



DÍOSPÓIREACHTAÍ PARLAIMINTE  
PARLIAMENTARY DEBATES

**DÁIL ÉIREANN**

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

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# DÁIL ÉIREANN

*Dé Céadaoin, 15 Bealtaine 2013*

*Wednesday, 15 May 2013*

Chuaigh an Leas-Cheann Comhairle i gceannas ar 10.30 a.m.

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*Paidir.*

*Prayer.*

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## Leaders' Questions

**Deputy Micheál Martin:** There has been worldwide coverage and publicity given to the decision by the actress Angelina Jolie to have a bilateral mastectomy because she has a mutation in the BRCA1 gene. Her decision to go public is a very brave one and will undoubtedly save the lives of many women across the world. It has also stimulated debate here and elsewhere on the adequacy of DNA screening programmes.

Ireland has a nationwide mammogram screening service for women over 50, which has been very effective and successful, but we do not have a DNA screening programme for BRCA1 and BRCA2 gene mutations. At the moment, women who have a family history of breast cancer are generally referred to their GPs for advice and may be referred on to one of the eight cancer centres of excellence in the country or be referred to a private centre, where the costs are prohibitive. The Irish Cancer Society has confirmed that there are approximately 360 Irish women who have the relevant mutation in their BRCA genes. The waiting time for such tests to be carried out, at up to 18 months, is excessive due to a shortage of funding. This situation is unacceptable, particularly because any woman who receives a positive test result is in a position to make a decision to have surgery which could dramatically reduce her risk of developing cancer. The risk of developing breast cancer can be reduced from 87% to 5% and the risk for ovarian cancer can be reduced by up to 50%.

A month ago, the Health Information and Quality Authority, HIQA, published a report, undertaken at the request of the National Cancer Control Programme, NCCP, which recommended DNA screening for women aged between 30 and 49. Such screening could reduce the number of deaths and would be cost-effective. I ask the Taoiseach to confirm that this DNA screening programme, as recommended by HIQA, will go ahead. Does the Taoiseach accept that the waiting time for testing for BRCA mutations, at an average of 18 months, is totally unacceptable? Will the Taoiseach confirm today that urgent action will be taken to enable this test to be made available within weeks to the women concerned?

**The Taoiseach:** I, like millions of others, read the story of the actress Angelina Jolie and

her decision to have a mastectomy, as well as her statement to her children that their mammy would always be the same. She made her decision based on the risk of death, as her mother had died of ovarian cancer. This is of particular interest to a cohort of women in this country and around the world.

The demand for counselling and testing for diagnosis of hereditary genetic mutations in the BRCA1 and BRCA2 genes for patients diagnosed with breast or ovarian cancer who have a strong family history of similar cancers occurring in relatives younger than 50 years has increased. The NCCP has established a hereditary cancer programme in collaboration with the National Centre for Medical Genetics at Crumlin Hospital to improve access to assessment and genetic testing for those patients whose cancer may have a hereditary component. There are outpatient clinics with genetic cancer expertise at St. James's Hospital and the Mater hospital, with a similar service planned for Cork University Hospital shortly. That programme is primarily focused on patients who have hereditary breast, ovarian or bowel cancer. A working group has been established to agree appropriate structures and best practice in the identification and management of those with hereditary cancer mutations.

Deputy Martin is correct that at the request of the HSE, HIQA recently completed a health technology assessment of surveillance of women aged less than 50 who are at elevated risk of breast cancer. The Deputy will be aware that the programme for Government contains a commitment to extend the breast cancer screening programme to those aged between 65 and 70. HIQA examined the potential of a standardised surveillance programme as well as the resources required to support such a programme. The report found that surveillance for these women can reduce the number of deaths when compared to a situation where there is no surveillance programme in place, which seems to be quite logical. Women at high risk tend to have far more aggressive tumours, so early detection in these cases is absolutely critical. For those women who have been identified as being carriers of certain genetic mutations, HIQA concluded that surveillance from ages 30 to 49 using annual MRI tests would be cost-effective, and for those aged between 40 and 49, the addition of an annual mammogram should be considered. In another small cohort of women who have a high probability of developing breast cancer before 30 - that is, those who are carriers of a mutated TP53 gene - annual MRI surveillance from age 20 to 49 is the optimal strategy recommended by HIQA. For women with a high familial risk but no identified genetic mutations and for those at moderate risk the HIQA report found that surveillance is not cost-effective compared to offering no surveillance.

However, HIQA concluded that if the goal is to maximise health gains using existing resources and taking account of current international best practice then annual surveillance using mammograms for those aged 40 to 49 years is better than the current arrangements. For persons who have a high risk or who have a family history in these kinds of cases the reported waiting list is not as long. In cases where there is no history doctors have recommended that a test is not absolutely necessary. The HSE national cancer control programme and the report specifically identify the at-risk categories and the strategy and structure for that is being put in place now by the working group. I hope it will save lives.

**Deputy Micheál Martin:** The fundamental question is will the Government extend the screening programme and will the resources be made available to extend the surveillance programme, as recommended by HIQA? That is the first question on which I seek absolute clarity and confirmation. The establishment of a working group does not mean a great deal. It can mean something but it would have to be followed up by a clear commitment to adequately resource the provision of any programme or service. That would take funding but the numbers

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involved are not significant in terms of those with a genetic mutation that would create a higher risk of developing breast cancer and ovarian cancer. Let us consider the numbers at issue. I understand approximately 4,200 women are known to have familial risks but only one in 15 of these actually have a genetic mutation. The costs cannot be insurmountable in this case although I realise there will be logistical issues and so on.

That is the position in terms of surveillance and screening. Equally important, is it acceptable that if one wants to have the DNA test done one must pay approximately €1,400 or else wait 18 months? I call on the Taoiseach, the Government and the Minister for Health to focus on that specific area and issue. At the moment the tests are going to Birmingham. The Taoiseach mentioned the national centre in Crumlin. The spokespeople at the national centre maintain that their equipment is hopelessly outdated, that they require new equipment and that extra capital resources to provide the equipment necessary to do the testing here are required. That has been well commented on by many of the experts involved in the aftermath of this issue getting the attention it is getting today.

Is the Taoiseach confirming that the surveillance programme as recommended by HIQA is going ahead and that resources will be provided to enable it? Will the Taoiseach take urgent action to enable women who need DNA testing to get it as a matter of necessity? Will he ensure that the availability and accessibility will be enhanced dramatically from the current waiting time of 18 months, a period which, I imagine the Taoiseach would agree, is unacceptable? The numbers are not vast. Lives can be saved. We are discussing reducing the risk of getting specific cancers from 87% to 5% and reducing the risk of ovarian cancer by 15%. There are gains to be made.

**The Taoiseach:** The working group has a function. I have no wish for it to be like working groups in the past, which did not do anything other than make a report.

**Deputy Micheál Martin:** We did the breast screening.

**The Taoiseach:** As Deputy Martin is aware, this issue concerns the lives of women here. It is also true to say that if a general practitioner anywhere in the country has a concern about someone in his surgery who may be in this category, he will not say to her that he is sorry and that she will have to wait 18 months because of his concern that she cannot be screened. If the GP has a genuine concern that a person in his surgery has a family history of this and that there is a real risk, then obviously in such a case because it is in that category it has to receive priority and the patient must be given a screening.

**Deputy Micheál Martin:** They do not get it. I am referring to the genetic mutation tests not the mammograms.

**An Leas-Cheann Comhairle:** The Taoiseach, without interruption.

**The Taoiseach:** We are all interested in this. We need to understand and assess the numbers waiting for 18 months for assessment. Are they all for this particular category? Am I to understand that if a GP has a person in his surgery this morning, he must say that he is sorry and that they cannot do anything for the patient for 18 months despite the fact that she may have a serious possibility or probability of being caught in this particular function?

**Deputy Micheál Martin:** Patients must go private to get the DNA testing done or else wait 18 months.

**Deputy Billy Kelleher:** He is mixing it up.

**Deputy Micheál Martin:** That is what the GPs are saying.

**An Leas-Cheann Comhairle:** I ask the Taoiseach to conclude.

**The Taoiseach:** I do not have all the details of all these to hand this morning. However, I assume the working group-----

**Deputy Micheál Martin:** Will a GP refer someone?

**The Taoiseach:** Yes, a GP can refer someone.

**Deputy Micheál Martin:** Only to the private sphere because that is the only way one can get the treatment.

**The Taoiseach:** We have had cases-----

**Deputy Micheál Martin:** If a patient is on the public waiting list, she must wait 18 months.

**Deputy Dinny McGinley:** Listen to the Taoiseach.

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

**Deputy Alan Shatter:** Does Deputy Martin want to get an answer or does he just want to interrupt?

**The Taoiseach:** Deputy Martin is aware that the breast screening system which operates here is one of the most effective of its kind.

**Deputy Billy Kelleher:** That is for mammograms.

**The Taoiseach:** Cases have come to my clinic involving those covered in the private sector who were advised to go through the public hospitals and actually got treatment there very quickly.

**Deputy Micheál Martin:** That is for mammograms.

**Deputy Alan Shatter:** That is for cases of immediate risk.

**Deputy Micheál Martin:** It is a different programme.

**The Taoiseach:** People who are at immediate risk can be referred by their GPs for immediate screening where there is a risk and a probability that they may well be in this category. I assume that the working group will assess all of these figures and realities. At the moment, if a GP has someone about whom he has a genuine concern to the effect that she may be in danger of being caught by this type of cancer, then she can be referred for priority screening.

*(Interruptions).*

**An Leas-Cheann Comhairle:** Sorry, no. I am calling Deputy Gerry Adams.

*(Interruptions).*

**An Leas-Cheann Comhairle:** Deputy Martin, please. I have called Deputy Gerry Adams.

**A Deputy:** He never listens.

**An Leas-Cheann Comhairle:** Can I have order, please, for Deputy Adams's question?

*(Interruptions).*

**Deputy Gerry Adams:** The test for good hospital services is that patients get the best treatment possible and they and their families have confidence that this is the case. It is clear at the moment, despite the excellent work being done by health professionals and health workers, that this is not the case for many people. Yesterday's reports on hospitals groups and the framework for smaller hospitals have been described by the Minister for Health, Deputy Reilly, as a "fundamental modernisation of our health system organisation in line with best international practice". That is more or less what Deputy Micheál Martin stated as Minister for Health ten years ago when he claimed that the Hanly report would "change forever the landscape of the Irish Health Service".

Irish people are rightly sceptical about false dawns. If there is real potential in yesterday's proposals there must be full consultation with hospital users and local communities. They need to know whether these reports will actually affect the quality of health services for them and their families. Unfortunately, that information is not in these reports.

We must also factor into this that there is not much confidence in the Minister for Health and that there is outright opposition to the Government health cuts agenda. There is widespread concern. I have seen it in my constituency with regard to ambulance services. We have heard of the terrible tragedy of the toddler, Vakaris Martinaitis, who died after a fall in Middleton. This morning there were 290 patients on trolleys. Many hospitals have already lost 24-hour accident and emergency services and more will do so. That is clear from the report. There is a serious information gap in this report in respect of the detail of what services will be allocated to which hospitals. Will communities be given details? Will there be full, inclusive, meaningful consultation?

**The Taoiseach:** The answer to Deputy Adams's last question is "Yes". There has been extensive consultation in the last period with consultants, doctors, agencies, organisations, the people and with public representative about the major hospitals, the lower-tier hospitals and local hospitals. The impact of this is to have a situation whereby it is clear that medical personnel are working in teams in the interests of their patients. Generally, this has received a broad welcome from medical personnel working in hospitals. Contracts in future will no longer be to individual hospitals but to the group. There is an 18 month period for testing the effectiveness of this approach.

As the Minister pointed out, not every hospital can offer all specialties but there can be a system that operates in the interests of the patient across the country. These groups will eventually evolve into hospital trusts where chief executives and operators in each hospital will run their affairs in an efficient and effective way. We like to think we can by changing the structure of the delivery of hospital care make it in the best interests of every patient. Deputy Adams is an example of international health facilities and good luck to him in that. I am sure he could have got an even better service here in Ireland had he chosen to do so. This is one of the most fundamental changes in the structure of the delivery of health care through our hospitals in decades. It has taken extensive consultation to bring it to this point. There were a number of locations around the country where people were genuinely concerned that hospitals might close

and they would be denied a range of services. That is not the case; the Minister has confirmed no hospital will close and smaller hospitals will have a range of different opportunities to provide services that are more appropriate for them and will keep them busy.

The Government is working very hard with medical personnel to reduce trolley waits. Consultants now see, treat and discharge patients on a 24/7 basis. The establishment of the hospital groups is another milestone in the changed structure and nature of health service delivery.

**Deputy Billy Kelleher:** The Taoiseach opposed that policy when he was in opposition.

**The Taoiseach:** It will take some time to see the real effect of these changes but it has been talked about for many years and at last we have a Minister who has put it together with a very fine report from Professor Higgins to see it is implemented in the interests of the patient, unlike the situation Deputy Adams would be aware of, where report after report gathered dust on shelves for years.

**Deputy Billy Kelleher:** The Taoiseach is a late convert.

**The Taoiseach:** This is doing something about it that is credible, practical, logical and in the interests of the patient. There will be a better delivery of a more effective and visible health service in the interests of the patient.

**Deputy John Deasy:** Dusty shelves, Deputy Kelleher, dusty shelves.

**Deputy Billy Kelleher:** Welcome to Cork, Deputy Deasy.

**Deputy Gerry Adams:** It may be the report has potential, we must wait and see. We must factor in the lack of confidence in the Minister and the fact he has broken promise after promise. He entered office promising to restore emergency services to Roscommon General Hospital and he broke that and other promises. It is deplorable, as it is for the family involved, that a patient should spend a night on a trolley. We have repeatedly raised this issue - Deputy Ó Caoláin before me - and it is totally deplorable. We must also factor in the fact the Government is cutting resources to the health services, not enhancing them.

The Minister is reported as saying yesterday that his proposals will make it more difficult for rogue operators to inflict damage on patients. We deserve to know who these rogue operators are. We deserve to know what patients have been damaged and what the damage was. Across the State the same system that existed under the last Government is in place, with people struggling with the same excessive GP fees and numerous beds lost, along with services and staff.

I do not recognise the consultation process the Taoiseach outlined earlier on. I have been consulted as a Teachta Dála but in terms of local communities of hospital users and their families, that is not a mark of how we do our business in this State. Would the Taoiseach acknowledge there is genuine concern about what these proposals mean for local hospitals? There must be a consultation process to clear that up. Could the Taoiseach clarify the Minister's remark about rogue operators inflicting damage on patients?

**The Taoiseach:** As Deputy from County Louth representing Drogheda, Deputy Adams should not have to ask that question about rogue operators. What is involved here will put an end to that. Accountability and transparency, with effective delivery of hospital and medical services for all people, are what is at stake. We do not want to see a repetition of the scandals in the north east in the past. We will not tolerate that and that is why the structure is being changed

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so there is real accountability and transparency. Deputy Adams above all people should know that question should not have to be asked.

**Deputy Gerry Adams:** I know what happened there. It was a systems failure and there is no evidence it will be corrected by those proposals.

**Deputy Alan Shatter:** It shows how the Deputy is so disconnected from his constituency that he does not know what went on there.

**Deputy Gerry Adams:** I know exactly what went on and Deputy Shatter, as Minister for Justice and Equality, would not rectify it.

**Deputy Mattie McGrath:** Yesterday the annual national farm survey was released by Teagasc. It shows that farming continues to be highly reliant on direct support payments. The single farm payment continues to be the most important component of direct payments. It comprises 58% of farm income on average, and over 80% of income on cattle farms. These are astonishing figures. Shockingly, it also shows that 26,104 farm households are not viable and neither the farmer nor the spouse works off the farm. This highlights the desperate situation the agriculture sector is in. All farming associations, including the IFA, have said the main reason for the drop in income was bad weather and the impact of Government cuts.

The Taoiseach might believe he can do something about the weather, but he cannot. He can, however, do a lot about the Government's response to the fodder crisis the weather has caused. The Government response to the fodder crisis has been inaction and paralysis. A lot can be done about the levels of cuts the farming associations have said are causing real and substantial pain to farming families all over the country. It is clear these farms are particularly vulnerable to cuts in direct payments because they are so vital to farm income. Given that information, will the Taoiseach categorically acknowledge that there is a real crisis in the agriculture sector? All of the evidence points to the seriousness of the situation and the fodder crisis is getting worse. All reports are saying its effects will continue for the next number of years if it is not dealt with. So far this year there have been 133,000 fallen animals.

