof of purchase of fodder dated before this Friday, we will, of course, facilitate the bringing in of that feed next week and the week after, if necessary. However, I want to know how much feed is being imported, how much the public is subsidising it, so that we know what we are spending. I also wish to incentivise the purchase of as much fodder as we can buy now and to get it into the country as soon as possible. Farmers will be reassured if they know how much will be available. This is the reasoning. It is not the case that I do not want to extend, rather it makes sense to stick to a deadline of this week. We have discussed that with farming bodies and most of them agree with that decision.

Deputy Éamon Ó Cuív: It does not make any sense. I am directly involved with the farming organisations in bringing in the fodder.

Coillte Harvesting Rights

2. **Deputy Martin Ferris** asked the Minister for Agriculture, Food and the Marine if he agrees that a sale of Coillte harvesting rights is now unlikely to proceed. [21654/13]

Deputy Simon Coveney: This question refers to Coillte. I am somewhat limited in what I can say, apart from what I have said many times, which is that the Government made a decision last summer to look in some detail at the viability of the sale of timber harvesting rights currently owned by Coillte. That process has included my Department, NewERA, the Department of Public Expenditure and Reform and the board of Coillte. There have been at least three if not four, valuations of that timber. Other considerations include issues relating to the Coillte pension fund, Coillte debt and the future viability of a company when an asset as significant as harvesting rights is removed. Another consideration is the public asset for which Coillte is responsible and how that may be affected in terms of public access to lands. Also, the broader timber industry relies predominantly on Coillte as almost a monopoly supplier. A total of 80% to 85% of all timber for the sawmills industry comes from Coillte forests. This was a very complex process of considering how we might take this forward and how the State might get value from this asset at a time when money needs to be raised.

Regardless of what other Ministers have said in this House, I wish to inform the Deputy that along with my colleague, the Minister for Public Expenditure and Reform, Deputy Howlin, I will bring to Government a report on the process to date and a set of recommendations on which the Government will make a decision. I hope to do this in the next fortnight.

Deputy Martin Ferris: The Minister for Communications, Energy and Natural Resources, Deputy Pat Rabbitte, stated last week that he believed any sale of Coillte harvesting rights is now unlikely. Will the Minister confirm whether this has been discussed at Cabinet level and if that is the view of the Cabinet? Alternatively, is the Minister stating that the Government may

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yet decide to sell off Coillte harvesting rights?

We have had a number of presentations over recent months. The joint committee also heard a presentation yesterday. The strong opinion of most informed people is that the sale of Coillte harvesting rights would be detrimental and the wrong decision.

The Minister and the Minister for Public Expenditure and Reform must have that conversation because the issue overlaps both Departments. Does the Minister accept that selling off the most lucrative element of the harvesting rights is all that will be wanted by those who wish to buy those rights? In that case, the State will be left with what many people describe as the less lucrative parts.

Deputy Simon Coveney: Deputy Rabbitte said that the probability of agreeing to the immediate privatisation of Coillte looks more unlikely every day. While that may be the outcome, I do not want to predetermine the result of Cabinet discussions. I have always said that we will protect the public asset Coillte manages in any sales process. Selling timber futures or harvesting rights is very similar to selling a crop early, which many farmers do. The State is investigating whether it makes sense from a financial and a strategic perspective to raise and spend the cash in the economy now. The process has been a very useful look at Coillte, its operations and the value of its timber. It has allowed me to put together a comprehensive report and set of recommendations for Government. I do not want to predetermine the outcome of discussions or what the decision will be. The Government said it would not rush into anything without doing all the due diligence. That is what we have done. We are virtually ready to make a decision, which is necessary. Regardless of what decision is made, continuing uncertainty about forestry rights and the future of Coillte is not helpful to the company or the timber industry more broadly. The Government must therefore make a decision soon, which it will.

Deputy Martin Ferris: I hope the Government will be true to what the Minister says and make a decision promptly. I hope also that the Government takes into account Mr. Peter Bacon's report on the sale of Coillte or its harvesting rights and the loss that would represent to the State. It would be folly for the Government to sell off public ownership of Irish timber rights to some multinational or foreign speculator when those harvesting rights could be utilised to develop the industry further. I hope the McCarthy report is not the driving force behind any Government decision when the Bacon report has it right.

Deputy Simon Coveney: The Bacon report is just one of a series of reports. My Department had an evaluation carried out on a *pro bono* basis by Deloitte quite some time ago, while NewERA has commissioned a number of reports on the valuation of harvesting rights, as has Coillte. Different people have different views. It is my job to bring a set of recommendations to the Government based on all the work that has been done, and I am more or less in a position to do so. The issue continues to result in uncertainty in Coillte and the timber industry generally and the Government must get on and make whatever decision it will. That is what we will do in the next couple of weeks, after which we will come to the House to debate and defend it.

Deputy Martin Ferris: When does the Minister expect to have the decision?

Deputy Simon Coveney: Within the next two to three weeks.

Sugar Industry

3. **Deputy Seamus Healy** asked the Minister for Agriculture, Food and the Marine the progress that has been made regarding the re-establishment of the sugar industry here; and if he will make a statement on the matter. [21777/13]

Deputy Simon Coveney: At the outset, I provide the Deputy with the background to this issue. The EU sugar regime underwent a radical reform in 2005 following major EU decisions to restructure the industry. A temporary restructuring scheme was introduced with the aim of reducing EU sugar production. Greencore, the holder of the entire Irish sugar quota, availed of this voluntary scheme, dismantled its facilities and ceased production in 2006. Ireland secured €353 million as part of the reform package, of which €220 million went to beet growers, €127 million to Greencore and €6 million to machinery contractors. Post-reform, production in the EU is now concentrated in 18 member states and the current regime runs from 1 September 2006 to 30 September 2015. There is no mechanism under the EU regulations currently in force which allows for the re-instatement of a quota for the growing of beet in Ireland for the production of sugar. Of course, sugar beet is still grown in Ireland as a fodder crop. While we do not produce as much as when there was a sugar industry, current production is not far off former levels. It is approximately two thirds of what was previously grown.

In 2011, I met with two separate groups which had conducted feasibility studies on re-building a sugar industry in Ireland and putting processing facilities in place once again in anticipation of the ending of the sugar quota regime in 2015. It has been quite clear in the CAP negotiations that, with one or two exceptions, the 18 member states that have sugar industries want to see the sugar quota regime extended until 2020. Along with a number of Ministers from member states that would like to get back into the sugar industry and see the establishment of a freer market for sugar in the EU, I have advocated that we should support the Commission's position, which is to maintain 2015 as the date to end sugar quotas, as agreed. The compromise has been to agree a Council position on 2017 as the end date for the sugar quota regime. The compromise has been welcomed strongly by those who want to re-establish a sugar industry in Ireland. They see it as a timeframe they can work with. We need now to agree with the Commission and European Parliament a final date on which to end the sugar regime as part of the trilogue process to conclude a CAP agreement.

Deputy Seamus Healy: I thank the Minister for his reply. The closure of the sugar beet industry in 2006 was completely unnecessary and wrong, as found by the European Court of Auditors in 2010. I welcome the Minister's indication on the scrapping of sugar quotas. While we had hoped that would happen in 2015, it would be welcome if we could be absolutely sure it would happen in 2017. The re-establishment of the industry in Ireland is important not just for the industry but from an employment perspective as it would mean the creation of upwards of 400 direct jobs. Further employment would be created in the construction of facilities as well as on farms and among agricultural contractors. In Tipperary, we hope that the site just outside Thurles at Lisheen Mine will be used for a processing facility. The county has been hit badly by unemployment over the years. Does the Minister have any information on the site?

Deputy Simon Coveney: I am aware of the ongoing work by Beet Ireland and the negotiations that have been taking place with the owners of the Lisheen Mine site. It is a very exciting project which I would love to see happen. My role as a Minister is to facilitate an end to sugar quotas as soon as possible or, if there is an extension of quotas beyond 2017, to ensure Ireland is allocated a quota to permit the production of sugar to recommence. It is up to commercial operators and organisations such as Beet Ireland to put business plans together to make this work commercially. We must not forget that we will be competing with parts of Europe which

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already have the infrastructure in place to produce sugar very competitively. We will have to spend approximately €300 million to put a plant together. That is expensive and will involve loans that must be repaid.

As long as the international price of sugar remains strong - above €500 per tonne - the feasibility studies from Beet Ireland and others suggest that proposals for sugar production in Ireland are credible. If we can make this project happen, it would be fantastic from a farming, industry, employment and stimulus perspective in Tipperary. We must ensure the numbers add up. The last thing we want is to invest heavily only to find that we are not competitive with other parts of Europe. I consider the project to be doable and will do everything I can to ensure we end sugar quotas in the European Union as soon as possible to allow it to get off the ground if the commercial case can be made, which I believe it can.

3 o'clock

Deputy Seamus Healy: I welcome the Minister's support for the project. I understand building a plant takes two and a half years. There was a suggestion sowing sugar beet could commence in the 2016 season. Can the Minister give us an indication on the finalisation of the quota system and its knock-on effects on these two items?

Deputy Simon Coveney: These are fair questions, but it is important we do not run before we can walk. The first thing we must do is ensure Ireland either has a quota or can produce sugar in the absence of EU quotas. At present we can do neither. After I came back from the Council of Ministers having sought agreement on the CAP, I said sugar production was the most difficult issue on which to get agreement for 2017. There is major pressure in respect of production in 2019 and 2020. People want to extend the sugar quota regime because many countries' industries make a lot of money from it. We will try to hold to the Council position as best we can as the Parliament seeks to push the date back to 2020. We will know by the end of June the final outcome of the negotiations. However, I encourage caution. There should be no decisions made on planting sugar beet crops or other investments until we know when Ireland will have the capacity to produce sugar again and when the sugar regime is likely to end.

Common Agricultural Policy Negotiations

4. **Deputy Éamon Ó Cuív** asked the Minister for Agriculture, Food and the Marine the progress made to date in the discussions on the Common Agricultural Policy between the EU Commission, the EU Parliament and the Council of Ministers; the main issues agreed to date; and if he will make a statement on the matter. [21657/13]

Deputy Simon Coveney: The negotiations on CAP reform have moved to discussions between the EU institutions and an intensive schedule of trilogue discussions with the European Parliament and European Commission commenced on 11 April. Up to today, 11 trilogues have taken place - three each on direct payments and rural development, four on the single CMO and one on the horizontal and financial management proposal. As holder of the Presidency, Ireland is representing the European Council of Ministers in the negotiations.

On the direct payments dossier, we have had a run through of proposals for the basic payment scheme, including the various options for internal convergence, the national reserve and the redistributive payment. We have also discussed the scope and definitions, the provisions on

active farmers, coupled support and the schemes for young and small farmers. On Monday we started looking at the provisions on capping and transfers between pillars.

As to the single CMO, we have looked at the introductory provisions, trade issues and school schemes. We have also commenced an examination of specific sectoral rules, starting with olive oil, hops, apiculture, fruit and vegetables and wine, as well as PGI provisions. Yesterday there was a first discussion on market intervention, exceptional measures and the crisis reserve.

Moving to rural development, we have had a first discussion on the objectives and priorities and have started a more detailed discussion on individual measures. We have examined general and financial management provisions in the horizontal regulations.

In terms of where we go from here, we have planned 34 trilogues between now and the end of June, when we hope to finalise a political agreement between the three institutions on CAP reform. The Deputy will be familiar with most of the key political issues. Significant political decisions are not made in the trilogues. We are working through and setting aside key issues on which the Council of Ministers must make a decision in terms of updating my mandate for negotiation. The Parliament must make its own decision, as must the Commission. That is how it works and this is a tedious and incredibly complex political process. It involves 27 countries, soon to be 28, and three institutions, all of which are contributing for the first time to a trilogues process to try to have a complex CAP reform package agreed. We are making good progress and on schedule to have a final agreement before the end of June.

Deputy Éamon Ó Cuív: Will the Minister confirm a new CAP will not be in place until 2015? If he can confirm this, how many farmers will be left in the agri-environment options scheme and the REPS in 2014? The third related question concerns whether, allowing for the fact that many people depended on the new REP or agri-environment options scheme coming into operation in 2014, the Minister will introduce new one-year agri-environment options scheme in 2014 for those who had a legitimate expectation that such a scheme would be in place in 2014 and were depending on it for a basic income. How many countries are opposed to the concept of a minimum payment under the single farm payment scheme?

Deputy Simon Coveney: The schedule for implementation is that we will try to reach political agreement by June on what the new CAP reform package will look like for the next seven years. The Commission will then spend the second half of the year turning it into regulations to make it real and implementable. Countries will put together plans for their own CAP reform package given the toolbox and the flexibility they will have from the political agreement such as, for example, internal convergence and greening measures-----

Deputy Éamon Ó Cuív: Will the Minister answer the question?

Deputy Simon Coveney: I am answering it.

Deputy Éamon Ó Cuív: The Minister can answer “Yes” or “No”.

Deputy Simon Coveney: Countries will be given 12 months to put new systems in place in order that the new CAP can begin in 2015. The schedule has been in place for the past eight months. If the Deputy had been following what had been happening, he would know that and would not have to ask.

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Deputy Éamon Ó Cuív: I have been.

Deputy Simon Coveney: There is no surprise for farmers. We knew for about eight months that the new CAP would not be up and running until 1 January 2015. The Commission has accepted this. I do not want to be accused of not answering the question. In the past two weeks the Commission has brought forward a proposal on how things will work in 2014, essentially under the old CAP policy but on the basis of a new budget. It will be a bridging year before 2015.

Deputy Éamon Ó Cuív: Will the Minister confirm that there will be a bridging agri-environmental scheme in 2014 for those who were involved in environmental schemes but are not involved in one now? Can the Minister tell me how many countries were opposed to the concept of a minimum payment under the single farm payment scheme? How many countries support the Minister's approach to the concept of greening on an individual basis as opposed to flat application? All farmers have an equal responsibility in that regard. If the proposal is accepted by the Commission as an option, will the Minister have to provide justification for it on environmental grounds before it approves it?

Deputy Simon Coveney: Which option?

Deputy Éamon Ó Cuív: I will ask the questions.

Deputy Simon Coveney: I need to understand them. Which greening option is the Deputy talking about?

Deputy Éamon Ó Cuív: The question is simple. The Minister has an individual option whereby he will pay farmers operating on very good land much higher greening payments than those operating on marginal land. He wants the greening payment to match the existing single farm payment. Would it not be hard to support lower greening payments per hectare on Natura 2000, SPA and SAC sites, compared to the payment made on the best quality non-designated land and land with lower ecological value? Is it difficult to justify the approach of making the lowest greening payment on the land with the highest ecological value in the country?

Deputy Simon Coveney: Does the Deputy expect me to answer all of those questions in one minute? If so, I will try.

Deputy Derek Keating: Twenty questions in one.

Deputy Simon Coveney: With regard to what the position will be in 2014, we must look at what we can afford to do with the available budget. I will make those decisions around budget time. There will be a new rural development scheme post-2015 that will involve environmental schemes and others. Deputy Éamon Ó Cuív always sees this in simple terms of just giving out money and being as popular as he can in doing so.

Deputy Éamon Ó Cuív: That is how farmers see it.

Deputy Simon Coveney: No, that is how the Deputy sees it. We must act strategically with public money and get value for money in how we spend it, whether it be on environmental or other schemes.

With regard to minimum payment, there is an agreed Council position. All 27 countries signed up to providing an option for countries that would not include a compulsory minimum

payment. The Commission wants a minimum payment and the European Parliament has a view that is somewhere between the views of the Commission and the Council. We will work out a compromise eventually. Countries such as Portugal, Spain, Italy, Denmark, Austria and Luxembourg-----

Deputy Éamon Ó Cuív: That is six.

Deputy Simon Coveney: With the exception of Slovenia and Slovakia, 25 countries supported our alternative option for countries. That is the position, regardless of how the Deputy tries to undermine it. He should look at some of the debates that take place in the Council so he can understand the different positions countries have taken. We have a Council position that is representative of what the countries, through their Ministers, want. We must now find a compromise with the European Parliament and the Commission on all of these issues. That is what we are trying to do.

Deputy Éamon Ó Cuív: Is the Minister saying they are all opposed to a minimum payment except two?

Deputy Simon Coveney: I am defending a position that the Council agreed, which was a compromise among Ministers.

Common Agricultural Policy Reform

5. **Deputy Martin Ferris** asked the Minister for Agriculture, Food and the Marine the consequences the current failure to conclude an agreement on the Multiannual Financial Framework will have on proposals to reform the farm payments system. [21655/13]

Deputy Simon Coveney: This is a very good question about the impact a failure to agree the multi-annual financial framework, MFF, might have on the proposed CAP reform. As holder of the Presidency, we are trying to finalise the European budget with the European Parliament, which must approve it, before the end of the Irish Presidency. We are also trying to conclude CAP reform and the Common Fisheries Policy, CFP, reform. Obviously these matters are intertwined because approximately 38% of the EU budget is the CAP budget. It is a very significant amount of money at approximately €370 billion over the next seven years. It will therefore be difficult to finalise a political deal on the CAP if we do not have a clear picture of the budget and how it will work.

We made a great deal of progress in the last few days, when both the Taoiseach and the Tánaiste injected some urgency into the system in terms of trying to find an accommodation between the concerns of the European Parliament and the decision of the European Council on the MFF. We are hopeful that can be achieved by the middle or end of June, which will make it easier for me to secure a CAP deal by the end of June as well. However, even if we do not secure an agreed MFF, I still believe we can agree a great deal of the CAP reform. The MFF is not going to change dramatically. What is under negotiation at present is the budget for this year and how that will be accommodated in the context of a budget for the next seven years.

I am hopeful we will be able to do both. That is the plan.

Deputy Martin Ferris: The Minister suggested that the European Parliament will now negotiate on the budget. Its evident opposition to the proposed 3.5%, which is approximately

€35 billion in cuts to the MFF, has clear implications for the proposals to cut the overall CAP allocation. The majority in the European Parliament has argued that the overall budget must be targeted to promote growth through stimulation. It has also opposed the cuts to the CAP. This clearly sets it at odds with the European Central Bank and with the current German domination in EU policy. It is also clear there is more support for a more radical shift on farm payments in the European Parliament than among the dominant states within the EU. Would the Minister agree that more radical parameters at EU and national levels need to be set for CAP reform in order to win the approval of the European Parliament for the MFF?

Deputy Simon Coveney: The member states that contribute to the EU budget have already made a decision on how much they are willing to spend for the next seven years. That is very unlikely to change. Extra money is required to complete the budget for 2013 and how to deal with that and where the money will come from are under negotiation at present. The European Parliament is also seeking some other flexibilities. Even though the European Parliament would like the budget to be bigger, it is very unlikely that in the negotiations between the European Parliament and the Council there will be a significant increase, or any increase, in the overall budget because of how difficult it was to get prime ministers to agree on the amount of money their countries were willing to contribute to that budget over the next seven years. It is in the flexibilities the European Parliament has been seeking and some of the other policy-related issues it is seeking to influence that we will find a solution. I certainly hope we can do that. Everybody realises that the stakes are very high if we do not.

Deputy Martin Ferris: The European Parliament's proposal was that the minimum payment received by a farmer ought to be 65% of the EU average payments. The initial Commission proposal was designed to move in that direction as well. Will the Minister be open to the renewal of negotiations to bring about such a change, to ensure that a small minority of EU and Irish farmers do not receive a disproportionate share of farm payments?

Deputy Simon Coveney: That is exactly what the negotiations are about, how to redistribute within a country and the flexibility to be given to countries while at the same time ensuring there is significant redistribution. We do not want a figleaf with regard to the redistribution of money. There are people who got a raw deal under direct payments in the past, because of their position during the years when entitlements were formed. For whatever reason they did not have the productivity in those years to be able to build up a decent entitlement. There are also new entrants into farming and young farmers who have very low payments. There are people on very poor land who have very low payments. We must ensure those payments increase quite significantly. However, we must also factor in the reality that many farmers are very productive and are investing in further growth, expansion and innovation. They are using their single farm payment to do that and have borrowed on that basis.

There should not be such a dramatic redistribution that it would fundamentally undermine the productivity of many farmers in Ireland. We are trying to manage the redistribution. Clearly, the more one gets in a single farm payment at present, the more one will be asked to contribute to redistribution and the less one gets at present, the more one will benefit from that. Whether there is a mandatory or voluntary minimum payment is still up for discussion. There are other elements countries will be able to use such as, for example, a payment for the first 30 or 32 hectares. If countries wish to adopt that approach, the three institutions do not have an issue with that. We will know the options we have by the end of June, and this country will have to use the options that best suit the Irish agricultural system. We will have a debate once we know what tools are available to us.

Other Questions

Aquaculture Development

6. **Deputy Michael Moynihan** asked the Minister for Agriculture, Food and the Marine if the temporary restriction on development grants included in the text of the Irish Seafood National Programme is still in place; whether a decision has been taken to reverse the decision in this programme to defer until after 2013 the targets for the increased productive capacity for salmon; and if he will make a statement on the matter. [21497/13]

Deputy Simon Coveney: The Irish Seafood National Programme 2007-2013 is a framework programme under the national development plan covering supports to the seafood sector that are not co-funded by the EU. Most support to the seafood sector is co-funded by the European Fisheries Fund and is covered by the Seafood Development Programme 2007-2013.

Financial supports for the construction, installation and modernisation of aquaculture enterprises are provided by Bord Iascaigh Mhara, BIM, and Údarás na Gaeltachta through the commercial aquaculture development scheme. This scheme was originally part of the Irish seafood national programme, but was moved into the co-funded seafood development programme in 2012 as part of a revision of that programme following its 2011 interim evaluation.

As part of the original development of both programmes, a strategic environmental assessment, SEA, was conducted. During the course of the public consultation on that SEA, the central and regional fisheries boards, now Inland Fisheries Ireland, raised concerns about the possibility of sea lice emanating from salmon farms negatively affecting migrating wild salmon. The Minister for Communication, Energy and Natural Resources supported these concerns. Rather than delay the finalisation of the programmes, it was agreed to exclude marine salmon farms from financial support under the Irish seafood national programme until such time as the sea lice issue has been satisfactorily resolved. This temporary restriction on development grants was included in the text of the Irish seafood national programme, on page 99. There is no restriction on the development of the salmon farming sector itself.

With the transfer of the commercial aquaculture development scheme into the co-funded seafood development programme in 2012, the text of that programme was amended to provide for the continuation of the temporary restriction on financial support to the marine salmon farming sector. The temporary restriction was also included in the eligibility criteria approved earlier this year for the 2013 call for applications under the commercial aquaculture development scheme. The temporary restriction, therefore, remains in place. It remains intact because there are ongoing discussions between my Department and the Department of Communications, Energy and Natural Resources on this issue.

The European Commission has been very clear that it now accepts that the systems in place in Ireland to control sea lice and salmon farms are probably the best anywhere in Europe. As far as we are concerned, the sea lice issue is no longer significant. However, we need to convince

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our colleagues in the Department of Communications, Energy and Natural Resources and the IFI that this is the case. If and when this is achieved, we will remove the restriction.

Additional information not given on the floor of the House.

The Irish seafood national programme included a table specifying targeted increases in production by 2015 for the main aquaculture species, including salmon. Owing to the temporary restriction on financial support to the marine salmon farming sector, arising from the SEA, the programme acknowledged that the targeted increase in production of salmon would be adversely affected by the absence of development support. As that temporary restriction remains in place, the targeted increase in production of salmon continues to be affected. My Department's policy on sea lice controls is strictly evidence based. The control protocols are operated by the Marine Institute on behalf of the State and are more advanced than those operated in other jurisdictions for the following reasons: the inspection regime is totally independent of the industry, data obtained as a result of inspections are published and treatment trigger levels are set at a low level.

In 2008, the State introduced a new pest-management strategy, supplementing the control regime already in place. This has resulted in a steady decline in average sea lice numbers on farmed salmon since its inception. The protocols have been the subject of detailed investigation and testing by the EU Commission in response to a complaint from a member of the public in respect of the effects of sea lice on wild salmon. On 11 October 2012, the Commission closed its investigation of this complaint in the State's favour following its examination of all relevant matters. The Commission has also indicated that it regards the sea lice protocols operated in Ireland as representing best practice internationally.

Deputy Éamon Ó Cuív: Can the Minister confirm whether any money was given to Bord Iascaigh Mhara for the licence and, therefore, the development process pertaining to fish farms in Galway Bay and others in respect of which it is carrying out environmental impact assessments? There is one in north Mayo, for example. Does the Minister agree that if money was given to Bord Iascaigh Mhara to do this, it would at least be in contravention of the spirit of the statement in the Irish seafood national programme?

Deputy Simon Coveney: No. Bord Iascaigh Mhara is a semi-State body responsible for the development of the seafood sector. This includes salmon farming, other elements of aquaculture, wild sea fisheries etc. The body has applied, in its name, to develop a large salmon farm in Galway Bay. As the Minister who makes the decision under licence, I will have a very detailed set of recommendations on the application based on the expertise available to me in my Department and the Marine Institute primarily. We will be making decisions when the recommendations are issued. It is the job of Bord Iascaigh Mhara to seek opportunities in regard to the seafood sector, to encourage the private sector to avail of these opportunities and to facilitate development as an entity in itself. We have not given the body extra resources to do that.

Deputy Éamon Ó Cuív: The money Bord Iascaigh Mhara is using is State money, obtained from the Department; it is not private sector money. It seems strange that the Department will not grant aid a private individual or company to develop a fish farm although it is happy that its money may be used by a State entity to develop the biggest fish farms ever in the country, in respect of which the risk of sea lice will be many times greater than it would otherwise be. Can the Minister confirm this? Can he explain how this is within the spirit of the statement in the programme, whose clear intent was to place a moratorium on the development of fish farms?

Deputy Simon Coveney: No; it was not.

Deputy Éamon Ó Cuív: It seems very Jesuitical to be arguing that it is okay for Bord Iascaigh Mhara to use State money to develop a project while it is not okay to have fish farm development of a much smaller scale on the part of a private entity because of the sea lice issue. As the Minister stated, the exclusion was on the basis of the sea lice issue identified in the environmental impact statement.

Deputy Simon Coveney: Either the Deputy does not understand the policy or he is deliberately trying to misrepresent what it is about.

Deputy Éamon Ó Cuív: I do understand it.

Deputy Simon Coveney: There is no moratorium on the development of salmon farms.

Deputy Éamon Ó Cuív: On funding.

Deputy Simon Coveney: There will be no money available until the restriction is moved for any farm, be it in Galway Bay or anywhere else.

Deputy Éamon Ó Cuív: Money is being given to Bord Iascaigh Mhara.

Deputy Simon Coveney: There is no grant aid available to put infrastructure in place.

Deputy Éamon Ó Cuív: The Minister should have been a Jesuit.

Deputy Simon Coveney: The Deputy is trying to muddy the waters for political reasons, as usual, and is trying to cause division.

Deputy Éamon Ó Cuív: The Minister is the one trying to cause division.

Deputy Simon Coveney: The problem is that the Deputy does not listen and does not want to hear the actual truth. He would much rather create division between people.

I would like to reassure Members in regard to sea lice. My Department's policy on sea lice controls is strictly evidence based. The control protocols are operated by the Marine Institute on behalf of the State and are more advanced than those operated in any other jurisdiction in the European Union. The inspection regime is totally independent of the industry. Data obtained are a result of inspections and they are published fully regularly. We have treatment trigger levels that are set very low by international standards. Therefore, we have deliberately put in place a gold standard in regard to the treatment of lice because of issues that arose in the past that had to be addressed in policy.

There is no moratorium on the development of salmon farms but the licensing system to facilitate salmon farms is rigorous. It will continue to be rigorous, regardless of the applicant, be it Bord Iascaigh Mhara or anybody else. I strongly defend the entitlement of Bord Iascaigh Mhara to use its initiative in trying to develop the seafood industry with a view to creating jobs. This is the thinking behind what it is doing. Whether it gets a licence is an entirely different issue on which I must make a very independent decision.

Horse Passports

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7. **Deputy Derek Keating** asked the Minister for Agriculture, Food and the Marine his plans to introduce a centralised system for horse passports; if horse passports will cover those of certain breeds and who are for export or will every horse in the State be required, like canine registration, to be chipped and hold a passport irrespective of travel, transportation, sale or movement; and if he will make a statement on the matter. [21406/13]

20. **Deputy Derek Keating** asked the Minister for Agriculture, Food and the Marine his plans for passports in respect of horses in the State; if he will outline the terms and conditions of his plans; and if he will make a statement on the matter. [21407/13]

(Deputy Simon Coveney): I propose to take Questions Nos. 7 and 20 together. My response will be technical but I will give the Deputy a more direct response to supplementary questions he might have.

The identification and registration of horses is governed by EU Council Directives 90/426/EEC and 90/427/EEC and Commission Regulation (EC) No. 504/2008 of 2008. The EU legislation has been transposed into national legislation. Regulation 504/2008 came into effect in July 2009. It provides that if an equine animal has not been identified within six months of the date of its birth, or by 31 December in the year of its birth, whichever date occurs later, it cannot be admitted to the food chain. It also provides that all equine animals registered after that date must be identified with a passport and a microchip. However, equines identified prior to that date in accordance with EU regulations then in force are not required by EU legislation to be microchipped, and it is not open to me to impose such a requirement on them.

With regard to the issuing of passports, Regulation No. 504/2008 provides that, in the case of horses that qualify for registration with a breed society, the passport must be issued by the relevant breed society. At present, nine passport-issuing organisations are approved to issue passports in Ireland, although some have been suspended temporarily.

I announced in March that I would like to see the establishment of a single passport issuing organisation. I noted, however, that this would necessitate an amendment to EU legislation. Subsequently, the EU Commission published an action plan for dealing with the fall-out from the horsemeat issue, indicating that it intended to submit a proposal to the agriculture Council of Ministers and the European Parliament to amend existing legislation to provide that competent authorities take over responsibility for issuing passports. A formal Commission proposal is expected in the second half of 2013. I will move to the final stage in the establishment of a single passport-issuing agency once EU legislation provides me with the overarching legal base to put this into effect. In the meantime, my Department is engaged in discussions with the passport-issuing agencies with a view to enhancing the controls on passports at all stages of the process, including veterinary certification, quality of the paper used and security features. In line with a commitment I gave earlier in the year, my Department has taken significant steps to establish a central equine database on the animal identification and movement, AIM, system. Data for over 70% of equine animals registered with the passport issuing organisations since 1 January 1980 were downloaded onto the central database in recent days. The central database will include information from records obtained at slaughter plants, knackeries, sales and live exports. The information on the central equine database will be used by my Department's veterinary staff to supplement current checks at slaughterhouses, in particular that horses presented for slaughter have been correctly identified and are eligible for slaughter and the human food chain.

I am satisfied that I have acted swiftly, as I promised I would do, to deal with the issues aris-

ing from the equine DNA issue.

Deputy Derek Keating: I thank the Minister for his comprehensive reply. A major problem has arisen in parts of my constituency, Clondalkin and Lucan, and in other urban communities in recent years in regard to wild and uncontrolled horses. I have had the sad experience of witnessing the removal of dead horses on a number of occasions. It is a problem that is not going away. While many groups in my area have, because of their special love of horses, taken an interest in this issue, ultimately, it is left to the local authorities to deal with it. It is a costly and time consuming exercise and requires ongoing security when horses need to be impounded, etc.

With regard to the illegal export of horses for the food chain, I take the opportunity to congratulate the Minister on his work in this area.

An Leas-Cheann Comhairle: A question, please.

Deputy Derek Keating: I have a couple of questions for the Minister. Is he and the Minister for Justice and Equality satisfied that there is sufficient legislation in place to deal with the issue of uncontrolled and wild horses? In terms of financing, how is it proposed to address this issue? Will local authorities continue to be burdened with the cost in this regard? On the sale of horses within the State, will the exercise of this control be obligatory? For example, will the proposed system be similar to that in place for the registration of a car or a truck?