This is a real crisis and it is time for a national plan involving the relevant Ministers who can contribute to the easing of this suffering. There is a national strategic committee that comes together under the Taoiseach's direction at times of flooding, snow and other crises which are much smaller in area than the country-wide crisis in fodder. I demand the Taoiseach to convene that committee. Will the Taoiseach use his position of President of the European Union to tell his EU colleagues how bad things are in Ireland, that there is a real crisis and that there must be emergency measures put in place, including the making of all payments up-front while delaying farm inspections? The Teagasc inspectors should go into the banks with the farmers to see the refusals at first hand. The Minister says they are ready and willing to lend but they are not lending and farmers can no longer borrow because milk cheques and everything else are being consumed. This is an ongoing crisis that will get worse if the Taoiseach does not act.

**The Taoiseach:** It is nonsense to say nothing is being done about this by the Department of Agriculture, Food and the Marine or by the Minister. They have been very proactive in dealing with the fodder crisis, which principally arose from the very cold and bad weather that has been unusual this year and has had a direct impact on the input costs for farmers having to buy feedstuff. The lack of fine weather has also severely impacted grass growth. Teagasc figures show bad weather resulted in a drop in family income by 15% in 2012 to €25,483. That is still

10% ahead of the 2010 figure. It is clear from the survey that the increase in input expenditure was brought about by poor weather, everyone understands that. Gross output declined by less than 1% on average, while total production costs increased by 9%. In addition, expenditure on concentrate feed was up by 30% and bulk feed by 28%.

*11 o'clock*

These are input costs that have arisen because of the bad weather. Clearly, the Government has been acutely aware of the crisis facing farmers over fodder.

**Deputy Michael Healy-Rae:** The Government has not done much about it.

**The Taoiseach:** Almost a thousand loads have been imported, with further large quantities expected. The transport subsidy scheme has been doubled, to €2 million, and the closing date is extended to 24 May. The animal welfare helpline is manned on a constant basis and is dealing with calls from farmers with concerns. Some 150 farmers have received direct aid under this system.

The Minister, Deputy Coveney, and the Department are liaising directly with the banks, the co-operatives and the suppliers to urge flexibility and favourable credit terms are being offered where that is possible. Over 2,000 payments from the agriculture environmental options subsidy have issued during the past two weeks and together, these payments are valued at approximately €3 million. Some 29,200 of the remaining 30,200 REPS 4 participants have been paid a total of €167 million in respect of the 2012 application period and an additional €1 million will issue this week to a further 200 REPS 4 farmers.

Teagasc has also launched a national campaign aimed at supporting farmers who have a particular fodder crisis. A number of co-operatives have introduced positive measures, such as reduced prices or rebates on compound feed, and interest-free credit for fertiliser. Although there has been some small improvement in grass growth in the past short period, heavy rain has resulted in difficulty in getting animals out on grass in some areas of the country and all efforts will continue to ensure farmers are assisted through what is a difficult period. While current conditions are difficult, the longer term outlook remains good overall and the positive expectations for dairy, beef and lamb prices mean that farmers should see improved return on prices in the period ahead.

The Minister has been very busy, as has the Department, in dealing with the question of the international plan, which is the reform of the Common Agricultural Policy, and we are hopeful of bringing that to a conclusion during the course of this Presidency, in the next five to six weeks.

**Deputy Brendan Howlin:** That was a comprehensive reply.

**Deputy Mattie McGrath:** It is the Taoiseach who is talking nonsense, not I. He stated the Minister is very busy. Why would the Taoiseach not appoint a second Minister of State? Of what is the Taoiseach afraid? Promises keep all the backbenchers quiet.

The Taoiseach's response to the fodder crisis is disgraceful. He has refused to call together the national infrastructure committee-----

**Deputy Brendan Howlin:** Deputy Mattie McGrath had that written before he heard it.

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**Deputy Michael Ring:** Deputy Mattie McGrath himself should take the job.

**Deputy Mattie McGrath:** -----on the day when the Farm Contractors of Ireland are outside the gates of this House protesting about the plight of the farming sector.

All the waffle in the world, and all the spin, will not put grass on the fields or food on the tables. Shamefully, the Government is neglecting the main industry in this country. Coming from a rural county, the Taoiseach should understand the position in agriculture. When the farmers are doing well, the country is doing well.

At the Cement Roadstone AGM, I called on the company to provide a cargo ship to bring in the aid that the IFA and the co-operatives, both of whom I salute, have sourced abroad. The Minister, Deputy Coveney, promised us at committee a month ago that he would organise a ship. Unless he sailed away on it, we have not seen it. Cement Roadstone has plenty of cargo vessels. The company has made considerable profits. It is one of the strongest companies in Europe and it should provide one of those. I ask the Taoiseach to call on the company to transport the fodder from France and elsewhere to those who need it. Did the Taoiseach watch the television last night? He should talk to the Teagasc staff.

On a day when we salute the bravery of the late young Donal Walsh being laid to rest in Kerry this morning - God rest his soul - for the efforts he made to deal with those on the verge of suicide, and when Teagasc and Pieta House and many others dealing with this area are telling us of the suicides and threat of suicides in the farming community, it is the Taoiseach who is talking nonsense. The Taoiseach has a habit of doing that lately on all matters and as for answering a question, he has given it up for two years.

**Deputy Brendan Howlin:** It is the silliest point I have ever heard.

**The Taoiseach:** It is disrespectful of-----

**Deputy Michael Healy-Rae:** What is silly about it?

**Deputy Micheál Martin:** It is not silly. The Government is out of touch.

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

**The Taoiseach:** It is disrespectful of Deputy Mattie McGrath to raise the matter of the death of a young boy in these circumstances.

**Deputy Paul Kehoe:** Hear, hear.

**Deputy Micheál Martin:** It is not disrespectful.

**Deputy Mattie McGrath:** I made it in the context-----

**The Taoiseach:** The Minister, Deputy Coveney, has just concluded a 36-hour marathon negotiation in dealing with the Common Fisheries Policy-----

**Deputy Mattie McGrath:** Where is the Minister of State the Taoiseach was going to appoint?

**The Taoiseach:** -----which has been talked about for 30 years and about which nothing was done. At long last, real reform is in prospect.

**Deputy Mattie McGrath:** The Taoiseach has left agriculture without a Minister of State.

**The Taoiseach:** As I pointed out to Deputy Mattie McGrath, the scheme has been doubled, with a €2 million investment, and a closing date for applications of 24 May. This is about logistics. Deputy Mattie McGrath will be aware that the feed has been sourced.

**Deputy Mattie McGrath:** They cannot get it in.

**The Taoiseach:** It has already been purchased. It is a matter of getting it here. Deputy Mattie McGrath makes his flippant comment about ships, etc.

**Deputy Mattie McGrath:** The Minister promised a ship a month ago.

**The Taoiseach:** Those involved in this, Teagasc, the IFA, the feed suppliers and the farmers-----

**Deputy Mattie McGrath:** Everybody except the Government.

**The Taoiseach:** -----are well capable of dealing with the logistical challenge of getting fodder into the country.

**Deputy Mattie McGrath:** Everybody except the Government.

**The Taoiseach:** They are already planning in terms of next year. Farmers who might normally take three cuts of silage will not be able to do that this year under the current weather conditions.

**Deputy Michael Healy-Rae:** They will be lucky to get one.

**The Taoiseach:** For the immediate future, the transport subsidy is in place, the scheme has been extended to 24 May-----

**Deputy Mattie McGrath:** They have no ship. It is no good to have subsidy.

**The Taoiseach:** -----and I hope that today will see the arrival of more, and adequate, fodder already purchased and that it will be distributed to farmers who need it.

**Deputy Mattie McGrath:** The Taoiseach cannot tell me.

**The Taoiseach:** From where he comes, Deputy Mattie McGrath is well aware of the connection and co-ordination of activity in the farming community to get this fodder delivered to those who need it and as I stated previously, the direct line to the Department is there for anybody who has a particular problem.

**Deputy Mattie McGrath:** They need action, not telephone lines.

**The Taoiseach:** We have had the action.

**Deputy Mattie McGrath:** Where is the ship?

*(Interruptions).*

**The Taoiseach:** The Minister has met-----

**Deputy Mattie McGrath:** Where is the ship?

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**Deputy Finian McGrath:** Captain Simon on the ship.

*(Interruptions).*

**The Taoiseach:** -----all the banks.

**An Leas-Cheann Comhairle:** Order.

**The Taoiseach:** He has met the lenders. The feed suppliers-----

**Deputy Finian McGrath:** Captain Birdseye.

**Deputy Mattie McGrath:** Deputy Coveney is not the captain.

**An Leas-Cheann Comhairle:** Sorry.

**The Taoiseach:** -----the farmers, Teagasc and the Department all are working in the interests of seeing that this matter is resolved.

**Deputy Mattie McGrath:** All except, and in spite of, the Government.

**The Taoiseach:** I hope the weather improves and that it will bring about grass production. It is six weeks behind where it should be. We do not have any control over that, much as Deputy Mattie McGrath might like to think we have.

**Deputy Mattie McGrath:** The Minister promised a ship at committee a month ago.

**An Leas-Cheann Comhairle:** That concludes Leaders' Question.

### **Order of Business**

**The Taoiseach:** It is proposed to take No. *a10*, Non-Use of Motor Vehicles Bill 2013 – Financial Resolution; No. 16, Land and Conveyancing Law Reform Bill 2013 - Second Stage (Resumed); and No. 2, Ministers and Secretaries (Amendment) Bill 2012 - Order for Second Stage and Second Stage. It is proposed, notwithstanding anything in Standing Orders, that No. *a10* shall be decided without debate. Private Members' business shall be No. 99, motion re Good Friday Agreement (resumed) to conclude at 9 p.m. tonight, if not previously concluded.

**An Leas-Cheann Comhairle:** There is one proposal to be put to the House today. Is the proposal for dealing with No. *a10*, Financial Resolution re the Non-Use of Motor Vehicles Bill 2013, without debate, agreed to? Agreed.

**Deputy Micheál Martin:** The Taoiseach mentioned the unseasonable weather in the context of the fodder crisis. Without question, we are in unprecedented times in terms of weather patterns and severe weather events. As I passed a few people on the way into work this morning, the man selling newspapers to me said, "This is some month of May". The heads of the climate action and low carbon development Bill were published two months ago and the Bill has not yet been published. There is concern about the lack of targets in that Bill and what is perceived by those who have followed this issue for some time as a lack of commitment on behalf of the Government to the climate change agenda and to organising proper societal aware-

ness of the issues that are emerging. As the Taoiseach will be aware, scientists across the globe are alarmed because the most recent tests have shown the level of carbon dioxide in the atmosphere is the highest ever in the world in 3 million years. People tend to push all of that to one side and dismiss it. One of the distinguishing features of this Government has been its lack of any real engagement with the issue and this is reflected in a poor climate change Bill in terms of the heads and in the lack of urgent action on that issue. When can we expect the climate action and low carbon development Bill to be published?

**The Taoiseach:** The heads of Bill were referred to the committee in February of this year and the committee is doing its work on that. I am reminded-----

**Deputy Micheál Martin:** I refer to the full Bill.

**Deputy Brendan Howlin:** With the committee.

**The Taoiseach:** -----that Deputy Martin's party, together with the Greens, failed to produce any climate change Bill.

**Deputy Micheál Martin:** We did. The Government has changed it and diluted it.

**The Taoiseach:** There is an ambitious set of objectives here which will be challenging for us to meet.

**Deputy Micheál Martin:** The Government diluted it.

**Deputy Brendan Howlin:** Deputy Martin was away out the door.

**Deputy Micheál Martin:** They diluted it.

**The Taoiseach:** The committee will report on its analysis of the heads which were sent to it in February and it will come back to Government. The Bill will be published some time after that.

**Deputy Micheál Martin:** The Taoiseach has no interest in it. The Minister, Deputy Hogan, has no interest in it. He is afraid to upset the electoral base.

**An Leas-Cheann Comhairle:** Could we have some order, please?

**Deputy Gerry Adams:** I note reports of progress in negotiations between the unions and the Government under the auspices of the Labour Relations Commission. Some media reports indicate the Government has dropped some of the more anti-family and anti-women aspects that led to the defeat of the proposed Croke Park II deal. Does the Government intend to introduce legislation to cut the pay of public sector workers or will it now take this opportunity to assist the talks by taking that threat off the table?

**The Taoiseach:** I will not go into the details of this. The Minister for Public Expenditure and Reform has pointed out clearly that the savings of €300 million are required this year and contingency legislation is being prepared in that regard. The chief executive of the LRC will issue a full report to the Minister when the ongoing negotiations are concluded. It would be hoped that everybody can join in these discussions and negotiations and that we can have a negotiated agreement in respect of reaching our targets, getting our country moving and sorting out the problems we have. This is challenging for everybody and I hope the discussions under way will result in a successful conclusion to the Croke Park II negotiations.

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**Deputy Gerry Adams:** As I understand-----

**Deputy Brendan Howlin:** I know the Deputy wishes us well.

**Deputy Gerry Adams:** I do wish the Government well, but is the legislation going ahead?

**Deputy Brendan Howlin:** There will be no legislation until we see.

**Deputy Tom Fleming:** I have a question about the health information Bill regarding suicide prevention and the proposals for preventative methods. Donal Walsh, who died aged 16, will be laid to his eternal rest in his home town of Tralee today.

**Deputy Brendan Howlin:** A Leas-Cheann Comhairle-----

**An Leas-Cheann Comhairle:** Is this on legislation?

**Deputy Tom Fleming:** He was an inspiration to everybody.

**An Leas-Cheann Comhairle:** Deputy Fleming, please-----

**Deputy Tom Fleming:** His brave and positive attitude regarding his own fatal medical condition and his total commitment-----

**An Leas-Cheann Comhairle:** Is this on legislation?

**Deputy Tom Fleming:** Yes.

**Deputy Micheál Martin:** It will become clear shortly.

**Deputy Tom Fleming:** It is the health information Bill, which is very relevant.

**An Leas-Cheann Comhairle:** I will ask the Taoiseach on that.

**The Taoiseach:** It will be early next year, if he wants that.

**Deputy Tom Fleming:** Young Donal Walsh had a total commitment and devotion to saving lives-----

**An Leas-Cheann Comhairle:** We cannot have a debate on that issue.

**Deputy Tom Fleming:** -----of potential suicidal cases. His stressing of the value of life by comparing his own situation when his own life was facing termination-----

**An Leas-Cheann Comhairle:** I ask the Taoiseach to reply.

**Deputy Tom Fleming:** It was a short life and his impact on the country will last for many years to come for what he has set out in his own particular way.

**An Leas-Cheann Comhairle:** The Taoiseach has said early next year. I call Deputy O'Mahony.

**The Taoiseach:** You will need to apply the Castleblakeney rules here, a Leas-Cheann Comhairle. The question the Deputy raised is a legitimate one. It will be early next year before the health information Bill will be published.

**Deputy John O'Mahony:** The fines (amendment) Bill is due to come before the House soon. Recent figures indicate a 10% increase in people going to jail for non-payment of fines. Everybody would agree that jail should be for people who commit crime and not for those who do not pay fines. The Bill would alleviate the problem. I know it is due for publication in this term, but when will it come before the House?

**The Taoiseach:** That Bill will be published this session.

**Deputy Willie O'Dea:** Is the Government still on target to introduce the consumer and competition Bill in this session? Does the Taoiseach have an idea of the precise date?

**The Taoiseach:** It is down for this session and officials are working very hard on the draft at the moment.

**Deputy Willie O'Dea:** In a previous reply to me I believe the Taoiseach guaranteed it would be produced in this session.

**The Taoiseach:** Yes.

**Deputy Willie O'Dea:** It will be.

**The Taoiseach:** I still stand by that.

**Deputy Willie O'Dea:** I also ask about the mediation Bill.

**The Taoiseach:** I am advised that is later this year.

**Deputy Mattie McGrath:** I wish to ask about two Bills. On the Children First Bill, the Government ignored the Supreme Court's decision on the scandalous way in which it misappropriated the money voted by the House last year. The Supreme Court stated that the Government failed to have a discussion on it and I ask when it would do so.

**Deputy Brendan Howlin:** What legislation, a Leas-Cheann Comhairle?

**Deputy Mattie McGrath:** The legislation is the Children First Bill.

**Deputy Micheál Martin:** I did not realise the Minister, Deputy Howlin, had become the new Ceann Comhairle.

**Deputy Mattie McGrath:** He has - or the new Whip. The Minister said earlier that I was talking nonsense - how dare he.

**An Leas-Cheann Comhairle:** The Deputy should stay within-----

**Deputy Mattie McGrath:** He should go back and talk to the farmers in Wexford and they will tell him what nonsense is.

**Deputy Brendan Howlin:** Silly.

**Deputy Mattie McGrath:** It is not silly.

**Deputy Brendan Howlin:** It is silly saying we are doing nothing.

**Deputy Mattie McGrath:** The Government is doing nothing.

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**An Leas-Cheann Comhairle:** The Deputy should ask the question.

**Deputy Mattie McGrath:** I have asked the question, but the Minister is interrupting. I asked about the Children First Bill.

**Deputy Micheál Martin:** The Minister is heckling.

**Deputy Mattie McGrath:** I also ask about the Central Bank (consolidation) Bill given that there are receivers up and down the country. I met approximately 50 people protesting outside a receiver's premises on St. Stephen's Green-----

**Deputy Brendan Howlin:** The Deputy is going to tell another story now.

**Deputy Mattie McGrath:** -----about the behaviour of banks and receivers which are carrying on outside the law in many cases.

**An Leas-Cheann Comhairle:** We are not having a debate.

**Deputy Brendan Howlin:** A Leas-Cheann Comhairle, stories-----

**Deputy Mattie McGrath:** They are destroying good businesses.

**An Leas-Cheann Comhairle:** We cannot have a debate on it.

**Deputy Mattie McGrath:** I do not want a debate. I want to know when the Bill will come in.

**The Taoiseach:** The Central Bank (consolidation) Bill cannot come in until the Central Bank (Supervision and Enforcement) Bill, which is on Report Stage, is dealt with. The Children First Bill is down for this session. However, significant legal and operational matters are under discussion in the Department about it. It may not make it through for publication in this session. If not, it will be early next session.

**Deputy Peter Fitzpatrick:** When is the human tissue Bill expected to be published? This is to meet the key recommendation of the Madden report that no hospital post mortems should be carried out and no tissue obtained after post mortems without consent. It will also address other matters relating to human tissue, including consent arrangements for transplantation and research purposes.

**The Taoiseach:** There is no date for publication of the Bill, but there is a great deal of work and discussion going on about the matters to which it refers.

**Deputy Robert Troy:** I ask about two Bills. The legislation on the child and family support agency was promised last year and we are still awaiting it. The Valuation (Amendment)(No. 2) Bill should give struggling businesses a window of opportunity to have their exorbitant rates reviewed downwards. When can we expect those two Bills?

**The Taoiseach:** The Valuation (Amendment)(No. 2) Bill is awaiting Committee Stage in the Seanad and the child and family support agency Bill is for publication in this session.

**Deputy Joe Higgins:** In the context of the forestry Bill, yesterday I asked the Taoiseach when he would report to the Dáil on a decision on the future of Coillte. He seemed to indicate that from his point of view it was full steam ahead with the privatisation of our forestry with all

the baleful consequences seen in other jurisdictions where that happened. That surprised many Deputies because senior Labour Party Ministers had recently indicated that this reactionary move would be abolished. We had a leak from the Department, apparently from the Minister for Public Expenditure and Reform, that this was the case. Given that the Minister for Public Expenditure and Reform is sitting beside the Taoiseach, perhaps they could clear their lines.

**The Taoiseach:** Very clear.

**Deputy Micheál Martin:** The Minister is too busy heckling.

**Deputy Joe Higgins:** The appropriate committee is still holding hearings and having a debate on the issue. What is the Government's thinking this morning?

**Deputy Micheál Martin:** They are making it up as they go along.

**Deputy Joe Higgins:** Will it abandon this reactionary attempt to privatise a crucial public asset?

**The Taoiseach:** I can see the wood for the trees. There is no change since yesterday. The evaluation required on this and on a number of other potential sales of State assets is nearing completion. When the Government has that information and those evaluations, it will make its decision.

**Deputy Micheál Martin:** The Minister, Deputy Howlin, told *The Sunday Times* a few weeks ago that he was not proceeding with it.

**The Taoiseach:** Deputies will be informed clearly of what that decision will be.

**Deputy Brendan Howlin:** Deputy Martin will be the first to know.

**Deputy Micheál Martin:** The Minister told *The Sunday Times* - or his spokespeople did - last Sunday week.

**An Leas-Cheann Comhairle:** I call Deputy Lawlor. I ask him to be brief as many Deputies want to ask questions.

**Deputy Anthony Lawlor:** Could I-----

**Deputy Micheál Martin:** The Minister is grinning, knowingly.

**Deputy Brendan Howlin:** Deputy Martin will be the first to know.

**Deputy Micheál Martin:** I have no doubt. Will the Minister tell the Taoiseach as well?

**Deputy Billy Kelleher:** Deputy Stagg announced the policy also.

**Deputy Anthony Lawlor:** I hope that is the only time a Cork man will interrupt a Kildare man this season. EU directive 2010/32/EU should have been transposed by last Saturday. When will that legislation be brought before the Dáil? Without it being transposed, there are potential liabilities on the State.

**The Taoiseach:** That is secondary legislation. I will need to check its status and I will advise the Deputy.

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**Deputy Billy Kelleher:** I have two questions, one seeking a debate and the other about legislation. We all know the fair deal scheme is under great pressure. We were promised a review. It has now been suspended in some parts of the country and is clearly in crisis given that people cannot have their applications processed in a timely fashion. The review is still ongoing. When will the health (amendment) Bill be published so that we can have a debate on the issue? With regard to private health insurance, Colm McCarthy recently highlighted a report which shows private health insurance is in crisis and is collapsing around us. The Minister is bringing forward proposals on universal health insurance but the basic fabric of this proposal is falling asunder as we speak. Families are in genuine crisis trying to pay for private health insurance. This is in the context of the health (amendment) Bill. On the broader issue of health reform itself, a consultation process is taking place about hospital groupings and the small hospital framework. It would be timely for the Houses of the Oireachtas to have an opportunity to discuss this during the consultation process so we can feed into it. Many now in government opposed this policy when they were in opposition and we would like to hear their views on why they have done this *volte-face* so we can clarify the Government's thinking on this.

**The Taoiseach:** At least we have done something about it.

**Deputy Billy Kelleher:** You have changed your mind.

**The Taoiseach:** The Oireachtas Joint Committee on Health and Children is fully entitled to have full and appropriate discussions-----

**Deputy Willie O'Dea:** Deputy Kelleher was asking about the House.

**The Taoiseach:** -----during the consultation period about the groupings. It can be held here and we can try to make arrangements for time if it is feasible.

**Deputy Billy Kelleher:** The committee is very busy, as the Taoiseach knows.

**The Taoiseach:** The more debate we have about it the more understanding there will be of just how effective it can be-----

**Deputy Micheál Martin:** I would not count on that.

**The Taoiseach:** -----and the significant change it will bring about in the delivery of proper services for people throughout the country. The health (amendment) Bill is due for publication during this session.

**Deputy Noel Grealish:** When does the Taoiseach expect the Garda Síochána (compensation for malicious injuries) Bill to be published? In the course of its publication, will the Taoiseach agree to lift the recruitment ban? I am led to believe a large number of gardaí will retire this year and there is a general view among rural people that we will not have an adequate police service to patrol rural areas.

**An Leas-Cheann Comhairle:** The Deputy can table a Topical Issue on this.

**The Taoiseach:** The Garda Síochána (compensation for malicious injuries) Bill is due later this year. In the context of budgetary analysis, the Government will ensure an adequate number of gardaí to protect our people throughout the country.

**Deputy Finian McGrath:** With regard to the education (admission to school) Bill, is the

Taoiseach aware that next September between 30 and 35 young children with Down's syndrome will start primary school? Following yesterday's all-party meeting attended by many of the Taoiseach's party colleagues, will he use his clout in the coming days to ensure these young children get resource hours in September?

**An Leas-Cheann Comhairle:** Is this promised business?

**Deputy Finian McGrath:** Yes. I am referring to the education (admission to school) Bill. Following massive support from the Taoiseach's backbenchers, will he use his clout and pressure the Minister for Education and Skills, Deputy Ruairí Quinn, to act on this issue? Some of the other Deputies had 20-minute slots and I am sticking to the agenda.

**An Leas-Cheann Comhairle:** I do not think they got 20 minutes.

**Deputy Finian McGrath:** They were near enough to it.

**An Leas-Cheann Comhairle:** It felt like 20 minutes but it was not 20 minutes.

**The Taoiseach:** The heads of the education (admission to school) Bill are being worked on and it is due later this year. The Minister for Education and Skills received a copy of a report from the National Council for Special Education and this report needs to be discussed by parents, teachers and all involved in this matter. After the Minister received the report the Government heard from the Minister about it.

**Deputy Brendan Griffin:** I welcome the very positive news for Kerry General Hospital which was announced yesterday.

**An Leas-Cheann Comhairle:** That is not on the Order of Business.

**Deputy Brendan Griffin:** It is very important that we acknowledge the matter because it was very good news for Kerry General Hospital with regard to the retention of services.

**Deputy Billy Kelleher:** What has changed?

**Deputy Brendan Griffin:** I want to acknowledge-----

**Deputy Micheál Martin:** It is still under Cork.

**Deputy Billy Kelleher:** There has been no change. It is still in Tralee.

**An Leas-Cheann Comhairle:** On legislation, please.

**Deputy Brendan Griffin:** It is very noticeable that Bertie Ahern's former henchmen in the front row seem to have forgotten the legacy they have left. Perhaps they should not be so jovial in the Chamber-----

**Deputy Micheál Martin:** We just admire a bit of spin every now and again.

**Deputy Brendan Griffin:** -----because 425,000 people, many of whom are watching this morning, are suffering as a result of their actions.

**An Leas-Cheann Comhairle:** On legislation.

**Deputy Brendan Griffin:** They should not be so jovial as they sit there.

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With regard to the public health (alcohol) Bill, what is the up-to-date position? What is the expected timeframe?

**Deputy Willie O’Dea:** Ask Deputy Shortall.

**The Taoiseach:** We do not have a date for publication of the public health (alcohol) Bill. There is a lot of work going on.

**Deputy Billy Kelleher:** There is a lot of friction going on.

**The Taoiseach:** I thank the Deputy for his positive comments regarding the publication yesterday by the Minister of the hospital groupings, with particular reference to Kerry.

**Deputy Michael Healy-Rae:** For the umpteenth time I wish to raise the issue of the fodder crisis.

**An Leas-Cheann Comhairle:** It is not promised legislation.

**Deputy Michael Healy-Rae:** The Taoiseach, the Cabinet and the Department are not giving this the serious consideration-----

**An Leas-Cheann Comhairle:** On legislation.

**Deputy Michael Healy-Rae:** -----they should be giving it. It is a crisis situation and I want the Taoiseach to intervene properly.

I also wish to raise the matter of statistics provided by the Irish Prison Service in recent days which show the number of people being jailed for the non-payment of television licences has increased from 183-----

**An Leas-Cheann Comhairle:** What legislation is this?

**Deputy Michael Healy-Rae:** I am coming to it. The number has increased to 272. Over the past five years there has been a five-fold increase in the number of people being jailed for this offence, quite simply because they do not have the money.

**An Leas-Cheann Comhairle:** I call the Taoiseach.

**Deputy Michael Healy-Rae:** Under the telecommunications legislation, people will now be asked to pay for a licence even if they do not have a television. This is wrong and unfair when criminals can roam the country-----

**An Leas-Cheann Comhairle:** We are not debating it.

**Deputy Michael Healy-Rae:** -----and are availing of the revolving door syndrome. The Department sees fit to jail people who do not pay their television licence.

**The Taoiseach:** I can put the Deputy in the picture regarding people going to jail for non-payment of television licences. I have already answered a question about the fines (amendment) Bill, which is due for publication this session. The Deputy can have full transmission when it comes to the Dáil.

**Deputy Michael Healy-Rae:** What about the fodder crisis? Surely the Taoiseach can give a proper answer.

**Deputy Dessie Ellis:** Two reports recently completed on behalf of Dublin City Council and the Royal Institute of the Architects of Ireland found the majority of inner-city flats surveyed did not meet basic standards and did not even have planning permission.

**Deputy Brendan Howlin:** Is this the Order of Business?

**Deputy Dessie Ellis:** In one case, nine flats in one building had the most terrible sanitation and no proper toilet facilities. Will the Taoiseach outline when the Residential Tenancies (Amendment) (No. 2) Bill 2012 will return to the House? Is any legislation planned to deal with this appalling vista whereby for monetary gain landlords are abusing the system no end?

**An Leas-Cheann Comhairle:** A parliamentary question would deal with this matter.

**The Taoiseach:** The Bill is awaiting Committee Stage. A housing Bill is before the House. I am quite sure if the Deputy speaks appropriately to the Leas-Cheann Comhairle he may allow him to raise the matter as a Topical Issue, and no doubt the Minister for the Environment, Community and Local Government, Deputy Hogan, will give him a full and flúirseach response.

**Deputy Michael McNamara:** This morning there has been much discussion about the possible sale of State assets and reviews of State assets. Will the Taoiseach ask someone in the Department to go through all of the land banks in State ownership to see which can be handed over to the IFA to be harvested this week to help alleviate the crisis? I am sure the Opposition, after having spent so much money on it, would be delighted to see a place such as Thornton Hall finally being of some benefit to the State.

**The Taoiseach:** I can confirm the Minister of State at the Department of Finance with responsibility for the Office of Public Works is carrying out a full audit of all land banks and properties owned by the State.

**Deputy Billy Kelleher:** The Taoiseach would want to hurry up, because the grass only grows until October. There is only a small window.

**Deputy Pádraig Mac Lochlainn:** The Taoiseach may be aware there is a considerable backlog in the Department of Justice and Equality, with Bills of the highest importance dragging on and on during the Government's tenure. When will the assisted decision-making (capacity) Bill and the Legal Services Regulation Bill 2011 progress? We have an outrageous situation whereby we are losing huge amounts of taxpayers' money and sending people needlessly to jail, and we must implement an amendment to the Fines Act. When will these three issues be dealt with?

**The Taoiseach:** The assisted decision-making (capacity) Bill will be this session. The Legal Services Regulation Bill 2011 is being worked on with regard to Committee Stage. I have answered several questions about the fines (amendment) Bill.

**Deputy Bernard J. Durkan:** In view of the revelations in a recent television programme on organised crime, would it be possible to focus on key proposed Bills in order to combat the growth in activity by criminal gangs over the past ten years? I am referring to the bail Bill, the Courts Bill and the proceeds of crime Bill. Particular emphasis might be placed on introducing a cocktail of those Bills before the House in early course. Some of the Bills have been inherited from our good friends on the Opposition benches, and were engaged in a long gestation period while they were in government. It might be possible to focus on them now with a view to deal-

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ing seriously with organised criminal activities.

**The Taoiseach:** The Courts Bill is on Committee Stage in the Seanad and, later this year, the consolidated courts Bill will come before the House. As regards the proceeds of crime Bill, discussions are still ongoing with the Criminal Assets Bureau. I do not have a date for publication of the bail Bill, but it will be later this year or early next year.

**Deputy Willie O’Dea:** Did Deputy Durkan get all that?

**Deputy Bernard J. Durkan:** Deputy O’Dea would be familiar with that. There is no doubt about that.

### **Non-Use of Motor Vehicles Bill 2013: Financial Resolution**

**Minister for the Environment, Community and Local Government (Deputy Phil Hogan):** I move:

That provision be made in the Act giving effect to this Resolution:

- to close an evasion loophole whereby vehicles are declared off the road retrospectively, which is unverifiable, by providing for a system whereby vehicles must be declared off the road in advance for motor tax purposes,

- for the Minister for Transport, Tourism and Sport to be made a licensing authority and to provide that he or she continues to pay receipts from motor tax to the Local Government Fund,

- for the calculation of arrears of vehicle excise duty at 1/10th of the annual rate of duty per month of arrears, at the rate of duty applicable at the time of the making of an application for a vehicle licence, and

- for the charging, through secondary legislation, of an administration fee for the making of a declaration of non-use of a vehicle.