Deputy Simon Coveney: Uncontrolled horses present an issue, as do abandoned horses. The number of horse owners has reduced dramatically in the past five years. Many people bought horses either for themselves or their children when they could afford to do so. One of the consequences of the recession is that many people can no longer afford to keep horses. In some cases, this has resulted in the abandonment of animals. Another issue is that of people who own horses but do not own land and are using public land on which to graze them. In many cases, there is not sufficient grass available for them, particularly this year.

I have been involved in a number of extreme horse welfare cases in Cork city, in which the Department had to intervene and put down a number of animals because of the condition they were in and in which horses had been found dead in fields in urban areas, which is totally unacceptable. Some of the horses were taken to the horse pound, reclaimed by their owners and found for a second or third time in an emaciated condition, which is also totally unacceptable.

The Animal Health and Welfare Bill 2012 which some Members may have been involved in amending and which, following approval by the Seanad, will be enacted introduces significant new powers in holding animal owners to account. Also, we are providing additional funding for local authorities to microchip impounded horses. This will ensure, should horses be claimed and we need to prosecute in the future, that we will know who owns them. This is about holding people to account in terms of their responsibilities in animal ownership. They need to know there are consequences for the abuse or abandonment of animals. Developing systems to manage the problem of uncontrolled or stray horses is a delicate process because one must balance people's right to own an animal and all of the benefits that come from this with ensuring animals are not abused.

Deputy Derek Keating: I thank the Minister for his understanding of the problem which people in my constituency and other urban areas are experiencing. I appreciate that the new legislation will be of great assistance in holding animal owners to account. I also welcome the Minister's announcement that additional funding will be provided to assist local authorities in

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addressing this issue. The Minister referred to the use of microchips in endeavouring to control this problem, which I welcome. I thank the Minister for engaging in this subject and his satisfactory reply.

An Leas-Cheann Comhairle: I will allow brief supplementaries from Deputies Anthony Lawlor, Pat Deering, Thomas P. Broughan and Mick Wallace.

Deputy Anthony Lawlor: The Minister has stated that among the information stored on passports will be information on drugs administered to a horse and, where necessary, a veterinary stamp indicating the animal is not fit for human consumption. Has account been taken of drugs which could be out of the blood stream prior to an animal being passed fit for human consumption?

Deputy Pat Deering: I welcome the additional funding provided to assist local authorities in dealing with this issue, which is a problem in every local authority area. Does the Department of Agriculture, Food and the Marine communicate with local authorities on how best to alleviate it? Also, how many horses, without passports, are there in the country? Would it be worth considering an amnesty for the owners of horses without a passport in order to alleviate the problem? Come next winter, the same problem could arise again.

Deputy Thomas P. Broughan: I too welcome the Minister's announcements on microchipping and passports. When I first raised this issue with him last autumn, I was struck by how little he knew about the horse industry.

Deputy Derek Keating: Come on.

Deputy Thomas P. Broughan: The Minister could not give me an answer.

Deputy Simon Coveney: To what question?

Deputy Thomas P. Broughan: The Minister did not know how many horses were slaughtered, the level of exports, production levels in different slaughterhouses and so on. He did not have a clue.

Deputy Simon Coveney: The Deputy never asked me those questions.

Deputy Thomas P. Broughan: They are on the Dáil record. It is shameful, given the role of the horse in the agriculture sector and our culture generally. What is the timeframe for the introduction of microchipping? Will the racing industry which we continue to subsidise considerably make a contribution towards the protection of horses?

Deputy Mick Wallace: How does the Minister respond to the statement by Dr. Thomas Reed of The Warmblood Studbook of Ireland, one of the organisations approved to issue horse passports, that the proposed database is a creature of political necessity and will be a band aid effort, rather than the response needed to protect the food chain, that the database will not improve human health or stamp out fraud and that new control measures and regulations are required?

Deputy Simon Coveney: I will respond first to Deputy Mick Wallace's point on the statement made by Dr. Thomas Reed. He is not the person who decides on policy in Ireland. However, he is correct that the database will not solve all problems. However, I never claimed it would. We are introducing a database because it is the right thing to do and we said we would

do so. We want to have a handle on the numbers of horses in Ireland. In time, every horse in the country will be microchipped and have a passport. This will ensure we will have the same knowledge of the horse sector, in terms of the types of horses owned, where they are and who owns them, as we do of the beef sector. That is the reason for having a centralised database. I want to go further, which is what I believe people like Dr. Reed would like me to do. We also want to have a centralised body for issuing passports in order that we can impose the controls and standards required in terms of the need for accuracy. Some of the current issuing bodies are very good at what they do. Some such as Weatherbys, Horse Sport Ireland - I do not want to pick and choose between the two of them - and others do a very good job and we will be working with them but, ultimately, I want my Department to have central control of the standards for the issuing of equine passports, microchips and any other identification systems we may introduce. I have said clearly in my answer today that once the European Commission gives us the green light to do that, we will press ahead and do it. It will bring forward a proposal to change EU regulations in this area to allow us do that in the second half of this year.

Deputy Broughan is clearly a great horseman. I do not recall not being able to answer questions he asked.

Deputy Thomas P. Broughan: The Minister has no answers or figures.

Deputy Simon Coveney: All I can do-----

Deputy Thomas P. Broughan: The Minister does not even know how many animals there are.

Deputy Simon Coveney: -----is stand over my record in terms of responding to a horsemeat crisis that became a European crisis that began in Ireland and I think we dealt with that in a professional, detailed and very accurate way.

Deputy Thomas P. Broughan: I am talking about the substantive issue.

Deputy Simon Coveney: The substantive issue is what?

Deputy Thomas P. Broughan: It is the animals and their welfare.

Deputy Simon Coveney: Yes, it is, which is why we-----

Deputy Thomas P. Broughan: The Minister knew nothing about it. He could not even give me the information.

Deputy Simon Coveney: For a man who is so concerned about animal welfare I do not recall one contribution he made on the Animal Health and Welfare Bill which was debated in this House for about ten hours.

Deputy Thomas P. Broughan: I am not allowed to speak on Second Stage.

Deputy Simon Coveney: The Deputy probably did not even know it was being taken.

Deputy Thomas P. Broughan: The Leas-Cheann Comhairle knows that and so does the Minister.

Deputy Simon Coveney: If the Deputy was concerned I am sure he would have made contact with me informally.

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Deputy Thomas P. Broughan: I did. I tried my best.

Deputy Simon Coveney: The Deputy is a bluffer on this issue and that is the reality.

Deputy Thomas P. Broughan: I have asked the Minister questions which he has not answered.

Deputy Simon Coveney: To answer Deputy Deering's point, there was in effect an amnesty in Ireland when the new requirements on passports and microchips were introduced to give people a chance to catch up with that new regulation. We cannot introduce another amnesty. The rules are the rules. Everybody understands, or should understand, the rules at this stage. We need to educate people and implement them. Getting a microchip and a passport for a horse is not a particularly expensive process. We must be clear and uncompromising in terms of imposing the rules and regulations.

On the use of drugs in horses, testing can be done in factories, as we do for phenylbutazone in particular, to ensure horses do not go into the human food chain if they should not go into it. That is because "bute" remains in an animal's system for many years once it has been applied. The reason we only use "bute" testing is that it is a test to determine whether animals have been given veterinary medicines that may be inappropriate to enter the human food chain. However, I will examine what the Deputy requested, namely, whether there are more detailed and comprehensive tests that could be used in an affordable way to try to screen horses more directly because there is a problem now in Ireland in terms of what to do with sport horses that have been treated that are reaching the end of their days. The number of horses that have been going to knackeries has significantly increased. That involves a cost for the owner rather than the opposite being the case, namely, getting payment for a horse if it is brought to a factory for processing for human consumption.

Animal Welfare Issues

8. **Deputy Bernard J. Durkan** asked the Minister for Agriculture, Food and the Marine the degree to which animal welfare requirements continue to be met with particular reference to the extent to which his Department and the relevant local authorities have joined in their efforts to ensure that farmers who are required to undertake expensive development costs in the course of meeting the animal welfare criteria laid down in the pig and poultry sectors, are treated in a reasonable manner in respect of compliance with approval in respect of buildings that are in accord with plans to the nearest square metre and that local authorities are not expected to issue confirmation to this effect other than in the normal way; and if he will make a statement on the matter. [21513/13]

(Deputy Simon Coveney): With regard to planning matters, the Deputy will be aware that these are the responsibility of my colleague, the Minister for Environment, Community and Local Government. However, I am aware of the challenges faced by farmers in respect of new developments to meet animal welfare directives and my Department has been working with all stakeholders to ensure that this transition goes as smoothly as possible.

New EU animal welfare rules setting down new standards on the housing of sows came into force on 1 January 2013. My Department introduced a targeted agricultural modernisation scheme, better known to farmers as TAMS, for sow welfare in June 2010 in order to assist pig

farmers in converting existing pig units or constructing new units to comply with the requirements of this directive. I introduced a revised TAMS sow welfare scheme in July 2012. The revised scheme increased the previous investment ceiling of €300,000 per holding to €500,000 per applicant for the first sow house; a further amount of €300,000 for each of the next three houses was also introduced. A total of €13 million has been allocated to this scheme under the rural development programme. It follows two earlier schemes in 2005 and 2007 and payments of €6.2 million have already been made to pig producers.

A significant number of pig producers have undertaken the necessary work required to upgrade their facilities in order to comply with the new rules. The deadline for receipt of valid applications was 3 May 2013 and all work under the scheme must be completed by the end of September 2013.

With regard to the poultry sector, the enriched cage production system, which prohibited the sale of eggs produced in older un-enriched cages, was introduced in January 2012. Some €16 million was allocated through the TAMS, under the aegis of Ireland's rural development programme, to assist existing producers to convert their production systems. The deadline for completion of work was the end of September 2012 and, to date, more than €11 million has been paid out to farmers under the scheme.

In conclusion, I am satisfied that my Department has made substantial resources available to the pig and poultry sectors to enable producers in these sectors to comply with EU legislation in the animal welfare area. In addition, both I and the Department are in regular contact with farm bodies and various banks concerning the availability of credit to pig and poultry farmers. Farmers who are not satisfied with the service provided by their banks can ask for an internal review by the bank but I would also encourage them to talk to my Department because I would like to hear if they are not getting the kind of treatment they need to get from their banks at the moment.

Deputy Bernard J. Durkan: I thank the Minister for his comprehensive reply, for the work he has done under the animal welfare headings and the support he has given to farmers in the pig and poultry sectors. Farmers who are actively trying to comply with the September deadline and are well on course to do so find themselves at slight odds with the local authorities in terms of planning permission and often the devil can be in the detail. The old standard that is applicable is that if a development is largely compliant with the design submitted to the planning authority, that is acceptable and can be signed off by a competent architect or engineer. This apparently is not acceptable to the Department of Agriculture, Food and the Marine, which has required a certificate from the local authority, but the local authorities do not provide that in respect of any development. The Minister might engage with the relevant sectors to find out what exactly is happening because an administrative blockage is resulting unfortunately in a more serious one to the effect that some sow owners have been threatened with the possibility of not being compliant with regulations and may have to forego their farm support grants even though the September deadline has not yet been achieved.

An Leas-Cheann Comhairle: I call the Minister for a final reply.

Deputy Simon Coveney: We are trying to be as helpful as we can to the pig sector in particular. What is being asked of farmers here is to move from an intensive, essentially, tethered system for sows to loose housing for breeding sows, which is a welfare issue. This is not before time, it should have happened years ago. In some countries in the European Union it did hap-

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pen years ago but the capital investment required to do that is significant for many farmers at a time when those in the pig industry has had a pretty tough few years in terms of the price of feed in particular and some margins have been very tight. We are trying to be as helpful as we can by maximising the grant aid and we have increased it as I outlined. If there are other issues around planning or approvals in terms of engineering certificates or whatever that are a blockage in the system, perhaps the Deputy could give me the details of those and we can talk about the matter afterwards, but I would be anxious to try to facilitate this because we are trying to keep as many pig farmers in business as we can. We will lose some because of these changes but I hope it will be a very small number because this is an industry we want to grow and expand. Perhaps the Deputy could give me some details on this and I assure him we will follow up on it.

Written Answers follow Adjournment.

Topical Issue Debate

Children in Care

Deputy Aodhán Ó Ríordáin: Ba mhaith liom mo bhuíochas a ghabháil leis an gCeann Comhairle as ucht seans a thabhairt dom an ábhar seo a chur faoi bhráid an Aire. I am delighted that the Minister for Children and Youth Affairs, Deputy Frances Fitzgerald, is here to discuss this issue. I express my disappointment, however, that this House will be debating the X case legislation for the next two and a half months, during which time parliamentary party meetings will be convulsed in heavy debate and we will all be under intense pressure to deal with an issue that has dogged us for 20 years, yet when a problem pertaining to 6,300 children in care and their educational needs arises, there is only one backbencher - me - to raise it. I find the hypocrisy galling and odious.

I refer the Minister to the report published yesterday by the ESRI, commissioned by the Ombudsman for Children, Ms Emily Logan, Education of Children in Care in Ireland: An Exploratory Study, which details some of the difficulties children in care have in maximising their educational potential. The Minister is well aware of some of these difficulties such as attitudinal barriers on the part of teachers and principals, placement breakdowns, inadequate care planning, as well as delays and shortfalls in assessment. The Children's Ombudsman has said she was shocked at the lack of adequate information on schooling for children in care. She said, "When encountered, these challenges place children in care at higher risk of suspension, exclusion, absenteeism and early school leaving." It seems there are no data on this issue within the Minister's Department, the Department of Education and Skills or the Department of Health. In my experience, where there is cross-departmental responsibility, problems such as this fall through the cracks.

In respect of data collection and research, the report states: "A mechanism needs to be established for systematic gathering of data on the educational experiences of children in care in order to inform evidence-based policy making". We cannot have a policy on the education of

children in care and how to maximise their education potential unless we know what we are dealing with.

There are some good new stories within the report. There is evidence to suggest that when children in care are placed in foster families and experience a stable family background, they can achieve their potential and do quite well. Without the essential data, however, and the required information as outlined in the report, or unless some scientific research is conducted on the educational experience of all of these 6,300 young people in the system, we cannot plan properly for the future.

These are the most vulnerable children in the education system. That is an oft-used term, but these children have been placed in care because of dysfunction in their own families or other particular family situations and they need the education system more than anybody else. Education is the great liberator. It is the only thing that can change one's life, regardless of what happens, whether one is placed in care because of a family breakdown, or one's relationship breaks down, one falls sick or loses one's job. Education is the one thing that will always rescue someone and ensure he or she always bounces back. If we have no data on what is happening to children in care and if we are not digging deep into the reasons they are falling out of the system and underachieving, that is a major failing on our part. Is the Minister aware of the report and, if so, has she read its findings and is she prepared to act on them?

Minister for Children and Youth Affairs (Deputy Frances Fitzgerald): I have just received it. I welcome the research conducted in the report, *Education of Children in Care in Ireland: An Exploratory Study*, commissioned by the Ombudsman for Children, Ms Emily Logan. The educational outcomes of all children are matters for my colleague, the Minister for Education and Skills. Monitoring issues relating to educational access and attainment are policy matters for that Department. Notwithstanding this, in cases in which the State is providing alternative care for the child, it has the role of the parent in supporting any child or young person in his or her academic endeavours, as in all other aspects of his or her well-being.

It is true that more information would assist in assessing the challenges for children and young people in care and how to maximise their outcomes across a range of indicators of their well-being. Education is one of these important indicators, a point on which I totally agree with the Deputy. It is also worth noting that the group of children under discussion is a cohort and as such, it is not static, with children moving in and out of the care system on a regular basis, which makes the process of tracking their progress complex. This needs to be recognised. The HSE compiles regular performance reports which include statistics for children in care in education. Since my appointment as Minister I have been making the point that the Deputy makes: how can we plan policy if we do not have proper statistics and data? I was appalled at the lack of some of the data I had sought in the early months after taking up my post. Some of the data I had sought was not available. I have asked for more performance indicators and that more information be obtained. That is happening and we must develop it more and more.

Children in care were hidden. They were out of public sight and there was not enough information on them. Thankfully, that has changed. Just yesterday, for example, I launched a new national advocacy service for children in care, run by Empowering People in Care, EPIC, in order that children in care will have a voice. Transparency about their experience in care is extremely important and that includes transparency about their actual experience of a host of issues, including education.

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I have asked for more indicators and that is happening. For the first time, because of my request, we have firm data on the numbers of children and young people leaving care, in receipt of aftercare services and in education. These reports are published on the HSE's website. We need to see some of the good news about children in care, as well as highlighting some of the problem areas. I am happy to say that the latest published report shows that in December 2012, 96% of children in care between the ages of 6 and 16 years were in full-time education. That is a very recent statistic and one we did not have before now. However, we need others about what happens to children when they leave care, in education and what funding they receive. Early school leaving needs to be examined in more detail because we know, as the Deputy said, that children in the care system can be very vulnerable, some more so than others. I spoke to the Ombudsman yesterday about this issue and assure the Deputy that the two Departments will consider the issues raised in the report as we move towards the establishment of the child and family agency. The links between the Departments are already very strong across several themes but, in particular, the education welfare agenda.

The establishment of the agency with a broad base of universal and targeted services, with newly merged functions, including those of the National Educational Welfare Board which also falls within the remit of the Department, will enhance the potential for the two Departments to work well together in the interests of all children but particularly those in care. We will consider further the issues raised in the report, in conjunction with our colleagues in the Department of Education and Skills.

One of the main themes emerging from the study is related to the stability of care placements. The study found, as one would expect, that a stable and supportive environment, either a foster home or a residential care unit, enhanced children's ability to do well at school, helped their motivation and encouraged them to have high aspirations, while in contrast, multiple care placements might disrupt their schooling. When a child is taken into care, the policy of the HSE and the new agency will be to place him or her in care settings, preferably in foster care, as close as possible to his or her home and community in order that the links with school can be maintained and continue. When a child is being placed in foster care, the suitability of a placement with relatives is explored in the first instance.

4 o'clock

Ireland is almost unique in that over 92% of children in State care are placed with foster carers. In Europe, many foster children are placed in residential settings. For that small number of children placed in residential care, these services have improved greatly in recent years. Children do often experience placement change; however, on 31 December 2011, the HSE reported that 34% of all children in care had been in their current placement for more than five years, while 42% had been in their current placement for between one and five years. This represents a considerable degree of stability.

It is important to obtain balance on this. Many children in care have good experiences. The issues highlighted in the report warrant further focus, and I assure the Deputy they will receive that. I have asked for further indicators to ensure we have the data we need to focus on the issues highlighted in yesterday's report.

Deputy Aodhán Ó Ríordáin: I appreciate the action the Minister has taken in this regard. If the Minister is appalled and the Ombudsman for Children is shocked at the lack of data, then I am comforted by the fact the Minister has sought to change this. We cannot work on policy to

empower the most vulnerable of young people unless we have statistics. Considering schools are falling down on adapting to children in care, do we need to have a circular sent out from the Department to advise school principals and teachers on this? It is one thing to have a policy in place but another to have a circular guiding, encouraging and requiring schools to behave in a particular way.

The Minister stated that 96% of children in care between the ages of six and 16, inclusive, are in full-time education. That is a statutory requirement, however. The National Education Welfare Board does not deal with young people outside this age bracket. Any child who is four or five does not come under its remit. I will be introducing a Private Members' Bill to deal with this soon. Neither does the NEWB deal with any young person aged 17 or 18, another failure in the system.

The report's outstanding recommendation is to have a mechanism in place for the systematic gathering of data on the educational experience of children in care to inform evidence-based policy making. I hope this central issue will be addressed.

Deputy Frances Fitzgerald: The report points to the need for further performance indicators which encapsulate the points the Deputy made. In the case of children aged 16 to 18, what is their educational experience? Along with the Department of Education and Skills, I can examine the further gathering of such performance indicators so that we have the data. We will examine the report to see how we can further develop the data we have.

The Deputy made an interesting point about how statutory services relate to children in care, the need for an understanding of the child's experience and the need to ensure the service is responding appropriately to those children. I would include the health services in this too. When I meet school principals, they speak about the need to get a better partnership with the HSE in response to concerns they might raise. When I speak with the HSE, it wants a better partnership with the schools. There are two sides to this, and we need to see better engagement and partnership between the statutory agencies involved with children in care. We also need greater awareness of the particular needs of children in care, as they are a vulnerable group. I like the Deputy's suggestion of sending around a circular in this regard which would encapsulate some of the issues that arise. I can take that up with the Department of Education and Skills.

Broadband Services Provision

Deputy Tom Hayes: I thank the Ceann Comhairle for selecting this important issue, which is critical to the success of secondary schools across the south east and south west. The high broadband speed for schools project aimed to provide all second level schools with 100 Mbps of high-speed broadband by 2014. The pilot scheme and phase 1 have been completed while phase 2 has just been announced. Phase 1 delivered high-speed broadband to schools in all counties from Clare right up to Louth, including the midlands.

While I welcome the news that a further 216 schools will be covered in phase 2, people are asking why schools in Meath, Kildare and Dublin have been chosen in rolling out high-speed broadband. There are several potential problems with this. First, the areas with the worst broadband services available should have been prioritised first. This would have meant that schools in Tipperary such as Coláiste Dún Iascaigh, Cahir, or Scoil Ruáin, Killenaule - schools that are in more rural areas and simply do not have the same commercial coverage available

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- are further missing out on the benefits of having a business-class broadband service. There is also the possibility that until all remaining 250 schools have been connected with high-speed broadband, the final phase might not go ahead due to the current economic climate. It is essential that this investment be delivered as soon as possible to the remaining 250 schools to ensure they can deliver to their students a more in-depth educational experience, which is brought about through the advantages that high-speed broadband brings. Only recently it was announced that 1.6 million people use smartphones. A significant number of these people are in our secondary schools and have become used to communicating through the newest of technologies. We need to ensure all our schools can harness the changing face of technology to provide a better education to secondary school students who need to be better prepared for the digital economy. To do this, a fast, reliable and secure broadband service is essential.

The advantages of such a service are multiple. It will mean that teachers can develop the use of ICT, information and communications technology, in their teaching methods and practices. It will also mean that communication tools such as Skype and other video-conferencing tools can be used, which will also allow for greater co-operation between schools, universities and other experts in curriculum areas. It will mean that classes can watch important Dáil debates live on their computers.

While I welcome the existing investment during the current economic difficulties, it is vital that modern high-speed networks are available to all students in all areas. It is also vital that assurances be given to all remaining schools that students in these areas will not be left behind. Will the Minister for Communications, Energy and Natural Resources confirm the position for the remaining 250 schools?

Minister for Communications, Energy and Natural Resources (Deputy Pat Rabbitte):
I am grateful to Deputy Tom Hayes for raising this important issue.

The provision of high-speed broadband to all post-primary schools is a policy that the Government has embraced since taking office and one that I am proud to say we are well on the way to realising. I strongly believe this significant investment in our current and future generation of schoolchildren is money well spent. It is also a key investment in future employment and employability as it feeds into the development of a more ICT-literate workforce.

In February 2012, I formally announced the national roll-out of 100 Mbps broadband services to post-primary schools across the country. The national roll-out of this project is being undertaken on a phased basis, with all schools scheduled to be completed by the start of the academic year in September 2014. Roll-out in 2012 saw high-speed broadband connectivity installed in 202 schools, 78 having been connected in the pilot, in the 14 western and midlands counties covering Cavan, Clare, Donegal, Galway, Laois, Leitrim, Longford, Louth, Mayo, Monaghan, Offaly, Roscommon, Sligo and Westmeath.

The selection of schools for connection in 2012 was undertaken following the technical review of the pilot project and discussions with our project partners, namely, HEAnet, the Department of Education and Skills and PDST Technology in Education, and with the service providers engaged on the pilot project. It was considered that a geographical roll-out would provide the project with the most economically beneficial method of achieving the project objectives within the available budget. In addition, the identified counties, mainly in the west and north of the country, were in receipt of the slowest average broadband speeds under the schools broadband programme.

This approach to the selection of schools was adopted for the 2013 roll-out, when all second level schools in Dublin, Kildare and Meath will be connected. A geographical roll-out allows for the aggregation of backhaul links to provide the optimum solution for the schools selected for connection. It will also allow service providers to provide the local school access connection in a cost-effective manner to deliver to multiple schools within similar locations at a reduced cost to the Exchequer.

I can assure Deputy Hayes that the extension to south Tipperary will not be held up because of the constrained financial circumstances. The roll-out will continue to September 2014, when schools in south Tipperary, along with those in Carlow, Cork, Kerry, Kildare, Kilkenny, Limerick, north Tipperary, Waterford, Wexford and Wicklow, will be connected. The procurement of services to ensure this is achieved as quickly as possible is currently being undertaken.

Earlier this year, I had the pleasure of visiting Presentation Secondary School in Warrenmount, Dublin, where I saw at first hand the real and tangible benefits that this programme has delivered to our post-primary students. The availability of high-speed reliable broadband is changing both the way our teachers teach and the way our students learn. What I witnessed that day convinced me that the course we are on is one that will fundamentally change the use of ICT in our classrooms and help us to deliver the digital workforce to drive economic recovery.

With the infrastructure in place, the technology accessible, and the guidance of progressive educators, we have the potential to ensure that ICT will play a central role in the development of the digital citizens of tomorrow and allow the Irish economy to compete in the global marketplace.

Deputy Tom Hayes: I thank the Minister sincerely for his comprehensive reply to this issue. This has been a concern for many schools across south Tipperary and I have no doubt, having listened to the information the Minister has provided and the assurance he gave, that within 12 months all schools in south Tipperary will be dealt with. That is excellent news, for which I thank the Minister. I understand this will take time but it is a positive development in these economic times. The principals and the teachers in the school who contacted me in recent months were concerned that it would not happen. I am very pleased this is going ahead, particularly in Cahir, Killenaule and other areas, because it will help in the education of our children.

Deputy Mattie McGrath: We all care about Cahir.

Deputy Pat Rabbitte: I have explained to Deputy Hayes the reason it makes good sense to have high-speed connectivity installed in contiguous geographical areas. That is the most economical way. My Department will pay all of the capital cost under the project to the end of 2015 and will pay the recurring costs for connectivity to each school for the year of installation and for a further 12 months thereafter. We estimate the total capital cost to my Department for the project is between €11 million and €12 million, and the current expenditure costs for the years 2012 to 2015 are approximately €10 million. Thereafter, the Department of Education and Skills picks up the bill. I can assure Deputy Hayes that south Tipperary will be a priority in the coming academic year.

Deputy Mattie McGrath: Do not forget Cahir.

Road Network

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Deputy Dan Neville: I welcome the opportunity to raise an important issue for my constituency. It concerns the road coming into Adare, the N20 from Limerick to Kerry. The road into Adare has been named by AA Roadwatch as one of the country's worst in terms of traffic tailbacks. It appears in the list of seven of the county's slowest roads compiled by the Automobile Association based on its own experience and information from the Garda Síochána and bus companies. That is no surprise to the people of Adare, because tailbacks have been experienced for a number of years, which has caused delays for traffic coming into and leaving Adare. Last Monday, which was a bank holiday, there was a two-mile tailback coming into Adare from the Kerry side as a result of people returning from Kerry after the weekend. It happens both ways, but the problem is very serious at weekends, especially on Friday nights. It is no surprise to the people of Adare that it is on the list of the seven slowest areas compiled by the AA.

I wish to highlight a number of issues. Obviously, commuters going west experience great frustration. Many commuters who travel through Adare morning and evening are from the west of the county but work in the city. There is also a serious problem on the small country roads because of what are often referred to as rat-runs. A total of 133 people have signed a petition calling for a speed limit on those roads but the council is not prepared to concede that because it is not a 24-hour issue. There are serious concerns about the safety of children. At certain periods people cannot walk those roads because of the traffic going west avoiding Adare.

This has been a problem for almost 30 years. Several routes for a bypass have been identified over that period. We were extremely disappointed last autumn that An Bord Pleanála turned down the last route the council proposed, using the excuse that the motorway from Limerick to Cork is being delayed and it was to be part of that.

I am making the case for the bypassing of Adare, similar to the bypassing of many other towns. Castleisland is a recent example, but the bypassing of Adare stands on its own, so to speak. I would like to know how much this project has cost in terms of planning and other changes in the past 30 years. As the Minister of State is aware, Adare is a premier tourist product. It has been described as one of the prettiest villages in Ireland. There is a good deal of tourist activity in Adare, but that could be enhanced by the removal of the traffic from the village, which would facilitate more local traffic and more tourist traffic coming into the village.

I put the case for a bypass to the Minister of State. There are strong feelings about the issue in Adare. The demand for a bypass is supported by Limerick County Council. The Minister, Deputy Leo Varadkar, when he was in Adare, expressed his disappointment at the decision of An Bord Pleanála to turn down the plan. I ask the Minister to respond and give us some hope after almost 30 years that this bottleneck can be overcome.

Minister of State at the Department of Transport, Tourism and Sport (Deputy Alan Kelly): I thank the Deputy for the opportunity to address this issue.

The Minister for Transport, Tourism and Sport has responsibility for overall policy and funding regarding the national roads programme. The planning, design and implementation of individual road projects is a matter for the National Roads Authority, NRA, under the Roads Acts 1993 to 2007, in conjunction with the local authorities concerned. Within its capital budget, the assessment and prioritisation of individual projects is a matter in the first instance for the NRA, in accordance with section 19 of the Roads Act. Because of the national financial position, there have been very large reductions in roads expenditure over the past number of years and there will be further reductions in the next number of years.

The NRA has a budget of €318 million for improvement and maintenance works on the national roads network in 2013. The available funds do not match the amount of work required. For this reason, it is not possible to progress a range of worthwhile projects and the main focus must be on the maintenance and repair of roads. This will remain the position in the coming years. Only a small number of new PPP projects can be taken to the construction stage for now.

Pragmatically dealing with this reality, in early 2012 the Minister indicated to the NRA that it should withdraw its application to An Bord Pleanála for the M20 Cork to Limerick route. The Minister was concerned that to proceed any further with the scheme to build the M20 would have exposed the NRA to significant costs arising from the legal requirement to purchase the land if the CPO was approved. This would have to be done without the reasonable prospect of proceeding to construction stage quickly thereafter. To do this would have tied up large amounts of capital which could be better used elsewhere on the national network given the funding constraints.

Turning to the issue of the Adare bypass in particular, the position is that the N21 Adare bypass route was intended to run to the south of Adare and link with the Limerick-Cork route. The compulsory purchase order and environmental impact statement documentation were submitted to An Bord Pleanála for approval on 4 March 2010. On 18 October 2012, An Bord Pleanála made a decision to refuse the proposed road scheme to bypass Adare. Principally, although not exclusively, An Bord Pleanála's decision was based on the fact that the Adare bypass route would, in the board's words: "if permitted and constructed, constitute isolated infrastructure, would not represent a coherent approach to the provision of major roads infrastructure and, furthermore, would not have the potential to fulfil the functions envisaged for the scheme." The proposed development would, therefore, be contrary to the proper planning and sustainable development of the area.

While I do not think anyone would argue that traffic is not an issue for the residents and businesses in Adare, An Bord Pleanála has made its decision and it is now for the NRA and the local authority to assess options open to them on the basis of that decision.

I understand from the NRA that it recently received a request from Limerick local authorities to authorise and fund the appointment of consultants to commence the planning process for a revised scheme to bypass Adare village. That request is currently being considered by the authority. It should be noted, however, in keeping with the provisions of the Roads Act 1993, the Minister is not directly involved in this assessment process.

With regard to the specific issue of the costs involved over the past 30 years, I do not have that figure off the top of my head. However, I will endeavour to get an assessment of the costs involved from the Department for the Deputy.

Deputy Dan Neville: I thank the Minister of State for his reply, but it is disappointing. I urge the bodies involved, the NRA, the local authorities and the Department, to recognise this is a serious issue. There are many good plans for the development of the tourism product in Adare. Recently, a heritage destination strategic plan was launched by the Minister for Transport, Tourism and Sport, Deputy Varadkar, for Adare and it will establish the town as a leading heritage and cultural destination in County Limerick and the Shannon region, drawing on the inherent assets within the village and the wider area.

I contend that one of the limiting factors regarding the development of tourism in Adare is

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the fact there is a consistently high level of traffic going through Adare and that there is a constant tailback, particularly at busy times. The vision statement on the heritage destination plan states there is absolute determination, despite the difficulties experienced with implementing the plans for the bypass, that by 2018 Adare will become a “must see” destination, with a strong reputation among local, national and international visitors for delivering high quality heritage accommodation, retail activity and catering packages. By 2018, Adare will also act as a tourism hub from which visitors will be encouraged to explore the wider County Limerick and Shannon region through a series of touring trails, high quality information and imagery and joint packaging with other key assets, attractions and activities.

We are asking that everything be put in place to support this ambitious and viable plan. The basic product exists in Adare and the removal of heavy traffic from the village would provide serious support and assistance for the plan.

Deputy Alan Kelly: I appreciate Deputy Neville’s concerns. I know Adare well and pass through it frequently. I admit it has serious traffic issues. I wish the NRA and the local authorities well in their endeavours to find a new route and look forward to progress on that. However, there are restrictions with regard to funding. The timeframe on that is not within my gift nor of that of the Department at this time. However, in the long term it is a project that is needed.

I am aware of the issues faced in the region as I am part of the same region. I live beside a place that has very similar issues in the context of traffic and tourism, Ballina-Killaloe. Therefore, I empathise with the Deputy. I will note his comments and ensure the Department gets back to him with regard to the volume of funding spent to date.

Higher Education Institutions Issues

Deputy Thomas Pringle: I thank the Ceann Comhairle for allowing this Topical Issue.

The school of tourism of Letterkenny Institute of Technology, LYIT, is currently located in Killybegs, in what was formerly the Cert training college. The college has been providing high quality training in the catering and hospitality industry for over 40 years and many students have won international awards over the years for the standard of their expertise in the cookery field. In recent years, the Cert school amalgamated with LYIT and this it was understood would secure the future of the college and ensure growth into the future. Unfortunately this has not come to pass.

Currently, there are approximately 180 students at the Killybegs campus. The college not only provides for school leavers through the CAO system, but also has a large cohort of part-time adult learners who are reskilling themselves and hope to participate in the tourism sector. The campus in Killybegs also provides training in the renewable energy sector, with the first training tower of its kind in the country located on site. This provides training for maintenance personnel in the wind energy sector. A number of companies have also looked at the college with a view to using the facilities as a training location.

Killybegs is the largest fishing port in the country and is also involved in the oil and gas exploration sector and in the importation of wind turbines for the renewables industry. The high level group report on job creation in Killybegs, launched by the Minister for Agriculture, Food and the Marine in Killybegs in June 2011, envisages a vital role for the tourism college in the

future development of the town and surrounding area. A number of key actions in the report will help the development of the whole of the south west of Donegal if brought to fruition, such as the development of a seafood innovation hub, the development and consolidation of the LYIT school of tourism as a key resource for the region and the establishment of Killybegs as a centre of excellence for the green economy.

At the moment, the LYIT board is drafting a five-year financial plan for the institute and I believe it is considering relocating the school of tourism to the Letterkenny campus. This will seriously undermine the viability of the Killybegs campus of LYIT. There is a serious urgency with regard to this situation, because the plan is due to be delivered to the Higher Education Authority before the summer. This could signal the end of the delivery of tourism courses in Killybegs. While everyone understands there is a need for education and training to be cost effective, closing the Killybegs campus will be a severe setback for the whole of south-west Donegal with the withdrawal of a vital education resource. It will also make the continuation of the adult learner facilities in Killybegs unviable and remove a resource for many under skilled and unemployed workers to improve their educational attainment and contribute to the growth of a viable tourism sector, which because of Government policy is one of the only options available in Donegal for job growth.

The school of tourism is the lynchpin that is keeping the rest of the facilities at the Killybegs campus going and if it is removed it will reduce the viability of the entire campus. LYIT might have financial difficulties - recovering student debt is probably one of its biggest problems - but the removal of the school of tourism from Killybegs will ultimately not solve them. It would hamper the recovery and development of a large part of County Donegal. It would bring an end to a significant tradition that has been in the hospitality and tourism industry for many years. Surely LYIT has a role in delivering and participating in the development of the entire region. The Killybegs campus should be seen as having a role as part of that remit. It should be supported so that it can develop the tourism, food and renewable energy sectors for the future of everyone in the north west. I call on the Minister of State to ensure the Killybegs campus continues to play a full part in that effort.

Minister of State at the Department of Education and Skills (Deputy Ciarán Cannon): I thank Deputy Pringle for raising this issue. As he will be aware, the tourism college in Killybegs is a school of Letterkenny Institute of Technology, LYIT, which is an autonomous statutory body. The management of the college is the responsibility of the governing body and the president of LYIT. The Department allocates recurrent funding to the Higher Education Authority, HEA, for direct disbursement to HEA institutions including LYIT. The HEA allocates this grant to institutions for free fees, core grant funding and other specific earmarked initiatives. The HEA uses a recurrent grant allocation model to determine the amount of core funding provided to each institution. It is then a matter for the institution to determine how this funding is allocated internally and locally.

All higher education institutions are facing real challenges to cope with declining State budgets and increasing student populations. Institutions must reduce staff numbers in line with the employment control framework for the sector. Core staff numbers in higher education institutions were reduced by 9% between December 2008 and December 2011. Overall full-time student numbers increased by 12% during the same period. Staff numbers had reduced by a further 1.5% at the end of 2012. Further reductions will be required. It is a matter for each institution to work within a balanced budget and to achieve best value for money. The HEA has committed to working with institutions that face particular financial pressures in the coming

year. The need for an agreed strategy to ensure they can continue to meet the needs of students, employers and other stakeholders in their regions is of paramount importance.

I understand the HEA has requested a financial plan from LYIT covering the next three years, indicating the strategy to be used to address financial issues at the institute. This plan has not yet been received by the Department. There has been no indication of any specific proposals concerning the future of the Killybegs campus. The HEA is undertaking a study on the sustainability of the current funding system for higher education. An initial report has been published. This report makes it clear that immediate work is required to prepare for a longer-term approach to a system that can be maintained through a sustainable funding base. Such a system should be able to address the continued expansion of the sector while protecting quality of education. The HEA is continuing its work in this area. It will advise the Department further as this work progresses. The report will help inform decision-making on the future funding of the sector.

The Deputy will be familiar with a document, *Towards a Future Higher Education Landscape*, that was published by the HEA last year after inviting submissions from institutions and commissioning expert analyses with a view to giving the Minister formal advice on an outline future configuration of the higher education system. That advice is under consideration. The HEA has advised on the development of regional clusters of higher education institutions which will allow programmes of teaching and learning to be better planned and co-ordinated, resources to be used more efficiently and more flexible student pathways and better progression opportunities to be put in place. Regional clusters will build on the explicit value placed on collaboration between Irish higher education institutions in recent years. They will create more stable and permanent arrangements between institutions within regions. Negotiated agreements between institutions within a cluster will allow for the elimination of unnecessary duplication of provision and provide a more coherent offering to students in the region with good pathways into and between institutions.

Deputy Thomas Pringle: I would like to be able to thank the Minister of State for his response, but I do not think it did anything to alleviate the concerns I have expressed. The one thing I can probably take from the answer is the reference to the sustainability study that is being carried out by the HEA. It is examining how will this country's third level institutions will be funded in the future. On that basis alone, I do not think any college should make a decision now that will affect the future of any campus under its control. For that reason, LYIT should be encouraged or told to sustain its current provision of education at Killybegs while the outcome of the HEA's study is awaited. We can deal with the report when the time comes. It is vitally important for the recovery of large parts of the country that these courses are retained in the areas where they have been provided for many years. The Killybegs campus can and will play a very important role in the recovery and development of south-west Donegal. It cannot do that unless the services and educational courses that are currently provided at Killybegs are maintained and a plan is put in place to ensure the campus can grow and develop. I call on the Minister of State to impress that on the HEA and the board of governors of LYIT. We need to ensure this can happen for the future.

Deputy Ciarán Cannon: The Deputy may be aware that there is already a significant level of co-operation between a number of institutions in the region. An alliance agreement between Galway-Mayo Institute of Technology, Letterkenny Institute of Technology and the Institute of Technology, Sligo was signed in July 2012. It commits the partners to the development of significant and meaningful collaborations on a comprehensive range of activities. I hope the

co-operation that is under way will lead to a far more fruitful use of scarce State resources and offer students a number of different and interesting educational options. I remind the Deputy that all higher education institutions, including LYIT, are responsible for the internal allocation of the funding provided to them by the HEA. Decisions on the future funding of the tourism college in Killybegs will ultimately rest with the governing body of LYIT.

Leaders' Questions

Deputy Micheál Martin: Some very clear promises and commitments were given in the programme for Government. They followed the promises that were made during the general election campaign. The programme for Government states:

Universal Primary Care will be introduced in phases so that additional doctors, nurses and other primary care professionals can be recruited Access to primary care without fees will be extended in the first year to claimants of free drugs under the Long-Term Illness scheme at a cost of €17 million. Access to primary care without fees will be extended in the second year to claimants of free drugs under the High-Tech Drugs scheme at a cost of €15 million. Access to subsidised care will be extended to all in the next phase. Access to care without fees will be extended to all in the final phase.

These promises and commitments were clearly given. Phase 1, which was to cover people on the long-term illness scheme, has not been delivered. Two deadlines were missed before it was abandoned altogether.

I am reminded of last year's debacle regarding the primary care centres. The then Minister of State, Deputy Shortall, said some fairly hard things about the commitment of the Minister, Deputy Reilly, to primary care. She has been proven correct. Even though she was forced out of office, she knew what she was doing in terms of delivering primary care. She did not get any support from the Minister, the Taoiseach or her colleagues at the Cabinet table at the time. She was forced out of office for calling it right on that occasion. Her suggestion that the senior Minister had taken the money and used it for other purposes across the health services was quickly rejected by the Minister, Deputy Reilly. His response on 8 October 2012 was to say "No, the money is there and it [the scheme] will be brought in before the end of this year, absolutely".

Deputy Willie O'Dea: Absolutely.

Deputy Micheál Martin: It is clear that he was not telling the truth.

Deputy Barry Cowen: He must have been on a lorry.

Deputy Micheál Martin: No legislation has been published. No talks with the IMO about the contracts have been initiated. There has been no delivery of the promises.

Deputy Finian McGrath: Calamity James.

Deputy Micheál Martin: Why did the Government make promises again and again and again on this issue?

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Deputy Willie O’Dea: To get votes.

Deputy Micheál Martin: It made those promises only to break them again and again. The Labour Party is still facilitating this-----

Deputy Michael Healy-Rae: Where are they?

Deputy Micheál Martin: -----by providing cover to the Minister, Deputy Reilly, and the Government. Now, the Minister of State, Deputy White, we have been told, is wandering the offices of Government Buildings with instructions to go and do research on other strategies.

An Ceann Comhairle: The Deputy’s time is up.

Deputy Micheál Martin: With the health insurance system falling into disarray, waiting lists going up and this debacle with free GP care, what actually has to happen for the Taoiseach to realise what his Cabinet colleagues privately acknowledge and what the rest of the country has known and understood for quite some time, namely, the Minister, Deputy James Reilly, is not the man to lead one of the most important Departments in this country?

Deputy Finian McGrath: Calamity James.

Deputy Michael Healy-Rae: Broken promises.

The Taoiseach: Deputy Martin reminds me of what he said himself many years ago, which is that it takes longer to get things off the ground in health than in any other Department. He is quite right.

Deputy Billy Kelleher: The Minister, Deputy Reilly, is firmly on the ground.

Deputy Dara Calleary: He is digging a hole for himself.

The Taoiseach: I saw the story this morning about free GP care for those with long-term illness. The Minister of State, Deputy White, is dealing with this matter very effectively.

Deputy Timmy Dooley: He is ignoring the promises.

Deputy Dara Calleary: It is all the Labour Party’s fault.

The Taoiseach: Actually, what the Minister of State has done here is to look at the situation and, if one likes, take a stocktaking view of what has happened and needs to happen. It is important to say to Deputy Martin that the Government is fully committed to delivering free GP care in its first term of office, as set out in the programme for Government. No decision has been taken to go back on that. It is important to remember that, ultimately, the entire population will be covered by a free GP service.

When the Minister of State, Deputy White, came before the Cabinet sub-committee dealing with health recently, he pointed out that it will be necessary to introduce complex legislation to provide free GP care to those with long-term illness.

Deputy Dara Calleary: It has been two and a half years.

Deputy Barry Cowen: The Government has the same legal adviser now as it had two and a half years ago.

An Ceann Comhairle: Would the Deputies mind?

The Taoiseach: The Minister of State made a very valid point. He pointed out that the legislation that would be required to deal with free GP care for persons with long-term illness would obviously have to have a legal basis for eligibility-----

Deputy Barry Cowen: Most legislation does.

The Taoiseach: -----and that eligibility was based principally upon means, that is, income and residency. The legal framework for eligibility under the first phase of free GP care would be based on a medical condition-----

Deputy Timmy Dooley: That is the logarithmical progression.

The Taoiseach: -----and that first phase would require a new legal and administrative arrangement setting up doctors panels for assessment of eligibility of the persons with long-term illness in the first place.

A Deputy: All very complex.

The Taoiseach: What the Minister of State, Deputy White, pointed out was-----

Deputy Dara Calleary: Where is the Minister, Deputy Reilly, in all of this?

The Taoiseach: -----that he would be far more effective in looking at the longer strategy in implementing the roll-out of free GP care beyond just that sector dealing with long-term illness, because one would have to set up a bureaucracy to deal with the assessment and requirement for determining eligibility for GP care for persons with long-term illness.

Deputy Timmy Dooley: He is fairly good at getting rid of those.

Deputy Timmy Dooley: He said he wanted six weeks to look at the entire scheme and that he would report back by the end of May. What he has validly pointed out is that it is not effective to put in place a legal, administrative, bureaucratic assessment-----

A Deputy: Why did he make the promise?

The Taoiseach: ----- for free GP care for a sector with long-term illness and then have to move on to the other sectors. He said he wanted to look at the entire scheme, and I support him in that.

Deputy Dara Calleary: What about the Minister, Deputy Reilly?

The Taoiseach: He will report back to the Cabinet sub-committee by the end of this month with a view on the longer-term, more effective and less administratively costly roll-out of free GP care, which is ultimately to cover the entire population.

Deputy Dara Calleary: What about the Minister?

The Taoiseach: The story I read today in the national newspaper is, in the main, accurate but it does not say what the Government has not done here - the Government has not made a decision to end free GP care. What the Government has done is authorise the Minister of State, Deputy White, at his request, to look at the longer view-----

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Deputy Timmy Dooley: He is getting thrown to the wolves.

Deputy Emmet Stagg: Deputy Dooley is talking through his hat.

The Taoiseach: -----and a more effective appraisal of the entire scheme, rather than focus on legislation dealing with one sector which would require a legal base, an administrative set-up, a bureaucratic system and panels of doctors for assessment of eligibility on medical grounds for those who would be covered. I support him in this.

I support him in this.

Deputy Timmy Dooley: He is finished, so. It is all over.

An Ceann Comhairle: Would you ever stay quiet, please?

The Taoiseach: It is a valid stocktaking exercise by a Minister who is taking into account the longer scheme.

An Ceann Comhairle: I do not know why Members ask a question and then do not listen to the answer.

Deputy Willie O’Dea: If we got an answer, we would be all ears.

An Ceann Comhairle: Some Deputies in the Chamber would like to hear the answer, not the mumbling that goes on in the background.

Deputy Willie O’Dea: The mumbling is all from the other side.

An Ceann Comhairle: Would you, please, allow Deputy Martin to ask a supplementary question and we will then have an uninterrupted reply from the Taoiseach?

Deputy Micheál Martin: I have some sympathy with my colleagues on this occasion, a Ceann Comhairle, and I agree 100% with you.

An Ceann Comhairle: I do not agree with them and I happen to be in the Chair.

Deputy Micheál Martin: I know you do not. The response is very much that sort of “logistical, logarithmic progression” or regression mentioned when the Minister, Deputy Reilly, was before the House to deal with primary care centres. That is an extraordinary reply from the Taoiseach. I commend him on managing to give a reply to a question on the Minister, Deputy Reilly’s suitability to lead the Department of Health without once mentioning the Minister, Deputy Reilly, in his reply. He mentioned the Minister of State, Deputy White, about 15 times.

The Minister of State, Deputy White, is now saying it is very complex and that he has to consider the legislation governing eligibility and so on. Again, I must remind the Taoiseach what the Minister, Deputy Reilly, said last October in response to the former Minister of State, Deputy Shortall. She called this last year for the Taoiseach and the rest of the Cabinet when she said there was no commitment to the primary care commitments in the programme for Government. She was forced out of office and she got no support. In response to that, the Minister, Deputy Reilly, said in October “No, the money is there and it will be brought in before the end of this year, absolutely”. There was nothing about complexity or eligibility difficulties.

An Ceann Comhairle: Could we have your supplementary question, please?

Deputy Micheál Martin: He made that promise about five or six times in the last two years. He has been questioned repeatedly by journalists and by Opposition spokespeople, including Deputy Kelleher, Deputy Ó Caoláin and others, in regard to the progression of this particular commitment and the promise that was made. Up to very recently, he was denying all comments or statements to the effect that this would not be delivered and would not go ahead. Now, the Taoiseach is saying the Minister of State, Deputy White, has taken charge of the whole debacle and that he is dealing with it effectively. Dealing with it effectively, in the words of the Taoiseach, means, two and a half years on, that 56,000 people who were on the long-term illness scheme and who thought they were going to have free GP care in the first year of this Government are now being told that, for them, it has been abandoned - that particular commitment has been abandoned and will not proceed. That is how the Taoiseach describes and defines dealing effectively with a promise solemnly made by him and the Minister, Deputy Reilly. I repeat the question I asked the Taoiseach and which he avoided. What has to happen for the Taoiseach to realise what his colleagues privately acknowledge and the rest of the country has understood for quite some time now, which is that the Minister, Deputy Reilly, is not the man to lead the Department of Health?

The Taoiseach: Deputy Martin makes a comment and asks a question.

Deputy Barry Cowen: That is how it works.

The Taoiseach: The Minister of State, Deputy Alex White, is dealing with the area of primary care.

Deputy Michael Healy-Rae: We are back to the Minister of State, Deputy White.

The Taoiseach: His appointment to that Department has allowed him to focus on an element of the scheme for the introduction of free GP care for persons with long-term illness.

Deputy Timmy Dooley: Is the Taoiseach calling into question what Deputy Shortall did?

The Taoiseach: The Minister of State, Deputy White, quite rightly looked at the requirement for legislation in that area to deal with eligibility on medical grounds-----

Deputy Micheál Martin: It was promised two years ago.

The Taoiseach: -----and to deal with the administrative requirement to assess those patients. Previously, they have been assessed on income and on residency. In the long-term free GP care scheme, it will be based on medical assessment and medical grounds. The Minister of State, Deputy White, reported officially and formally to the Cabinet sub-committee that to do it piecemeal is not the way to do it and that he wanted to look at the entire scheme. He wanted six weeks to come back to the Cabinet sub-committee and say whether he was able to do this more effectively for the entire scheme and progress it more effectively. We gave him that authorisation and he will come back and report on his view of how it can be done more effectively.

Let me assure Deputy Martin, and the 56,000 people he refers to, that there is no question of the Government abandoning its commitment in the programme for Government to free GP care for these citizens and, ultimately, for the entire cohort of the population.

In respect of Deputy Martin's question about the Minister, Deputy Reilly, he is the Minister for Health and he has my full support in the strategy and the changes that are necessary to bring about a more effective health service. As Deputy Martin rightly pointed out when he had that

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responsibility, it takes longer to get things done in the Department of Health than anywhere else. The Minister is focused on the requirement to change structures and the effectiveness of delivery of services in the Department. Primary care is a central element and being handled very effectively by the Minister of State, Deputy Alex White.

Deputy Gerry Adams: The Taoiseach's loyalty to the Minister is commendable, but he must know in his heart of hearts that his stewardship of the Department of Health has been an unmitigated disaster for citizens. Two issues emerge from the latest U-turn. One relates to citizens with long-term illnesses who have been let down by the Government, while the other relates to how the Dáil comes to hear about these matters. Teachta Caoimhghín Ó Caoláin has regularly asked the Minister about this issue, as have others. I have asked the Taoiseach about it numerous times in the past two years and he has told me that it is just a matter of time, that it will happen very soon. It is not credible that it took two years to discover these legal difficulties. What are the difficulties? We heard yesterday about the thousands of patients waiting four years for outpatient appointments. The issue of free GP care was the subject of a separate commitment from the Labour Party and Fine Gael before they even got to the programme for Government. It has been axed. People have been on waiting lists for four years. Clearly, there is an issue with the Minister. The Taoiseach clearly promised a universal, single-tier health service, guaranteeing access to medical care based on need. The cornerstone of that commitment was free GP care. Instead, we have a continuation of the two-tier system the Government inherited from Fianna Fáil. The Government has not even got past the first step in meeting this commitment to have a single-tier, universal health service. I understand the Minister of State is not answerable to the Dáil. It is the Minister for Health's responsibility. Will the Taoiseach spell out the steps he will take between now and the time people will have a chance to vote again to look after citizens with long-term illnesses and others who are in the high tech drug scheme and dependent on this type of support from the State? We should not have to wait to read about it in the newspapers. He should spell out now what steps the Government will take. As the Cabinet sub-committee on health dealt with this issue, it is a governmental responsibility. The Taoiseach is bound to know what steps he has in mind. Therefore, he should tell us.

The Taoiseach: I have already pointed out to the Deputy that the programme for Government sets out the steps that Government will take across all Departments to rectify the public finances, sort out the problems we inherited and get the country back to work. I am the first to admit that there are a number of items in the programme for Government that have proved not to be deliverable, but this is not one of them. The Government has not made any decision to go back on the commitment to provide free GP care for citizens - those with long-term illnesses and, ultimately, the entire cohort of the people.

What I am saying to the Deputy is that the Minister of State is a lawyer and that he could see from looking at the structure in place that this would cause complex legal problems. He decided against getting involved in that jungle, focusing on it for a couple of months and bringing forward a service for 56,000 people that would require a legal base and teams to assess eligible candidates for assistance with long-term illnesses based on medical grounds, rather than residency and income, in the knowledge that he would need to move beyond that sector to others. I support him fully in that regard. It is right to say I want to look at the entire structure, my options and proposals on how we can do this more effectively in the interests of the people.

I have no idea how things find their way into the media. Sometimes, as Members know, they are sent deliberately, while at other times, they are fed by different people. I do not have any great interest in it, except to tell the Deputy, as I told Deputy Micheál Martin, that most of

the story I read this morning - I did read it - is accurate, but the piece that is missing is that the Government has not made any decision to reverse its commitment in the programme for Government to provide free GP care. I support the Minister of State very strongly in that regard. Based on his legal background and knowledge of where it could lead in terms of administrative complexity, he is right to say he wants to report back to the committee by the end of May with a far more effective proposition on how to implement this commitment. It is about people, but it is also about delivering an effective and cost-effective system of best patient care under the proposals made. That commitment stands and will be delivered on, but it will be delivered on by a Minister of State who could see legal quagmires in the structure in place and who wants to change it and make recommendations to make it better.

Deputy Gerry Adams: The rub is that if the story was not in *The Irish Times*, we would not be having this conversation. Health spokespersons or spokespersons for the Opposition would stand up here and ask questions, only to be told that it would happen by the end of the year or before the summer. It would be difficult for the Taoiseach to say the Government had made a hames of it, but that is what has happened. The Government has had two years to sort this out. This relates to people with cancer, asthma, obesity and other long-term illnesses. What has happened to the money? I asked the Taoiseach yesterday about the money allocated for mental health care services and he promised to send me the figures. The figure was €35 million, but I am still waiting for the figures. What happened to the money allocated for this scheme? It was envisaged that extending it to those with long-term illnesses would cost €17 million. The Taoiseach did not answer my question about the legal difficulties arising and did not spell out what would happen in the meantime. In six weeks time the House will go into recess and before we know it, the year will be over and the people in question will still be in dire straits. Why does the Taoiseach not spell out the steps he will take in the meantime?

Returning to the issue of the Minister, this is not personal. Of course, it is one of the most challenging Departments any Minister or Government could deal with. However, the Taoiseach must admit, if not here, then in his heart of hearts, that the Minister is making a complete mess of the commitments Fine Gael and the Labour Party were elected to fulfil. He should admit that he needs a new Minister and that we need a health system that works for citizens.

The Taoiseach: Now we know how the Dáil hears news because the Deputy has just announced that the summer recess will commence in six weeks.

Deputy Gerry Adams: Generally speaking.

The Taoiseach: Therefore, the Deputy only speaks in generalities.

Deputy Gerry Adams: Talk about the issue, please.

The Taoiseach: I will talk about it. I thank the Deputy for a premature announcement of the summer recess. Had he tabled a question without any story in the national newspapers or anywhere else, the answer would have been that the Minister of State was considering a number of other proposals to make the structure more effective. I would have told the Deputy the truth, namely, that the Minister of State would report back to the Cabinet sub-committee at the end of May with his very valid proposition that we could do this but that it would be administratively and legally complex, involving the setting up of panels of doctors to assess patients and the expending of much energy for a cohort of 56,000 people who were very important, without dealing with what would happen in the longer term. I support him fully in that regard.

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I am sorry the Deputy did not receive the figures sought. I do not know whether it involved Pony Express or Wells Fargo, but the figures left the office and are somewhere between it and the Deputy's office. When he receives them, he will find that they are perfectly valid.

5 o'clock

Deputy Gerry Adams: The important question is where did the money go.

An Ceann Comhairle: I call Deputy McGrath.

Deputy Patrick O'Donovan: The Deputy is a fair man to ask that question.

An Ceann Comhairle: Is your name Deputy McGrath? Deputy McGrath is up here.

A Deputy: Unfortunately, there is one up there too.

Deputy Ray Butler: A new Sir Alex Ferguson.

Deputy Mattie McGrath: In 1998, 29 people, including a woman pregnant with twins, died when the dissident republican group, the Real IRA, detonated a car bomb which ripped through the County Tyrone market town of Omagh on 15 August. More than 200 people were injured in the blast. The attack was described as Northern Ireland's worst single terrorist atrocity and by the then British Prime Minister, Tony Blair, as an appalling act of savagery and evil.

At the 2004 Fine Gael Ard-Fheis, the Taoiseach promised that any government led by him would never lie about secret contacts with the Real IRA. More important, he saluted the families and the survivors of the Omagh bombing. He spoke directly to those families who were present: "You will get the truth and so will Ireland because Fine Gael is not alone in its commitment to honesty, honest politics and honest government." He further stated: "A government and its Ministers must keep their word because that is the standard should set and demand." Those families are here in the Visitors Gallery if the Taoiseach wishes to salute them.

We are familiar with the Taoiseach's report cards and score sheets for his Ministers. I hold him accountable today for his own scorecard and for what he promised. Representatives of the Omagh bombing families are here today in the Gallery, led by Mr. Michael Gallagher, who lost his 21-year-old son, Aiden, in the attack. These families have waited long enough for the full truth to be disclosed. On 19 July 2012, a comprehensive report was served to the Minister for Justice and Equality, Deputy Alan Shatter, calling for a full cross-Border public inquiry. To date, the families have had no meaningful response from the Government and neither are they aware of any actions that the Government has taken in light of this information.

Will the Taoiseach explain to the families today why there has been no meaningful response to the comprehensive report submitted to the Minister for Justice and Equality? Will he explain to them or even indicate to them what actions, if any, the Government has taken in light of the extensive and verifiable information presented by the families? If no action has been taken since last July, will the Taoiseach explain to the families why this is the case, given his previous acknowledgement that working to obtain the truth about Omagh was a duty he held in the highest regard?

The Taoiseach: The Omagh bombing was an appalling tragedy and an appalling crime. It was one of the worst tragedies inflicted on innocent people throughout the entire Troubles in Northern Ireland. I had some engagement with personnel who were involved on the fringes

of the Omagh bombing. The information transmitted to me at the time was transferred to the Taoiseach of the day and to the appropriate authorities. I met with Mr. Gallagher when I was a member of the Opposition. I listened to his story and the stories of others. Last year, I asked the Minister for Justice and Equality, Deputy Shatter, to meet with the relatives and he did so. They handed him a copy of their report. The Minister has considered that report in part. Because of its implications, the Minister has not responded fully to the report as yet. On the question of the truth about Omagh, I would like to think we could find out the truth eventually. There are other issues in regard to Northern Ireland about which we have been unable to find out the truth. Some of these are very serious matters and people would like to be in a position to see the truth, however tragic, brought to light. I will ask the Minister for Justice and Equality to communicate with Deputy McGrath in respect of his ongoing consideration of the report he received from the relatives of the Omagh deceased. I met them only last year.

Deputy Mattie McGrath: I thank the Taoiseach for his reply. However, in order to find out the truth or anything else, one must look and examine. I do not doubt the Taoiseach's sincerity, even if I have concerns about the appalling pace of progress for the families and victims. I wish to make it clear to the Taoiseach that this is a case of significant State failings by successive British and Irish Governments. Last year the Taoiseach met the families of victims of the Enniskillen bombing and the Armagh massacre. I ask him to give half an hour at some stage to Mr. Gallagher and his people who are here today.

There have been failures on the part of both Governments in fulfilling their responsibilities under Article 2 of the European Convention on Human Rights. The families can no longer be fobbed off with the standard line about ongoing investigations. They are calling for a full and thorough investigation; it is what they deserve and need. It is what Ireland needs. There is a need to move forward with peace and reconciliation.

The Taoiseach is head of the Government. Will he give a solemn commitment to meet with these families? Almost a decade since his Ard-Fheis promise, they are still waiting for a full cross-Border inquiry. Will he commit to putting in place an effective process in which the families can be actively engaged rather than just politely listened to and then ignored? This has been the case to date. It is time we paid a little bit more than the usual political lip-service to the cause of these families and actually do something that will help them. It is action they need, not heartfelt sentiments that are soon forgotten while the families and victims linger for another 15 years without the full facts of what happened on that awful day being brought to light and to public scrutiny.

The Taoiseach: Some time ago I met some of the relatives of persons who were blown up in the Omagh tragedy. I met with the relatives of the Kingsmill massacre, with the relatives of those murdered in Enniskillen and with people from Fermanagh who were displaced, some of whom were shot. I have a long list of organisations and individuals of different persuasions and from different areas in Northern Ireland who want to meet me, among whom are the Omagh group. Before I meet such organisations I have a meeting in advance with officials from the Department of the Taoiseach. They will make the arrangement to meet with the Omagh relatives prior to my meeting them. In due course, I will of course be happy to meet with them, as I did before. The truth is what is required here. In Northern Ireland, with its sad legacy, the truth is outstanding with regard to a whole range of areas. It is not a question of making points about this; rather, it is a case of trying to deal with the fact that these people have to carry on their lives every day in the knowledge that a person or persons planted those bombs with the deliberate intent of causing murder and mayhem. That lingering emotion stays with those people every

day until the truth is uncovered.