Question put and agreed to.

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

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

**An Leas-Cheann Comhairle:** Deputy Joe Higgins is in possession and there are five minutes remaining in this speaking slot.

**Deputy Joe Higgins:** Tá suil agam go bhfanfaidh an Taoiseach, mar foghlamóidh sé cupla ceacht ón méid atá le rá agam.

**The Taoiseach:** Tá mé ag éisteacht leis an gCiarraíoch.

**Deputy Joe Higgins:** I have already spoken on this Bill for 15 minutes and, as a courtesy, in my last five minutes I intend to speak in Irish. Deputies who might not be fully conversant, which is natural for many people, have a translation facility.

I have already spoken on this Bill for 15 minutes and, as a courtesy, in my last five minutes I intend to speak in Irish. Deputies who might not be fully conversant, which is natural for many people, have a translation facility. Reachtaíocht náireach atá sa Bille um Athchóiriú an Dlí Talún agus Tíolactha, 2013. Tabharfaidh sé cumhacht ar ais do na bainc sealbhóirí a cheannaigh a gcuid tithe roimh 1 Nollaig 2009 a dhíbirt as na tithe sin má tá siad i ngéarthrioblóid le aisíocaíochtaí a gcuid morgáistí. Chaill na bainc an ceart sin nuair a aisghairmíodh alt 62(7) den Acht um Chlárú Teidil 1964. Nach iontach an rud é nach bhfuil ar intinn ag an Rialtas slite nua cruthaitheacha a chur chun cinn chun déileáil le morgáistí atá i gcruachás? Níl ar intinn ag an Rialtas ach dul siar go meon barbartha na tiarnaí talún agus daoine a chaitheamh amach as a dtithe má tá siad i gcruachás. Os rud é go bhfuil na bainc chun an cumhacht tíoránach seo a fháil, is féidir a rá go bhfuil siad mar aicme nua tiarna talún sa tír seo.

Is léir go bhfuil an Rialtas seo de chuid Fine Gael agus Páirtí an Lucht Oibre i mbraighdeanas ag na margaí airgeadais. Tá siad sínte ar an talamh roimh cumhacht eacnamaíochta na margaí sin. Tá siad ullamh chun cumhacht tíoránach a thabhairt do na bainc arís. An bhfuil sé dearmadta ag an Rialtas go bhfuil an córas airgeadais - go háirithe, na hinstiúidí móra príobháideacha airgeadais - ciontach as an ngéarchéim tubaisteach eacnamaíochta atá ag goilliúnt ar sochaí mórthimpeall na hEorpa le cúig bliana anuas anois? Chuir na bainc céanna, mar aon le forbróirí agus an lucht speicléireachta, costas tithíochta in airde faoi 400% ón bhliain 1997 go dtí an bhliain 2007. Os rud é go raibh na hinstiúidí seo faoi ndear na brabúsaíochta, ní raibh aon dul as ag gnáthoibrithe ach morgáistí millteannacha móra - 40 bliain ar fhad - le haisíocaíochtaí ollmhóra a thógaint amach. Bhí sé soiléir nuair a thit an pirimid as a chéile, nuair a chaill na mílte a gcuid post agus nuair a íslíodh pá na mílte eile, go gcaithfí beart radacach a dhéanamh cun réiteach a fháil ar an gceist. Tá an Rialtas ag leanúint leis an tseanslí céanna. Tá sé ag brath ar na bainc a bhí faoi ndear na géarchéime ar an gcéad dul síos.

Molann an Páirtí Sóisialach a mhalairt de pholasaí. Ba cheart an luach ollmhór a cuireadh ar tithe le linn an tréimhse bolgánach a íslú go dtí luach réadúil an lá inniu. Ba cheart na hísíocaíochtaí míosúla a íslú dá réir. Sa tslí seo, thabharfaí fuascailt dóibh siúd atá i dtrioblóid agus i gcruachás lena morgáistí. Fuasclaíodh an cur chuige seo na billiúin euro a rachadh isteach san eacnamaíocht. Cabhródh sé sin le éileamh ar earraí, seirbhísí agus a leithéid a fhorbairt. Mar thoradh ar sin, bheadh roinnt daoine atá dífhostaithe faoi láthair in ann filleadh ar obair sna siopaí agus sna seirbhísí. Má táimid ag brath ar an gcóras caipitleach faoi mar atá, ní tharlóidh sé seo. Is féidir linn ceist tromchúiseach na hinstiúidí airgeadais agus na bainc atá in úinéireacht phoiblí, faoi stiúru dhaonlathach na ndaoine, a réiteach sa tslí seo. Ag an am céanna, is féidir linn fuascailt a thabhairt dóibh siúd atá faoi dianbhrú os rud é go bhfuil siad i gcruachás lena morgáistí agus cabhrú le cúrsaí eacnamaíochta na tíre seo a fheabhsú. Ba cheart dúinn an bóthar radacach sin a thógaint, seachas leanúint leis an tseanslí atá teipthe go tubaisteach go dtí seo.

**Deputy Bernard J. Durkan:** We all have an interest in this legislation, especially in these straitened times. The legislation arises from a commitment in the third quarter of the 2012 review of the EU-IMF programme of financial support. That commitment states that by March 2013 the Government will introduce legislation to remedy the issues identified in case law in the Land and Conveyancing Law Reform Act 2009, so as to remove unintended constraints on banks to realise the value of their loan collateral under certain circumstances.

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I know the Minister has reviewed the extent to which land conveyancing took place during the boom period, but the full consequences of the kind of conveyancing regulations that were applied during that period have not yet been borne out. They will in the time ahead because many conveyances took place with very little regard for good practice and consequences. We have seen situations where more than one owner was registered for a property or previous liabilities had not been discharged. To operate in a system like that in any kind of major way would leave the State, but more particularly the people or consumers in our society, in a very exposed and vulnerable position. I hope in the course of this legislation that the issues that have been brought to the Minister's attention over the last couple of years will be dealt with adequately.

This Bill has to be dealt with alongside the insolvency legislation. One of the things I have noticed is that there seems to be a reluctance on the part of lending institutions to come to grips with situations where a large amount of negative equity exists. The lending institutions are staying adrift of that. In situations where there is no negative equity but through no fault of their own the borrowers have found themselves in particular difficulty there is a fairly ready recognition by everybody that the lending institutions want to move very quickly. That is creating an imbalance in our society and the property market.

Obviously the lending institutions will want to seize property as quickly as possible where they can realise the full value of the asset, and it is quite regularly done. Meanwhile they are ignoring the areas where they might have a liability themselves to deal with situations where negative equity exists to a huge extent. For example, a property might easily be worth less than half what it was valued at in the middle of the boom. Since there is nothing to be gained by the lending institutions' repossessing that property, they are quite happy to tag along with it for as long as possible. Where a person has a smaller mortgage on a property with considerable positive equity, the lending institutions will move in very quickly and deal with that situation. If that is done on a large scale and becomes accepted, it will have serious consequences throughout the length and breadth of this country. I ask the Minister to keep in mind and monitor the activities of the lending institutions. I fully realise the borrowers and lenders have responsibilities in these matters and I do not suggest the borrower has no responsibility, but the lender has responsibility also. I hope that from the examples we have seen and the experiences over the past two years, recognition will be given to the fact that there is the possibility - and strong evidence to suggest - that lending institutions will move quickly against those who have assets and collateral that is readily marketable and on which they can realise the value very quickly.

I ask that the various lending agencies be monitored with a view to determining the trend, scale and extent to which settlements are arrived at or negotiations take place with borrowers. To return to what I was saying a minute ago, we have all dealt with tragic situations in this House over the past couple of years. Like everybody else, I have come across situations where lending took place which was, to say the very least of it, unwise. Unfortunate borrowers who have different family or income circumstances now find themselves in an impossible situation.

I asked how lending was done and how a loan or mortgage was offered in the circumstances that prevailed at the time. There was no logical basis for it at all in terms of good practice for lending in many such circumstances. It only inflated the market and created further problems. I can see nothing happening anywhere that gives recognition to the fact that in many cases lenders offered loans to people who they knew would have no chance to repay if anything went wrong at all. One of the tests that is supposed to be done in all these situations is to try to find out at the very beginning whether or not, in reasonable circumstances, the borrower is going to

be capable of discharging the debt into the future. I ask the Minister to examine the number of cases that have been dealt with in the courts, the pattern that has developed over the last two years or so, with a view to at least recognising or encouraging the lending institutions to recognise that it is not all the borrowers' fault, and we know that from the cases we have dealt with.

The Minister is fully conversant with the last subject I want to bring to his attention because of the degree to which excessive borrowing took place and the extent to which we find ourselves in a totally different economic situation. We have a big difference between the situation prevailing now and that which prevailed in the 1980s, for example. This must be borne in mind in the context of the national economy. In the 1980s there were borrowing difficulties for borrowers throughout the country. There was an economic crisis to a similar extent to, some would say worse than, the present one. The difference between then and now is that nearly everybody is affected at this stage. A huge swathe of people across the marketplace are affected in a way which did not happen in the 1980s. One group or another group was affected to a greater extent back in the 1980s. If the lending institutions pursue what they think they need to pursue, they will create such a whirlwind in the market that property prices will collapse completely in the not-too-distant future because of the extent to which repossessions will have to take place. Property will be put on the market, and this property will become unsaleable or will perhaps be available to investors, in which case the whole property business will become landlord-controlled, which is not good for the domestic economy at all. I ask that these considerations be borne in mind.

I, like everybody else, have had to negotiate on behalf of individual constituents over the past four or five years, before the present Government came to power. Many of the issues we identified four or five years ago are still there. They have just dragged on. The Governor of the Central Bank has been very anxious to move things forward, to ensure the lending institutions dealt with the borrowers in a meaningful way. That means different things to different people. Some lending institutions see that as a signal to move in quickly and repossess left, right and centre, but more particularly to repossess in cases where they know they have positive equity and they know they will get their money. They are less willing to do so in cases that are less positive for them. The Personal Insolvency Act is supposed to deal with all of this but I am not so sure it will.

Whatever resolutions are worked out, they must have some bearing on the old criteria that used to apply to borrowing. The worst thing one can do when solving a debt problem is to increase the burden on the borrower for the foreseeable future. That means whatever debt problems they got into in the first place will be exacerbated for the next five or ten years. It does not work. We need to look now at the old criterion whereby two and a half times the earnings of the principal earner was taken into account as being the optimum sum a borrower could repay in reasonable terms. Let us stretch this a bit further, because in those times the income of the secondary borrower was included, and let us assume the sum is a multiple of three. It would be reasonable to assume a borrower can repay a loan on the basis that it represents three times the income of the household. The situation emerging now, however, is that people are expected to repay borrowings based on up to ten and 12 times the income of the household. Their income has been reduced dramatically in the meantime so there are two issues that need to be borne in mind, merged in some way and recognised by the Minister and by everybody in the lending institutions, as well as by borrowers, in the time ahead of us.

**Deputy Shane Ross:** I agree with much of Deputy Durkan's analysis of what is wrong, his criticisms of the lending institutions, his reservations about the Personal Insolvency Bill that

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was passed in this House and the difficulties we face in the future in respect of this problem. To say it has not yet been adequately addressed is possibly an understatement. The main problem is that the Government and the banks are approaching it from an almost identical position - they see the borrower as the problem when the real problem all along has been the banks. The borrower has partial responsibility but ultimately the main responsibility for this awful mortgage arrears crisis - the main focus of this Bill - lies with the bankers.

The Title of this Bill is somewhat soft and misleading. It is called the Land and Conveyancing Law Reform Bill, which sounds as if a small legal problem with a bit of land can be addressed in the near future and the Bill passed in minutes. This, however, is one of the most traumatic Bills - and a fundamental attack on individuals - introduced in this House in the current session. The Title of the Bill was laid down, no doubt, for good legal reasons but in fact this Bill does two things. It does the will of the troika and the IMF and undoubtedly was dictated by those institutions. The review of the EU-IMF programme of financial support for Ireland contained the Government's commitment that by the end of March 2013 it would introduce legislation remedying the issues identified by case law in the 2009 land and conveyancing law. What matters is that the format chose to remove the unintended constraints on banks to realise the value of loan collateral under certain circumstances. That is the nub of this Bill. It fulfils a pattern or campaign that has been ongoing since 2010 and restores to the banks the position of hegemony, leadership and domination in the financial world which they held up to 2007 and 2008.

**Deputy Finian McGrath:** Hear, hear.

**Deputy Shane Ross:** We are again back in that situation and must accept that this Bill is the final piece in the jigsaw which gives the banks those particular powers. It is traumatic and final but it could have been done and approached in a very different way.

The immediate problem is that some mortgagors, as they are so delicately called but meaning bankers, had in the Dunne case no right to repossess houses in certain circumstances. One must ask whether we should give bankers who have given such reckless loans the rights to repossess in any circumstances or whether any situation should be cleared by an independent body after consultation with the banks and after reviewing the cases in point. After all, these are the very people and institutions that made the reckless decision in the first place. I continue to be surprised by the willingness of the Government, which has ownership of most of the banks in this country, to give the same banks such independence in their operations on issues where they have culpability. This Bill does that. It tells the banks they can repossess at will and as they wish, in spite of their behaviour in the past. As the House will know, there is a provision for two months' adjournment for people who go back to the personal insolvency legislation and ask for their case to be looked at again. That is only a sop to those individuals, however, because the same result will happen two months later.

For some time there was a freeze on repossessions in this country, partly as a result of the Dunne judgment. That has obviously led to a build-up and a difficulty but, as Deputy Durkan noted, there will be plenty of lending institutions that will move quickly. Some of them are waiting to move quickly. The reassurances that this will simply be a last resort measure are entirely unconvincing. For the Government to state this will only be a measure of last resort implies that somewhere, somehow, there will be a check on the banks when they are given this power to repossess; that it will be able to intervene to order the banks not to do so in certain cases, to hold back on the numbers. That is not going to happen. If the measure is going to be

used as the last resort it will not be used in that way by the banks - that is now how they behave. Banks behave ruthlessly, in the interest of their balance sheets and how these will look, and possibly in the interest of their shareholders but certainly not in the interests of either the nation or the borrowers. Let us not believe this will be a last resort measure. It will be a sword of Damocles that will be held up at the first point of negotiation. When banks go in to negotiate with any borrowers under the Personal Insolvency Act they will hold the repossession card in their hands as the measure of first resort. It may be the last weapon to be used but it will be the first threat. That will be apparent; that will be what will happen.

There was an alternative, in both the personal insolvency legislation and in this Bill. I wonder why the Money Advice and Budgeting Service, MABS, was not included in any of the structures that were set up to provide solutions for personal insolvency. I wonder why, given it was well debated in House, there was no independent body other than bankers included that would decide on the final solution to a mortgage arrears problem. Repossessions are going to multiply.

*12 o'clock*

They are going to explode. I wonder why it is being left to the bankers to decide when and where repossession take place. Why is it not proposed to establish an independent body to decide whether repossessions can or should take place? There will be malingerers and people who can pay their debts but refuse to do so. Some people are exploiting the freeze on repossessions but they are few in number. An independent body could judge them and syphon them out. However, there will be no checks on the bankers when they decide who is to be repossessed or evicted. That is the main flaw in this Bill.

The build-up of repossessions and the reluctance of the Government to produce this Bill, which is late and produced under pressure, are due to a stand-off on this difficult problem but the delays have made it much worse. Neither the banking sector nor the Government relish the idea of repossessions. The Government does not like repossessions because it is political disadvantageous, unpopular, morally wrong and can lead to awful accidents. The bankers do not want to repossess because they prefer to kick the problem down the road. The troika has refused to allow the problem to continue not for accounting or even debt reasons but because it recognises that the continuing fall in house prices is reflected in a misleading way in banks' balance sheets.

The reality is that the banks are still bust and will need recapitalisation. Government denials of that will be proved wrong. The primary reason they will need recapitalisation is mortgage arrears. The banks' balance sheets contain one large hole which is deliberate, utterly misleading, connived at by auditors and ignored by the Government, that is, the provisioning for mortgage arrears and bad debts. Every honest commentator who recognises the necessity of recapitalisation also recognises the fantasy in the banks' books when it comes to their provisions for bad debts and mortgage arrears. The price of the underlying collateral is not reflected in the books but sooner or later they will be recognised, by repossessions or other means, and the banks will be exposed as needing more capital. As neither they nor the Government want to be exposed in that way, the big lie continues to occupy the mortgage books of the major banks while they pretend they can sell assets at prices that are much too high. That is why the problem was allowed to fester for so many years and it will not be sorted out by repossessions or the Bill which the House passed some time ago.

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There was a strong case for putting MABS in the centre of the picture, as a body which could represent borrowers, and for putting the borrowers in a position that was at least equally powerful to that of the bankers. That did not happen, however. There is also a strong case for giving an independent body, such as MABS, the power to decide whether it is fair to repossess in certain circumstances. The judgment of the lenders is flawed and should not be trusted under any circumstances. It is depressing to read that MABS has in recent times been downgraded. In recent weeks various newspapers have reported a sinister development whereby MABS has been threatened with restrictions on its funding if it does not sign certain agreements. If there is a move to downgrade this body, it will mean that many citizens will suffer and it will transfer the power and weight in negotiations away from those in mortgage arrears and back into the hands of the banks. I have no other evidence than from undenied media reports that MABS may have to close many of its branches if these restrictions are imposed. It is being asked to sign service level agreements which it does not consider acceptable. It is a pity that a body of this sort should be threatened and it would be a pity if it is taken off the pitch on mortgage arrears or reduced in stature and power. It would also indicate that the banks have won yet another battle.

I am doubtful about what are described as sustainable solutions. Apparently a sustainable solution must be agreed between borrower and lender before a deal can proceed. This sounds good but who decides whether a solution is sustainable? Once again the power is being moved from the vulnerable side to the powerful one. Sustainability will be decided by the lender. This Bill is a sad recognition of the power of the troika, the appalling delay and refusal to recognise the problem and the need for a real solution, namely, further recapitalisation of the banks.

**Deputy Michelle Mulherin:** I welcome the opportunity to speak on the Land and Conveyancing Law Reform Bill 2013. My colleague, Deputy Durkan, and other speakers clearly outlined the predicament families and individuals face as a result of the reckless lending of the banks. Much of the debate on the issue of repossession is not very truthful and merely seeks the headlines. As a solicitor who practised in conveyancing, I may view this issue from a particular perspective but anyone who argues that repossessions must never be permitted is not telling the truth. When borrowers sign a deed of mortgage it is explained to them that the ultimate penalty for failing to repay their mortgage is the loss of their home. This is the starting point, although it must also be recognised that banks played a major part in creating the difficulties in which people currently find themselves.

The Bill seeks to remedy a problem that was created by the Land and Conveyancing Law Reform Act 2009, an unintended consequence of which was that it rendered useless some clauses in mortgage agreements, thus making them unenforceable. The system works on the basis that people who borrow large sums from a bank consent to losing their property if they cannot stick to their side of the mortgage agreement.

As elected politicians who represent our constituents, we must address the human side of the mortgage problem by recognising in legislation the hardship imposed on people in mortgage arrears. They do not know where to turn and face the trauma of losing their family home. Our task, therefore, is to ascertain what we can do to ensure the repossession of a family home is the last resort, while taking into account the commercial realities and legalities involved when people obtain a loan. We must be cognisant that the lending system works on the basis that borrowers who cannot make repayments ultimately face the threat of repossession. The Minister recognises the problem facing borrowers whose family home or principal private residence is threatened with repossession. Where a bank issues repossession proceedings in a court, the Bill provides that the judge can order an adjournment of the case to ascertain whether alternative

solutions can be found, in particular, whether a personal insolvency arrangement under the Personal Insolvency Act would be a more appropriate and advantageous course for the borrower in question. This provision recognises that the family home is different from other types of properties on which borrowers may have mortgages and should be protected to the greatest possible extent. The Minister is endeavouring to negotiate the legalities of achieving this objective.

The legislation presents us with an opportunity to throw down challenges to the banks before courts make orders for repossession. The free legal advice centres have made a number of helpful suggestions in this regard. The Central Bank has introduced a thorough code of conduct for banks. As Deputies will be aware from speaking to their constituents, the code has not always been adhered to and many borrowers who are up to their necks in debt are unaware of their rights and the options available to them. Many of those who are in a vulnerable position because they are unable to repay a mortgage believe they do not have any say. The Bill provides that where a bank cannot demonstrate full compliance with the Central Bank's code of conduct, it should not be given a repossession order for a family home.

As I stated, most borrowers are not lawyers but people trying to make ends meet. I concur to some extent with Deputy Ross on the lack of resources available to the Money Advice and Budgeting Service, MABS, and free legal advice centres. In my constituency, the waiting time for an appointment with a free legal advice centre is six months or more, although I acknowledge that the primary function of the centres is to deal with family law cases, an important area. Individuals who may wish to challenge aspects of their loan or mortgage agreement are unable to obtain legal advice and are in some cases signing repossession orders without having taken legal advice. Many are unaware of the Central Bank's code of conduct and do not know that the Government is in the process of introducing protections and rights for borrowers which will empower them as they seek to secure the best outcome. Something had to be done because it was clear that we could no longer continue in the same vein. The personal insolvency legislation was introduced to give people options.

Serious consideration should be given to increasing the resources available to the free legal advice centres and Money Advice and Budgeting Service. People are not able to obtain the legal advice they require. As Deputy Durkan stated, they are seeking help from politicians. We are willing to try to help but these matters can have serious legal and personal consequences. For this reason, greater resources should be made available to enable people who are in a distressed state to obtain legal advice and assistance.

It is common practice for lending institutions to bring repossession applications before the High Court. This increases costs because ultimately, it is the borrower who must pay the loan amount, interest, penalties and legal costs. The Circuit Court would be a more appropriate forum for hearing repossession cases.

Banks must be challenged when they refuse to co-operate with borrowers. I dealt with a case where a bank refused a borrower permission to sell a property. As a result, the property is probably worth less than previously, whereas the borrower's circumstances have not changed. The banks have the upper hand in lending relationships as borrowers and banks do not have equal negotiating power. For this reason, we must hold the banks to account by requiring that repossessions can only proceed where no other recourse is available.

The resources needed by MABS and the free legal advice centres to provide support and advice to borrowers are sorely lacking and need to be beefed up.

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**Deputy Finian McGrath:** I welcome the opportunity to speak to this legislation as it gives the House an opportunity to have a broad debate on mortgages and repossessions. Having listened to previous speakers, it is clear that Deputies have strong views on borrowing, repossessions, mortgages and the provisions of the Bill. Many of us are angry that the banks and their senior managers who helped wreck the country are putting pressure on the Government to hammer home owners and demanding more repossessions. I am galled that they have such a brass neck. My job, as an Independent Deputy, is to stand up for families with mortgages by challenging the banks that are hammering householders.

As previous contributions have demonstrated, there is cross-party support for the excellent work done by the Money Advice and Budgeting Service. The advice, assistance and support provided by MABS are an example of public service at its best. Many Deputies will have had a positive experience of using the service on behalf of constituents.

The Bill provides that certain statutory provisions in respect of repossessions will apply to mortgages created prior to 1 December 2009, the commencement date of the Land and Conveyancing Law Reform Act 2009, notwithstanding the repeal and amendment of these statutory provisions by the 2009 Act. Subsequent case law highlighted the unintended consequences of this repeal in the context of the repossession rights of lenders. The Bill also provides for the adjournment of certain repossession actions where a matter can be resolved by recourse to the Personal Insolvency Act 2012. I will return to that matter later.

I take this opportunity to praise and commend a small group that is very involved in protesting about this and other issues relating to debt and the banks. I refer to the Ballyhea protest group, which is a little thorn in the side of the establishment. The members of this group live in Ballyhea, which is near Charleville, County Cork, and they have highlighted the issue of our debt for the past number of years. There is a major imbalance in Ireland's contribution to the current Europe-wide crisis. To correct that imbalance, and after consultation with several experts in the field, the Ballyhea group is trying to meet officials from the ECB and the European Union. The group in question is doing us a great service because it is highlighting this issue, which is directly linked to the legislation before the House. The group is asking the ECB to write off the €28.1 billion in sovereign bonds currently held by our Central Bank in lieu of the promissory notes - €25 billion and €3.1 billion for 2012 - which were issued in 2010 to cover a flagrant abuse of the emergency liquidity assistance fund when €31 billion was pumped into two already insolvent institutions, namely, the former Anglo Irish Bank and Irish Nationwide Building Society. This was an abuse which the ECB approved. The group is also seeking that the EU - through the ESM - restore to the Irish Exchequer the €3.1 billion already destroyed on the basis of those promissory notes, the €20.7 billion taken from the National Pensions Reserve Fund to bail out the banks to which I refer and the remaining €13 billion or so borrowed from the various emergency funds to bail out the Irish banks in general. The first proposal in this regard would ease the long-term bank debt burden and the second would ease the current situation, provide money to be invested in job creation and enable us grow our way out of the recession. All of this is linked to the debate on this legislation and that which relates to mortgages, repossessions, etc.

The Land Conveyancing Law Reform Act 2009 is a major instrument designed to reform many areas of land law, including ownership, trusts, co-ownership, conveyances and, relevant to the current Bill, mortgages. The purpose of doing so was to simplify existing land law, which had been developed over centuries, and facilitate the introduction of e-conveyancing. It is important to consider the position with regard to existing law and examine the details relat-

ing thereto. I referred earlier to MABS and I commend that organisation on the work it does to assist people who are at risk and provide them with sensible economic and personal financial advice.

I agree with those of my colleagues who referred to the group of fat cats within society whose members have money and resources but refuse to pay. I do not include these individuals in any sympathy or understanding I may wish to convey. It is they whom we should not be afraid to pursue. I accept that there are many people who are trying to pull the wool over the eyes of others. That is a matter about which we must be sensible. We must also be sensible with regard to what happened in the banks in the past. When I refer to the banks, I am not talking about the low-paid workers or ordinary staff who are now getting grief from customers, etc., with regard to the actions of very senior officials. I am, rather, referring to the fat cats at the highest levels within the banks who brought this country to ruin and who conned and misled politicians and the people. That point is not often made in the House but it is an extremely important one. The fat cats to whom I refer also lied to all and sundry. It is vital to make that point because the message in this regard does not appear to have been put across as yet. Many people were blatantly misled.

In discussing this issue, we appear to be afraid to question what is happening in the EU and the ECB. There appears to be something of an inferiority complex among many people in Ireland. If mainstream politicians do not ask questions in respect of the matters to which I refer, more extremist right-wing groups such as those which have emerged in the UK - I refer here to UKIP - and elsewhere in Europe will exploit the situation. There is a need to monitor what is happening within the European Union and the ECB and we must not be afraid to discuss the euro, which is the elephant in the room for many people. We must not be afraid to discuss what happened and ask whether we made a cock-up and whether certain individuals did not do their jobs. I am of the view that the latter is what happened. There is no point in beating around the bush.

In January 1999 the EU launched its new currency, the euro, which carried within it the seeds of its own destruction, including those flaws highlighted in an article which appeared in the *Financial Times* a year prior to the launch. The dangers had, therefore, been pointed out. There was a lack of foresight with regard to what might happen when countries and their banks suddenly found themselves with access to an unlimited supply of previously expensive billions. What was done was not thought out. In addition, there was a lack of oversight and no one applied the brakes in respect of the destructive and reckless rush of capital from the core to the periphery. Finally, there was an absence of any structure to help the Union cope in the event of an emergency. Within eight years the euro crashed, taking with it an entire array of banks and causing devastation in the economies of several eurozone countries. One of the major causes of the systemic imbalances built up during the period 2000 to 2007 across the eurozone was the monetary policy mismatch. This is not my thesis but rather that of Dr. Constantin Gurdgiev. I am not stating that Dr. Gurdgiev is correct in everything he says but I am of the view that there is a need to ask questions at European level. The Government must up its game in that regard and take a more proactive approach.

Everyone accepts that there is a need to share responsibility. However, we must ask if Europe is prepared to share the burden. It seems to be the accepted approach within the Government that these matters must be dealt with behind closed doors. When the Government does something good - I refer, for example, to deals on the promissory notes or stretching out the terms of repayment - then I will wish it luck because it is acting on behalf of the Irish people in

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this regard. Such developments are not party-political issues; they are in the national interest. I, as an Independent Deputy, will back anyone in government who does something that is good for the country, regardless of who he or she may be. If those in government fail in their duty in this regard, then I will act as the watchdog. Those of us in what is now known as the euro-zone who signed up to the new currency, with all its design flaws, share responsibility for the chaos it has caused. We must also share the cost. In that regard, I refer to the various financial institutions in this country that engaged in reckless lending. Ireland has been burdened with a massively disproportionate share of the cost to which I refer. What is that share? To date, and excluding the contribution from NAMA - which was established to take over the major bad debts of the Irish banks - the bailout has cost €64 billion. When broken down, this represents a cost of €14,244 per person or €60,000 per family. That is the reality. It is important to highlight this fact because it has a bearing on the legislation before the House in the context of people's mortgages, insolvency issues, etc.

When the financial crisis hit Europe, Ireland was first in the firing line. Lacking any guidelines or structures from Europe or any supervisory oversight, the then Government took unilateral action to save the banking system and introduced the infamous blanket guarantee of September 2008. Having considered the matter in hindsight, many are of the view that this course of action was ill-advised in every sense. All of the advice provided on that fateful night in September 2008 - and the subsequent decision to introduce the guarantee - was based on misinformation. I was a Member of the House at that time and I am aware that a great deal of misinformation was spread. Despite what it now states, the Labour Party was going to support the bank guarantee and it had only minor reservations in respect of it. Those in the Labour Party have been saying for two and a half years that they did not support the guarantee in September 2008. However, they subsequently gave their support to it, so they should get off the pitch and stop trying to con people in respect of that matter. The bank guarantee was, as already stated, ill-advised and there was a serious amount of misinformation relating to what was happening at the time. That is a matter to which consideration must be given. I would welcome any discussion relating to the causes of the banking crisis in order that we might learn lessons. I am aware that its fan club in this House will not like me saying so but the European Union was not on its game in respect of the financial crisis and neither were our regulatory authorities. We should not be afraid to make this important point.

As a result of everything that has happened and in the context of the legislation before us, families are being hammered with repossessions and so on. In addition, the provision of services is being affected and people are suffering and taking major hits. Yesterday, Deputies held a cross-party meeting on the cost of resource hours for people with Down's syndrome. I recommended that we avoid asking the Government for extra money for services without devising cost proposals. The cost would be approximately €700,000 or €800,000 per year. We will be off next week. We should not need to do this. A group of 30 or 35 children with a major disability will be starting school next September. They should receive resource hours. Give them four hours and 15 minutes every week. I am making this point because it is relevant to the economic debate. The kitty is empty because of other people's actions.

Reverting to the issue of mortgages, enforcement is important. A mortgagee may seek to reinforce his or her security by methods other than repossession - for example, a court order for possession of the mortgaged property followed by the sale of that property out of court, sale of the property through the court's intervention, a court order for the sale of the mortgaged property, taking possession of the property and acquiring rents and profits from it, appointment of

a receiver, or foreclosure on the property. However, it has been noted that these methods may be more costly and time-consuming for all parties involved due to the procedural requirements. As a result, summary proceedings are deemed to be more efficient. It has also been noted that prolonged and costly procedures to seize mortgage collateral tend to be associated with slower recovery in property markets. This is the current situation.

Mortgage arrears remain a problem and present significant difficulties for banks and the wider economic recovery. I have been naive for a number of months. When people attended my constituency clinic with problems, I told them to discuss the matter with their bank managers and that I would write letters in support. I believed that the deals reached were great, as the payments had been spread out and reduced. What I did not realise was that, under the law, the banks had no other option but to do deals. It is important that the banks sit down with people and help them. I have encountered a number of examples of good practice. I have met only a couple of chancers who were trying to pull a stroke and get out of their mortgages. The majority of people attending my clinics want to make their repayments and are willing to take a hit for a couple of years until they are out of this crisis and have their acts together again. I was pleasantly surprised, as I had expected a higher percentage of people to try to use the process to get out of their mortgages.