Order of Business

The Taoiseach: It is proposed to take No. 19, statements on Europe Week. It is proposed, notwithstanding anything in Standing Orders, that (1) the Dáil shall sit later than 9 p.m. tonight and shall adjourn at the conclusion of Private Members' Business, which shall be No. 102, motion re fodder crisis (resumed), to be taken at the conclusion of No. 19 or at 7.30 p.m., whichever is the later, and conclude after 90 minutes; (2) the proceedings on No. 19 shall, if not previously concluded, be brought to a conclusion after two and a half hours and the following arrangements shall apply: the speech of the Taoiseach, the Tánaiste and the leaders of Fianna Fáil, Sinn Féin and the Technical Group, who shall be called upon in that order and who may share their time, shall not exceed 15 minutes in each case; and the speech of a Minister or a Minister of State, the Chairman of the Joint Committee on European Union Affairs and the main spokespersons for Fianna Fáil, Sinn Féin and the Technical Group, who shall be called upon in that order and who may share their time, shall not exceed 15 minutes in each case.

Deputy Micheál Martin: Earlier, the Taoiseach said that the Minister of State at the Department of Health, Deputy Alex White, wanted six weeks to come back on the legislation to introduce universal primary care. The programme for Government contains a commitment that under the new general practitioner contract, the rate of remuneration of GPs will be reduced. Clearly, that is linked to promised legislation in the programme. Yesterday, a spokesperson for the Department of Health said it would take eight to ten months to prepare legislation to give effect to the promises in the programme for Government on primary care. This statement comes after two and a half years of stalling on the issue. The programme for Government indicates that the legislative basis for universal primary care will be established in a universal primary care Act. Given the conflicting messages that are emerging, when does the Taoiseach expect the universal primary care Bill to be published?

The Taoiseach: Universal health care is to be introduced at the end of this period of Government. The Minister of State has quite rightly requested time to reflect on a more efficient and effective delivery of the process for free general practitioner care services. As I said in reply to an earlier question of Deputy Martin's, the immediate focus of the Minister of State is persons with long-term illnesses. I will report to the House when the Minister of State reverts with his proposals on a more effective process for general practitioner care. Universal health care insurance is not due to be introduced until the end of the period of Government.

Deputy Micheál Martin: I did not ask about that. I asked about the commitment in the programme for Government to introduce a universal primary care Act, as the legislative basis for universal primary care.

The Taoiseach: These things are related, as the Deputy points out. I suggest he wait until we have a set of proposals from the Minister of State at the end of the month, at which time I will be able to provide a more accurate read on the timeline for legislation. I do not know what spokesperson was talking about an eight-month period. There is a bottleneck which we must discuss and which is affecting the range of legislation we can get through between the Office of the Parliamentary Counsel and individual Departments. I will provide the House with an up-

date when the Minister of State reports back. His proposals will include the legislation Deputy Martin mentioned.

Deputy Micheál Martin: Clearly, whoever put the programme for Government together did not have a clue what he or she was doing. The Government committed to a primary care Act but now the Taoiseach cannot even tell us if it is going to happen or when it is going to happen.

Deputy Bernard J. Durkan: Maybe the outgoing Government did it.

Deputy Micheál Martin: It is ridiculous.

Deputy Gerry Adams: Regarding the Narrow Water bridge project, I have been in touch with Ministers, Sammy Wilson and Danny Kennedy in the North. While the necessary work has been done by the Minister here, there is a real concern that the time allocated to procure funds from the EU for the bridge project may pass. Is it appropriate for the Taoiseach to ask the Tánaiste to make representations to the two Ministers to whom I referred?

I refer to the preservation order on the national monument on Moore Street. The programme for Government contains, for what it is worth, a commitment to develop a cultural plan for future commemorative events such as the centenary of the Easter Rising. We were all at an event this morning at Arbour Hill to remember the men and women who proclaimed a republic in 1916. However, the last headquarters of that republic - the national monument in Moore Street - stands in a state of decay. Under a preservation order, the Minister for Arts, Heritage and the Gaeltacht is obliged to intervene when a national monument is in danger of falling into decay through neglect. I ask the Taoiseach to have the Minister, Deputy Deenihan, intervene to remove the national monument from the ownership of Chartered Land and to act to preserve the Moore Street battlefield site in its entirety.

While I acknowledge that the Taoiseach has a packed schedule, he promised to meet the families of the 1916 leaders.

An Ceann Comhairle: We are on the Order of Business.

Deputy Gerry Adams: Can the Taoiseach get someone to get in touch with those families to organise the meeting?

The Taoiseach: I met a cross-Border delegation regarding Narrow Water when I was in Dundalk recently. Clearly, the EU moneys are in place as is the finance being contributed by Louth County Council and the Government. The process of evaluation by the Executive and the Minister, Sammy Wilson's office in Stormont is proceeding. I hope the matter can be brought to a speedy and successful conclusion. The project is an important cross-Border link and the first visible physical connection at Narrow Water. It is clearly an important link from a commercial, social and tourism perspective. The Minister, Sammy Wilson is dealing with the evaluation process, which I hope can be concluded successfully.

Moore Street is a monument of which one is not proud. I visited it and it is not the kind of site to which one would like to refer people as the last headquarters of those who left the GPO by the side door in 1916. It is a complex matter involving developers, Dublin City Council, the Minister and NAMA etc. I have asked the Minister to prepare a memo for Government because we must make a decision. The Minister can intervene in law, but any intervention should take into account what we want for the general area by the time we get to 2016. As I said to other

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Deputies, I would like to think we could do something about the military archives, the court-house in Kilmainham, the GPO itself and the national monument in Moore Street. The Minister will bring his memo to Government shortly. It is a matter which can be discussed in the House. The Minister has a particular interest in the matter as chair of the centenary commemoration events. It is a case of ensuring any intervention is the right one in the context of what the nation wants for the national monument at Moore Street.

Deputy Gerry Adams: Will the Taoiseach meet the families?

The Taoiseach: I had three requests for separate meetings in the short time I was in the GPO on Easter Sunday morning. I made the point to a number of groups that we would want to get some cohesion on what we want. We are not going to have three separate dealings about headquarters. I acknowledge that the groups all have particular leanings about what they want. While I will get around to it, I ask Deputy Adams to let me see the Minister's memo first.

Deputy Mattie McGrath: We have been promised a local government reform Bill. It is very unfair that people who are in public life or who want to enter it have no indication as to what the constituencies will be in the next local authority elections. I understand the local authority and European elections are being brought forward by one month and are less than one year away. When will we have dates and the report of the commission of inquiry? When will people know? It is not fair to people who want to engage in the democratic process.

A most serious issue is the criminal justice (corruption) Bill. There are third-force, militia-style groups going around the country and breaking into people's homes. It happened this morning when a large group of men in balaclavas broke into property at Dodsboro Cottages in Lucan.

An Ceann Comhairle: This is not on the Order of Business.

Deputy Mattie McGrath: I want to know when the corruption legislation is being brought forward. These are the corrupt people that are attacking people's homes. I thought it was illegal to break into a home without a warrant yet this is happening up and down the country. It must be stopped before someone is hurt, seriously injured or killed. It is devastating. There was a young mother, two small babies and an elderly lady. A gang of militia arrived with balaclavas in an English registered van. It is totally unacceptable in the modern democratic State that we are supposed to have. These third force militias must be taken off the road.

An Ceann Comhairle: Hold on, Deputy.

The Taoiseach: The criminal justice (corruption) Bill has been referred to the committee for consideration. The question about local government and the definition of various areas will be before the Dáil. The Minister expects to bring forward the Bill in about two weeks time. They will know in good time down there in Tipperary.

Deputy Mattie McGrath: What about my second question?

The Taoiseach: I answered it first.

An Ceann Comhairle: It is gone to the committee.

Deputy Michael Healy-Rae: I do not think the Taoiseach answered it at all.

Deputy Mattie McGrath: Níor chuala mé é sin.

The Taoiseach: Bhí an Teachta ag caint leis an Teachta in aice leis.

Deputy Patrick Nulty: In its annual report yesterday, Focus Ireland made mention of the fact that the Government policy of providing 2,000 units from NAMA for social housing had failed to deliver. Does the Government have proposals or plans to reform the legislation that established NAMA to give it a stronger social dividend and social dimension to ensure this aspect of Government policy is delivered on, given that we have 100,000 families on social housing waiting lists?

The Taoiseach: I will ask the Minister of State, Deputy Jan O'Sullivan, to advise the Deputy on the work she is doing in this area on social housing.

Deputy Niall Collins: Will we see the legal services regulation Bill before the summer recess?

The Taoiseach: That is awaiting debate on Committee Stage. A number of technical amendments are being worked on in the Office of the Attorney General. As soon as they are cleared, it will be brought to Committee Stage.

Deputy Timmy Dooley: A Bill prepared by Senator Quinn has been hanging around for some time. It concerns the protection of subcontractors. The Taoiseach indicated that he intended bringing it forward shortly. Can we have clarification on the point?

The Taoiseach: It is due on Committee Stage next week.

Deputy Bernard J. Durkan: What is the current position of the Sport Ireland Bill, which is to amalgamate the Irish Sports Council and Campus Stadium Ireland? When will the heads come before Cabinet and when are they likely to be approved? When will the criminal law (sexual offences) Bill, which has been promised for some time, come before Cabinet? It is a serious issue that needs to be dealt with urgently.

The Taoiseach: The heads of the Sports Ireland Bill have not been cleared. That will take place later this year. The criminal law (sexual offences) Bill will be taken next year according to the current list.

Deputy Brendan Griffin: Further to Deputy Durkan's remarks, I ask that the criminal law (sexual offences) Bill be prioritised. I have asked about it on a number of occasions. Initially, the indications were-----

An Ceann Comhairle: The Deputy has received an answer. We cannot debate the issue.

Deputy Brendan Griffin: We were originally told it would be dealt with in 2013. It is a very important matter because provision will be made for electronic tagging of sex offenders in the Bill. The matter needs to be prioritised.

The Taoiseach: With regards to the fines (amendment) Bill, at the moment we have a ludicrous situation where people are being convicted-----

An Ceann Comhairle: I think we have an answer for the Deputy.

Deputy Brendan Griffin: -----and if they do not pay their fines they are being taken to

prison, sometimes for as little as one hour-----

An Ceann Comhairle: We cannot discuss the Bill.

Deputy Brendan Griffin: It is a waste of taxpayers' money.

An Ceann Comhairle: Other Deputies want to speak and we have other business.

The Taoiseach: As I said to Deputy Durkan on the criminal law (sexual offences) Bill, there was a report to Government last July and work is proceeding in the Department. It probably will not be finished for some time. The fines (amendment) Bill is due this session.

Deputy Michael Healy-Rae: I believe the Government is seeking advice from the Attorney General with regard to options to impose public sector pay cuts if there is no hope for the Croke Park II agreement. Can the Taoiseach inform the House if the Government is proposing to introduce legislation to impose cuts on public sector pay?

The Taoiseach: The Government authorised the Minister for Public Expenditure and Reform to give the chairman of the Labour Relations Commission a few extra days to engage with unions with regard to Croke Park II. I hope some progress can be made in that regard. The chairman of the LRC will report to the Minister for Public Expenditure and Reform on Monday and the Minister will brief the Cabinet on Tuesday on the outcome of the discussions and the options open to us. The bottom line remains at €300 million of savings this year, leading to €1 billion by 2015.

Deputy Robert Dowds: Unlike the €350 million under Fianna Fáil.

The Taoiseach: The Minister will have a briefing from the chairman of the LRC on Monday.

Deputy Joan Collins: Deputy Healy-Rae asked half of my question. The Taoiseach indicated 1 July is the date by which €300 million must be taken out of the public sector. By what date must legislation be passed if the Taoiseach does not get agreement to implement the cuts on 1 July? When must it be passed by the Dáil?

The Taoiseach: I prefer to allow the extra time for discussions to take place between the unions and the LRC and to have the chairman of the LRC brief the Minister on Monday and the Minister report to the Cabinet on Tuesday. The Government will consider the outcome and the options at that time.

Deputy Barry Cowen: Has the troika given permission to the Government for the water services Bill to be brought forward? If so, when can we expect it?

The Taoiseach: The Government made a decision to have effective payments from 1 January 2015, which are retrospective for three months. The payments will be from October 2014 but only payable from 1 January 2015. The Government has been in negotiation and discussion with the troika and progress was made in that regard. I cannot give confirmation of the outcome but I understand it was satisfactory and I will advise Deputy Cowen of the formal outcome of it.

Deputy Thomas P. Broughan: When does the Taoiseach expect to bring forward the criminal justice (miscellaneous provisions) Bill? With regard to the displaced residents of Priory Hall, Dublin 13, can the Taoiseach give any indication of when Mr. Justice Finnegan will report

to the Government and when the incredible ordeal the displaced residents are enduring right now will be brought to an end? It is happening right now as the people are back in court shortly with regard to rental and mortgage issues. They also have issues with their credit rating and so on.

The Taoiseach: The criminal justice (miscellaneous provisions) Bill will be taken later this year. Deputy Broughan received his letter on 23 April setting out the position. I would like to be able to give an end date for this Priory Hall debacle but there are court cases tied up in it and I cannot comment on it.

Deputy Thomas P. Broughan: The report of Mr. Justice Finnegan is not a court case.

Deputy Ray Butler: When is publication of the landlord and tenant Bill expected? It will reform and consolidate the general law on landlords and tenants in the context of tenants likely to be displaced by banks.

The Taoiseach: That is due in the middle of next year according to the present preparation.

Europe Week: Statements

The Taoiseach: On 10 May 1972, 41 years ago on Friday, the people went to the polls to decide whether to join what was then the European Economic Community. More than four in five people voted “Yes”. As we mark the 40th anniversary of our membership this year, it is plain that the four decades since we voted have fully vindicated our choice. The Ireland of the early 1970s was a very different place. It is sometimes difficult to recall and appreciate just how different it was. In 1973 Irish gross domestic product, GDP, was 60% of the European average. Ireland was the poorest of the then nine member states. Today, despite our recent difficulties, our GDP is well above the European average. In 1973 Ireland was a country of traditional emigration, with a workforce of less than 1 million. Today, there are almost 2 million people at work, largely the result of many women entering the labour force. While emigration remains with us, it is not at the level that it was. In 1973, after decades of economic drift and isolation, the population of the country was 2.9 million. Now, it is 4.5 million. In 1973 our foreign trade was largely with our nearest neighbour and 55% of our exports went to the United Kingdom. Now, even though our trade with Britain has grown enormously, the figure is under 17%. Our external trade is much larger, more diversified and more balanced, and with exports accounting for over €90 billion, it is leading our economic recovery. The Single Market of 500 million people has been opened to our businesses and we have greater clout in negotiating the terms of our trade beyond EU borders when we do so as part of the world’s largest trading bloc.

As our access to new markets grew, so did our attractiveness as a place in which to invest and do business. In 1973 a mere €16 million was attracted in foreign investment. Today, we count our foreign direct investment in many billions and the economy has been transformed, with almost 1,000 companies in the foreign owned sector. These companies have come to know the Irish people, their creativity and capacity for hard work. More and more of them are coming to invest here. We now have a real Single Market which is deeper, wider and more significant than the Common Market that the Irish people joined many years ago. We have also created an economic and monetary union, with the euro as our shared currency.

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Ireland has not just been shaped by these developments. We have played our full role in shaping them. This is something that is too often overlooked. In Berlin last year when I had the privilege of accepting the European of the Year award in the name of the people, I spoke about how Ireland's commitment and contribution to the European Union through seven EU Presidencies had brought a distinctive clarity, an insight and resolve to negotiations at European level, for example, in chairing the meetings of the European Council in 1990 that welcomed German reunification following the fall of the Berlin Wall, in 1996 laying the vital ground work for the introduction of the common currency and in 2004 welcoming ten new member states, mainly in central and eastern Europe.

Our current EU Presidency finds the European Union at a critical juncture. While the phase of immediate crisis is I hope behind us, we are far from building a strong and sustainable recovery. The urgency of the need for economic recovery is shared and palpable among our leaders, people and across the Union. During Ireland's Presidency we are making real progress in our three Presidency priorities of stability, jobs and growth. These priorities require little justification. Since the eurozone crisis began, 3.8 million jobs have been lost. In March employment across the eurozone fell for the 15th consecutive month, dropping at the fastest rate since January 2010. A total of 19 million citizens in the single currency area are now looking for work. The eurozone is suffering a second deep recession in just three years. Consensus forecasts for euro area GDP growth worsen every month. Without a change in direction, the International Labour Organization predicts another 4.5 million jobs being lost in coming years.

This is a crisis of an almost unprecedented nature. It is not just a sovereign debt crisis facing individual countries, although high public debt and deficit levels have complicated the response to the crisis. Many eurozone countries are facing a deeper economic crisis than other non-euro OECD countries with similar deficit and debt profiles. It is a crisis of confidence in the euro and the political and economic management of the eurozone. It is a crisis reflecting the unfinished and often dysfunctional nature of the Economic and Monetary Union we began 15 years ago.

We have taken some very welcome steps to stabilise the single currency. We have established the European Stability Mechanism as a credible and permanent funding back-stop for eurozone countries in difficulty. Through the six pack, the two pack and the fiscal compact, we have strengthened mutual surveillance of national budgetary and competitiveness developments and the potential sanctions for breaches of our commitments to each other to pursue sustainable economic policies. Many countries across the eurozone are implementing unprecedented national reform plans to restore competitiveness, financial stability, growth and confidence in their long-term fiscal sustainability. The people voted by a large majority in a referendum last June to approve ratification of the fiscal stability treaty. The European Central Bank has developed new instruments to stabilise financial conditions and improve the functioning of monetary policy. Most recently, European loans to Portugal and Ireland were extended to reinforce market confidence in their funding position as both countries plan to exit their programme of assistance. French support for this has been crucial and very welcome.

These are all important steps in the right direction, but there is no room for complacency. While financial markets have shown signs of greater stability, the crisis in the eurozone's real economy is still deepening. Improved budgetary discipline and funding support are only part of the solution to the eurozone crisis. They will only fully restore confidence if they are accompanied by greater efforts to support investment and growth and create employment. In a common currency area unco-ordinated national efforts alone are not sufficient to meet the employment needs of citizens. Much greater eurozone and EU collective action and co-ordination are also

required. Some of the notable priorities from an Irish perspective include updating and intensifying implementation of the compact for growth and jobs agreed at the European Council last year; implementing the recently agreed youth employment guarantee; agreeing a bundle of measures to remove remaining barriers to the internal market, most notably in the areas of services and digital content; progressing a series of external trade agreements for the Union that could lead to the creation of over 2 million new jobs across the Union.

More urgent than any of these, however, is the need to address what has become the Achilles heel of the eurozone, the ongoing crisis in Europe's banking sector. We welcome the indication from the president of the European Central Bank that the ECB is considering further non-conventional measures to ensure the effective penetration of its monetary policy into all parts of the eurozone. This should involve a more structured dialogue between the ECB and the other eurozone institutions and governments about the necessary instruments to make this happen. It is also why the euro area summit commitments made last June were so important and must be followed through. They committed euro area leaders to the creation of a banking union that would break the vicious circle between the sovereign and banking debt crises by using the European Stability Mechanism to directly support financial institutions under common supervision. The summit committed to quickly putting in place the other elements of the banking union urgently needed to underpin Economic and Monetary Union and the Single Market.

For our part, as Presidency, we have prioritised the EU legislation required to achieve a banking union such as the capital requirements directive, the single supervisory mechanism, bank resolution and recovery and the deposit guarantee scheme. While we have made good progress, a great deal more work remains to be done. There are, as always, important technical details to be resolved, but with sufficient political will, there are no insuperable difficulties in these areas. The work done by the Eurogroup, the ECB and the Commission in agreeing the modalities of direct recapitalisation of banks by the European Stability Mechanism will be the next major step. This is a key issue for the success of the Irish programme. We still need further assistance to reduce Irish taxpayers' exposure to our banking system as we try to return to market financing in a sustainable fashion. With such support, Ireland can emerge as a success story for the entire eurozone and return durably to the normal market provision of our financing needs next year when we exit the EU-IMF programme. A successful Irish exit from the bailout by the end of this year would prove and demonstrate that a combination of intensive national reform efforts and European solidarity can actually deliver results. It could provide momentum for reforming governments and investor confidence across the eurozone. Too many eurozone countries have fallen into the trap to which I refer. For the sake of our common currency, we need to see that it is possible for the country to climb out of economic difficulty.

Our membership of the European Union has helped and marked us to become a real republic. It is that journey, that transformation, that we commemorate in Europe Week, reminding ourselves of our respect for the Union and that by working together we will emerge from the economic difficulties that our countries face. We have come a long way and the journey ahead still challenges us.

Tánaiste and Minister for Foreign Affairs and Trade (Deputy Eamon Gilmore): Europe Week prompts us to reflect on the original Schuman Declaration and, in particular, its observation that Europe would not be made all at once or according to a single plan. It is stated it will be built through concrete achievements which first create a de facto solidarity. The reality that the integration of nation states is a process rather than an event remains as true today as when the Union took its first steps. While Robert Schumann's initial plan was to create an

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entity that would oversee coal and steel production in France and Germany, much more than that was envisaged. He was laying the foundation for an economic union that would be open to all countries that agreed to be bound by its values and rules. That foundation, reinforced by the Treaty of Paris a year later in 1951, has been followed by a series of further treaties that have progressively shaped the common institutions necessary both to respond to and shape deeper European interdependence. The accession of Croatia in July will bring to 28 the number of member states from the original six that took the first important steps. This enlargement process is perhaps the strongest testimony to the success of this unfolding project.

It is also clear that the union has been severely tested by the ongoing economic and social crisis. It is to this particular challenge that the Union, including Ireland, both as a member state and President of the Council, must now rise. Last week's spring economic forecasts from the European Commission pointed to a further economic contraction in 2013, with a contraction of 0.1% in the European Union and 0.4% in the euro area.

Unemployment remains at unacceptably high levels. There are now more than 26 million people out of work across the European Union, representing an increase of 2 million people on a year ago. Unemployment rates this year are now forecast at 12.2% for the euro area and 11.1% for the European Union. These figures mask dramatic disparities across member states, with unemployment running at 27% in both Greece and Spain. These figures represent real hardship for people and they demand our urgent response. Doubtless, we have recently experienced a period of relative calm in financial markets, and Europe has made important policy decisions that have helped to restore a measure of stability. However, stability, while important, is not enough. Stability must be a platform for what comes next, and Europe must now intensify its focus on growth and employment creation. As I stated, too many Europeans are without jobs and too many young Europeans are without prospects and opportunities.

As the House is aware, we set a clear course for the Irish Presidency of the European Council - it involves stability, jobs and growth - and we are determined to see that through. This determination builds on the very significant steps already taken since the onset of the crisis, particularly in terms of strengthening the rules underpinning the single currency area. We have already accomplished much, including a permanent firewall, the European Stability Mechanism to support member states in financial distress; stronger economic governance arrangements, supported by the new stability treaty; decisive and painful fiscal consolidation measures by member states to close gaps between public spending and revenue, supported by ongoing structural reforms; commitment to breaking the vicious circle between sovereign and banking debt; effective lender-of-last-resort support from the ECB; and further work towards a stronger EMU being taken forward by President Van Rompuy, on which he will report to the June European Council.

Pressing forward and banking union remains of overriding importance. Speedy progress is important in its own right but also as a test of our credibility and ability to deliver. This means sticking to the ambitious programme of work and timetable agreed by the European Council in December. Since January, we have worked intensively to drive forward this vital work. Thanks to good co-operation with other member states and the European Parliament, we have reached a positive outcome on the capital requirements directive that will ensure Europe's banks are built on a more solid foundation and which also provides for checks and balances on bankers' pay. We have also secured agreement on the single supervisory mechanism for European banks, and we look forward to its entering into force.

The next phase of this work – agreed bank resolution and recapitalisation arrangements – is a crucial one. It will strengthen the progress we have already made. Our goal remains to reach agreement with the Parliament on this by June. This will allow discussions to reopen on deposit guarantee schemes. The timelines are tight but, for our part, it is clear that the political engagement and commitment expressed by partners last year, including the solemn undertaking to break the toxic link between the sovereign and banks must be fully implemented. Therefore, we are building financial stability but we must also work to stimulate growth, not simply growth for its own sake but also for the jobs it will bring for our citizens.

The Union has a shared strategy and approach, the European Semester. In March, the European Council endorsed the five headline priorities of the annual growth survey: differentiated growth-friendly fiscal consolidation; restoring normal lending to the economy; promoting growth and competitiveness for today and tomorrow; tackling unemployment and the social consequences of the crisis; and modernising public administration. These are the Union's agreed pathways to growth but we need to add the specifics, targets and deadlines. The Single Market remains the cornerstone of the Union but its full potential is not yet realised. We have developed strong emphasis on creating the right environment for successful businesses. This means lowering SME transaction costs, making it as easy as possible to grow and scale internationally.

The agreement we reached on the accounting directive will simplify financial reporting requirements for millions of European micro and small enterprises. The unified patent court will bring protection of intellectual property rights within their reach. Finalising the public procurement package will streamline SME access to markets accounting for nearly one fifth of EU GDP.

We are also laying important foundations for the digital single market, coherent market rules that will support new growth areas, recognising that most job creation comes from fast growing firms. We remain hopeful that it will be possible to reach agreement at the Council on the main elements of the data protection package before the end of June, and we are making solid progress on the collective rights management and e-identification files.

Trade beyond our borders is another vital tool for growth. That is why the external trade agenda is a major Presidency focus. We are working to advance trade agreements with key EU partners, with particular emphasis on the vital EU–US trade relationship. Our ambition remains to secure a mandate for the start of negotiations on a trade-and-investment partnership with the United States during the term of the Irish Presidency. The economic potential it represents is immense. Most importantly, we have focused on tackling unemployment, particularly the scourge of youth unemployment. In February we secured agreement on the youth guarantee, ensuring that all under-25s without employment will receive an offer of meaningful work, training or education. Implementation will be supported by the decision of the European Council to allocate €6 billion from the multi-annual financial framework to a new youth employment initiative. We want this €6 billion in funding released as soon as possible and are working to reach a final agreement on the MFF with the European Parliament and the Commission, which we hope to bring to a successful conclusion in the coming weeks. The MFF essentially amounts to a €960 billion stimulus for Europe and we are doing everything we can to bring it over the line.

I emphasise that the European Union's response to the unemployment crisis is by no means a purely economic matter. The Union has clear social objectives, namely, the promotion of a high level of employment, the guarantee of adequate social protection, the fight against social

exclusion, and a high level of education, training and protection of human health. The cohesion policy, for which some €450 billion in EU spending is provided in the MFF for the next seven years, and its component European Social Fund is a very concrete expression of our commitment to that objective. There are important social policy legislative priorities also. Last February, the Commission produced its social investment package, which highlights the interdependence of economic and social goals and the crucial role of investment in people. The Irish Presidency is working to secure adoption of this package before the end of June. Last week, the social investment package was the focus of a dedicated Irish Presidency conference in Leuven.

The compact for growth and jobs is the European Council's blueprint for future work on jobs and growth. A full review has been lined up for the June European Council one year on from its adoption. The financing needs of the real economy are a crucial focus here. This means restoring normal lending conditions and unlocking productive investments. The spring European Council noted that the €10 billion increase in the European Investment Bank's paid-in capital agreed last year will help co-finance up to €180 billion worth of projects over the next three years. Successful mobilisation of these resources will be key to underpinning the recovery that is now in sight. It is clear that Europe will have recovered from the current crisis only when its economies are growing again and creating jobs.

This year marks the 40th anniversary of Ireland's membership of the European Union. Despite recent setbacks, our experience has been hugely positive. We have developed our economy, modernised our society and widened our horizons. The experience has seen Ireland grow and mature, leaving behind the sense of isolation that undermined our early decades of statehood. The economy is more diverse, more open to trade and exports and better equipped to overcome the difficulties we now face. Access to the world's largest single marketplace and membership of the bodies that govern it enable us to attract the type of inward investment that remains key to our successfully emerging from current difficulties. EU membership has brought high standards to our workplaces. For example, it has catapulted to a higher level the proportion of our youth gaining a third level qualification. Effective use of EU funding has helped us to develop our infrastructure and modernise our agriculture sector. We have benefited from the solidarity of our EU partners and also contributed our solidarity to the Union.

The whole experience over decades is one which has taught us the importance of working constructively with others towards common goals rather than pretending there is some insular alternative. Such processes involve compromise and change, which is often difficult. One of the lessons of Europe is that those who engage in the round are those who benefit most. Ireland has truly engaged from the outset as a member state determined to see the Union succeed. Since 1973 we have been active participants, not observers, in this process. It is this perspective that has shaped our Presidency and will endure beyond it.

Deputy Micheál Martin: The founding of what is today the European Union was one of the most important and positive developments in modern history. It is right that we take time to mark this every year, both in the Oireachtas and wider society. There is a strong case for a significant increase in the level of public commemoration of the Union's foundation. The problem is that far too much time is spent on worthy statements about past achievements and nowhere near enough time is spent on ensuring that the Union tackles the problems of today. Praising the Union's founders but ignoring the urgent lessons their actions have for us is an absurd but far too real part of what is happening throughout Europe this week.

The European Union was born out of a time of unprecedented crisis. A conflict-torn conti-

nent had witnessed unthinkable barbarity. It had no idea how to stop the cycle of violence and promote a cycle of development. The founding principles of Schuman and others were deeply radical because they liberated Europe from an insular, narrow and ultimately aggressive model of nationhood. They promoted the idea that only by working together in close union could states serve their citizens effectively. They proposed that in place of conflict, a new spirit of co-operation could deliver far more. They have been proved right time and again.

The Government's reluctance to acknowledge the work of governments and movements not from their own party traditions is now well established. It is a pity that this has meant there has been no proper marking of the 40th anniversary of the negotiation and accession of Ireland as a member of the then European Economic Community. It was an exceptional generation of political leaders and public servants who secured our membership. They did so not because it was inevitable but because they deeply understood the vital importance for Ireland's development of membership of a strong community of European nations. They both understood and welcomed the forces of modernisation which would be unleashed. They did not sit still, take anything for granted or expect that the work was over; rather, they immediately set about helping to build the Union.

We should particularly note the work of our first Commissioner, Dr. Patrick Hillery. Having capped a brilliant career as a reforming Minister and a signatory of the Treaty of Rome with the then Taoiseach, Jack Lynch, he went to Brussels with the intention of making an impact, something which he succeeded in doing in only a very short period. He created the European Social Fund and pushed forward large amounts of progressive legislation to ensure that social objectives were promoted hand-in-hand with economic ones. I would also like to acknowledge the contribution of politicians of other parties in the early years of our membership. In particular, we should remember the work of former Taoiseach Liam Cosgrave and his then Minister for Foreign Affairs, Dr. Garret FitzGerald. They initiated the formal approach to Presidencies in terms of work programmes and co-ordinated Council meetings, which grew steadily over the years. In addition, they presided over the crucial final negotiating session of the Helsinki Final Act, which remains a powerful statement of the primacy of human rights, respect and peaceful coexistence in Europe.

As we look back today on the founding years of both the Union and our membership of it, it is impossible not to see the difference in the approach of Europe's leaders then and now. Quite simply, none of the great successes of the Union could have been possible if the approach of today's leaders had been followed. There is none of the bold vision and absolutely none of deep solidarity which built the Union. Today's leaders, in their lack of urgency and ambition, are betraying the spirit of the Union and presiding over a dangerous erosion of its foundations. Anyone who cares about the Union, who wants to move from crisis management to addressing the real and growing needs of its citizens, has every reason to be alarmed. We are now in the fifth year of the largest crisis to face the Union since the Treaty of Rome was agreed. Some 26 million European citizens are unemployed and economic forecasts are being cut, with much of Europe returning to recession. Extreme nationalism is on the rise in many countries.

6 o'clock

The basic freedoms which have been at the core of European co-operation for decades are under threat, with new limits on the free movement of people and capital being introduced or debated. The common currency shared by the majority of states and citizens is losing its popular legitimacy and maintains design flaws which are directly responsible for problems faced

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by many countries, including Ireland. It is now almost six months since the Prime Minister of Britain set up the choice between destroying the fabric of EU social protections or leaving the Union. Today his office has announced the intention to unilaterally introduce restrictions on the employment rights of EU citizens.

What has been the response to these rising challenges to the foundations of the European Union? It has been to hold crisis summits, issue worthy communiqués but ultimately to do nothing. A policy of waiting until the last possible moment before doing the minimum possible to muddle through has made the crisis much worse. This cannot go on. Without an urgent and ambitious agenda, the European Union may well be fatally damaged, returning Europe to the failed model of competing blocs. The first thing that needs to be done is for leaders to start defending the core principles of national and social solidarity as the only way forward for sustainable economic progress. One of the many bad developments of recent years has been how the terms of debate set by anti-European Union forces have not been challenged. The agenda, to which many countries, including Ireland, signed up last year, is one which emphasises free trade above all. What no one has done is reassert the central role in common standards in ensuring social progress is not undermined in the pursuit of the economic gains which free trade can bring.

The entire point of the European Union is that countries agree to stop the race to the bottom and ensure fair wages and decent conditions can be secured as part of expanding economies and fair competition. If no one is defending this, how can we expect to stand against the British Tory Party agenda of hollowing out the Union in the name of competitiveness? Yes, the Commission and the Parliament often propose measures which could damage fair competition and successful industries and they maintain an unfounded obsession with harmonising taxes. Equally, they are too slow to recognise when standards of employment protection are high. We should absolutely reject the idea that this is what defines the Union. The bulk of its work is about increasing opportunities for companies and individuals to grow, while protecting the working conditions and interests of workers. If we are sincere in believing the Union has a role to play in helping countries to develop and overcome this deep crisis, we should also assert the need for it to have a budget which gives it a chance to do this. The current budget represents less than 1% of Europe's economy. There is simply no way it can play a significant role in responding to the catastrophic employment situation with the current budget, one which the Council is now seeking to actually cut. Europe's citizens consistently state the Union should be playing a major part in tackling unemployment, yet it is denied the means of fulfilling this role. What is worse is that leaders continue to make inflated claims about action which do nothing but generate new cynicism. A classic example of this is action on youth unemployment, where the initiative agreed with much fanfare in February and which has been promoted since by the Taoiseach as a breakthrough amounts to exactly €122 each year for each young unemployed person. Commissioner Geoghegan-Quinn has rightly talked about how European action on research is central to long-term economic growth and produced excellent strategies to move it forward, yet the budget proposed by the Council for this area is due to be cut by 11%. This is unacceptable in an area that is central to job creation. Whether it be through new revenue raising powers or otherwise, the European Union desperately needs a budget which can help it to fulfil the role of active promoter of economic development, particularly in helping regions with high unemployment levels and limited scope to provide a stimulus.

History shows that the Common Agricultural Policy, today under sustained attack, should be viewed as one of the great successes of collective action. A continent once known for

regular food shortages has achieved food security for over half a century. Just as importantly, the European Union has provided essential supports for rural life and the improvement of the rural environment. Balanced social and economic developments and the good of society as a whole require that rural communities receive direct support. We all benefit from this and we will all suffer if the anti-CAP agenda continues. It should not be seen as the first port of call when money is needed for other programmes. The 10% cut being pushed by the Council will directly undermine one of the few areas in which the European Union has a comprehensive and effective policy.

In addition to defending the founding principles and programmes of the European Union, we need an urgent agenda of reform to address flaws which continue to do immense damage. As the Taoiseach admits when he is not playing domestic politics, Ireland has suffered significantly because of flawed and inflexible EU policies, particularly in the period 2009-10. It is now widely accepted that the failure to have any funding support available for countries and the refusal to allow either the winding-up of institutions or the writing-down of debts drove Ireland and Portugal from the bond markets and has inflated their debts. The justice of Ireland's case for further significant relief from the burden of bank-related debts remains both strong and unanswered. Beyond this, the need to address the core flaws in the design of the euro is more obvious and more urgent than ever. We need a central bank which is concerned with more than the erratic pursuit of an artificial inflation target. The maintenance of high employment and living standards is the reason for the European Union and the euro and this should be reflected in the mandate of the European Central Bank. We also need a banking union which is strong enough to return confidence to the financial sector and lending to hard-pressed employers.

These and other essential reforms cannot happen unless countries commit themselves to a reform of the European Union which is true to its founding spirit and ambitious enough to tackle today's urgent problems. This cannot happen if leaders continue to remain quiet as traditional anti-European Union forces step up their work to scapegoat it for every problem and to hammer away at its very foundations.

For our part, Ireland has to end its policy of standing on the sidelines. We cannot be neutral in the choice between a union of social and economic co-operation and one which has been hollowed out to become little more than a free trade area. It is long past time for the Government to set out its policy for the future of the European Union. The reasonable tradition of this House is that we do not directly comment on the work of the President. As such, I will use other opportunities to explain why I strongly welcome his recent comments on the future of Europe. At the same time, it must be pointed out that the Tánaiste is entirely wrong when he says the Government's policy reflects these comments. The Government has issued no overall policy statement on Europe. I have asked for this on a few dozen occasions in the past two years, but the response has always been to take each issue as it comes.

In regard to reform of the European Union, the stated policy has been to wait and see what is proposed. Ireland has gained enormously from its membership of the Union. However, it is gaining nothing from a failure to use its position to demand a more urgent and ambitious agenda to tackle this shared crisis. If we continue with this approach, the only thing that will happen is that the Union's traditional enemies on both the right and the left will grow stronger in their work of trying to undermine it. Leaders across Europe need to live up to the potential and expectations of the citizens they serve and show more solidarity in these threatening economic circumstances. There are over 115 million citizens in or at the risk of poverty and social exclusion. This cannot be allowed to continue, particularly this year which has been dedicated

as European Year of Citizens.

Deputy Gerry Adams: I welcome the opportunity to contribute to this debate. Europe Day presents an opportune time to reflect on the state of the European Union. The Taoiseach and the Tánaiste have acknowledged that the ongoing economic crisis is having a devastating effect on citizens and communities across this island and Europe. The big question is: what are the Taoiseach and the Tánaiste going to do about this? They are our leaders at this time. As they and other European leaders gather for crisis summit after crisis summit, the dole queues are getting longer and longer. Some 20 million people are unemployed across the eurozone and the situation is even worse for young people. The level of youth unemployment is 30% in this state compared to an average of 24% across the European Union. Our 30% level of youth unemployment does not take account of the scores of thousands of young people who have had to leave for other parts of the world. The statistics for some of the other so-called peripheral states are even more shocking, with youth unemployment at 55% in Spain, 38% in Italy, 38% in Portugal and 59% in Greece. This state and others like it have borne the brunt of the EU austerity policy.

Yesterday the Taoiseach said he was no fan of austerity. That is like Brian Cody saying he does not support Kilkenny. The Taoiseach is a champion of austerity here and across the European Union. The dire social consequences of the austerity approach will be felt for generations to come. Much has been made of the €6 billion fund established to tackle this issue. With 6 million young people unemployed, however, it is but a drop in the ocean compared to what is required. When compared with the billions of euro put into banks it demonstrates where the priority of EU leaders lies. The focus in the ongoing negotiations was and is on cutting the budget, but increasingly we are hearing verbal acknowledgement that the policy of austerity has failed.

It was in May last year, when President Hollande was elected in France, that the Taoiseach and the Tánaiste became converts to the need for jobs and growth to tackle this crisis. While the language may have changed, there has been no substantive change to the policies being pursued either here or across the European Union. As An tUachtarán Higgins said recently, there is a flaw in the economic model and in the social and political mores of EU leaders. I warmly welcomed his remarks and was quite bemused that the Government also saw fit to welcome them when clearly they were at odds with what it is doing. There seems to be a need, and perhaps an opportunity, for a radical rethink of how our economic crisis is handled. A one-size-fits-all approach will not solve our economic crisis. Getting people off the dole and back to work needs to be prioritised. There is an urgent need to increase the lending capacity of the European Investment Bank, EIB, to stimulate activity in the real economy; to cleanse the European banking system of toxic debts; and to introduce debt-restructuring agreements, including debt write-downs for heavily indebted states. The €10 billion allocated by the European Council to expand the lending capacity of the EIB simply does not go far enough. One of the critical mistakes made in the handling of this crisis was the insistence, by the Government too, that citizens bear the burden of private banking losses. At the very beginning of the Irish banking crisis, Sinn Féin called for bondholders to take the hit. We said that Irish citizens should not have to cover the losses of private bankers and speculators.

Deputy Eamon Gilmore: It did not.

Deputy Gerry Adams: Instead, billions of euros' worth of bad banking debt was heaped on the shoulders of Irish citizens. Last June, the Taoiseach and the Tánaiste returned from a summit meeting in Brussels to tell us that a seismic shift, a game changer, had been achieved in

Europe. They told us this would mean the separation of banking debt from sovereign debt and that in future bank crises the ESM would directly recapitalise banks and the sovereign would not be expected to take on a bank bailout. They said that because Ireland had taken on this liability there would be retrospective recapitalisation. Instead, almost a year later, progress on this has stalled and we seem no closer to a deal on the €30 billion or so that went into the pillar banks. Indeed, given the failure of European leaders to make use of the ESM in the recent Cypriot crisis, such a deal seems even further away.

There are also broader issues to do with the interaction between the European Union and citizens. Since the first steps were taken in the 1950s, more and more areas of policy have been affected by European institutions. Sinn Féin's approach to the European Union has always been one of critical engagement. Where measures are in the interests of the Irish people, we support them and seek to further them. Where they are not, we oppose them and campaign for change. We will not, however, support a drive for further centralisation of powers in the hands of an unelected EU bureaucracy. Irish citizens do not want to live in a province of a European super-state where technocrats take decisions with no accountability. Sinn Féin has been consistently critical of the EU project's federalist character and the profound lack of democracy at its core. We do not support a European Union in which a small number of large member states take it upon themselves to dictate economic or other policy to smaller states. We support a Europe of equals, a social EU where all states act together in their common interest.

The European project grew out of the ashes of the Second World War and a determination between the founding states, particularly Germany and France, that in the future peace and prosperity would define their relationship rather than war and mistrust. As the project has continued, the European Union has played a role in overcoming the divisions in Europe caused by the Cold War. Given its origins in an historic compromise, the EU could also play a very important, perhaps critically important, role in advocating peace, demilitarisation, nuclear disarmament and the just resolution of conflicts.

In Ireland the European Union has, through the PEACE programme, supported the Irish peace process and supported projects aiming to foster peace and reconciliation. In regard to the Middle East peace process, however, the Union could play a more useful role. Yesterday I raised with the Taoiseach the issue of the Jerusalem report, a report by EU heads of mission which raised serious concerns about the actions of the Israeli Government in building settlements and excluding Palestinians from their land. The Palestinian people are being treated shamefully by the Israeli Government in breach of all sorts of international laws, but it seems that little or no action has been taken on this report. I had asked the Taoiseach to raise the report at the March summit meeting but he did not do so and the report was not even discussed. Surely, given our history and our peace process, we have a duty to help people in that region. The EU leaders have also been quiet on the Israeli Government's recent attack on Syria. While I acknowledge the work of the Tánaiste in this area, if an Irish Government does not raise the need for a Middle East peace process at an EU summit, particularly during our EU Presidency, who will raise it? Who else is going to raise this issue if our Taoiseach does not?

Sinn Féin will support a European Union that acts in the interests of citizens, that respects the independence of states, that is democratised and accountable and that fosters economic and social justice. We oppose a European Union that aspires to be an economic and political superpower. We oppose further EU centralisation and control at the heart of the Union. The European Union needs to start acting in the interests of its citizens. If the Government does not raise the issues at the heart of this process, they will not be articulated. The economic crisis

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and the unemployment crisis, in particular, demonstrate the real crisis now facing the European Union. We need to act firmly and decisively to address this issue. The policy of austerity needs to be abandoned once and for ever in favour of a real shift towards growth and jobs. That truly would be an appropriate way to mark Europe day.

Deputy Seán Crowe: Tomorrow there will be a celebration of peace and unity in Europe. On 9 May 1950 the then French foreign Minister, Robert Schuman, made the first move towards the creation of the European Union. This happened only five years after the Second World War, when trust between the countries involved was extremely low and they were trying to heal their wounds and rebuild their war damaged economies and infrastructure. The countries made that effort then. They wanted to include in the agreement that they had almost destroyed themselves and had fought one of the most brutal wars with modern weaponry that the world had ever seen. It also included the area of reconciliation and co-operation, a radical and brave move and hard to imagine only five years after the conflict.

Some 63 years on, it is hard to imagine how far Europe has come since the dark days of the Second World War. However, the European Union is now facing its biggest crisis since its creation which is having a negative effect on individuals and their families right across Europe. It has led to food queues in Greece, brought hundreds of thousands of Portuguese out onto the streets to protest, while unemployment in Spain now stands at 27.2%. Emigration levels in Ireland are comparable to when an Gorta Mór was killing the Irish people and driving others abroad in search of a new life for themselves and their families.

There is a growing awareness that cutting expenditure and increasing taxes will not get the European Union out of this disastrous financial situation. What is needed is a focus on job creation, growth and protecting the most vulnerable in our societies. Unilateral austerity will continue to drive the European Union into a destabilising abyss from which it might never recover.

The European Union is made up of 27 member states, has 23 official languages and a population of over 503 million. There is no pre-designed or linear path that it has to follow as it grows and develops. Over 503 million people have made the European Union their home. What type of home will it become? The European Union does not have to be dominated by the policies of austerity, policies which have utterly failed people and communities right across Europe. We do not have to create a two-tiered European Union that punishes the peripheral countries, or southern and Mediterranean states, with crippling cuts and restrictive macroeconomic programmes.

As the European Union faces into the heart of this crisis, what we need is greater solidarity between EU citizens, not the strong versus the weak model being promoted. We know the political instability caused by the current economic approach and the deterioration of socio-economic standards are also fuelling racism, sectarianism, reduced democratic accountability and an increase in support for far-right parties. The peoples of Europe have stood against and fought fascism on many occasions since its emergence in Italy under Mussolini, in Germany under Hitler, in Spain under Franco, in Romania, Croatia and Portugal. The list goes on.

Deputy Micheál Martin: The Blueshirts.

Deputy Lucinda Creighton: And the communists.

Deputy Seán Crowe: Yes, the Blueshirts also, I suppose. We have barely banished this disgusting ideology to the 20th century, but it has not been fully defeated. Its re-emergence in

some member states cannot be ignored. We have to do everything in our power to stop it in its tracks, including revising the economic system that is destroying families right across Europe.

It might be ignored by many, but freedom, democracy, workers' rights, as well as human rights and rights for minorities and those with disabilities, cannot be ignored any longer. Ordinary citizens fought long and hard for them and they need to be defended every day. As Europe Day approaches, EU leaders need to rethink their policies and really examine how socioeconomically destructive they are. The European Union has 26 million people, including 5.7 million youth, out of work, and 115 million at risk of poverty. Things obviously are not working. As we face into the celebration of Europe Day, there are many across Europe not celebrating. We are at a crossroads and it is time to look again at our direction. Austerity is not working. Other Members mentioned the recent remarks of the first citizen of this state on austerity. We need to listen and learn from them in order that we can change direction to have a more inclusive Europe and a European Union that will be ultimately judged by how it treats its weakest and most vulnerable members. Right now, it is failing its weakest and most vulnerable members with disastrous consequences.

Deputy Catherine Murphy: I am sharing time with Deputies Luke 'Ming' Flanagan and Shane Ross.

Acting Chairman (Deputy Charlie McConalogue): Is that agreed? Agreed.

Deputy Catherine Murphy: If we look back at the last two big recessions in the 1980s and the 1950s, they displayed the same characteristics as the current one, with large-scale emigration, widespread unemployment, higher levels of taxation and cutbacks in services. Both recessions passed, as this one will. On this occasion we know that our recovery is highly dependent on the European Union and what form that Union will ultimately take. For me, it is essential that the Union is democratic and have equality and solidarity at its heart. I welcome the speech to the European Parliament made by the President, Michael D Higgins. What is regrettable is that this is not the mainstream discourse among European leaders. The President referred to the influential German sociologist and social philosopher Jürgen Habermas. In April Mr. Habermas delivered a lecture at Leuven University entitled, Democracy, Solidarity and the European Crisis. At the end of his thought-provoking lecture he stated:

If one wants to preserve the monetary union, it is no longer enough, given the structural imbalances between the national economies, to provide loans to over-indebted states so that each should improve its competitiveness by its own efforts. What is required is solidarity instead, a co-operative effort from a shared political perspective to promote growth and competitiveness in the eurozone as a whole.

Such an effort would require Germany and several other countries to accept short and medium-term negative redistribution effects in its own longer term self-interest — a classic example of solidarity, at least on the conceptual analysis I have presented.

The concluding comments in his wide-ranging paper were:

The leadership role that falls to Germany today for demographic and economic reasons is not only awakening historical ghosts all around us but also tempts us to choose a unilateral national course, or even to succumb to power fantasies of a "German Europe" instead of a "Germany in Europe". Germany not only has an interest in a policy of solidarity; I would propose that it has even a corresponding normative obligation.

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If we are to look to the future of Europe, it is helpful to look at the conditions that allowed post-war co-operation, part of which required debt resolution. UCD professor of social policy, Mr. Tony Fahey, delivered a paper to the Social Justice Ireland conference in 2012 on the future of the European social model. In it he stated:

There were many reasons why the economic aftermath of the Second World War became so positive within such a short period. By 1945, government debt in Britain and France approached 250% of GDP. Germany's debts outstanding from the 1920s and 1930s devolved largely onto the new West German Government - they have been estimated at 300% of Germany's GDP in 1938.

In France, a burst of inflation peaking at 74% post war reduced government debt to just 40% of GDP by 1950. Britain, keen to protect the status of sterling as a reserve currency, struggled to avoid either direct default or indirect default through high inflation. As a result, its national debt declined much more slowly than that of other European states.

The exceptional case was that of West Germany. Uniquely in Western Europe in this period, it obtained the benefit of generous debt forgiveness, largely brought about through the intervention of the United States. Through the London Debt Agreement of 1953, it secured a write-off of over half of its foreign debt and easy repayment terms of the balance.

We are constantly told of the German memory of hyperinflation and there is no doubt that it occurred following the First World War. However, what occurred in the Marshall Plan was an extraordinary act of solidarity in much more difficult circumstances than those of today. It was an act that laid the path not just to the construction of the European Union, but it also enabled the reunification of Germany. If we are to have a strong Europe, if small countries are to pool more of their sovereignty, we need this to be a European Union of equal member states.

I am concerned that we are moving blindly forwards without seriously considering the implications of having Europe dominated by a handful of very powerful states. We are not setting the ground rules. There are no common values. We are making decisions with short-term interests in mind only. I echo the call for the Government to set out its vision of the kind of Europe we want to see and to which we want to aspire.

This morning at Arbour Hill we commemorated those who had given their lives in 1916 in the cause of Irish independence. If we decide to share more of our sovereignty, we must decide collectively to do this with full knowledge of both the positive and negative consequences.

Deputy Luke 'Ming' Flanagan: The Taoiseach pointed out that four out of five people had voted to join the European Economic Community. I was one year old at the time and obviously did not have a vote, but if I had been old enough to vote at the time, I would have voted to join the European Economic Community. The concept of independent - it is important to remember that word - nations working together for the benefit of all had to be good. How could one have argued against it? However, it did not stay like that and the problem is that we are now heading towards a European super state, something with which I believe the people do not agree. If we were to have a proper debate on the end game in terms of where we are going in Europe, I believe people in Ireland would not be too fond of it. Four out of five people may well have voted in favour of joining the European Economic Community, but in recent years it has not been quite that easy to have referendums passed. There is a problem from a democratic point of view with the way many referendums, including those on the Nice and Lisbon treaties, have been

run. If the people proposing that we vote in favour do not get their way, those who vote against are rather insultingly told that they do so because they do not understand what is involved. Is it possible that those who voted “Yes” in these referendums did not understand? People involved in the “No” campaigns argued constantly that we were heading for a European super state, but they were told it was propaganda. People like Giscard d’Estaing were quoted and it was thrown back at the “No” side that that would not happen. I thought it was propaganda at the time and, unfortunately, that has been proved correct. The “No” campaigners were right. We are heading straight towards a super state in which we will have virtually no power.

Schuman was quoted and the word “solidarity” was mentioned. The Tánaiste has said we have benefited from solidarity. Where was the solidarity, however, when we had the guts of €70 billion worth of debt rammed down our throats? Where is the solidarity in Europe when there is virtually no unemployment in Germany and we have massive unemployment here? The German state is benefiting massively from the eurozone. However, we are not benefiting from it because when interest rates do not suit us but do suit Germany, it gets its way. We have lost the levers of control in our own country.

We will be told by people in the farming community, particularly the Irish Farmers’ Association, that we have benefited through the Common Agricultural Policy. In terms of what the policy has achieved, it is turning farmers into prostitutes. They are now dependent on that income and cannot find another way. The Tánaiste has said there is a massive financial benefit under the CAP. This time around we are looking at a figure of just over €1 billion. Every year - the figures are available - we lose €1 billion because of the loss of our fishing rights. Add the €2 billion extra in value we could achieve in processing and we lose €3 billion. When this figure is put against what we gain under the CAP, it does not seem that attractive.

At a showcase on the reason the European Union is so wonderful and why we would all be living in caves if we had not joined it, organised by Leviathan and attended by the Minister of State, Deputy Lucinda Creighton, I heard that we would not have women’s rights if we were not in the European Community, the European Union or whatever it is called nowadays. The reality is we would have had women’s rights if Fianna Fáil and Fine Gael, the two main political parties in this country, had had some backbone and stood up for women and not waited for someone else to do so.

This week we saw a new law proposed by the European Commission under which it will be illegal to grow, reproduce or trade vegetable seeds that have not been tested, approved and accepted. That someone would be forced to do this is over the top.

Tomorrow morning in Listowel turf cutters will be dragged before the court for trying to keep their homes warm. The propaganda machine is travelling around the country to make it sound all right. I attended one of the debates. It cost €9,250 to hold the meeting in Athlone. I also spoke on local radio stations. People had not been told about it and, therefore, no money was spent on advertising.

An Leas-Cheann Comhairle: The Deputy must conclude.

Deputy Luke ‘Ming’ Flanagan: I looked at the people sitting at the top table. One person was from Athlone and, therefore, no expenses were incurred. One person was from Clara and, therefore, minimal expenses were incurred. Another was from Longford and, therefore, minimal expenses were incurred. I presume the Minister of State did not incur expenses. I

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understand the idea was to give us more of the propaganda about the European Union, but on what was the money spent? Are debates in empty halls around the country the only ones we will have on this subject?

Deputy Shane Ross: In the past four months Ireland has had a great opportunity to put Irish interests first in Europe. I am not a great subscriber to the polite protocol that when we assume the Presidency, we should always sacrifice our own interests in favour of the greater European interests. We are in a situation where we need to use this opportunity and there was nothing in the contributions from the Taoiseach and the Tánaiste to suggest they had put Ireland first. The problem with the Irish Presidency - it is permeating throughout Europe - as acknowledged by Deputy Luke 'Ming' Flanagan and which is not shouted about very loudly, is that, first, we have been fire fighting. We have no vision of where we are going. Second, much more importantly, is the excuses offered, whether quietly or loudly, that nothing can happen until after the German elections are held in the autumn. That is a terrible reflection on where the European Union stand. The hidden message - it is not well hidden - is that Angela Merkel is the most powerful figure in Europe and we have to defer to her. We cannot reflate; we cannot do anything about austerity; we cannot move in any direction until she wins her election in October when, suddenly and miraculously, she will reflate the German economy, loosen the purse strings in Europe, loosen her grip on other economies and allow us a little more freedom to do what is in the interests of the economy. There is no evidence, however, that hidden in the Christian Democratic Party is some sort of liberal who will allow the purse strings to be relaxed. I suggest to the Tánaiste that the time to confront the great German hegemony in Europe is now when he is in a position to do it, but that is not happening. The deference shown to Germany and the German economy is at the heart of the problems of Europe, but it is not acknowledged.

The contributions of the Taoiseach and the Tánaiste were big on aspirations, laying foundations and the achievements for which they were waiting, but they were very light on detail. I am a little weary of hearing how we are working towards separating sovereign and banking debt.

That, as everybody in the House knows, has proved to be a great disappointment because Germany will not allow it to happen. There is no guarantee it will allow it to happen in October either, whoever wins the election.

There has been no discussion on the part of the Government of the magnificent ideas put forward by the President of Ireland last week and the previous week in this debate. Is it embarrassed by the fact that he has plunged Ireland into a debate about European institutions, a debate long overdue? What are the Taoiseach's and the Tánaiste's views on the fact that the President of Ireland took to the European Community the arguments made about the inadequacy of democratic accountability in the European Union of which we are a member? Is it an embarrassment to the Government that he spoke so eloquently about the ECB and named it or about the fact that it was running what he called an unacceptable "hegemonic model"? Are they embarrassed by the fact that he criticised the leaders of Europe, not by name, but by saying they needed a radical rethink of their economic policies? Are they embarrassed by the fact that he also said it was extraordinary how Ireland had put up with the policies of austerity - he did not mention "austerity" but cutbacks and sacrifices - and that it had shown such endurance? He described this - in its most polite terms - as pragmatic, by which he meant we had deferred again to the greater powers in Europe.

That is the debate we should be having here today, not engaging in the self-congratulatory stuff we have been hearing from Government spokespersons about how well we are doing in

terms of worthy aspirations such as solidarity and the nondescript non-achievements listed today. We should do ourselves proud by welcoming what the President had to say. We should say we wish to debate what he called “fiscal technocracy” and that we are willing to criticise the leaders and institutions in Europe on being unaccountable. We must say we are willing not to be craven in the face of the greater economic powers which are pulling the strings.

Minister of State at the Department of Foreign Affairs and Trade (Deputy Lucinda Creighton): I am tempted to respond to the points made by various Deputies, but I have points of my own that I wish to make.

I am a little bemused by Deputy Shane Ross’s sudden shift in political philosophy. I recall a time when he and his colleagues in the well known Sunday publication for which he writes repeatedly called for greater fiscal restraint and the previous Government to reduce excessive public spending. I remember when the Deputy was a Senator when he called repeatedly for a reduction in waste in public expenditure and the size of government, etc.

Deputy Shane Ross: Is the Minister of State advocating waste?

Deputy Lucinda Creighton: No. The Deputy wants to have his cake and eat it. He wants to be populist and get headlines by condemning all efforts made by the Government to cut and reduce public spending, but at the same time he wants to claim that he is favour of fiscal rectitude. That does not make sense and is incoherent.

Deputy Shane Ross: Is the Minister of State in favour of waste?

Deputy Lucinda Creighton: I suppose this is not the Deputy’s first time to do so.

An Leas-Cheann Comhairle: The Minister of State to continue, without interruption.

Deputy Lucinda Creighton: I accept that there is a genuine crisis of confidence in the European Union. This is an inevitable consequence of the financial, economic, banking and debt crisis we have faced in recent years. However, I disagree with Deputy Shane Ross on the current position. Some very difficult decisions have been taken, but perhaps they are not ones we all like. There are more steps to be taken and, to use a much overused metaphor, we must grasp nettles that have not yet been fully grasped. There is still much work to be done, but I do not accept that the challenges have not been faced up to. The crisis facing Europe is the biggest economic crisis since the 1920s, but it is not unique to Europe and is shared in other parts of the world. It is being tackled and Europe is facing up to it.

A number of serious questions face the Government, other governments in Europe, all public representatives and citizens concerning the diminishing levels of public confidence in the European Union and European Institutions. These pose serious challenges for the Government. The first place where we should discuss and debate these issues is in the Dáil Chamber. Yesterday I was pleased to have the opportunity to appear before the Joint Committee on European Affairs which is chaired by Deputy Dominic Hannigan and at which we had an interesting and constructive debate. It is one thing to sit on the other side of the Chamber and constantly condemn and be negative about everything and ignore the responsibility we all have to come up with solutions, all for the sake of opposition. The search for solutions was the spirit in which we entered the debate at the committee. We had a genuine discussion and some interesting proposals and ideas were advanced by members of different political parties.

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Last month a survey conducted in six of the largest member states found a huge drop in the level of trust in the European Union as an institution. Some 69% of people in the United Kingdom, for example, said they tended not to trust the Union. Perhaps that is no surprise, given the history of popular and growing Euro-scepticism in that country. It is useful to note that the trend is replicated elsewhere. The percentage of Spanish people who now say they tend not to trust the European Union has risen, from 23% in 2007 to 72% in 2012, a massive jump. Despite some of the comments made from the other side of the Chamber which seem almost xenophobic and anti-Germanic, some 59% of Germans expressed the same view, up from a figure of 36%. Therefore, there is a lack of trust in the institutions, whether one comes from the perspective of so-called creditor countries or debtor countries, large or small countries. This is an issue we must tackle. There is no doubt that the crisis of confidence extends to all other member states. It is not a problem to be ignored and cannot be swept under the carpet. Perhaps we can agree on this.

Addressing citizens' concerns must be the top priority for the European Union. We may have different views about how this can be achieved, but we must tackle the issue. Many argue that the economic crisis lies at the heart of negative perceptions of the European Union. There is a lot of truth in this. People are suffering; these are difficult times and people are looking for somebody to provide hope and solutions. They are also looking for somebody or something to blame and they see the European Union as part of the problem.

Under the Irish Presidency, the European Union is working at full stretch to try to provide solutions. Our theme is "Stability, Growth and Job Creation" and we are working intensively to try to deliver on that agenda. It is not as simple as Deputy Shane Ross would like to suggest; it is hugely complex. We have a massive unemployment crisis and it will take significant work to get the European economy back on track.

I predict that confidence levels in the European Union will increase again as our economic fortunes improve. I do not doubt that will happen as we provide opportunities and create an environment in the European economy in which jobs can be created and growth can occur. It is important to say, however, that that is not enough. It is not simply a question of using growth and prosperity to buy confidence in European institutions. While it is true that increased confidence will be an inevitable side effect of such improvements, to emphasise this is to miss the point somewhat. We cannot be complacent. We have a responsibility to address the disconnect for our citizens, which is a genuine challenge for the European Union. We need a Union that responds to the concerns of citizens. We need to find ways of communicating more effectively with citizens about the Union and how it functions. Deputy Micheál Martin alluded to some of this earlier in this debate. As he suggested, some of the freedoms and rights we enjoy as European citizens such as freedom of movement and freedom of capital are coming under threat, largely or partly because of the economic crisis. In the past 20 years - if not the past 40 years - we have begun to take for granted some of the freedoms European citizens have enjoyed. We need to deal with and tackle the fact that they are coming under threat. If citizens hold the European Union partially responsible for the economic crisis, we have to ensure they also understand the solutions being provided at EU level to try to help us to emerge from the crisis.

There has been a great deal of talk about the European Union's democratic deficit. My firm view is that the institutions are rooted in democracy. They may not function as effectively or as smoothly as they might. I think the notion that the Union is being run by an unelected and unaccountable elite or bureaucracy is actually not true. The Council consists of the leaders of directly elected national governments. We were elected to the Dáil after campaigning on EU

issues, as well as national issues. Many issues fall into both categories. These days, most issues are interconnected - they are both national and European in nature. The members of the Commission are appointed by the same democratically elected national governments. Members of the European Parliament are directly elected by Europe's voters. Three key institutions constitute the cornerstone of the European project. The Commission is rooted in the democratic legitimacy of this Chamber. The Council comprises representatives of all national governments and the European Parliament is directly elected. Those who talk about a democratic deficit should not forget that all three institutions are rooted in democracy, which is all about checks and balances. Before European legislation becomes law, it passes through demanding tests at Council and Parliament level that are arguably similar to the tests at national level. That has been enhanced since the Lisbon treaty was agreed. The European Parliament now has a much enhanced role through the process of co-decision. As a result, its Members are as important and influential as Ministers in the Council.