The priority on which we must focus is the family home. Last week, I encountered a case of repossession in the northern end of my constituency. There was a row, the family ended up out on the street, and they are now trying to access the housing list and obtain rent supplement. The cycle will start again.

Under this legislation, bankers and the Government should try to keep away from the serious players and instead attempt to reach a negotiated settlement. The majority of people want to pay. Even if it is only €60 or €80 per month, it is still a contribution to the economy.

This Bill is being introduced to address a loophole in the law on summary repossession and is a part of the Government's roadmap for addressing the mortgage arrears crisis. A commitment is also contained in the revised memorandum of understanding between Ireland and the troika to introduce legislation remedying the issues identified by case law in the Land and Conveyancing Law Reform Act 2009, those being the unintended constraints on banks in realising the value of loan collateral in certain circumstances.

We need common sense and balance. During the good times, we had neither. Nor did we have sensible supervision or regulation. Despite this, some people are returning to the pitch and claiming that we need light-touch regulation if we are not to damage the financial services sector. We need sensible and clear-cut regulation. When I worked in a north inner city school, the Department's inspector supervised us. If I was £300 over budget, my local inspector told me to watch my finances. We then stayed within budget. If we came up short, we ran a fund-raiser to make up the balance. We need the same type of housekeeping found in people's homes, not the rampant light-touch regulation that has destroyed the country. The Minister will not like me pointing this out, but it has been highlighted by the left for the past 20 years. Various Governments turned a blind eye and got carried away with their rock 'n' roll, parties and so on.

**Acting Chairman (Deputy Catherine Byrne):** The Deputy has two minutes remaining.

**Deputy Finian McGrath:** I am doing well.

**Deputy Denis Naughten:** It is a pity the Deputy did not bring his guitar.

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**Deputy Finian McGrath:** I was actually going to do a three-minute slot.

When we debated the Personal Insolvency Act 2012, the Independents submitted more than 80 amendments. We had a great deal of input to the legislation. Three sections of the Act dealt with important debt arrangements - debt relief notices, debt settlement arrangements and personal insolvency arrangements.

We must be sensible in this debate on repossessions and mortgages. We cannot revert to the days of the Famine when evictions were carried out without common sense. We must examine the situation and be sensible in doing deals with mortgagors, including young couples and families. They bought three-bedroom houses in the middle of the boom for €475,000 that are now worth only €180,000. This is a difficult situation for them. Legislation should have a touch of humanity. We must be supportive of people, particularly those being threatened with repossession. We need common sense, clear regulation and, above all, compassion.

**Deputy Denis Naughten:** I welcome the opportunity to contribute on this important legislation, which has significant implications for families and society as a whole. We know the Bill's background, which is an anomaly in the enactment of the 2009 Act that has stalled repossessions by banks. The Bill has provided us with a window of opportunity to put the mortgage debt situation back on an even keel. While I welcome the fact that the Personal Insolvency Act was a significant step in the right direction, the main difficulty with it is that the banks still hold all the cards. This has been quite frustrating, as the banks have final refusal on proposals. In this respect, the anomaly in the 2009 Act has provided some balance for the mortgage holder, but it could be removed on foot of this amending legislation.

We have been given assurances that repossessions will mainly be of investment properties rather than family homes. There is no doubt that is the Government's intention with the legislation. The difficulty is that the banks have a completely different agenda. Their agenda is very much focused on profitability. We can see the attitude the banks are taking currently with variable mortgage interest rates. When the European Central Bank reduces interest rates, the commercial banks in this country increase them. They have no intention of trying to assist the economy or struggling home owners. I do not believe they have any intention of facilitating them following the passage of the Bill.

It is important to remember that other statutory mechanisms exist for the banks to gain possession of a property other than what is proposed in the amendment. For example, a court order could be secured for possession of the mortgaged property followed by the sale of the property by the mortgagee out of court. Foreclosure could also be chosen as an option or a receiver could be appointed. The difficulty is that such mechanisms are not as easily accessible from a bank's point of view or as cheap for the banks to enforce. Banks always go for the soft option. They should not be given a soft option because they facilitated the irresponsible lending that took place. There is no doubt people took out loans they should not have taken out, especially those who bought investment properties. They were hounded and pursued by banks who threw money at them and encouraged them to take out irresponsible loans, yet to date the banks in this country have got away scot free. The people who gained significant bonuses on foot of selling those particular mortgages in the first place went on to get significant lump sums and bonuses when they retired from the banks. They have been rewarded, and will continue to be rewarded, for irresponsible banking, and we, as taxpayers, are picking up the bill in that regard.

Sadly, many home owners who are struggling to make ends meet are the ones that are bear-

ing the brunt of it. Not only do they have to pay for the austerity we all face and try to balance the books at the end of the month, but they are also in serious financial difficulty with the banks and face the prospect of repossession. It is important the banks take some of the responsibility for the situation. They have taken no responsibility to date and have not even acknowledged that they bear some responsibility for the lending that took place.

In some cases, banks were so anxious to offer mortgages that the title is a mess. There are situations where the house is owned by one bank through the mortgage taken out on it while the site on which the house is built is held by another lending institution and the paperwork has never been resolved. In other cases, developers built houses on land that was held in bond by local authorities and banks were willing to give out mortgages in spite of the situation arising whereby the site has one particular lien on it and the house itself has another lien. The banks did not seem to have any difficulty in that regard but it will cause huge problems for the home owners involved.

The fear is that repossession is the stick that will be used to break the back of many families who are in distressed mortgages at present. However, I accept that there is a valid argument for repossession in the case of a person who refuses to engage with the banks. There is difficulty repossessing properties in developer-built estates and having the developments completed and the properties sold off. Sadly, in my constituency, we have semi-derelict estates and ghost estates where only a small number of people, unfortunately, bought houses. Unbelievable vandalism and anti-social behaviour is taking place in such estates. Families are caught in such situations where they got a mortgage to buy a house. They paid well over the odds and are now stuck there with significant negative equity. At least if the bank could get clean title and have the estate completed and the properties sold off at a marginal price, one would have owner-occupiers in those properties. I have heard of cases where houses have been torched and burned to the ground due to vandalism in estates. There is a danger that a vacant semi-detached house could be set on fire and the home next door could go on fire as well. I accept there is a need to have a swift mechanism to deal with those issues.

It is important to strike a balance. The proposals that have been put forward by free legal advice centres, FLAC, are to be commended. They restore some of the balance towards home owners. FLAC made the point that there should be an amendment to the legislation to ensure the Central Bank's code of conduct on mortgage arrears is applied fully by the banks. Where that does not happen, the court would have the jurisdiction to refuse the application by the bank for repossession. More discretion must be given to the courts in such circumstances to bring some balance into the situation for families. FLAC has set out six key points that would help to bring some balance to the proposals before us. I hope the Minister will take on board on Committee Stage the proposals made by FLAC. They provide the type of balance that is required and ensure that while the loophole in the legislation is addressed, the law protects those with distressed mortgages who are in family homes and at least gives them some power and leverage over the banks.

Previous speakers referred to the cuts to the money advice and budgeting service, MABS. I am disappointed with the cuts because MABS provides an extremely valuable support for families. More must be done to resource the money advice and budgeting service properly rather than cutting back on it. It would make sense for MABS to work with RTE to produce a series showing people how to better manage their finances. The difficulty is that when growing up, my peers did not see the same need and shortage of money as previous generations. Those in their late 40s, 50s and 60s have the skill of managing money, unlike those who grew up during

the 1990s and the 2000s who had access to cheap money and plenty of credit. Even the basic skill of managing money can be difficult for people, and something along those lines would be extremely helpful in assisting families. I am not necessarily referring to families who need to access MABS now but families who, if they are helped now, can avoid having to access that service in the future. I hope that something along those lines can be considered as part of a public education campaign. RTE, as the public service broadcaster in this country, should examine the possibility of running such a series. A similar series was run in the past with Mr. Eddie Hobbs, and a new series along those lines would be of immense benefit to families who are struggling to make ends meet.

I wish to raise a number of other issues with the Minister for Justice and Equality which relate directly to land transactions and the Property Registration Authority. The first is an anomaly has come to my attention in the context of dealings I have had with the lands division in Cavan, which is the replacement for the Land Commission. The division is doing a tremendous job, with very limited resources, in trying to work out all of the remaining title issues regarding lands that were originally acquired through the Land Commission over many years. I am aware of a proposed project to develop a public walkway through Tarmon bog outside Castlerea, County Roscommon. A community group has come together there to seek funding through the Leader programme to develop this as a public amenity, but the lands are in the control of the Department of Agriculture, Food and the Marine through the lands division in Cavan. The administrators of the Leader programme and the Department both believe this is a very worthwhile project but, at the final hurdle, the group faced a difficulty because there is no statutory right given to either the Department or the Minister to grant permission to the community group to use the lands owned by the Department. Those lands were originally owned by the Land Commission. The disposal of the lands can only be governed by section 8 of the Irish Land Commission (Dissolution) Act of 1992, which did not make provision to allow community groups to access lands for the development of amenities such as that proposed for Tarmon bog.

A change must be made to the existing primary legislation to facilitate the transfer of those lands. In that way, some of these lands can be used as public amenities and as assets to draw tourists into areas where tourism footfall has been low to date. As we know, walking and cycling tourism is growing rapidly internationally and is a tourism segment that we can capitalise on here because it is not weather dependent. I ask the Minister to speak to staff in the PRA and the lands division of the Department of Agriculture, Food and the Marine to see if a solution can be found to facilitate community groups such as the one in Tarmon, County Roscommon. Perhaps some mechanism can be found whereby another arm of the State could take over the ownership and management of the lands and then allow the community group to develop the public access project. Historically, funding has been available for such projects through Leader companies but that funding has now dried up because the current Leader funding stream is coming to an end. However, new Leader programmes will be up and running again in two years, which provides a window of opportunity for us to resolve the legal issues relating to this project.

It is important to point out that such issues do not just affect this particular project in Roscommon. The same problem will arise in the future with many of the bogs that have been designated by the National Parks and Wildlife Service, NPWS. The intention is to provide public access to many bogs which are of huge scientific interest, but this particular problem will arise again because the majority of the title for those bogs is still held by the lands division, the successor to the Land Commission.

I wish to refer to the decentralisation of the PRA to Roscommon town. As the Minister knows, a new state-of-the-art building was provided, at a significant cost to the taxpayer, to accommodate 230 staff. That building currently houses 80 PRA staff and 50 staff from the Department of Agriculture, Food and the Marine. The lease has expired on the Setanta Centre in Dublin, which houses PRA staff. Plans are also afoot to amalgamate the PRA with Ordnance Survey Ireland and the Valuation Office. In that context, it would make sense to decentralise some of the staff to the PRA offices in Roscommon town which were purpose built for the PRA rather than entering into new leases for offices. The PRA office in the town has a very useful public office and I must commend the staff there who provide an invaluable service to those who do not have the wherewithal to access information online, because not everyone is up to speed with technology or has the computer literacy required. I urge the Minister to consider streamlining that particular decentralisation, now that he is amalgamating the Valuation Office, the Ordnance Survey and the PRA. Even in the west, the Ordnance Survey is leasing two offices, one in Sligo and the other in Tuam. I contend that it would make sense, given that the State already owns the property in Roscommon town and is planning to amalgamate three bodies, to relocate the staff to that premises.

**Deputy Billy Kelleher:** I welcome the opportunity to speak on this Bill, even though my party's position on it is quite clear. We will be opposing the Bill because it is fundamentally flawed, as has been elaborated on by my colleagues. The name of the Bill would suggest it is very benign legislation. The Land and Conveyancing Law Reform Bill sounds harmless enough, but at the very heart of this is the closing of a loophole in the original 2009 Act and addressing the Dunne judgment. Clearly, at the heart of this legislation are provisions to allow banks to repossess property. While we all know that repossessions must occur from time to time, the desperate position of the banks at the moment leads to the concern that, with no independent oversight, they will use their whip hand excessively and force many from their homes.

We must look at the history of how we got to the position we are in now. The Minister is partisan and I am a partisan Opposition spokesperson, so we will have to agree to differ on that and try to stick to the facts. One of the biggest difficulties in the context of where we are currently has been the bank guarantee of 2008. There are various reasons for that decision, but it was based on the problems that arose. Those problems arose because of banks becoming sales representatives. They were no longer functioning as banks but were hawking mortgages, credit cards-----

**Deputy Alan Shatter:** Yes, and the Deputy's party was in Government, falling asleep, when that was happening.

**Deputy Billy Kelleher:** Yes, and Deputies in Opposition at the time were sound asleep too. Deputy Shatter never raised it once in his entire life. The Deputy did absolutely nothing about it.

**Deputy Alan Shatter:** The Deputy's party was in Government. Deputy Kelleher was in Government. That is a laughable contribution. The Deputy was in Government. He was in Government, hyping it up.

**Acting Chairman (Deputy Catherine Byrne):** I ask the Minister to allow the Deputy to speak.

**Deputy Billy Kelleher:** I have already pointed out that the Minister is the most partisan

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person here and I cannot get up here and talk-----

**Deputy Alan Shatter:** The Deputy's party denigrated anyone who tried to call a halt to what was happening.

**Deputy Billy Kelleher:** Deputy Shatter was sound asleep on the Opposition benches for 14 years. In fact, he was turfed out of here once by the public too, may I remind him. That is how laughable his record was.

**Acting Chairman (Deputy Catherine Byrne):** I ask the Deputy to speak to the Bill.

**Deputy Billy Kelleher:** I will not take nonsense from that partisan blackguard over there.

**Acting Chairman (Deputy Catherine Byrne):** I am not here-----

**Deputy Billy Kelleher:** I am entitled to come in here and make a contribution.

**Acting Chairman (Deputy Catherine Byrne):** Yes, the Deputy is entitled-----

**Deputy Billy Kelleher:** I did not once point out Deputy Shatter's absolute incompetence, and by God, was he incompetent when it comes down to it as well.

**Acting Chairman (Deputy Catherine Byrne):** Deputy-----

**Deputy Billy Kelleher:** He did not once, in 14 years in this House, raise the issues of regulation, regulatory reform, irresponsible banking or irresponsible lending. Not once. He was sound asleep.

**Deputy Alan Shatter:** I was not here between 2002 and 2007.

**Deputy Billy Kelleher:** He was not here for five years because the public did not have any faith in him.

**Acting Chairman (Deputy Catherine Byrne):** Deputy, please-----

**Deputy Alan Shatter:** Methinks the Deputy doth protest too much.

*I o'clock*

**Deputy Billy Kelleher:** I do not protest. I am simply trying to highlight the difficulties. I accept all my responsibilities on this side of the House, where I am at present by the decision of the people. However, if we must discuss how we got to where we are we should address many of the fundamental issues.

**Acting Chairman (Deputy Catherine Byrne):** Deputy Kelleher, please.

**Deputy Alan Shatter:** He should talk about where those in Fianna Fáil are.

**Deputy Billy Kelleher:** This legislation will not do that. All the nonsense from the Minister, Deputy Shatter, will not address the issues facing thousands of mortgage holders every day of the week. People on this side of the House are trying to come up with sensible solutions, not the guff that comes out of the Minister on a daily basis.

**Deputy Alan Shatter:** Fianna Fáil put those people where they are.

**Acting Chairman (Deputy Catherine Byrne):** Excuse me, Deputy Kelleher, please. If you do not mind, I am trying to chair this. If you could-----

**Deputy Billy Kelleher:** I am trying to speak but he will not allow me. It is only blackguardism.

**Deputy Alan Shatter:** It is the truth.

**Deputy Billy Kelleher:** I will give the Minister the truth.

**Acting Chairman (Deputy Catherine Byrne):** Could you keep to the contents of the Bill? This is not a personal attack on anyone in the room. It is a debate on the Land and Conveyancing Law Reform Bill. That is what it should be on.

**Deputy Billy Kelleher:** Will the Acting Chairman tell the Minister that?

**Acting Chairman (Deputy Catherine Byrne):** I did indeed. I called on the Minister and I am calling on you to have a little respect for the Chair.

**Deputy Billy Kelleher:** I have the greatest of respect for the institutions of the House. I stated at the outset that I would park the partisan approach and try to make a genuine contribution to the difficulties that exist.