Of course, the evolution of the European Union raises questions of legitimacy. As we pool more powers and touch on more areas of policy and decision-making, it is inevitable that the powers of national governments and the roles of national parliaments are affected. Member states have chosen to allow more decisions to be made at European level and Irish citizens have had many opportunities to vote in referendums. Ireland is the only member state that held a referendum on the stability treaty, on which we voted just under one year ago. Successive treaty reforms in many areas have boosted the role of national parliaments in the Union's legislative process, but that is not clear to voters. It is not always apparent. I suppose we do not always promulgate the fact that the Oireachtas now has a much more weighty role in decision-making, but, as legislators, we have not explained this to voters. There is an onus on us to do so. Rather than coming here and railing against the European Union, perhaps Deputies should take a little more responsibility for explaining to citizens how it works and engaging with voters on the roles and powers of the Oireachtas in ensuring the Union adheres to the principle of subsidiarity, etc.

As a result of the Lisbon treaty, the European Parliament is now more powerful than ever. It has new law-making powers. It has all the responsibility involved in the process of co-decision with the Council on the vast bulk of EU legislation. Almost all policy issues are now decided through co-decision. The Parliament has to consent to the EU budget. A greater role is also foreseen for the Parliament in selecting the next President of the Commission. This is an exciting opportunity. Political parties at all points on the political spectrum will have an opportunity to propose candidates, to run them on the basis of certain electoral platforms, to campaign on all aspects of EU policy and put them before the electorate. What could be more democratic than this? As public representatives, we have to get behind the European electoral process by advocating, campaigning and supporting it. We know that the turnout in European Parliament elections has been abysmal in many countries in recent times and this presents an opportunity for enhancement. We need to get our message out before the 2014 elections.

I would like to refer briefly to an important issue in which both the European Parliament and national parliaments have a role. I know some Deputies in this House are not happy about the increasing move towards greater economic and monetary union. Personally, I support it strongly because it is important to underpin our currency and economic recovery. We have to face up to the questions of democratic legitimacy that arise with this move. We are putting new and more integrated systems of economic governance in place. We know that what happens in Germany and France affects us. We also know that what happens here affects Finland, Cyprus

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and every other member state that is part of the currency union. We know that member states are more interdependent than ever before. Therefore, we need to have better oversight of what is happening in other parliaments and governments as decisions are made in each member state, as it is apparent we are deepening integration. It is important to emphasise, however, that this is not an end in itself. We are doing it in order to underpin economic growth. I hope it will also serve to advance our key social priorities. These two elements should go hand in hand.

The significant moves made in the direction of greater economic co-ordination require stronger democratic underpinning and demand a substantial reinforcement of the role of national parliaments at all stages of the European semester process, including a much stronger engagement with the European Parliament. I know that a number of measures have been taken. I am also aware that the Chairman of the Joint Committee on European Affairs, Deputy Dominic Hannigan, has been involved in new initiatives to work to co-ordinate the responses of national parliaments and the European Parliament to some of these developments and changes. That is really exciting and I am very pleased about it. I have worked closely with Commissioner Šefčovič who is responsible for institutional affairs. We have written to the Speakers of all parliaments across the European Union to call on parliaments to give particular attention to and place a focus on debates, country-specific recommendations which will be adopted at the June European summit. This gives national parliaments an opportunity to hold governments to account, scrutinise proposals coming from the European Commission and ensure they put their stamp on them by making a full and meaningful input into them as part of the European semester process and all of the economic governance measures that go with it.

There is much more I would like to say. This is a really important debate. I thank Members. We may not agree on many things - in some cases, we disagree on most things - but I appreciate that everybody present has genuine concerns and we have to try to work together to address them. I am conscious that we have a lot of work to do. This is an exciting time because genuine reform is possible at EU level. I hope we can work together in this Parliament to achieve this, as we will do with other parliaments right across the European Union.

7 o'clock

Deputy Timmy Dooley: It is clear from all speakers in this debate that the European Union, as we know it today, is in a state of flux. Crisis after crisis, summit after summit, the Union has found itself asking the same question: where do we go from here? That question has yet to be answered by those who are currently driving the European project. In fact, the only constant since the economic and financial crisis in Europe began five years ago is the absolute lack of leadership being shown by the European political elite. This is a great shame as the potential of unlocking the energy and talent of 27 countries, together with more than 500 million people, has been lost over the past five years.

It is regrettable that an entire generation of young Europeans have seen nothing other than crises. I believe this is leading to a disinterest and lack of belief in the European project which so many people, including those in the Minister of State's party and in mine, put so much time and effort into, with a view to building around that vision set by some of the great people of the past. Sadly, the response of the current crop of leaders across Europe has effectively been found wanting and, I believe, has created a level of disinterest and disconnect that has led to this re-emergence of nationalism, which is damaging to the long-term vision.

I know the efforts the Minister of State, Deputy Creighton, has been making in her role.

While I do not want to put words in her mouth, I can imagine it has been difficult to try to force certain parties and certain leaders in Europe to really understand the disenchantment that has been inculcated in society and among a younger generation who did not know Europe in the past. That generation did not know from where it had come from and did not understand the genesis of the peace process that brought us to accept that countries had to work together. In addition, they have not really understood the benefits because they did not know what was there previously. For that reason, a huge amount of work will have to be done to recapture this generation.

Watching the European response to the economic developments we have witnessed since 2008 has been at best disjointed and at times farcical. The past carry-on of a senior player from France was outrageous and certainly degenerated into farce on many occasions, which is what has led to much of the cynicism. The ink on various statements from the conclusions of European Council summits would be dry only seconds before they became inconsequential and were overtaken by what was happening in the markets. Thankfully, we have moved away from the continual crisis model of management, thanks more to actions in Frankfurt than in Brussels.

For Europe, though, many deep problems remain. The EU faces a number of exceptional difficulties at this time. Despite the current period of relative stability, we have still not seen the end of the eurozone crisis. Ten out of 17 eurozone countries experienced stagnated or declining economic activity last year. Indications are that economic activity will decrease further this year as the recession spreads to the eurozone core and deepens further, as it clearly will do. The monetary response has been more forthcoming since the appointment of Mr. Mario Draghi as President of the ECB, which is to be welcomed. I have to say that the previous administration at the helm of the ECB did more to damage the credibility of the efforts of some of the Governments by responding in a way that sought to protect only one country. It tried to take its role in regard to inflation across the zone, which obviously impacted Germany more than anywhere else, as being the only criteria by which it would move, which was damaging. Mr. Draghi has taken a much more enlightened approach and the markets and leaders across Europe certainly recognise that.

The fundamental structures and legal basis of a true economic and monetary union remain unfinished, leaving much uncertainty about the future of the euro project. A more complete economic and monetary union is necessary to ensure the mistakes of the past can never happen again. Last June, the European Council concluded that a vital element of European recovery would be the separation of sovereign debt and banking debt. This statement was welcomed then and is still to be welcomed today. However, the actions arising from this statement have yet to be carried out.

The Minister of State referred to the European affairs committee, which has done sterling work under its chairman, Deputy Hannigan. Last week, the Governor of the Central Bank, Professor Honohan, came before that committee to talk about the unfinished business of the banking union and the various different strands within it which need to be completed. While there is a considerable amount of work to be done, there would appear to be a tardy pace with regard to moving towards ultimate banking union. I accept it takes time to get everyone on board for the various different aspects. However, it sends a bad signal to citizens across Europe who are suffering and in a dreadful situation.

One need only look at the impact here. That June statement contained commitments that the Irish debt position would be looked at favourably. I accept the position in June related more

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particularly to the recapitalisation of the Spanish banks, which, ultimately, did not take place, but there was an expectation in this country that the investment in the legacy banks would be addressed. While that was not specifically set out, the expectation was that the ESM would take a stake in the two pillar banks in lieu of the €30 billion that had been invested by the Irish State and taxpayer, and that this would go towards reducing or stock of national debt. This would then make it more possible for the State to get back into the markets and borrow for project finance for various infrastructural projects, which would act as a stimulus to job creation. We are now led to believe this might happen, might not happen or could happen, or that it has yet to be fully realised how it will impact. We are hearing from certain people within Europe that they did a deal with us on the promissory note and on the interest rates, although this had more to do with the negotiations on Portugal at the time, and, therefore, as we got a lot, we may not get any more. However, we have seen nothing by way of debt write-down. This is the only way we would see some recompense for the sacrifices we have made. In the other instances, all we have done is kicked the repayments further down the road. It is helpful from a cash flow perspective but not in dealing with our overall debt position.

It is Europe Day and we are trying to look at this in a critical way while at the same time recognising the importance of Europe. However, the people who are affected by this are those who are unemployed. They would benefit from that kind of a cash injection in recompense for what the State had invested by the ESM taking a stake, and I believe this would show good faith by European leaders towards Ireland and would assist towards getting people back to work. It cannot be all just about fiscal rectitude, which of course is a central tenet and what banking union speaks to. However, there has to be a *quid pro quo*. We have to try to get people back into work in parallel with the recalibration of our fiscal position.

The goal of a banking union is proceeding slower than one might have hoped for and has resulted in further uncertainty in the European banking sector. In an integrated banking system where free movement of capital across borders can create instability in the market, it is vital that supervision of our banks is carried out on a European-wide basis. EU banking regulation is an important piece of the jigsaw in repairing Europe's broken financial system. A functioning banking system with proper regulation and wind-down mechanisms would be a key step in breaking the link between sovereign debt and banking debt. Europe needs a credible, competitive banking system that has the capacity to lend to its small and medium size businesses. This is vital for sustainable growth in employment into the future.

With regard to banking regulation, Mr. Michael Somers, the former head of the NTMA, made reference to an issue I had been made aware of through my role on the finance committee, namely, some financial institutions and international banks are finding it very difficult to operate in Ireland now because of the very strict regime of financial regulation that has been implemented. I find it hard to believe that a number of institutions like Goldman Sachs would have handed back their banking licences, not for domestic activity but for internationally traded services where their customers are largely outside of Ireland. They are not able to operate in our financial services centre but are moving to places like Frankfurt and London. There seems to be a lack of uniformity in the implementation of the financial regulatory regime that is being put in place. That is something I am disturbed about because if we are to have commonality of regulation, the expectation is that there would be uniformity with regard to the implementation of those regulations. However, this does not seem to be happening and is impacting negatively on our capacity to continue to retain these financial institutions and increase the number of people working in them. Sadly, we are seeing a reduction in employment in this area. This is

about internationally traded financial services. It is not about the major issue we had, namely, our domestic banks which lent recklessly. The institutions we are talking about here had nothing to do with that so that is something we need to be very careful about because it is impacting on unemployment.

The scourge of high unemployment has returned to many EU member states. I need not remind Members that in April 2013, EUROSTAT estimated that over 26.5 million men and women were unemployed in the EU. They are 26.5 million men and women for whom the Union has failed dreadfully. The experimental policies of the past four years emanating from Frankfurt and Brussels have in many instances made the crisis deeper and, some would suggest, much more prolonged and the end is not yet in sight. Worse still are statistics relating specifically to youth unemployment. One in every two people between the ages of 15 and 24 in Spain and Greece who are not in education are unemployed. That is a startling figure. The youth unemployment rate in the EU is higher than 23% and is creating a lost generation in many states. I spoke about this at the beginning of my contribution.

These are the people who really have lost faith in Europe. It is alright for those of us who are a bit older and have the capacity and knowledge of history to see the benefits the European project has brought. We can put the current crisis in some context. Young people cannot put that into context because all they knew was a thriving European project with little recognition or knowledge of the war-torn landscape from which the EU emanated. It is not acceptable and has given rise to political extremism in the most affected countries. The rise of the far Right in many European countries is a chilling reminder of why this Union was created back in 1951 after the devastation of the Second World War. Increasingly, people who have lost all hope in moderate politics turn to the extremes to give them answers that moderate politics supposedly cannot. This can and must be challenged by democrats across Europe, both Left and Right. We must provide the answer. Europe must provide the answer to its citizens who cry out for work. We need to remember the values and principles of the foundation of this great project, which has secured peace and prosperity for more than half a century in a Continent which knew nothing but internal wars.

The focus needs to be on creating new jobs in growing sectors of the economy where we hold the competitive advantage. Europe needs to focus on its strengths in the pursuit of increased employment. Creating high quality products that consumers want is central to this. Increased investment in research and development in our university sector is also key. This investment in areas which have the potential to create thousands of new jobs is vital for Europe's future success. Investment in building an integrated European energy grid, better transport connections and more business-friendly regulations across the Union would serve as an impetus to boost growth and employment in the coming years. The EU must become a Union of enterprise, strong social protection and sustainable prosperity in order to guarantee a better future for all its citizens.

Europe needs a new vision and a new direction which delivers for all its citizens - north and south, east and west, peripheral and core. The equality of treatment between member states and the solidarity between governments needs to be restored to the European project. Indeed, the use of the Community method of decision making where the Commission, reflecting the Union's interests and no singular government interest, needs to be the basis on which we move forward as a single bloc. Sadly, during the crisis, we have seen the work of the Commission much maligned and we have moved back to just one or two countries taking the lead. Over the past five years, we have seen an increasing use of intergovernmental deals, which leaves many

out in the cold and creates a fracture amongst member states.

As a small nation which has benefited greatly from EU membership but which also has a proud record of contributing to the building of the Union, Ireland must strive to ensure that the basic values of the EU are protected and promoted. With an ever increasing Union expanding to 28 members in July with the accession of Croatia, about which we are all very excited - both the Minister of State and I have a keen interest in Croatia joining as it will add considerably in terms of the skillset it will bring - we need to find new ways to accommodate all voices and not just those with the largest populations or biggest GDP. Europe also needs to listen to its citizens more and work to enhance their livelihoods.

The establishment of a European Union was a brave and bold move taken by men and women of vision and belief in the future. Europe needs that vision again today. Brave and bold actions are once again required to consolidate and advance the Continent's achievements of the past 50 years. United in diversity, Europe can offer the solutions required to the challenges we face today.

An Leas-Cheann Comhairle: I call Deputy Hannigan. I apologise as I was not notified until now that he was to be included in the last slot.

Deputy Dominic Hannigan: I thank the Leas-Cheann Comhairle for the opportunity to contribute to the debate. I wish to update the House regarding the work of the Oireachtas Committee on European Union Affairs. I chair this committee which has a very busy workload, particularly in light of the fact that we hold the Presidency at the moment. First, I will discuss the work we are doing on the debate on the future of Europe. I also want to speak about ways in which we can enhance the role of national parliaments in respect of EU policy. I believe we need to bring parliaments closer to decision making in the EU, which would result in a more democratic Europe.

Our committee's remit is to consider strategic matters relating to Ireland's membership of the EU. Since February, we have been holding a debate on the future of Europe. The future of Europe means different things to different people. For some, it means seeking greater economic, political and fiscal union but to others, it is about reducing links in Europe and a return to a purely economic Community. That debate is ongoing in several countries, including the UK.

The committee felt that we need to take stock of where we are and where people think we should go. It is not the first time we have undertaken a piece of work like this. During the fiscal compact treaty debate last year, we held a debate within the committee on that matter and engaged with politicians, leaders of civil society, academics and diplomats across Europe to get their views on how this fiscal compact would impact on Ireland. These committee meetings were broadcast on UPC and allowed people to watch proceedings and become engaged. At the end of the proceedings, we published a report that included copies of all the submissions we received from members of the public as well as the attendees at the committee meetings. It gave a detailed analysis of the main arguments for and against the treaty. We published that a year ago in advance of the referendum at the end of May. It showed us that there is an appetite among Irish people for analysis of Europe and commentary on Ireland's role within Europe. We all know that Ireland's role is changing, particularly in light of the fluid nature of European affairs, so we consider it important to carry out an examination with a focus on the future of Europe.

The committee is focusing on following some key areas in the debate. We are looking at

financial integration, economic and monetary union, democratic legitimacy and accountability and political integration. We are looking at something that is of great importance to Ireland, namely, the UK's involvement with the EU and how its changing policies may affect our membership. Since we began these hearings in February, we have received a number of submissions from experts across the country. We have heard from people like Nat O'Connor; the academics Seamus Coffey, Brigid Laffan and Gavin Barrett; and economists like Alan Ahearne. We have also heard from politicians such as Emer Costello, Paul Murphy and Gay Mitchell. Last week, we had the opportunity to hear from the Governor of the Central Bank, Patrick Honohan, regarding his views on economic and monetary union. These debates continue. David Lidington, the UK Minister of State for Europe, will address the committee tomorrow and we are looking forward to hearing his views on the UK's role in Europe.

I know that members of the committee on the Independent and Fianna Fáil benches are here tonight and attend the meetings on a regular basis but these meetings are open to any Member of the House. If somebody feels they want to come in and question the Governor of the Central Bank regarding the ECB or the Central Bank, they can do so. Every Member of this House will be afforded the opportunity to ask any witness any question they want so I am extending an invitation to our committee hearings to any Member of this House with an interest in Ireland's involvement in Europe. The committee hopes to publish a response to all of these submissions during the summer. We will then work on a strategy on how to extend this debate beyond Leinster House in order that more citizens can become involved.

The committee is also engaged in a series of multilateral meetings with other European national parliaments in order to assess how the role of national parliaments in the new economic governance structure can be strengthened-----

Deputy Luke 'Ming' Flanagan: On a point of order, it is welcome that one would be invited to the committee and I would love to have attended the recent meeting. However, another pressing European issue was being discussed at the same time. There was a debate on the CAP in one room and a debate on the future of Europe in the other at the same time.

Deputy Dominic Hannigan: The Deputy will know that we are all very busy. We would love to divide ourselves in three to attend every meeting, but that is not possible. A schedule of meetings is published every week and I invite the Deputy to attend ours, if he wishes. He is also free to suggest the names of guests whom the committee could invite to attend meetings.

Deputy Luke 'Ming' Flanagan: I thank the Deputy.

Deputy Dominic Hannigan: We try to ensure meetings are as convenient as possible.

I refer to the issue of the European semester raised by the Minister of State. The committee is presented with a unique challenge about how national parliaments deal with the European semester which will force us to examine their role in the context of greater economic interdependence in the European Union. The fiscal stability treaty was approved by referendum last year and came into force soon afterwards. This presents certain challenges for national parliaments.

Irish parliamentarians and parliamentarians across Europe are not clear on their ongoing role with regard to the European semester. Last November a group of us had an initial meeting in Denmark on the issue. We wrote to President van Rompuy asking him for his views on the involvement of national parliaments in the semester process. He replied that the onus was on national parliaments to come up with ideas. We have had further debate on these issues, includ-

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ing meetings in Dublin and Denmark. The Irish parliamentarians presented a paper at the meeting in Denmark outlining the key issues to ensure the involvement of national parliamentarians in the process.

Many Members are still not aware of the future impact of the European semester on the budgetary process here. It is not just that we are in a bailout programme; even countries not in a bailout programme will have their budgets subject to scrutiny at European level. Parliamentarians are aware that the timing of the budget will change from December to October, but they are not aware of the oversight process that will come into play with the six-pack and the two-pack in place. It is a complete change to the budgetary process and national parliamentarians need to be aware of it. We need to ensure we retain democratic accountability in order that national budgets will continue to be set by national parliamentarians. We must not give away too much power to the European institutions.

The committee will continue to work on this issue in the coming weeks and months. However, it will also examine other issues. Next month Senator Kathryn Reilly will be publishing a report on youth unemployment. This follows on from a number of committee meetings on the topic. The committee is also holding a series of bilateral meetings with Members of other European national parliaments with the aim of explaining to them the particular circumstances of the Irish economic situation, including the bank guarantee and the bank bailout. This is an important exercise in sharing awareness which will allow the committee the opportunity to dispel many myths among our European partners. In recent months it has met parliamentarians from Germany, Sweden, France, the United Kingdom, the Netherlands and elsewhere and these meetings will continue in the coming weeks and months.

I wish to inform the House about the forthcoming conference to be held at Dublin Castle next month, to be attended by 300 parliamentarians from the EU committees of all member states. The COSAC conference will be held over two days at the end of June and will be the final conference of the Irish Presidency. As Chair of COSAC, I am responsible for compiling the agenda for the conference and the schedule of events is being finalised. I am pleased to announce that the President will attend, as will the Taoiseach and the Ceann Comhairle. The future of Europe will be discussed at one session which will be attended by the former President of the European Commission, Mr. Jacques Delors, as well as Commissioner Viviane Reding. Another session will discuss how Europe needs to take account of the needs and rights of younger citizens. The Minister for Education and Skills, Deputy Ruairí Quinn, will attend this session, as well as speakers from the Roma community, the LGBT community and the disability community.

We will host a session on development aid at which the speakers will include the international philanthropist Mo Ibrahim from the Mo Ibrahim Foundation and Barry Andrews, formerly of this parish and now chief executive of GOAL. They will speak about the impact of development aid on the Third World.

A session on enlargement will be addressed by experts, including our own Erwan Fouéré. Ireland has been a member of the European Union for 40 years, a period of tremendous economic growth, social change and also peace in the country. We want other countries to enjoy these benefits. Enlargement has been at the heart of our Presidency. We expect to hear about progress on the Serbian application for membership, particularly in the light of the agreement between Serbia and Kosovo brokered by the European Union. We are looking forward to discussing progress on the situation in Turkey. We expect to see a chapter on that country's acces-

sion process opened before the end of the Irish Presidency. We want to see further progress in the case of other states such as Macedonia. The House will be aware of the issues relating to the naming of the country, but throughout the Presidency we will attempt to find ways to open accession negotiations as a means of building trust on this issue between the relevant states. It will be a very busy end to the Presidency before a return to the normal day-to-day work of the committee.

The committee is fortunate to be staffed by some excellent and dedicated public servants. We are very grateful to the Ministers, Deputies Eamon Gilmore and Lucinda Creighton, for their continued presence at our meetings. They inform the committee of what will be discussed at General Affairs Council meetings. They deal with comments and questions from members, including Deputy Timmy Dooley and me. We are grateful for their attendance. I am particularly grateful to the Ceann Comhairle for affording me the opportunity to speak in the House on behalf of the committee.

Deputy John Halligan: I wish to share time with Deputies Seamus Healy and Richard Boyd Barrett.

I congratulate and compliment Deputy Dominic Hannigan on his chairmanship of the Joint Committee on European Union Affairs. I note Deputy Timmy Dooley's fine contributions. I am afraid all the niceties are over after that little piece.

Today is seen as a celebration of Ireland's membership of the European Union and also of the Union's contribution to Ireland. It is a reminder of what we agreed to 40 years ago when it was then called the European Economic Community. If any person outside Leinster House or on any street in Ireland were asked for his or her thoughts on the European Union, I doubt if the word, "community" would be in the reply. The Irish public perception of the Union has been seriously challenged in recent times. These days, Irish people associate it with the policies run to suit Germany, in the main, and, to a lesser extent, France. This makes sense because Germany and France account for close to 50% of EU GDP. When Irish people think of the European Union, they think of the European Central Bank, the policies of which are decimating the quality of life of thousands of hard-working and innocent people. Instead of a collaboration of countries with a common goal of peace, economic growth and mutual assistance, the European Union of today is a collection of small nations subject to the policies of economic domination by major powers. It is a Union in which promises are broken, like the promise given to Ireland that the link between bank and sovereign debt would be broken. That broken promise has saddled a generation of Irish children yet not born with an unbearable debt burden. Well paid PR experts in Ireland and across Europe can spin all the stories they like about a European Union of democratic values. Nobody believes that hype anymore, not least our own President, who reflected public opinion recently when he felt compelled to speak about the devastating effect austerity measures are having on the country. The people who founded what became the EU envisaged a Europe in which most people had work, yet the most recent figures show that approximately 26 million people are unemployed across the member states. Further, 150 million people are at risk of poverty and social exclusion. In Ireland, 700,000 people are living in poverty while an estimated 5,000 are homeless. Policies implemented by the so-called troika, which we are told are being pursued for the greater good of the State and Europe, have the country on its knees. If proof is required, I invite any EU leader to visit my constituency, in which one in five people are unemployed and one in three people under 25 are without work and have little optimism about gaining employment in the region. If one walks down any street in Ireland, one will see an increasing number of businesses boarded up. If one talks to small

business owners, they will recount the weekly if not daily battle to stay afloat.

While these people and thousands like them await anxiously the day on which we turn the corner, the grim reality is that the EU's Europe 2020 strategy has moved us towards a structure of economic governance that makes austerity policies a permanent fixture. The much-applauded stability mechanism will ensure more bank bailouts at the expense of ordinary people. There is no question about it. We cannot keep ignoring the fact that people in Ireland, Greece, Portugal and elsewhere are suffering the terrible consequences of policies which are designed primarily on the basis of their impact on the speculative markets rather than their compassion and empathy for the predicament of European citizens. While youth employment across Europe stands at one in four - and is almost 60% in some countries - the EU continues to adhere to a version of logistical economic theory, the assumptions of which have little or nothing to do with compassion. In some member states of the EU, an entire generation is getting lost. It is hardly what the people who founded the EU envisaged. Unless the desperate calls for reform of the ECB are listened to and the dual strategy of price stability and growth is adopted, this will continue.

How can the people of Ireland have any faith in Europe when they see what has happened to their country? It is a country that was rich and was recognised globally as one of the best countries in which to live. Look at it now. Nearly a quarter of the population are unemployed and 700,000 people are impoverished. We talk about a European policy which is intended for the betterment of the country, yet two in ten children go to school without sufficient food or proper clothing. When 150 million people across Europe are in poverty and 26 million are unemployed, these policies have failed. They have failed the European people and the ordinary, everyday working person. Certainly, they have failed the Irish people.

Deputy Seamus Healy: The European Union has placed a huge millstone around the necks of the Irish people. The millstone is called "debt, debt and more debt". The bank debt of €64 billion is not the debt of the Irish people and we are not responsible for it. It is the debt of speculating European banks and finance houses and it is those institutions which must be made to shoulder it. Ireland must get a write-down of the debt, which is a crushing burden on us, our children and our grandchildren. It has created huge austerity. We need only look at the unemployment figures of well over 400,000, which is 14% of the population, huge emigration, cuts to services, tax increases, social welfare cuts, pay and pension cuts, increased levels of poverty - particularly for children - and high levels of mortgage distress. That is what the EU, with regard to debt, has done to this country, our children and our grandchildren. The EU must be made to agree to declare bank-related debt a burden on all countries in proportion to their gross domestic products. The debt must be mutualised.

In the matter of bank debt, the EU has been singularly unfair to Ireland. The Commission's data agency, EUROSTAT, has produced figures which are truly shocking. Ireland has taken a huge hit for the rest of Europe. If one looks at the cost of the banking crisis to member states, Ireland is at the head of the queue. The crisis has cost us in excess of €41 billion, which is ahead of every other country, including Germany. It gets worse when one looks at it from the point of view of gross domestic product. Ireland is at the head of the posse in that context also. The bank crisis has cost us 25% of our gross domestic product. The nearest member state in those terms is Latvia, to which the cost was 3% of its gross domestic product. While Ireland has 0.9% of the EU population and its economy represents 1.2% of the EU's gross domestic product, it has paid 42% of the total cost of the European banking crisis. It gets worse again when one looks at it in *per capita* terms. Again, I cite the EU's own statistics. The banking crisis has cost

every individual in this country €8,981. The average for the EU is €192 *per capita*.

These figures are shocking. In fact, things are even worse, as EUROSTAT does not take into account the additional €22 billion from the National Pensions Reserve Fund which was used to address the banking crisis or the €30 billion NAMA paid for banks' loans. Our money is streaming out of the country, as are our people, including many who have been expensively educated and are highly qualified. This has happened previously in Irish history. When British landlords were bleeding the country dry, Michael Davitt launched a plan of campaign to start a land war, which was ultimately successful. James Connolly, whose execution we commemorate next Sunday, wrote of the need for the reconquest of Ireland. We need a new plan of campaign and a new reconquest of Ireland today. Sadly, the three main political parties are in league with the European Union, acting through the troika, and they have sold out our economic and political sovereignty. I am confident, however, that the current generation will not be found wanting when it comes to re-establishing this country's well-being, independence and sovereignty.

Deputy Richard Boyd Barrett: I regret that the Minister of State, Deputy Creighton, is not here to hear my comments, although she probably is not very sorry about that fact. She often accuses me and those of us on this side of the House of being negative so I want to take the opportunity to say something positive.

Deputy Simon Coveney: I will pass it on. I will let her know.

Deputy Richard Boyd Barrett: It is important during this European week that we review the experience of the last year. While Members have referred to certain negative things, I want to discuss some of the positive developments here and in Europe as a whole. One of the very positive things that happened in the last week was that 4,000 people went into the Wicklow hills to join in a demonstration featuring music, poetry and readings from plays to indicate that they wanted to retain ownership of their public forests despite the attempt of the troika and the Government to take that away. Amazingly, and tremendously positively, within two days of the demonstration a Government Minister said the sale of the forest was unlikely. That is a good news story.

Deputy Martin Heydon: Deputy Boyd Barrett delivered it.

Deputy Richard Boyd Barrett: The public sector workers in this country, who have been battered with pay cuts over the past five years, finally said "No" in the past few weeks. They defied threats and bullying, stood together, showed solidarity and said "No". Positively, the Government threats to legislate immediately and impose 7% pay cuts did not happen. It shows positively that when workers stand together they can achieve results.

Another good news story is Cyprus, where the troika, with the collusion of the Cypriot Government, attempted to raid savings under €100,000 of ordinary people. The people of Cyprus took to the streets, surrounded their Parliament, stuck together, showed solidarity and manifested people power. Lo and behold, they forced the troika to reverse its plans and to do something that, until that point, had been considered completely unthinkable, namely, to burn the bondholders. It was an extraordinary victory for people power. What is even more amazing is that it produced a fundamental shift in European policy, away from the one that said we cannot burn bondholders to one that says we can. The new banking resolution regime proposed by the European Union now says we should distinguish between ordinary savers and professional

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speculators and investors. It is a major victory for people power on a European scale.

Another fantastic thing is the co-ordinated series of general strikes that happened across southern European countries in November last year. It was a true demonstration of international solidarity and people power when workers in Spain, Italy, Greece and Portugal went on strike on the same day to say they had enough of austerity. Positively, this produced a shift in rhetoric, if not in policy, from the European leaders. They are now saying we have reached the limits of austerity and we must rethink. The interesting thing about these positive good news stories is that they come from below, from people themselves taking action. This is something governments and politicians often do not like because it takes the focus away from their importance and begins to point to the fact that real change comes from ordinary people organising themselves, taking to the streets and showing solidarity. This can force policy changes from the mighty troika and from governments trying to ram solidarity down their throats.

Deputy Michael McNamara: Austerity, not solidarity.

Deputy Richard Boyd Barrett: On a positive note, we need more of that sort of people power. We need people to take to the streets and say that austerity is not working, that we want a fairer policy where the bondholders and speculators pay the price for their crimes so that the rest of society can flourish and develop and that we can focus on creating jobs.

For the past five years, Europe's policy has been to say we must have specific targets on deficit and debt reduction. That has not worked very well. As a positive alternative, I suggest specific targets for the reduction of unemployment. For example, if it is 14% this year, the Government should have a target of 10% next year, 5% the year after that and 0% unemployment the following year. Starting policy consideration from that perspective would lead to us being in a far better place.