**Acting Chairman (Deputy Catherine Byrne):** Thank you.

**Deputy Billy Kelleher:** This legislation will not address the societal carnage that exists at present with 100,000 mortgages approximately 90 days in arrears. We know the difficulties that exist. The banks are generally in considerable trouble financially. They are still insolvent and the mortgage arrears issue is the gaping hole in their balance sheets that no one has been willing to address in a meaningful way. They kicked the can down the road, as the proverb goes, and we are now in a position where property prices have not stabilised. In some cases they are still falling and the holes in the balance sheets of the banks are getting bigger every day. The point is that the banks are desperate organisations fighting for their survival while the Government is hoping that they will struggle on and that they will not need to be recapitalised further. They will do desperate things to address their impaired balance sheets, especially in respect of the mortgage books. I am concerned that with no independent oversight-----

**Deputy Alan Shatter:** We have the courts.

**Deputy Billy Kelleher:** We could go down that road again with the Minister but we will not bother. It would be far better if the Minister could address it in the legislation. There should be independent oversight. MABS could be brought in and people could adjudicate in a fair, impartial and rational manner and deal with the difficulties.

In his contribution at the Central Bank conference in February 2013 Professor Patrick Honohan referred to how to fix distressed property markets. He stated:

In particular negative equity is not in itself a rationale for debt relief.

On the other hand that, while repossession may be inevitable for many investment properties (BTLs), it should be avoidable for the majority of owner-occupier cases where the distressed over-indebted borrowers – often suffering from unemployment – are doing their best; a debt modification that enables them to stay in their home will often be the

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best solution all around. Repossessions of course have huge consequences for the affected family, and besides, there are typically financial costs that erode the amount than can be recovered by the lender. Still, at the end of the day, most would agree that there must be consequences for an unco-operative borrower refusing to make a reasonable effort.

No one could disagree with that. The difficulty is that those who will define what is a reasonable effort will be the banks, unless the Minister goes down to the court and stuffs more money into some barrister's pocket. That is the clear difficulty with this legislation. We are not discussing normal times. We are discussing more than 100,000 people whose mortgages are 90 days or more in arrears. It does not appear that it will be getting better any time soon. There is a slow-down and a stabilisation. The great difficulty for the banks is that during the past five year property prices have tumbled and there has been no uplift in the property market. The big holes in the balance sheets of the banks remain. My concern is that if they start this process they will begin cherry-picking the mortgages that have most collateral. The last thing the banks want is to flog properties of poor value on the market because that could further erode their balance sheets. That is of great concern.

Despite all the glibness that overcomes this place from time to time this is one substantial issue that could be addressed by having independent oversight. We can debate who should oversee it but MABS should have a clear and defined role in the legislation when it comes to dealing with impaired mortgages.

Let us consider the banking inquiry. As the Minister is well aware, last year the Government put a proposal before the people and they rejected it. They could not trust the Government with it and therefore the Minister, Deputy Shatter, should not blame me for everything. The point is they could not trust the Government. The Government was unable to competently convince the people that it was capable of setting up a banking inquiry that would be fair, rational and reasonable. The Government could not do that much and, therefore, the Minister should not talk to me about incompetence in this place. The key issue is to address the need for a banking inquiry and get to the truth of it.

The point I was trying to make before the Minister became partisan again was that we must address the issues prior to the bank guarantee. The bank guarantee was a consequence of reckless lending. It was not the result of reckless lending by the Government. It was because of lack of oversight and regulation. At the time the Minister's party supported it in the House and supported the position of having independent regulation that would allow the financial system to flourish and expand. I do not believe there was any opposition from the Minister's party when proposals on regulation and oversight of financial institutions in the country were put to the floor of the Dáil. At the time there was good, reasoned debate about why it was good to lighten the regulation, allow the banks to flourish, allow the International Financial Services Centre in Dublin to flourish and make Ireland a financial services hub. That was the theory behind it.

What happened as an outflow was that the banks became very competitive. There was a flow of cheap money from Europe and of other banks coming from outside the jurisdiction offering cut-deal mortgages and other personal credit lines. All of this opened up the whole market to competition, but it was competition without any oversight. Banks were beginning to lend six, seven and eight times the principal sum of an earner for a mortgage and included room rent and social welfare payments as part of the principal earner's salary to get a mortgage over the line. Clearly, that was fundamentally flawed. As house prices went up we were caught on the other side. House prices kept escalating. Developers would see that a house that had been

worth €300,000 could be worth €400,000. They were willing to outbid each other for land banks throughout the country. They were funded by the same banks and the bust eventually happened. Then, the guarantee came as a consequence of that.

If the Minister wishes to get partisan he can blame me about the bank guarantee but he should not blame me for every particular aspect of what happened previously, because that was the philosophy of the day espoused by almost everyone except, as Deputy McGrath stated, those on the left who were opposed to it. Some of those on the left were opposed to it but many were happy with it. Social partnership bought into it and everyone else bought into it because it seemed to deliver good times. Obviously, those good times fell foul in recent years. All the indications were that there would be a soft landing, that the economy would level off and that we would be back to sustainable growth of 2.5% or 3%. None of that happened but that does not make it any easier for the people who are facing nightmares night after night and worrying about whether the bank will knock on their door and ask for a serious discussion on their situation.

I have no difficulty with banks bringing people in to have a genuine debate, sitting down to highlight the difficulties they are in and saying that they need action on given scenarios. However, since the banks hold the whip hand they will use it excessively because they are desperate to fight for their survival. The only guiding principle in the banks at present is to try to repair their impaired balance sheets. The big hole that remains is the mortgage area. I believe the Government should act on the proposal put forward by my party and many on this side of the House. We can have a debate on history some other time but we are discussing people's lives, homes, families and the societal carnage that exists at present and we are trying to come up with constructive proposals.

The Bill was to deal with the loophole as highlighted by the Dunne judgment. The consequences of the loophole and the Dunne judgment has led to a delay in addressing mortgage arrears. I believe that was the reason the banks did not deal in a meaningful way and engage with people for a protracted period. They were concerned that if they delved too deeply into their mortgage books they would expose a big hole. The Minister, Deputy Shatter, knows it exists, I know it and they know it. The difficulty is how to fill it if it is exposed in one fell swoop. There was a naive hope that some way down the road, house prices would stabilise, the hole would not be as big and we could start to fill it over a period with property inflation. That has not happened and it does not look as though it will happen for some time to come, regardless of the Government's promises to create 100,000 jobs and all the other nonsense we heard before the election. There is still unemployment of over 14%, a mass exodus of people from the country, an international recession and financial difficulties in Europe. The growth that was presumed has not happened. Regardless of who is right and who is wrong, these are the facts. The Department of Finance and the Central Bank have again revised their forecasts for growth downwards. No matter what we do in this country, we are dependent on growth in Europe and the broader international economy; we are a trading, open nation.

I do not blame the Minister for every aspect of the present difficulties, but his difficulties are minuscule compared to the 100,000 who have huge difficulties. That is why this debate should be treated with more courtesy and respect.

My concern is that banks will cherry-pick those houses where there is some equity or value, even though people are in massive mortgage arrears. There are properties whose values have halved and whose owners are in very difficult circumstances and are incapable of making any

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meaningful repayment. The banks could cherry-pick initially by targeting repossessions and that is another reason there should be independent oversight. It should not just deal with individuals; there should be independent oversight in dealing with trends the banks will follow with regard to repossessions. The Minister knows as well as I do that in every banking institution in the State, there are those who were previously flogging mortgages and selling credit cards, personal loans, holiday loans and car loans. They are all members of the nutting squad now, bringing people in to talk to the banks. The bottom line is that they want to get their pound of flesh now and there should be oversight in this area.

Fianna Fáil can be blamed for this, and I will accept that responsibility, but whether we like it or not, the banks were absolutely culpable in the reckless lending that went on for years. The Central Bank was culpable for years and the regulator was culpable for years. Some people highlighted the things banks were up to, such as multiplying the principal earner's salary by seven when calculating the size of a mortgage and adding a few bob for furniture. That was clearly unsustainable, regardless of how good times might be.

With the best will in the world, this is flawed legislation from start to finish. Whatever happens between now and the passing of the Bill, the Minister will have to at least listen to our suggestions. The Minister visited Meath East during the by-election and no doubt met some of the staggering number of people who are shattered and who do not see any light at the end of the tunnel. People in those circumstances have almost written off their own hopes and aspirations, but their main concern is no longer their own hope; it is hope for their children. That is a devastating way for people to live. That is why this Bill is fundamentally flawed. Those hopes and aspirations are now dependent on banks deciding what is a reasonable offer for a borrower.

**Acting Chairman (Deputy Catherine Byrne):** The Deputy has two minutes remaining.

**Deputy Billy Kelleher:** Apologies to the Chair, but I certainly do not apologise for what I said across the floor. The Minister can take a robust exchange and he is capable of having one himself.

If we are to have an independent inquiry into the banks, let us have it, and if the Minister wants to play a game with what happened on that fateful night in 2008, he can toddle over to the Department and look at the files. In the meantime, if we are to have a truly independent inquiry into banking, it should be from start to finish and not concentrate on one fateful night, because the guarantee was the result of what had happened during the previous five to six years. I found very few people in this House who said at any time before this that banks were lending too much and were being irresponsible as they shovelled out credit. Even the policies being pursued by the Minister when he was in opposition were inflationary. Fine Gael sought more tax designations and holiday home designations. The party called for the scrapping of stamp duty to get rid of the last brake the Government had on the property market so it could muster a few headlines in the *Sunday Independent* for taking a populist stance.

If we want an honest debate on the difficulties, we will have it, but in the meantime we must come up with solutions that address the problems faced by 100,000 people who lie in their beds at night wondering how they will ever get out of the difficulties they are in. I do not believe this legislation holds out any hope for them. It holds out a lot of hope for the banks when it comes to addressing the difficulties.

I welcome the personal insolvency schemes, but they do not take into consideration what

a family is expected to live on. All this does is tell people to live on less while the bank flogs them to make them pay back the full amount for five, six or seven years. Families will live in penury. That is no way to allow them to contribute to society.

**Minister for Justice and Equality (Deputy Alan Shatter):** I thank all the Deputies who contributed to this debate, including those with whom I have had robust exchanges. I thank Members of both Fine Gael and the Labour Party for their support and for raising issues about which we all have particular concerns. Those concerns are shared on all sides of the House. I also thank Opposition Deputies for the contributions they have made.

I want to reiterate a number of key points about the Bill before the House today. The Bill does not create any new right of repossession on the part of lenders. It restores a right which was specifically intended to continue to exist under reforming legislation enacted by a Fianna Fáil-led Government in the Oireachtas in 2009 in circumstances in which certain High Court judgments had raised doubts about the ability of lenders to exercise that right. There was never any suggestion in 2009 that anything was intended other than that the repossession laws would continue to exist. Doubt has arisen in the context of those laws as a result of a certain judgment of the High Court. As other Deputies have correctly pointed out, even for pre-2009 mortgages, lenders can take other approaches to recover money due to them. Section 1 of the Bill restores the necessary certainty to continue a legal provision that has been part of our law for centuries.

It was Deputy Kelleher's party that entered the original arrangement with the troika and I presume Fianna Fáil, if it was still in government, would keep its commitments. While there is a troika commitment to introduce this legislation, it is necessary anyway. We cannot sustain an ongoing lack of certainty with regard to the legal position on mortgages. We cannot sustain a situation in which, on the one hand, banks are expected to lend money by way of mortgages and, on the other hand, there is lack of certainty about the exercise of their legal rights when it comes to major default by a borrower. It is simply an unsustainable legal position to maintain.

I have stated on a number of occasions that repossession of family homes is intended to be a last resort after all other avenues have been tried and tested. Even where the point of a court action for repossession of a person's home is reached, the Bill makes specific provision for a late intervention safeguard for borrowers by allowing for an adjournment for the parties to investigate the alternative of a personal insolvency arrangement, PIA. That is a facility that was not available under the 2009 Act because our predecessors in government neither enacted any new personal insolvency legislation nor put in place the alternative debt resolution mechanisms, which now exist and which, right at the end of his contribution, Deputy Kelleher kindly acknowledged. Listening to some of the contributions made in this House, one would think either that the personal insolvency legislation had never been enacted or that major flaws had appeared in it since it came into operation. The agency is established, the website is functioning, people are making inquiries and the legislation should be operative and available to assist people within a couple of months or so. We will judge how successful it is when it is operating and, as I stated, if it turns out there are any flaws in the legislation, we will address them with any further legislation that may be required.

The Bill is not an isolated measure. We have in place the personal insolvency legislation designed to provide protections for people, but the Bill also exists within the context of a range of interventions which the Government has made specifically to assist with the debt and mortgage arrears crisis which we face. In addition to the personal insolvency legislation, we have in place the statutory Central Bank code of conduct on mortgage arrears, CCMA, and within the

code, the mortgage arrears resolution process, MARP. Further, the recent Government statement on resolving the mortgage arrears crisis outlines a range of actions that have been taken, or will be taken, including the setting of time-bound targets prescribed for the banks to make arrangements with mortgagors in default.

This Bill will not open the floodgates for repossessions as some have alleged. It will reinstate the legal right of lenders in pre-2009 mortgages to go to a court as a last resort to repossess mortgaged properties where there has been a major default by a borrower. It is worth noting that the decision in the Start Mortgages case has been appealed to the Supreme Court. If we did not enact this legislation, it may well be that the appeal, if it comes up for hearing, would result in the Supreme Court taking a different view of the law to the High Court. We do not know that but it is right that we set out the position clearly in statute. As I have repeatedly said, it was never the intention, under the 2009 legislation enacted at a time when Fianna Fáil led the previous Government, that this right would have been compromised by the legislation, but arising from the manner in which provisions in the Interpretation Act 2005 have been interpreted in certain court cases, this has happened. The range of other possibilities which we have introduced for resolution of mortgage arrears and debt problems, including measures under the mortgage arrears resolution process and the statutory code of conduct on mortgage arrears, the targets set for the banks to make sustainable arrangements with mortgagors in default and the new personal insolvency legislation, all provide extensive supports for borrowers well upstream of any move for repossession, contrary to the perception of Deputy Ross, as he engaged in his usual single transferable speech and rhetoric. Repossessions will not be the first option available to banks where borrowers are in mortgage difficulties. Where an action for repossession arises, the Bill makes provision for an adjournment to ensure the alternative possibility of a personal insolvency arrangement with the intention of allowing the borrower to keep his or her home and to investigate the background.

I am conscious that I have only five minutes and I apologise to some Deputies if I do not get to reach all of the issues they have raised. We will come back to them on Committee Stage.

Deputy Donnelly, along with a number of other Deputies, raised the issue of the conduct of the banks in efforts to seek a resolution of borrowers' problems. In particular, criticism was made to the effect that the Bill does not require a court, in considering an application for an adjournment, to take into account the bank's behaviour. This was repeated by a number of Deputies. I would direct the Deputies' attention to section 2(3)(d) which allows the court to take into account the conduct of both of the parties to the mortgage in seeking to resolve issues concerning arrears on the mortgage. I would also point to direct evidence that the courts are, in fact, taking banks' behaviour into account, as witnessed in the recent case of

*Irish Life and Permanent plc v. Duff & Anor* where Mr. Justice Hogan refused to order repossession, part of the reason being the fact that the bank had not complied with the provisions of the Central Bank code of conduct on mortgage arrears. Having said that, I will consider, in the context of Committee Stage, whether there is more we should do in this area and, indeed, take account of the views expressed by the free legal advice centres.

It is worth pointing out to those Deputies who question the adjournment period of two months that this adjournment period is provided to allow consideration of a personal insolvency arrangement. However, section 2(4) provides that the court may grant a further adjournment if, by the end of that period, it sees real evidence of progress towards a personal insolvency arrangement.

I should add that the purpose of the 60-day time period is to enable a debtor to engage a personal insolvency practitioner with a view to applying for a personal insolvency arrangement and, within the PIA process, to apply for a protective certificate under the Personal Insolvency Act 2012. The effect of the protective certificate, which will operate for a period of 70 days from the date of issue, is to prevent creditors covered by the certificate from initiating proceedings or continuing with proceedings, even where such proceedings were initiated before the application for the protective certificate, and in such circumstances a further adjournment would not be required.