Deputy Simon Coveney: I thank Deputy Boyd Barrett for that good news.

Fodder Crisis: Motion (Resumed) [Private Members]

The following motion was moved by Deputy Éamon Ó Cuív on Tuesday, 7 May 2013:

“That Dáil Éireann:

calls on the Government to make adequate financial supports available to assist those who cannot afford to feed their stock and also to transport fodder to this country from abroad;

fully recognises the major role agriculture plays in creating employment, generating economic activity and acting as a custodian of the countryside in Ireland;

appreciates the unique vulnerability and exposure of agriculture to fluctuations in the weather and food markets;

records the ongoing hardship inflicted upon farming communities across Ireland due to the fodder crisis that has been evident in the country since last July and the sacrifices farming families have made to protect their livestock;

acknowledges the devastating consequences that the aftermath of the fodder crisis will have on countless farms and the pressing need for the Government to put in place a structure to address their exceptional circumstances;

criticises the complete and utter failure of the Department of Agriculture, Food and the Marine to address the growing crisis in its early stages in 2012, which has directly led to the devastating impact it is currently having on farming families;

calls on the Government to establish a special unit in the Department to oversee and co-ordinate efforts amongst Government Departments, agencies, co-ops, marts and financial institutions to tackle the crisis and its long-term consequences;

further calls on the Government to empower this special unit to keep fodder and credit supplies under review with fail-safe measures to ensure that such a crisis does not emerge again; and

exhorts the financial institutions and the Department to reach a sustained agreement to ensure an adequate supply of credit to farmers during times of acute supply and market pressures.”

Debate resumed on amendment No. 1:

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

“acknowledges the very difficult situation which has been facing farmers in light of the fodder shortage caused by unseasonal weather and the resulting delay of grass growth;

notes the fact that efforts have been on-going since last September to alleviate the fodder situation after a poor summer, through Teagasc, the Farm Animal Welfare Advisory Council and the Department of Agriculture, Food and the Marine’s Emergency Animal Welfare System and the fact that the delayed spring has unfortunately elevated this issue to a more serious level in recent weeks;

recognises the on-going financial assistance and advice being provided to farmers through the Farm Animal Welfare Advisory Council’s early warning system and helpline, which has dealt with approximately 550 calls to date;

notes the introduction of a €1 million Government transport subsidy scheme, which has to date resulted in approximately 600 loads of fodder being imported into the country;

acknowledges that the Government extended this scheme until the 10th of May in consideration of continuing challenges facing farmers;

recognises the significant efforts made by co-ops to source and import fodder, to reduce costs to farmers by providing credit flexibility and interest free credit for fertiliser;

acknowledges the additional initiatives introduced by the farming organisations, the Irish Dairy Board and other organisations to assist farmers in recent days;

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notes that the Minister for Agriculture, Food and the Marine and his Department have met and been in regular contact with the banks, co-ops and others in the industry to identify any particular problem areas or difficulties facing farmers as the fodder situation continues;

notes the role being played by the advisory services to date and their on-going advice to farmers in dealing with the provision of adequate fodder stocks for the winter ahead; and

recognises that outstanding farm payments are being processed as quickly as possible to assist farmers in financial difficulty; following the issue of approximately 1,500 Agri-Environmental Options Scheme (AEOS) payments over the last 10 days, close to a further 600 AEOS payments valued at just over €1.3 million are expected to issue within the next week.”

- (Minister for Agriculture, Food and the Marine)

Deputy Seamus Healy: I propose to share time with Deputies Luke ‘Ming’ Flanagan, Mattie McGrath, and Healy-Rae. I welcome the opportunity to speak on the Private Members’ motion on the farming and fodder crisis of the past 12 months. There is no doubt the farming community has been going through a difficult time, particularly smaller and medium-sized farmers, who have been under particular pressure due to the weather and the lack of fodder. The transport subsidies and emergency aid provided by the Department and the Minister are welcome but the scheme should be extended. It is supposed to finish at the end of the week but it needs to be extended into next week and beyond. I ask the Minister to fast-track various farm payments due, such as the single farm payments, disadvantaged area payments, the agri-environmental options scheme payments and REPS payments. I ask the Minister to bring forward payments and fast-track them to ensure farmers, particularly the smaller medium-sized farmers under particular financial pressure, can be helped.

I draw the attention of the Minister to the difficulty we have had for the past 12 months. The fact that it has run into May means the fodder situation could be compromised for the rest of this year and the spring of next year. I support the call for the Government to establish a special unit in the Department to oversee and co-ordinate efforts on this, particularly in respect of the future situation, which will be compromised by a lack of fodder and a reduction in silage making and haymaking as a result of the weather.

Deputy Luke ‘Ming’ Flanagan: I welcome the Private Members’ motion from Fianna Fáil and I will support it. All Member from rural areas have been contacted by farmers about this. Farmers are in serious distress. Some people who contacted me reckoned this was predictable and that something should have been planned but it was not. When the money came for the transportation of fodder, it was welcomed but farmers are still contacting me and saying the problem has not yet been solved. One issue raised by farmers is the knock-on effect this will have on fodder for next year, given that many have animals out on ground they would otherwise have used for silage.

We know the reasons why this happened, namely bad weather conditions, but we have a localised condition in the Shannon Callows area in south Roscommon. This needs to be dealt with when one considers Food Harvest 2020. If we want to achieve the aims of Food Harvest 2020, we must maximise the amount of fodder available. That will only happen in the Shannon

Callows if we get the National Parks and Wildlife Service and put it back in its fundamentalist environmental box, which is spreading the wilderness idea around Ireland. We are slowly but surely turning Ireland back into a wilderness. Silting from Bord na Móna is blocking up the channels of the Shannon, which leads to flooding. In one place, an island has formed over the past ten years and caused a blockage. When farmers went to the National Parks and Wildlife Service and asked for the island to be removed, they were told it was protected. How was it protected if it did not exist a decade before? This is what I mean by wilderness. Are we heading in that direction? That might be grand for environmentalism in countries that have masses of land, such as the United States and other big countries, but we do not have that. We have a limited amount of land. We must work out who we are trying to protect with these policies. I was told by Michael Silke of the IFA that the corncrake has been wiped out in this area because of the National Parks and Wildlife Service. At the same time, it is affecting farmers' ability to get fodder. If we want Food Harvest 2020 to be achieved, we will have to maximise the fodder available and put the National Parks and Wildlife Service back into its fundamentalist, environmentalist box.

Deputy Mattie McGrath: First, I compliment Deputy Ó Cuív on tabling this motion. The Deputy understands farming intimately. He has been at various places throughout the country in the last year debating other issues, such as CAP and not getting agreement on it. One can see who is getting the big single farm payments. It might be embarrassing for some of the Members on the Government benches to look at the figures. They can be seen online.

The Minister has made a hames of this. I have always had great respect for him and still have but the Government's strategic infrastructure committee should have been assembled long ago, not as a result of this motion. It is six months too late. We had ample time and the Minister was warned about it. His Department knew about it. Where are the animal rights people now? The number of fallen animals has increased by 40% in some places. Knackereries cannot cope with what is happening. The Department has been asleep. I am not referring to the officials who are present with the Minister. This is a national emergency. There will be a knock-on effect for the next number of years.

We are trying to get out of this deep recession. Speaking on the radio and at a committee meeting last week, the Minister told us that the banks are ready to lend. They are not lending. The Minister should stop the inspections and put the inspectors into the banks. They could accompany farmers to see the answers they receive after they fill in the forms. They are told to go away. Most farmers cannot afford to borrow anyway. I compliment the IFA and the co-operatives that have got involved. Indeed, Coolmore Stud in my constituency exported hay to the west.

However, all of this is too little, too late. I attended the CRH annual general meeting this morning and I appealed for the company to give something. It has received so much from the farmers and the farmers are the only people keeping the company going now. The Minister can laugh and joke if he wishes with his new colleague, Deputy McEntee, but the CRH would not even discuss the matter. There is no sense of reality. The Government's sub-committee on infrastructure includes the Taoiseach, the Minister for Finance and the Minister for Agriculture, Food and the Marine. It should tell our European colleagues what is happening. All the countries' flags are displayed in the front hall. Is the Minister going to wait until all the farmers are lying down and finished? The Minister has missed the boat. He could have asked those European colleagues to help. This is a crisis. Get rid of all the red tape in Europe. We are told we cannot do this and that because of finance or because of Europe. The Minister should tell the

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Europeans this is a national crisis. The Minister must pinch himself and wake up to this, not give fine words and nice speeches. It is too little, too late.

The animal rights Deputies should go and see the animals. No farmer wishes to see animals suffering. The Minister has missed the boat on this. He should go back to the IFA and support it. I understand the Minister has extended the application date to 9 June, but that is a feeble effort. He should call a meeting of the national emergency committee and take real action, not token action. What happens when there is flooding or any other events? Any time there is an emergency in the country a national committee is usually called to meet. The Government Members do not even know that it is, which tells us how badly off agriculture is.

Deputy Michael Healy-Rae: I compliment Deputy Ó Cuív for bringing this important matter before the House and I thank the Technical Group for allowing me to use some of its speaking time.

Many months ago I raised the fodder crisis in this Chamber. It was before many others spoke about it. I recall asking the Taoiseach about it one day. He gave a short and sharp response but it was not an answer. Later that evening the Minister announced the scheme to bring hay to this country. I am convinced that when the Taoiseach responded to me, he did not know the Minister was arranging the scheme to subsidise bringing hay to the country. If he did, he would have said it that morning. There was no cohesion in the Government. I am generally complimentary about the Minister but I am not happy with the way he has handled this situation. This situation does not just affect us now, it will be compounded next October, November, December and next year. We are too far behind-----

Deputy Simon Coveney: The Deputy might give some suggestions to resolve the situation.

Deputy Michael Healy-Rae: I have made a number of suggestions to the Minister and I will make some now. First, at a recent Oireachtas committee meeting I asked the Minister to stop farm inspections for a period of four or five weeks. The Minister said he was compelled by Europe to carry out inspections. I checked that and found the Minister was incorrect. There must be a percentage of inspections over a 12 month period, but the Minister was not told to carry them out in April, May or June. He must carry out the inspections over a 12 month period. The Minister could stop inspections, as I asked him to do, for a period of four or five weeks. That would be a help. The last thing a farmer needs is to have an inspection taking place on his farm at a time when he is under critical stress-----

Deputy Simon Coveney: The inspectors are taking account of that.

Deputy Michael Healy-Rae: It is not polite of the Minister to interrupt. I would not dare to interrupt him. I hope he will afford me the same courtesy.

The Minister said he wants suggestions. I urge him to do two things. One is to stop farm inspections and the second is to do something about the people who are providing the meal. He should ask them to acknowledge that we are in a crisis and reduce the price they are charging. That would be a major help. The Minister has the influence to do that and I believe he has the ability to do it. I ask the Minister to take those two actions as soon as possible. He must stop farm inspections for five weeks and talk to the grain merchants to try to reduce the price of rations. They are two simple suggestions and I ask the Minister not to dismiss them.

Deputy Martin Heydon: I am sharing time with Deputies John O'Mahony, Michelle Mul-

herin, Tom Barry, Heather Humphreys, Seán Kyne, Patrick O'Donovan, Michael McNamara, Pat Deering and Helen McEntee.

I am very concerned about the irresponsible nature of some of the comments from the Opposition last night and this evening on this motion. It is a serious topic but I believe it is being used for political purposes in some cases. Some of the comments are downright wrong. I acknowledge the work of departmental officials and the Minister in providing a targeted response to a serious issue. The transport subsidy scheme is structured so that the money is used effectively. A large grandiose system such as that sought by Deputy Ó Cuív would eventually deliver money, although I do not know how, in July or August when it is not needed. The money being provided now is targeted and effective. It is bringing in the fodder that is needed now.

The emergency welfare telephone number is available and the Department is on hand. There is no need for any animals to starve. I encourage any farmer who is in difficulty to go to the local district veterinary office, DVO, Teagasc or their local adviser about it. I note the contribution of the co-operatives and the banks and the flexibility they have shown in recent weeks. Today, Professor Gerry Boyle of Teagasc came to the meeting of the internal Fine Gael committee on agriculture to discuss what I believe is the bigger issue. We have got to grips with the issue at present but the future is of far greater concern. Now is not the time for farmers to scrimp on spreading fertiliser. Teagasc needs to say that. The banks are freeing up money and interest free capital is being provided by the co-operatives. We have told Teagasc of the need for advisers to get to the farmers who are not approaching Teagasc and seeking advice. Those farmers must be approached proactively in the livestock marts and elsewhere so we will avoid a crisis in the autumn. Hopefully, we will have a good summer but we must take action now. I am pleased that is happening.

I commend the Minister and his officials on the work they have done on this so far.

Deputy John O'Mahony: We are all aware the fodder crisis has come to a head in the last number of weeks. It is a difficult time for the farming community throughout the country. It has been stressful for all involved. Farmers have watched their fodder diminish while the weather conditions were harsh and there was little prospect of grass growth.

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However, because this matter has been in the headlines in recent weeks, everyone is aware of it. I pay tribute to the Minister for his hands-on approach, which his officials, the various agencies, Teagasc and all the co-operatives adopted. There was a spirit of teamwork, togetherness and co-operation. It was truly remarkable. If we were honest, we would all admit to having seen this at local level in our constituencies. I saw it in Mayo. It was a case of farmer helping farmer, which demonstrated a sense of community and togetherness above and beyond the call of duty.

The idea of paying for the transport of fodder, thus reducing the cost to the farmer, was an immediate and most effective way of passing on a direct benefit to the farmer within a few days of the announcement of the €1 million package. I welcome the extension of the initiative. It is being reviewed constantly, the idea being that whatever needs to be done will be done. Emergency animal welfare assistance is also in place. Calls are coming through and the emergency is being dealt with. The knock-on effects are such that what happens from now on will be important. The lack of funds among farmers is being met through ongoing contact between the

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Minister and financial institutions. This is important. The co-operatives have offered interest-free credit. Connacht Gold, in my constituency, invited farmers to contact it with a view to stating what is available. Even in the immediate aftermath of this crisis, which seems to have been abating in recent days, it will be important to have the same spirit of togetherness, led by the Minister. It is in this way that the problem will be addressed successfully.

Deputy Michelle Mulherin: In the past couple of months, we have witnessed tremendous stress being placed on farmers, who must cope with an unprecedented fodder shortage while trying to feed their animals. If we are to tell the story truthfully, we will acknowledge that it is not just the story of the distress caused when the grass, whose growth we all take for granted, did not grow; it is also the story of great camaraderie and resilience among farmers helping fellow farmers in need. We must acknowledge the dynamism of farming organisations, the work of co-operatives and, in many cases, the understanding by banks of the crisis farmers have been facing. Above all, there is a can-do Minister. We must acknowledge the initiatives of the Department, with its early-warning system and investment of €1 million in the transport scheme to defray the cost of importing fodder so that co-operatives do not have to pass on the cost to farmers, along with the work of Teagasc and the Farm Animal Welfare Advisory Council.

While all the scientists agree that global warming is happening, they may disagree about its causes. We know there is climate change and that it is not just the Third World or developing countries that are being affected. We have witnessed at first hand the effect of the severe winter and a previous bad summer. We have also witnessed what occurs when our natural resource of grass does not actually grow. Owing to these phenomena, we must realise, while bearing in mind the global context and our place in the global village, that we are not immune. We must consider how we can adapt and be flexible in respect of growing grass and meeting fodder needs and targets under Food Harvest 2020, which require the pooling of know-how in addressing environmental concerns. Education is a key response and allows us to compensate for and mitigate against the effects of climate change. Teagasc, to which Deputy Heydon referred, definitely has an appetite for and track record in the delivery of education. Most immediately, it is focusing on getting the most out of the grass that I am thankful is beginning to grow, such that farmers might be able to make provision for fodder this year and in the coming winter. In the longer term, we must consider under-utilised land - land that is not being cultivated to produce grass in the way we know it can.

I welcome the payment made to 1,500 farmers in the past ten days under the AEOS. In my area, the west, where people rely on the disadvantaged area payment, farmers should be given the option of receiving one quarter of that payment now. Not every farmer is in the AEOS or REPS. Some farmers are at the end of their tether in regard to the co-operation of co-operatives and banks. I ask the Minister to consider that.

Deputy Tom Barry: I congratulate the Minister on his swift action. He was present with me when the first load of fodder came into the country. We discussed the matter at length. It was the Minister's idea to pay for the transport. He was completely on top of his game. The arrival of the first load was a glad day for many farmers but it was also a very sad and poignant day. It is sad that Ireland, which aspires to reach a target of feeding 50 million people, had to import fodder for cattle in an emergency.

We have stocking rate and slurry storage requirements but we probably need to consider our fodder storage requirement. What occurred cannot be allowed to happen again. It displays the need for the tillage sector, which provides the indigenous fodder that reduces our exposure to

imports. I have been conscious of this for a long time.

Let me remind the House of a few figures while tempering my remarks a little. I remind the House of the 1 million tonnes of sugar beet and 200,000 tonnes of sugar that Fianna Fáil threw away. While the party supports the reintroduction of sugar beet farming, it must realise it got rid of it. The fodder crisis displays the stark loss of the sugar industry. We lost 30,000 tonnes of beet pulp nuts. We lost wet pulp, pressed pulp and the tops and tails that went to the west. The Fianna Fáil Members should ask any of their constituents about this. I am tired of telling people that the fodder that was given out by the sugar industry was vital to our economy. Nobody knew that the crisis would happen so dramatically until now. I hope the great injustice represented by the closure of the sugar industry will be addressed next year. The Minister has done fabulous work in coming to an agreement which, I hope, will result in the reintroduction of the sugar quotas in 2017. This point cannot be ignored. It is timely for Fianna Fáil to make an apology for closing the sugar industry. It would be very welcome because the closure caused considerable financial distress, hardship and worry among the many beet farmers across the country.

I commend Dairygold, especially Jim Woulfe and Gerry O'Sullivan, on its tireless work in bringing in load upon load of hay, amounting to almost 400 loads thus far. The company worked closely with the Minister. The investment made was the best €1 million spent by this country in a long time.

Deputy Heather Humphreys: I acknowledge the extremely difficult time that many farmers have been experiencing due to the ongoing bad weather over the past 18 months. As a Deputy for Cavan-Monaghan, where farming plays a crucial role in the local economy, I have seen at first hand the impact of the current fodder shortage. I have met many farmers in regard to the matter. This has been a very stressful time for them and their families. The establishment of the transport subsidy scheme has greatly reduced the cost of imported fodder for farmers. The scheme has made a real difference to many farmers and has been most welcome.

The fodder crisis has required a co-ordinated approach. The one point that stood out is how everybody came together. I include the Minister, his Department, millers, merchants, co-operatives and farming organisations. I commend them but must also afford a special mention to all the farmers who supported each other by giving spare fodder to those who needed it. It is this great community spirit that gets us through difficult times such as these.

I compliment the Minister and his Department on all their efforts to date. While the current problem is being dealt with in a very practical way, a long-term strategy is needed. I should be grateful if the Minister would take the issues I raise into consideration. There has been overstocking on farms for some time. Commentators in the media and Teagasc have been advising farmers to increase their numbers of stock. However, with increased stock numbers comes the need for an overall plan to ensure sustainability and profitability. Teagasc needs to look at preparing realistic and deliverable plans for farmers on an individual basis to allow them to develop and increase their outputs on a sustainable footing. It is welcome that our live export trade has been reopened. I ask that every effort be made and support be given to aggressively build on this market opportunity to export our cattle. This is an important outlet to reduce surplus cattle numbers.

Under the EU water directives, there are restrictions on the amount of phosphate that can be used in soil, which means our soil fertility has been reduced considerably. We are not getting

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the benefit of nitrogen if phosphate levels are not at optimum level for growth in Irish conditions. Is the Minister satisfied that current regulations take account of Irish soil types and climatic conditions and will he consider asking Teagasc to carry out a full review of the relevant data and making a case to the European Union that this directive be reviewed to take account of the Irish situation? We also need to address the issue of calendar farming enforced under the nitrates directive and seek to have changes made to reflect the changing pattern of Irish weather conditions.

I commend the Minister for his, as always, prompt action when a crisis presents.

Deputy Seán Kyne: I commend the Minister and his officials for their response to this crisis. There is no point in giving money to farmers to buy fodder if there is no fodder available. What was needed was fodder. I never thought we would see the day when we would be importing fodder from the United Kingdom and France. However, that is what was required. I congratulate the Minister, the Department, the co-ops, hauliers and the Irish Farmers Association on getting behind communities and delivering what was needed. The Minister has delivered on what the co-ops asked him to do, namely, to fund a transport subsidy scheme which I am delighted to note has worked. As stated by other speakers, we have received excellent value for money in terms of the amount of money spent in this regard.

Other speakers spoke about contingency planning. I agree that there is a need for contingency planning on farms in advance of next winter. We do not know if we will have an early winter or a late spring. Farmers will need to ensure, based on the stock they believe they will be carrying next winter, that they will have sufficient fodder. Thankfully, beef prices are strong this year. As such, farmers who had planned were able to sell off stock over the winter, thus lessening the impact on them of the fodder crisis.

The phrase “a normal grass growing year” is often mentioned. I am not sure what that means anymore. We have had some strange weather in recent years. As stated by Deputy Michelle Mulherin, we do not know if the erratic weather we have experienced is due to climate change and so on. While it is right that Teagasc and farmers have pushed out the boundaries in maximising grass production in the past few years - farmers in certain parts of the country have pushed out the boundaries for grazing to February - there is a need for contingency planning for the situations that might arise.

The effects on future farming patterns cannot be underestimated. The effects on cow fertility could be severe. Fodder produced last year was of poor quality owing to the long winter. Lameness and a late spring will also have a knock-on effect on fertility, breeding cycles, calving intervals, milk production and impact on some farmers’ ability to expand in coming years owing to added costs. That is a concern.

It needs to be acknowledged that farmers may be unable to meet disadvantaged areas scheme eligibility criteria in 2013 as the fodder crisis may have led to the earlier sale of animals and higher mortality rates, resulting in their having low stocking rates. It is important that this be taken into account by the Department when adjudicating on DAS payments this year.

Deputy Patrick O’Donovan: I welcome the opportunity to contribute to the debate. Like other speakers, my county of Limerick has been badly affected by the fodder crisis. I have met the farming organisations during the past few weeks and know that they were keen to ensure this issue would not be turned into a political football with which points could be scored. They

also wanted the efforts being made by the co-ops, marts, the banks and, in particular, the Department to be acknowledged. I pay tribute to the Minister, Deputy Simon Coveney, for meeting at 11 p.m. on bank holiday Monday night with representatives of the farming organisations in County Limerick to hear at first hand exactly what was happening, in particular, in the west and south of the county where intensive rainfall, heavy soil quality and stocking levels had contributed to a perfect storm in this regard.

I also pay tribute to the leadership provided by the co-ops, particularly Dairygold in County Kerry and Mr. Jim Woulfe who I believe has been to the fore in trying to ensure this problem is alleviated. From the outset, nobody was asking for money to be thrown at it. What they wanted was a co-ordinated campaign to solve an immediate problem, namely, the feeding of animals. In fairness to the Minister, this has happened. Some 730 lorries of fodder have been imported thus far and a further 170 are due. This means some 2.3 million animals will be fed under the scheme initiated by the Minister for Agriculture, Food and the Marine.

It is welcome that AEOS payments are being processed faster. This will make a tangible difference. Another issue which I raised in the House last week and ask the Minister to relay to his colleague, the Minister for Social Protection, Deputy Joan Burton, is the heavy reliance in certain parts of the country, particularly in west Limerick, on the farm assist scheme, which will undoubtedly cause problems into the future. Like previous speakers, I would welcome the putting in place by the Department of Agriculture, Food and the Marine of an insurance package to ensure, as stated by Deputy Barry, in the event of this happening again, that we will be in a much stronger position. There is no doubt but that we must confront the reality that our climate is changing. There are more prolonged periods of heavier rainfall, which is having an impact on food production.

I again compliment the efforts of the Minister in dealing with this and other crises since his appointment as Minister for Agriculture, Food and the Marine.

Deputy Michael McNamara: Like previous speakers, I commend the Minister for his reaction to the fodder crisis and, in particular, the introduction of the fodder transport subsidy scheme, an innovative, important and necessary measure. I also thank him for extending the scheme to 10 May and his clarification that fodder purchased in advance of that date will be covered by the scheme. That, too, is an important measure.

Crises of this scale require a novel approach and for people to work together. Nowhere in the country was this more on display than at Shannon Airport a couple of weekends ago. I commend the new management of Shannon Airport and Clare IFA for their work in this regard. Members may not be aware that over one weekend more than 1,000 bales were harvested on the land bank surrounding Shannon Airport and distributed by the IFA, through its networks, to farmers across County Clare, many of whom were in dire need of it. It was encouraging in these difficult times to see people engaged in work from which they received no benefit but which helped somebody else. I commend Clare IFA for its work in that regard. Similarly, when the IFA involved itself in the task of gritting roads, it did so at a very busy time and for no reward other than helping neighbours.

That said, the fodder crisis this year is almost over. We now need to worry about what will happen next year. I know few farmers in east Clare which was not as badly affected as west Clare who have closed land at this point to have silage next year. Ordinarily a first cut would be made in a couple of weeks time, but farmers simply have not had an opportunity to close

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land yet. Barring a miracle, it is almost inevitable that there will be another fodder crisis next year. Therefore, we need to start planning for it now.

I commend and thank Fianna Fáil for raising this issue. It is important we discuss it. That said, I do not agree on the need for the establishment of a special unit in the Department to oversee and co-ordinate activity in this regard. The days of special units have come and gone. Many of the previously established special units delivered little. Deputy Simon Coveney has the honour of being Minister for Agriculture, Food and the Marine. He needs to add this issue to his many priorities and ensure we will be prepared for next year. As Deputy Seán Kyne and other speakers mentioned, including on the Opposition benches, there is every possibility that next year there will be more stock in the country than there will be fodder for, particularly if weather conditions are not ideal.

I commend the Minister on the initiative of getting live exports moving again, with boats leaving Ireland with live exports. As Deputy Kyne said, beef prices were relatively high through the winter. No farmer anticipates his cattle are going to starve and, therefore, some were not able to plan, but for those who could afford the meal - Deputy Healy-Rae alluded to the increasing prices for meal - and were able to plan there were high beef prices. One of the few things the Minister has at his disposal to keep the beef factories honest or to keep them on a straight line and to make sure they do not pull prices at every available opportunity is a proper live export trade. I am glad he has ensured our live export trade is commencing again and that boats with live exports will leave Ireland. This ensures there will be not only one avenue for our beef, that of the processors, but that there will be a second option available to farmers.

Deputy Pat Deering: Like previous speakers, I am delighted to have this opportunity to speak on this important motion. It is important to recognise that it has been a difficult winter and fall for every farmer in the country. It is also important to recognise that this has affected every farmer, big and small. The problem began last year when we had a particularly bad summer and no quality or quantity of silage or hay was made. It is also important to remember that this is not a money issue, as was suggested by some people in the past. Money will not buy fodder that is not there. It is a fodder crisis, not a money crisis.

I compliment the Minister in particular for his hands on approach to this issue in galvanising and making sure that all the stakeholders involved were brought together, be it the co-operatives, those involved in farm modernisation, the banks or hauliers, to ensure that everybody worked in conjunction with one another. It is important that happened to ensure we got fodder from around Europe, be it from England or France, to ensure cattle were fed.

As Deputy McNamara rightly said, the actual crisis is nearly over at this stage. This morning we could almost see the grass growing. Three important points need to be made as we look forward to next year. It is important that fertiliser is not spared on the ground in order to ensure that as much grass as possible is harvested for hay and silage in the future. It is important that Teagasc would get directly involved to ensure that the management of grass is organised in a proper way to ensure plenty of fodder will be available for the future. Third, it is important that farmers are educated about the amount of fodder that will be required to ensure we have plenty of stocks for the future. Unlike previous years when most farmers would have had an extra supply of stock left over, that will not happen this year and therefore we will have to build up reserves.

Looking across at those on the Fianna Fáil benches, the Fianna Fáil hypocrisy never ceases

to amaze me. It was only a few years ago when Fianna Fáil thought very little of agriculture. Its members concentrated on bricks and mortar but now agriculture is becoming important again. The people seated across from me sat around the Cabinet table and voted to do away with the sugar industry, as Deputy Boyd Barrett mentioned earlier, an industry that would have been a big help in trying to ensure we would not have had this current crisis.

Deputy Billy Kelleher: We promised to bring it back.

Deputy Pat Deering: I compliment all those involved in ensuring we have a proper solution to this matter.

Acting Chairman (Deputy Ann Phelan): I call Deputy Helen McEntee. I am privileged to be in the Chair as I understand this is her maiden speech.

Deputy Helen McEntee: As it is my first time to speak in the House, I take this opportunity, first, to thank the people of Meath East for allowing me the privilege and the honour of representing them in Dáil Éireann. I also take this time to acknowledge the work and the effort that was put in by my Fine Gael colleagues, the Fine Gael members and also by my family and my campaign team in getting me elected to this House. I am honoured to be following in my father's footsteps. I would also like to thank the Minister, Deputy Coveney, for his support throughout the campaign. He very generously gave of his time on two separate occasions to meet members of the farming community and Meath farmers. The amount of attention and dedication he showed towards them in ensuring their views and opinions were heard on various different matters has not gone unnoticed.

Having grown up on a farm, having been part of a farming family and having worked in the Department of Agriculture, Food and the Marine with my Dad for more than two years, it is only appropriate that as I speak for the first time in this House it is on such an important issue and on this issue in particular. The fodder shortage is a national crisis and one that unfortunately Meath East has not escaped. Meath occupies an area of more than 230,000 hectares of which 180,000 are used for agricultural purposes only. We have a long-standing reputation for having green fields and pastures, many of which are capable of supporting a wide variety of agricultural activities but unfortunately due to the bad weather, the bad winter and the cold spring, our roads are not the only places that have taken a beating in the past few months. I acknowledge that the weather has got a little better. We have seen a little growth, even around my house the grass has grown, but farmers are putting their livestock out and any bit of growth there has been disappears straightaway.

I want to acknowledge the efforts that have been made by the farming community, the farming co-operatives and Teagasc. They have come together and worked on this issue. They have shown a great deal of solidarity but the Department's intervention has been needed and it was sought and given. I hope the announcement by the Minister, Deputy Coveney, that a further 170 loads of hay and silage that will be imported into the country next week on top of the 600 loads that have already come in will provide access to fodder and assist as many farmers as possible. The extension of the imported fodder under the transport fodder scheme with assistance from the transport subsidy has already assisted many farmers especially in County Meath and it will provide further relief for farmers. Unfortunately it is hard not to get caught out with the weather in Ireland. It is about as predictable as the national lottery numbers.

I commend the Minister, Deputy Coveney, and his Department on their quick reaction to

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this problem. He has repeatedly said that any farmer who has had a problem in accessing funds, in talking to their banks or their neighbours or who feel that they cannot cope can contact the Department and any of the other organisations which will help them. No animal should be allowed to starve in this instance and I would hate to see that happen unnecessarily. I have no doubt that the measures that have been taken to tackle this problem will have a knock-on effect later in the year in case we have bad weather again.

Acting Chairman (Deputy Ann Phelan): I congratulate Deputy McEntee and look forward to more of her contributions.

Deputy Michael P. Kitt: I join in congratulating Deputy McEntee on her first speech. I am sure it will be the first of many contributions she will make in this House.

I thank Deputy Ó Cuív for the amount of work he put into this motion. He gave it a good deal of consideration. He has met with the IFA about the serious situation, that of the fodder crisis, that is facing us. I noted that the IFA representatives who met in Galway last Monday called for an immediate extension of the transport subsidy scheme to deal with the ongoing fall-out of the fodder crisis. They made the point that extra feedstuffs were estimated to cost €200 million. They also made the point that farmers will have to cope with various knock-on costs such as the decline in the quality of animal being produced.

It is important that we learn from the experiences of the past few months. One of the main objectives is to ensure that there will be no repeat of the fodder crisis later on. Farmer experts have talked about this. An issue that has arisen in my constituency of Galway East is the question of farmers losing money because of the extra spending on feedstuffs. I have been reminded that meal subsidies were introduced as far back as 1974 when Mark Clinton was Minister for Agriculture in the Fine Gael-led Government and in 1989 the then Fianna Fáil-led Government brought in what was known as meal vouchers. I suggest to the Minister that such vouchers should be considered for people who are in great difficulty at the moment. Above all, there is an urgent need for co-operation with the Government agencies, financial institutions and suppliers to help struggling farmers overcome the current challenge. Deputy Ó Cuív suggested the establishment of a €10 million relief fund and the creation of a special unit within the Department to take the lead in addressing the crisis. The unit he proposed should also review the supply level of fodder and financial credit to ensure that the crisis never occurs again. There are particular difficulties in the west of Ireland. I am not just putting on the poor mouth. Someone said the west is a different country. Deputy Ó Cuív and I might not agree that east Galway is a different country from west Galway but that could be the case. Our grass growth is four to six weeks behind. I was glad to see news reports of fodder arriving in Maam Cross and Clifden in west Galway. There is need for similar action in other parts of the country. At the co-ops in east Galway there are waiting lists of people in need of fodder. I checked this today. I hope that this can be addressed. If the co-ops, which are doing great work, are having difficulty and have to order more feedstuffs I hope that the farming organisations will come forward and do as they have done until now and work together to provide that fodder.

Another practical proposal that has been made concerns the grants due for payment which I hope will be paid as quickly as possible. That is a practical way to help with cash flow which is so crucial. It was suggested last night that Teagasc would make free advice available. I hope that will happen. I am glad to see that the IFA has created a €1 million relief fund and that the dairy board has established a €2 million fund for redistribution to dairy farmers. I compliment the farming organisations and all the people involved in agriculture in rural Ireland on giving

so much help. Neighbours are helping each other out and the traditional Irish meitheal is very much to the fore. Our plea to the Minister is to extend the transport fodder scheme. That is a very practical proposal. We need proper planning for the future. Much more needs to be done. Will the IFA and other farming organisations help out in the spirit of the meitheal by ordering more bales? The co-ops in east Galway and in the west of Ireland have played their part. Connacht Gold was mentioned yesterday evening. Arrabawn has also helped. It has branches in many towns in my constituency, Mountbellew, Killimer, Kilconnell, Clonberne and Athenry and we have a great deal of contact with Athlone which is not too far away and is one of the major branches. All these branches are working together as they have to do because there is a waiting list for the provision of fodder. We hope that more food can be ordered and that the IFA and other farming organisations can help.

The price per bale or tonne of feed is also very important because we must have prices that are sustainable and some of the products are quite dear. The cash flow difficulties must be addressed. The promise of €50 million in credit from the AIB is very welcome but it is very important to have flexibility in finance because this is an industry that is exposed to weather and markets. It is very distressing to read the figures for fallen animals and the 26% increase, if that is the correct figure, in the number of animal deaths on farms in the first quarter of this year compared with last year. There is great sadness among farm families that this has happened. There are animal welfare problems but also huge losses. These losses come after very cold weather during which there were other losses, particularly in Donegal where there was great distress.

The agri-environmental options scheme, AEOS, 1 and 2 and the rural environment protection scheme, REPS, payments are most important. A case was made about the disadvantaged areas scheme because it affects the west of Ireland and it has been proposed to reverse the stocking density requirements under that scheme, which I hope the Minister will consider. We need every extra blade of grass and we should not be considering higher stocking densities this year when the situation is so serious for our farming community. While Ireland holds the Presidency of the European Union and the Minister is chairing many of the meetings he should work hard to bring forward payments and to deal particularly with the stocking density under the disadvantaged areas scheme. I hope that in considering Deputy Ó Cuív's motion the Minister will see that much more needs to be done. Everyone in the farming community is delighted that some work is being done but much more needs to be done and we must work hard to ensure that every grant is paid in time and if possible that moneys are brought forward as happens with the single farm payment.

Deputy Niall Collins: I am glad to have the opportunity to contribute to this debate tonight because it is of immense importance to all of us who represent rural constituencies. The farming and agrifood sector contributes almost €24 billion to the economy, supporting up to 300,000 jobs but in my constituency there are 5,991 farms averaging 34.5 ha. Of them 4,945 are cattle farms and of those 3,847 earn less than €25,000 per annum. The issue we are discussing tonight has a significant impact on my constituency and I am glad to have the opportunity to speak on behalf of a very large section of my constituency in County Limerick. The Minister asked my colleague for suggestions to continue to address the problem. I would first counsel the Minister to avoid complacency at all costs. Any notion that we are through the worst of this must be knocked on the head. Last night there was a very heavy rainfall across the country and serious quantities of water washed off the land. We are in an era of real climate change. There is a reluctance in this country to face up to the issues raised by climate change. The Minister for

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the Environment, Community and Local Government, Deputy Phil Hogan, has kicked the can down the road.

Deputy John Deasy: Fianna Fáil kicked it down the road for ten years.

Deputy Barry Cowen: There was a boom on.

Deputy Niall Collins: I grant that he has attended several high profile climate change conferences around the world which were publicised. We need a strategy to address climate change because it is for real.

My second suggestion concerns the EU solidarity fund. The Minister was quoted on RTE last week as having broached the subject with Commission officials and I think he said that they were rather un-enthusiastic about an application from Ireland. Is the Minister content to leave it at that or does he have some plan? The Irish Creamery Milk Suppliers Association, ICMSA, has circulated a table showing 30 previous occasions on which the solidarity fund made payments to member states especially on grounds of adverse weather conditions. It made one in 1999 to Greece for its raisin crop which was affected by adverse weather. The Minister might take the opportunity in his reply to tell us whether he intends to pursue that because it is worth considering and he might have a view.

Deputy Simon Coveney: I will not have an opportunity to reply to this debate but I did address this question last night.

Deputy Niall Collins: He will get an opportunity to reply to the point in some forum, maybe not tonight.

My final suggestion relates to contingency planning for 2014. We do not know how this summer will pan out. Deputy Michael McNamara said that the worst is over for this year but we do not know that. Will farmers have two silage cuts this year? We simply do not know. A long-term contingency plan must be put in place to deal with this situation as it will reach far into next year. Fianna Fáil has suggested the establishment of a €10 million emergency fund. I acknowledge the Minister established the transport scheme, funded it to the tune of €1 million and extended its deadline. Were he to set up our proposed emergency fund, it would give a degree of security to farmers.

Mention was made of establishing a special unit in the Department to co-ordinate the various stakeholders involved. This proposal has merit. It might be there already in an *ad hoc* capacity but it would be helpful to co-ordinate dealing with the banks for example. We cannot take the banks at face value, which we learned at our peril unfortunately. The Department needs to keep an eye on the banks regarding their commitments to provide adequate credit lines to affected farmers. If credit lines are not available, as we all know, business will not operate.

I would appreciate if the Minister took my suggestions on board. I compliment my colleague, Deputy Ó Cuív, on using our Private Members' time to raise this issue. It is of genuine and immense importance to many people across the country. The 300,000 jobs which rely on the agrifood sector have to be supported and must have that degree of certainty.

I also compliment Deputy McEntee on her maiden speech in the Dáil this evening. I was glad to be here to listen to it. I wish her well in her political career. Admittedly, I was wondering what was afoot when I saw a large crowd around the Minister in the Chamber. I was quite

impressed that he had so much support on his benches. Alas, we now know the large attendance was for Deputy McEntee's maiden speech.

Deputy Simon Coveney: There is plenty of solidarity in this party.

Deputy Niall Collins: I recall after the general election when the Minister for the Environment, Community and Local Government, Deputy Phil Hogan, attended the Chamber, he always had a big support group around him on the backbenches.

Deputy Mattie McGrath: Not any more.

Deputy Niall Collins: Alas, when he comes in here these days, he is alone. At least the Minister for Agriculture, Food and the Marine has one Member beside him which means he is doing marginally better.

Deputy Simon Coveney: It is because no one on this side wanted to listen to Deputy Niall Collins.

Deputy Dara Calleary: Looking at Deputy Doyle sitting next to the Minister, is this the new agriculture ministerial line-out?

Deputy Billy Kelleher: I will neither condemn nor congratulate the Minister on how he is dealing with the difficulties farmers are experiencing. Instead, I want to put some practical suggestions to him.

We all know there is no fodder reserve left in this country and we are eating into next winter's reserve. Under the nitrates directive, farmers are required to limit the amount of nitrogen from livestock manure that is applied on their lands to no more than 170 kg per hectare. If that were raised to 200 kg per hectare, it would lead to more intensive farming and allow farmers to gather more fodder for the year ahead. I know there would be difficulties in getting such a derogation but, regardless of what happens between now and next November, there is a fodder deficit that must be tackled. Even if we have a normal winter, next year will be difficult too. Will the Minister examine a derogation under the nitrates directive without any change in application forms and so forth?

Deputy Simon Coveney: I will.

Deputy Billy Kelleher: We also know the nitrates directive puts down significant obstacles in intensive farming because of the P and K restrictions. Spreading nitrogen is one matter. However, one will not get any benefit from it if there is not a proper balance in the soil. Will the Minister also examine this suggestion?

The cut-off date for the spreading of nitrogen is traditionally 15 September. Due to crop rotation and planning, if it were announced now that the spreading date was to be extended, farmers might be in a position to plant root crops after the harvest in August and September for the year ahead. This would assist in alleviating the difficulties that farmers will inevitably face in 2013 and 2014.

The Minister will know from his constituency that farmers are now outbidding each other trying to rent additional lands for planting fodder or silage. This is raising the cost of renting land to €300 an acre in some places. That is simply not sustainable in the short to medium term. However, the farmers are doing it of necessity because of their stocking densities and that they

have no fodder reserve.

If the nitrates directive were revisited, it would give Ireland the opportunity to do what it does best which is to grow grass and harvest it for silage. This would address some of the problems we will be faced with next year.

I acknowledge farmers have assisted each other in a collegial way. The co-ops and the Department have done their best in dealing with the current difficulties we are facing. However, some audit system must be put in place in the Department to assess how much fodder will be built up over the next several months so that critical decisions can be made on whether to plant root crops after the grain harvest in August. Taking on these suggestions would give farmers the opportunity to plan ahead, particularly those who have high stock densities, no fodder reserves and are restricted by the nitrates directive to increase their fodder banks.

Deputy Robert Troy: I welcome the opportunity to speak on this important issue, an issue that is affecting farmers the length and breadth of the country. I commend my colleague, Deputy Ó Cuív, on giving Members on all sides of the House the opportunity to outline their concerns about how this fodder crisis has been handled heretofore. Many Members have commended the Minister on the role he has played in dealing with the crisis. I acknowledge that he did tackle it and organised the importation of fodder but it was somewhat belated. Having talked with members of the Irish Farming Association, IFA, and the ICMSA, the Irish Creamery Milk Suppliers Association, in my constituency, I know they were at their wits' end over the past several months because of this fodder crisis. Neither were they happy with the Minister's approach to it.

I noted many Government backbenchers spoke on this issue over the past two nights. When Opposition parties put down Private Members' motions, very few Government Members will speak on them. The Government shared its speaking time with many of its backbench Deputies. I am sure they were getting it in the neck over the past number of months on how this crisis was being dealt with. These backbenchers were very quick to compliment the co-ops, the IFA and the various other groups which were to the fore in tackling the crisis. Unfortunately, the Minister's role left much to be desired.

The agrifood sector contributes €24 billion to the national economy. It is an extremely important sector. The livestock sector has been badly hit by this crisis. Animal deaths in the first quarter of this year compared to those in 2012 have increased by 26%, a direct result of this crisis.

Other Members have welcomed the fact grass is beginning to grow. This is to be welcomed but it is outside everyone's control. We cannot even blame the Minister for that.

Deputy Simon Coveney: The Deputy would try though.

Deputy Robert Troy: The issue still remains that over the past several months farmers have incurred many costs they normally would not. They have had to purchase additional fodder and feed. These are costs that will remain even after the cattle are put back on the land. What will the Minister do to help those farmers in extreme financial difficulty? Will he pledge to ensure that the agri-environment option scheme, AEOS, disadvantaged area aid and all the schemes administered through his Department will be fast-tracked to ensure the farmers get the financial support they need? Will he give that guarantee here this evening? Will he ensure that the banks comply with their promise to actively engage with and support the farming community

at this time of pressure? We are all quick to run down the banks but I got a phone call during the week from the manager of the local AIB branch in Mullingar who read an article I wrote in the local paper. He told me that if anybody who comes to my constituency office is not getting fair play he wants to know about it so that he can have direct intervention. I welcome that, and I complimented him on being proactive in his approach because this is a serious problem, and I want to acknowledge that.

I take this opportunity to highlight another issue for the Minister. One of the most serious issues affecting farmers who come to my constituency clinic is the changes the Minister made to the farm assist programme. In the two previous budgets the amount of farm income being assessed increased from 70% to 85% and from 85% to 100%. Why has there been such a targeted approach to the less well-off farmers in our society?

Some previous speakers criticised us for not being proactive enough in respect of the agriculture sector. I would remind them that it was our colleague and former Minister, Deputy Brendan Smith, who produced Food Harvest 2020, a document the Minister likes to claim as his own. If the Taoiseach had a real commitment to the agriculture sector, after four months he should give the Minister a hand by appointing a Minister of State with responsibility in this area and not keep it as a carrot to hold over disgruntled backbenchers.

Deputy Dara Calleary: I join in the thanks expressed to Deputy Eamon Ó Cuív and Deputy Michael Moynihan for highlighting this issue and bringing it to the floor of the Oireachtas, as they did some weeks ago. Deputy Collins referred to the crowd the Minister had in the Chamber with him. I join other speakers in congratulating Deputy Helen McEntee on her maiden speech and wish her every success but many of them criticised us for making this issue a political football. First, it would be wrong if the Oireachtas was not in a position to discuss this and, second, I would direct the Minister's colleagues to an organisation that does not normally criticise Fine Gael, the Irish Farmers Association, and its statement of 18 April: Fodder Crisis Demands Stronger Response from the Minister - IFA. That is a bit like an internal family argument, but we have to discuss this issue and, more important, how we got into this position.

Members on all sides of this House have a habit of dealing with an issue, moving on to the next issue and not learning the lessons. It would be appropriate for the Minister to have an investigation in the Department into how we got here and the reason the problem was allowed to happen because two weeks ago in my part of the country, Maloney & Matthews, which is the main animal collection service in Mayo, was reporting a 30% increase in fallen animal collections. Teagasc in Mayo reported, admittedly before the transport scheme came in but that was how serious the situation had become, that for every one bale available in the county eight farmers were looking for it at that stage.

The transport scheme and the fodder scheme is welcome. The support the Minister gave that is welcome. It was belated, but the supports given and the meitheal adopted is very welcome but the Minister's amendment states that he was planning this since September. We must find out how this situation arose-----

Deputy Simon Coveney: It was not belated. The transport scheme was in place since the first fodder started to come into the country.

Deputy Dara Calleary: It was not getting to where it was needed. If the transport scheme was in place and there was only one bale for every eight farmers, it was not working. I accept it

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is working now. A number of issues arise, and Deputy Kelleher has put forward some practical suggestions in that regard.

It would be dangerous to be complacent and believe that this crisis is over and that grass is growing. Last week, many of us travelled from here to Donegal and the country was divided into two halves. When we travelled through Meath and that part of the country we could see that there is clear growth. As we went further north and into the west, there is no growth. The western part of the country has not had the warm weather this part has enjoyed in recent days. In fact, it has got colder. Serious issues remain in that regard.

Teagasc has responded very well in terms of advice. The Minister needs to ensure that the board of Teagasc, and I am aware it had a board meeting yesterday on the issue, is directing extra resources into the regions where growth is and will continue to be the weakest. If that involves the Minister allowing Teagasc to move staff around to do that, that should be facilitated and encouraged.

Deputy Kelleher and others made the point that it is probably too late to avoid this happening next year, given the lack of fodder reserve, and that we will still not be in a position until mid-June to move beyond the situation. The Minister must address that urgently to ensure the Department's response next year is not reactionary but proactive and that it is on top of the problem.

I am intrigued by the line-up on the Front Bench. I do not know if it is an indication of the Department to come but Deputy Doyle, as Chairman of the agriculture committee, can invite everyone to come before it in the coming weeks to discuss the reason we are in this position we should not be in. This is probably the first practical example of the difficulties of climate change about which we all talk and now know practically, and we have to assume it will be an annual event given the change in weather conditions.

In the remaining few weeks as chair of the Agriculture Council the Minister might table this issue and consider, in the context of him having to agree the new CAP budget, if some provision can be put in place and a little more flexibility given regarding the solidarity fund to assist Ireland but also countries in southern Europe that may have to deal with other aspects of this climate crisis in the coming years.

The Minister's amendment refers to a delayed spring elevating the issue to a more serious level. The difficulty was a delayed reaction from the Minister. What we have now is sufficient but if it had happened much earlier, the problem would not have been as serious as it ended up being.

Deputy Andrew Doyle: I welcome the opportunity to speak in this debate and also to wish Deputy McEntee well. It is appropriate that she would speak on a matter close to her and her family's heart, namely, agriculture.

I welcome that there have been some productive contributions from Members on all sides of the House, particularly Deputy Billy Kelleher's contribution. It contained some solid proposals that should be taken on board.

The simple, politically popular move to make would have been to establish a fund for €10 million, set up a special unit, take forever to administer it, and use only half the money. That is what would have happened, and the animals that needed the fodder would not have got it.

A sensible, cost-effective method of ensuring that fodder became available and was directed to the animals that needed it, and that did not distort the price of the fodder, was to establish a travel subsidy scheme and bring together the people who are linked most closely with the farmers and who knew where the animal feed was needed. The Minister, through his Department and the co-operatives, was able to identify where the fodder was needed. The co-operatives had the wherewithal to source the product, the hay, the haylage and the maize, get it into the country because they had the ability to do that, make sure it was distributed, and claim a subsidy. The fodder was not inflated in price although as has been mentioned, already we can see that an unfortunate consequence of this crisis is a rush for grass to provide enough feed for next winter.

When one farms in a valley 700 ft. above sea level, not 50 km from here, there is a saying that one should have hay until 10 May. This year, I sent fodder to Mallow.

9 o'clock

Some of the most productive parts of the country have been caught out the most, because we have stretched our capability without a safety net. There is a lesson to be learned from that. Teagasc has pushed the notion of production and efficiency, based on a model that must be examined.

Deputy Kelleher's comment on nitrates is important. We should look at non-traditional ways of using land to provide fodder, including through brassica crops such as kale and rape. These could be used to provide cattle with feed and keep them out for longer.

We need a rub of the green with regard to the weather. In 1984, I remember people saying it was the third good summer in a row and we would continue to have good summers because this was a change in our climate. However, in 1985 our harvest was decimated. In 1986, we had Hurricane Charlie and were wiped out. In May of 1986 there was not a blade of grass until the end of that month, because the north-east wind cut down every blade of grass on the east coast. I was farming then and know how much that cost me. One man said it cost him eight bullocks and a horse to pay for his winter nuts. This was 26 or 27 years ago. This is not new. These things happen and what we must do is learn to provide.

I take on board Deputy Calleary's suggestion. Perhaps we should invite Teagasc to appear before the Oireachtas Joint Committee on Agriculture, Food and the Marine and ask it how it plans to advise farmers to provide enough and a little more. Perhaps we need to look at the issue of nitrates. We may need to look at the closing dates for the spreading of nitrogen, dung and slurry. We need to be quick to react to these needs.

The fact that there is an emergency fund in place means there is no need for any animal in the country not to be fed. Besides the main €1 million transport subsidy scheme, a fund exists for hardship cases. People have suggested there should be a special unit to deal with the banks. With all due respect to senior officials in Departments, the banks will answer to the Minister. The Minister of the day is elected and appointed to do his or her job and he or she is responsible. There is no point in trying to divest responsibility to somebody else; the buck stops with the Minister. I would like to compliment the Minister on taking a hands-on approach to this issue.

We need to learn from this crisis. REPS 4 has paid out almost all of its money - €166 million - to all but a couple of hundred farmers. I urge those people not to rush to the auctioneers to compete with one another for grass that will be too dear next year. We must learn that lesson.

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Deputy Michael Moynihan: I welcome the opportunity to contribute to a debate I believe is the most serious debate we have had in this House this year and last year. Since June 2012, my part of the country has been battered. Within one month of the beginning of the crisis in June, I raised the issue during Leaders' Questions on 12 July, but it was almost dismissed out of hand. Unfortunately, not only did the weather not improve; it got worse right through the summer. In August 2012, I asked that inspections not be carried out under the same harsh regime as normal, but in October and November 2012, Department officials went into land that had not been fit to travel on since May 2012 and penalised farmers to the extent of 100% of their premiums, REPS payments, single farm payments and disadvantaged payments because no rushes had been cut on that land. The only way a farmer could travel on land in western Duhallow from July 2012 until now was by helicopter. One farmer in western Duhallow baled silage in the last week of June of 2012 and he brought it out during the dry second half of March this year. He got the bales out of the field and into the yard, but not to the cattle.

We had the coldest March on record although we had been banking on good weather in March. Some Government backbenchers said last night that Fianna Fáil would be hoping the crisis would continue. I am a practising farmer myself and I guarantee that when I left out my cattle for the first time on Monday, I sincerely hoped they would not have to return to the sheds this year. Having listened to farmers in my locality over the past six months, I know they have been persecuted with the weather and that they feel they are being left almost on their own. Every sector and every farmer was hoping for an early spring, but it was quite clear from 10 or 11 March that we were in trouble.

On 28 March, I raised the matter here in the Dáil on Leaders' Questions and it was dismissed.

Deputy Simon Coveney: It was not dismissed.

Deputy Michael Moynihan: On 16 April, Deputies Jim Daly, Éamon Ó Cuív and myself submitted a Topical Issue matter on the crisis. The Minister was in the Dáil building on that day, but he did not come into the Chamber to respond on the issue.

Deputy Simon Coveney: That is incorrect.

Deputy Michael Moynihan: The Minister was in the building.

Deputy Simon Coveney: I was in the Dáil in the morning. I was in Clonakilty when the issue was being debated in the Dáil.

An Ceann Comhairle: The Deputies should make their remarks through the Chair.

Deputy Michael Moynihan: The Minister must have been in two places at the one time, because half an hour before the debate I met him in the corridor and asked him about the weather crisis. That is the only private conversation I have had with him since the issue of the milk quota prices in 2011. I met him half an hour before I stood up here in the Dáil.

Deputy Simon Coveney: I was not here, because I was speaking in Clonakilty that evening.

Deputy Michael Moynihan: The Minister may think that was more important, but this is a desperate crisis. I will not read the last two or three paragraphs of the response put on the record of the Dáil as an adequate response. Deputy Dara Calleary mentioned that the IFA came out the following day saying the response was grossly inadequate. At that stage co-ops were sourcing

silage for farmers all over the country.

On 19 April the Minister decided to respond and there was massive publicity then with regard to what was going on and what was being done. That was the Minister's first acceptance of the fact that there was a fodder crisis in the country. In my part of the country we have been persecuted by the crisis. Last Thursday, I got a text message just after 8 a.m. telling me there was a headline in the *Irish Farmers' Journal* announcing that the fodder crisis was now nationwide. The text message read: "Breaking news in the *Irish Farmers' Journal*. There is a fodder crisis in the country."

Deputy Andrew Doyle mentioned 1986, when Hurricane Charlie hit this country. A former member of the IFA said at a rally in Dublin then that it was not until the trendy cottages on the Dodder were hit that there was a national crisis. In my part of the country the feeling is that right across the higher echelons of the agricultural movement - whether the media, the Department, the Minister or commentators - it was not until the second week of April, when the crisis hit the better farms, that these groups recognised the persecution the people of western Duhallow, the Cork-Kerry region, west Limerick and Clare had suffered since June 2012. The way those people have been treated for the past ten months is disgraceful. Day in and day out I have been speaking to them. They have cried on the phone to me, not just recently, but right through since last summer.

There is a huge crisis facing us in the second half of 2013 with regard to this issue. As late as today, fodder is being brought in to try to build up stock and provide solutions. However, this is happening for the best farms and farmers and those who have the best advice. Teagasc has been providing them with advice and they have got private advice. These are top-of-the-range farmers who know what to do. Farmers' problems were compounded by this crisis, but nobody listened. They have received every advice and know what to do. However, when they were confronted with this crisis, nobody listened. Certain farming organisations have referred to a European fund. At least, people should have been informed about the crisis. Farmers' incomes have been wiped out. I refer, in particular, to those who depend solely on agriculture for an income. They do not have a second income. Their full income comes from agriculture. It will take them years to trade out of this crisis, even after what is likely to be a bumper year in relation to commodities. There is a serious crisis in the agriculture community. Someone commented in last week's edition of the *Irish Farmers Journal* that morale in the farming community was at an all-time low. In my part of the country it has been at an all-time low for the past ten months. It is high time we stopped praising ourselves and started to deal with this crisis.

A couple of issues have been bandied about. It has been suggested the increase in fallen cattle numbers can be attributed to the fact that we have an increased herd. The number of cattle is 10% smaller now than it was in 1998-99, the last time we had a fodder crisis. There was a huge crisis at the time, but we were able to get through it because enough fodder was available on the island to distribute to farmers.

Previous speakers suggested there be an audit of the fodder available. I said last September that we should have such an audit. Rather than continuing with farm inspections, Department of Agriculture, Food and the Marine inspectors should have been going to farms to check how much silage they had available. It was clear to all concerned that there was a need for a proper audit. It would have served the European Community far better than any of the cross-compliance regulations. It would have served the agriculture community also. There is a dependence on the food industry here and elsewhere in Europe.

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Those who are not farmers might suggest the fodder crisis has developed because farmers are completely over-stocked. I remind the House that the number of cattle is 10% smaller than it was 15 years ago. There should not have been a fodder crisis. Equally, the suggestion the crisis happened because too much land was tilled is not valid. Less ground is tilled now than some years ago. We should have had enough fodder and should have known what to do.

Everyone was wishing for an early spring. If spring had come by the first or second week of March, we would have known there was a crisis. It was not until 19 March that it was acknowledged that there was a crisis. The fodder importation scheme was announced on 23 April. A long time had passed since the last week of June 2012. If the Government thinks its response was adequate or swift, I am sorry.

Deputy Éamon Ó Cuív: I congratulate Deputy Helen McEntee on her maiden speech. I wish her a long and fruitful time as a Member of Dáil Éireann.

I would like to emphasise a few points before the debate concludes. Farmers all over the country are out of money and credit. Not all of them are in a position to get credit from co-ops, etc., because not all of them deal with dairy co-ops. This problem is not going to go away in the next few weeks and it has been exacerbated by the weather. I suggested the Government put a fund together. I never specified the details of how it should be done, but I suggested Teagasc be used to disburse it. I am pleased that the Government eventually put some money together. The Minister has made a number of millions of euro available. He has made it clear that there is no limit on the amount of money available within the terms of the schemes he announced. It is incumbent on us to operate in a spirit of solidarity. At the end of the day, Deputies on all sides of the House have genuine concerns about farmers.

I was involved in an impromptu meeting at Maam Cross mart last Saturday. A very effective plan for the importation of hay from England into Connemara was put together by the mart in question, the IFA and CDS Teoranta, the co-op I used to manage, with the help of Connacht Gold and the county IFA executive over the telephone. I spoke today with the people handling this issue on a day-to-day basis. They stressed to me the importance of including next week in the fodder transport scheme. I, therefore, ask the Minister to consider extending the scheme for one more week. I am not looking for an open-ended extension, as one more week should see it out. It would stop people from bringing in or buying unnecessary supplies that might not be needed. If the Minister concedes that a one week extension is needed, I will not call a vote on the motion. It would be a demonstration of solidarity. It would show that we were all big enough to see the bigger picture. It would be a signal that while we might have our debates and arguments, we could act in a constructive manner also. Having an extra week would make it easier to manage this issue.

Deputy Simon Coveney: I appreciate the Deputy's suggestion. I would like to clarify that co-ops can bring in fodder next week and the week after. We are asking them to make their purchases before this Friday in order that we can get a handle on the amount of fodder coming in next week. That is not an unreasonable request.

Deputy Éamon Ó Cuív: It would be reasonable to ask them to indicate to the Minister by the weekend the maximum amount of fodder needed. In the area where I live they know the maximum amount they will need. As it is being bought load by load on the basis of need, it is very hard to estimate how much is needed. They will not know this until they see what happens next week. People living in small rural areas do not have the financial resources to buy fodder

and stock it. I am, therefore, asking the Minister to allow the buying to be done next week, even if the co-ops are required to indicate by the end of the week the maximum amount of fodder they will bring in in the next two weeks. I would like him to give me an undertaking that he will consider this suggestion in a flexible way and work in a reasonable way on it. I ask him to make such a commitment tonight. The operations involved are not huge, with broad resources.

I would also like to ask the Minister to look to the future. A problem is looming because the late arrival of spring meant land could not be closed for the preservation of grass to ensure there would be adequate amounts of silage and hay, etc. I ask the Minister to consider arranging with Teagasc for free advice to be given on how to maximise fodder production. I think Deputies on all sides of the House agree that the suggestions made by Deputy Billy Kelleher with regard to nitrates and phosphorous, etc., were particularly useful. I suggest they be considered positively and taken on board.

I have asked the Minister to examine the possibility of relaxing the seven month rule that applies under the disadvantaged areas scheme. Some farmers who traditionally buy cattle for a certain period of the year were required last year to keep them for six months, but that period has been increased to seven months this year. On the basis that one month has been lost owing to the unavailability of grass, I ask the Minister to revert to the six month rule under the disadvantaged areas scheme this year.

I am very concerned about the need to ensure there are adequate markets for store cattle and light sheep. I would not bank on too many farmers buying light lambs in the west - from Donegal to Kerry - this year.

There is a lot we could do. In a spirit of co-operation, I will agree not to call a vote tonight if the Minister gives me an undertaking that he will look positively on the proposal to extend the scheme for one week. We need to show the same solidarity to farmers that everybody involved in the agriculture business, particularly those in farming communities, has been showing in the past few weeks.

Minister for Agriculture, Food and the Marine(Deputy Simon Coveney): It might be helpful to the House if I were allowed to speak briefly at this point. In response to the Deputy's suggestion, we will show some flexibility. I appeal to co-ops and others planning to import fodder next week - some marts are now involved in the scheme - to inform us this week of the amounts they are planning to import next week. That would allow us to deal with this aspect of the matter.

Deputy Éamon Ó Cuív: That is no problem, but I have suggested they indicate the maximum amount.

Deputy Simon Coveney: I do not want to extend the deadline from this Friday to next Friday in an uncontrolled way.

Deputy Éamon Ó Cuív: No.

Deputy Simon Coveney: We will provide the flexibility that I think the Deputy is looking for.

Deputy Éamon Ó Cuív: I am suggesting everyone indicate the maximum amount.

Deputy Simon Coveney: Yes.

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Deputy Éamon Ó Cuív: They might end up bringing in less. If it has to be bought, the problem is-----

Deputy Simon Coveney: That is fine.

An Ceann Comhairle: Can I take it that the motion is not being pressed?

Deputy Éamon Ó Cuív: That is right.

Amendment, by leave, withdrawn.

Motion, by leave, withdrawn.

The Dáil adjourned at 9.20 p.m. until 10.30 a.m. on Thursday, 9 May 2013.