Deputy Mac Lochlainn and others indicated their belief that banks will choose which properties to repossess on the basis of the amount of equity in the property. That is a possibility, but I sincerely hope that this will not be the case, and the Government will be monitoring the behaviour of the financial institutions on this and other issues to ensure this type of unintended outcome does not arise. Financial institutions are being encouraged to facilitate people by debt settlement arrangements even prior to them having to invoke the provisions in the personal insolvency legislation. I want to make that absolutely clear. As I stated on many occasions, debt settlement arrangements include, in appropriate cases, where persons are weighed down by unsustainable debt, the writing off of a portion of the outstanding capital due in order that they can recalibrate their financial circumstances and return to sustainability.

A number of Deputies raised the issue reported in the *Independent* newspapers recently about the possible closure of money advice and budgeting service, MABS, offices. As Deputies will be aware, MABS is a free, confidential, independent and non-judgmental service for those in, or in danger of getting into, debt in Ireland and it has more than 60 offices nationwide. Some Deputies did not seem to be aware that MABS will play a central role in assisting borrowers in the area of debt relief notices under the insolvency legislation. The Citizens Information Board, which comes under the aegis of the Department of Social Protection, has statutory responsibility for the service and provides funding for and supports the 53 individual companies which make up the service. As with any such arrangement, a service level agreement is made between the funding body and the companies. My understanding is that a new service level agreement is being discussed. It would not be appropriate for me to comment further on such discussion other than to express my wish that this valuable service should continue in the future. It is an essential part of the architecture to ensure the workings of the Personal Insolvency Act.

I was a little taken aback by the manner in which Deputies Niall Collins and Kelleher sought in their contributions to try in vain to present their party as the party of the common man. Listening to their contributions, one would think Fianna Fáil had been in Opposition since the founding of the State and that it had no hand or part in the economic crisis that has befallen the country, in the explosion of the property bubble or in encouraging individuals to borrow recklessly. All of their protestations about lack of fairness and tilting the balance in favour of the banks conveniently ignore the fact that the Government, as I outlined, has put in place a number of key measures to support ordinary borrowers in financial distress, measures our predecessors in government failed to put in place.

I note Deputies Niall Collins and Kelleher stated that their party will be tabling meaningful amendments to the Bill, and I hope they will be more meaningful and more relevant than much of what they had to say about the Bill so far. Having said that, I have a simple view. If there are constructive amendments that Deputies wish to propose, I for one will be happy to give consider to them.

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I am conscious that we are reaching 1.30 p.m. If I can make one more point, I will conclude. Deputy Boyd Barrett made a very interesting speech and there is a strange similarity between what he had to say and what Deputy Ross, despite being the former business editor of the *Sunday Independent*, had to say. Their mutual view seems to be that the banks should lend money but never have a right to recover it. Deputy Boyd Barrett seems to believe that banks should never have the right to repossess homes from ordinary people. If that were the case, the ordinary people would not be in a position to obtain mortgages. Clearly someone seeking a mortgage needs security, which must be meaningful. I am afraid the approach taken by both Deputies is completely unrealistic and politically opportunist.

I thank all those who have spoken and apologise to those who made some very important points for not having the opportunity to respond to them. I hope the House will support the Second Reading of the Bill.

Question put:

The Dáil divided: Tá, 75; Níl, 44.	
Tá	Níl
Bruton, Richard.	Boyd Barrett, Richard.
Burton, Joan.	Broughan, Thomas P.
Butler, Ray.	Browne, John.
Buttimer, Jerry.	Collins, Joan.
Byrne, Catherine.	Collins, Niall.
Byrne, Eric.	Cowen, Barry.
Cannon, Ciarán.	Crowe, Seán.
Carey, Joe.	Daly, Clare.
Coffey, Paudie.	Doherty, Pearse.
Conaghan, Michael.	Donnelly, Stephen S.
Conlan, Seán.	Dooley, Timmy.
Connaughton, Paul J.	Ellis, Dessie.
Conway, Ciara.	Ferris, Martin.
Corcoran Kennedy Marcella.	Flanagan, Luke 'Ming'.
Creed, Michael.	Fleming, Tom.
Daly, Jim.	Halligan, John.
Deasy, John.	Healy, Seamus.
Deenihan, Jimmy.	Healy-Rae, Michael.
Deering, Pat.	Higgins, Joe.
Dowds, Robert.	Kelleher, Billy.
Durkan, Bernard J.	Lowry, Michael.
English, Damien.	Mac Lochlainn, Pádraig.
Farrell, Alan.	McConalogue, Charlie.
Feighan, Frank.	McDonald, Mary Lou.
Fitzpatrick, Peter.	McGrath, Finian.
Flanagan, Charles.	McGrath, Mattie.
Flanagan, Terence.	McLellan, Sandra.

*Dáil Éireann*

Gilmore, Eamon.	Martin, Micheál.
Griffin, Brendan.	Murphy, Catherine.
Hannigan, Dominic.	Naughten, Denis.
Harrington, Noel.	Nulty, Patrick.
Heydon, Martin.	Ó Caoláin, Caoimhghín.
Hogan, Phil.	Ó Cuív, Éamon.
Howlin, Brendan.	Ó Fearghaíl, Seán.
Humphreys, Heather.	Ó Snodaigh, Aengus.
Humphreys, Kevin.	O'Brien, Jonathan.
Keating, Derek.	O'Dea, Willie.
Kehoe, Paul.	Pringle, Thomas.
Kelly, Alan.	Ross, Shane.
Kenny, Seán.	Shortall, Róisín.
Kyne, Seán.	Smith, Brendan.
Lawlor, Anthony.	Tóibín, Peadar.
Lynch, Ciarán.	Troy, Robert.
McCarthy, Michael.	Wallace, Mick.
McEntee, Helen.	
McFadden, Nicky.	
McGinley, Dinny.	
McLoughlin, Tony.	
McNamara, Michael.	
Maloney, Eamonn.	
Mathews, Peter.	
Mitchell, Olivia.	
Mitchell O'Connor, Mary.	
Mulherin, Michelle.	
Murphy, Dara.	
Murphy, Eoghan.	
Nash, Gerald.	
Neville, Dan.	
Nolan, Derek.	
Ó Ríordáin, Aodhán.	
O'Mahony, John.	
O'Reilly, Joe.	
O'Sullivan, Jan.	
Phelan, Ann.	
Phelan, John Paul.	
Rabbitte, Pat.	
Ring, Michael.	
Ryan, Brendan.	
Shatter, Alan.	

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Stagg, Emmet.	
Stanton, David.	
Tuffy, Joanna.	
Twomey, Liam.	
Wall, Jack.	
Walsh, Brian.	

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

Question declared carried.

### **Land and Conveyancing Law Reform Bill 2013: Referral to Select Committee**

**Minister for Justice and Equality (Deputy Alan Shatter):** I move:

That the Bill be referred to the Select Committee on Justice, Defence and Equality pursuant to Standing Order 82A(3)(a).

Question put and agreed to.

### **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 John Deasy - the restructuring and abolition of local authorities and the future calculation of commercial rate levels; (2) Deputy Michael McNamara - regulation of small food businesses, which is a barrier to growth and employment; (3) Deputy Tom Fleming - the need for the Central Bank of Ireland to engage MABS to act as an intermediary with 750 mortgage bank clients rather than a UK company; (4) Deputy Charles Flanagan - Garda Síochána covert human intelligence sources and the consequences for the Criminal Justice system as a result of last week's special report of the Garda Síochána Ombudsman Commission; (5) Deputy Pádraig Mac Lochlainn - the recent report of the Garda Síochána Ombudsman Commission; (6) Deputy Patrick Nulty - the implications here of the European Court of Justice ruling with respect to the pension scheme of former Waterford Crystal workers; (7) Deputy Luke 'Ming' Flanagan - the need to ensure that the contracts of 17 teachers in Libya are honoured and whether the Irish leaving certificate in Malta will be going ahead; (8) Deputy Brendan Griffin - the need for more beds to be opened at West Kerry Community Hospital; (9) Deputy Derek Keating - the need to

provide extensions to St. Thomas' junior national school, Esker and Scoil Áine Naofa senior national school, Esker, Lucan, County Dublin; (10) Deputy Richard Boyd Barrett - the European Court of Justice ruling on pension protection for Waterford Crystal workers; (11) Deputy Gerald Nash - the proposed pilot scheme for dealing with distressed mortgages announced by the Central Bank of Ireland; (12) Deputy Timmy Dooley - the need to amend the legislation governing the appointment of senior management in the Houses of the Oireachtas; (13) Deputy Niall Collins - the steps being taken to address the ongoing issue between the Garda Síochána Ombudsman Commission and the Garda Commissioner; (14) Deputy Billy Kelleher - the establishment of new hospital groups; (15) Deputy Mattie McGrath - the ongoing delays with FÁS in finalising the Tipperary hostel project and the need to have this matter finalised without any further delay; (16) Deputy Willie O'Dea - the need to address the fact that Limerick city and county do not have any mainstream schools with autistic spectrum disorder units attached to educate autistic children; (17) Deputy Robert Troy - the proposals for a second preschool year and its sources of funding; (18) Deputy Dan Neville - the appointment of 477 mental health and suicide prevention staff provided for by the allocation of €35 million in 2013; (19) Deputy Eamonn Maloney - the new hospital group plan; (20) Deputy Clare Daly - the report into the cancellation of fixed-penalty notices; (21) Deputy Mick Wallace - the publication of the report on penalty points cancellations by members of An Garda Síochána; and (22) Deputy Martin Ferris - the impact the ongoing inclement weather is having on the farming community here.

The matters raised by Deputies John Deasy, Michael McNamara, Timmy Dooley and Mattie McGrath have been selected for discussion.

*Sitting suspended at 1.45 p.m. and resumed at 2.30 p.m.*

### **Message from Select Committee**

**Acting Chairman (Deputy Ann Phelan):** The Select Committee on Justice, Defence and Equality has completed its consideration of the Criminal Justice (Money Laundering and Terrorist Financing) (Amendment) Bill 2013 and has made amendments thereto.

### **Ceisteanna - Questions**

#### **Priority Questions**

#### **Public Transport Provision**

1. **Deputy Timmy Dooley** asked the Minister for Transport, Tourism and Sport the actions he has planned to ensure that Bus Éireann, Iarnród Éireann and Bus Átha Cliath have a viable

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future; and if he will make a statement on the matter. [23304/13]

2. **Deputy Dessie Ellis** asked the Minister for Transport, Tourism and Sport the efforts he is making to work with CIE and its subsidiaries to develop a plan to ensure adequate funding for public transport services into the long term avoiding further run down of service and protecting the pay and conditions of ordinary workers. [23296/13]

**Minister for Transport, Tourism and Sport (Deputy Leo Varadkar):** I propose to take Questions Nos. 1 and 2 together.

These questions are about the viability of the CIE group. In the three years from 2009 to 2011, CIE as a group suffered a total loss of €137 million after exceptional items. Clearly, this level of loss cannot be sustained and must be addressed. While progress has been made over recent years in reducing costs and headcount, these reductions have not been sufficient to eliminate the deficits in the operating companies.

While additional funding of €36 million was provided by the Government to CIE last year to ensure companies could continue to operate public service obligation, PSO, services for the rest of 2012, the funds are not available to do so again. Instead, the board of CIE is pursuing a range of measures such as the sale of non-core assets and reductions in cost base, including payroll reductions. At the end of 2012, a significant voluntary severance programme was implemented in Irish Rail and the group generated cash of €20 million by selling its interest in the ground lease in Spencer Dock. CIE will also benefit from the introduction of a fuel rebate in July and, in addition, the group has benefitted from fare increases approved by the NTA. The group is also in negotiation with its banks on refinancing and I understand these discussions are progressing well.

Any refinancing will rely upon the delivery and implementation of a credible business plan. CIE has undertaken a rigorous business planning process with the aim of returning to a break-even position and achieving a sustainable debt. The implementation of a credible business plan will be essential to CIE's financial recovery in the period ahead.

In addition to PSO subvention, the Exchequer also makes a very substantial contribution to the companies' capital costs. Despite the constraints on the Exchequer, capital funding of more than €440 million has been provided to all three companies in the past two years and continued investment in the region of €170 million has been allocated for 2013. The objective of this investment is to get a better return from the existing public transport network through targeted improvements, better use of existing resources and the use of modern technology to make public transport more responsive and user-friendly.

I am conscious that I am addressing these questions at a time when Bus Éireann is engaged in critical negotiations with its staff. Management and staff in all of the CIE companies must continue to focus on cutting costs, which can help to address the serious financial position in which the CIE group finds itself.

In contrast to some of the rhetoric we have heard in recent days, it is important to remember that neither party opposite in its pre-budget submission proposed any changes to the level of subvention for public transport. Fianna Fáil's pre-budget submission went further and proposed to reduce funding for the free travel programme by 5% in 2013. If this proposal had been implemented, it would have resulted in a further reduction in funding to CIE of more than €3 million and in particular would have cost Bus Éireann approximately €1.6 million. Given the

party's desire to represent constructive opposition, Deputy Dooley may wish to enlighten the House as to how he expected the CIE group, and Bus Éireann in particular, to bear the additional cost reduction he proposed.

**Deputy Timmy Dooley:** I thank the Minister for his clarification and outline. The Minister was given an opportunity, through the questions posed by Deputy Ellis and me, to enlighten us as to what efforts he is making to examine the provision of an adequate and appropriate public transport service, but he has failed to do so. We are well aware of Fine Gael's position on this matter. In the past the Minister has expressed a desire to see a greater level of involvement from the private sector and perhaps he has a view on privatising the service. Under questioning from me in the past he indicated that while this may have been the Fine Gael position, he accepted the fact that he was in government with the Labour Party. I am delighted his colleague from that party is also present. Perhaps he will be able to enlighten us further as to the Labour Party's stance on the maintenance of an adequate and appropriate interconnected transport service.

**Acting Chairman (Deputy Ann Phelan):** I thank the Deputy.

**Deputy Timmy Dooley:** May I conclude?

**Acting Chairman (Deputy Ann Phelan):** You are over time.

**Deputy Timmy Dooley:** Will the Government put in place a strategic review of the entire transport network to ensure all regions of the State are adequately connected by way of a public transport service? The Minister is aware that private operators provide a level of inter-city service, but county towns are an integral part of our country and their bus services need to be maintained.

For clarification, how are we on time?

**Acting Chairman (Deputy Ann Phelan):** You are well over time.

**Deputy Timmy Dooley:** I thought because questions were being shared-----

**Acting Chairman (Deputy Ann Phelan):** You have one minute.

**Deputy Timmy Dooley:** Does the Government intend to conduct a strategic review of the transport network to ensure the appropriate level of subvention is provided to maintain a properly connected integrated transport service? I will deal with the political issues at another time when the Minister has time, and I will outline Fianna Fáil's position. The Minister must that accept when the fundamental facts change, as they have with regard to the reduction in the level of fare intake, the matter must be reviewed, and we will happily do so as part of the-----

**Acting Chairman (Deputy Ann Phelan):** The Deputy will have another chance to speak.

**Deputy Leo Varadkar:** Lest there be any confusion, it is not Government policy to privatise any of the CIE companies; nor was it proposed to do so by my party in opposition. The issue of allowing more private licences for bus operators is a different one, but is not pertinent at present. It is something to be considered in due course.

I have no difficulty with doing a strategic review, but Deputy Dooley knows as well as I do that such things take many years. What we need to do now is to deal with the public transport system as we find it. We are engaging in reform of rural transport, led by the Minister of State,

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Deputy Kelly; reform of the taxi sector; capital investment in projects such as the Luas link-up; and investment in integrated ticketing and real time passenger information to improve the quality of public transport.

It is not all about subvention and it is important that people know the facts. Last year Bus Éireann's subvention was €36.882 million. In 2007, at the peak of the boom, when Deputy Dooley's party was in power, the subvention was €36.595 million. The subvention for Bus Éireann last year was higher than it was in 2007 when the economy was at its peak. We must bear in mind that since then the Government has been put under major pressure to reduce spending, and this must happen. There must be a mix of measures, including more efficient services, lower costs and, unfortunately, higher fares and a lower subvention.

**Acting Chairman (Deputy Ann Phelan):** For clarification, only one minute is allowed for supplementary questions.

**Deputy Dessie Ellis:** I thank the Minister for his response. It is important to point out that the cut to the subsidy last year was approximately €5 million. The cost-cutting measures being sought in the company at present are to the value of approximately €5 million. Our subvention is one of the lowest in Europe and I do not understand what the Department has done in the negotiations with Dublin Bus. Has the Minister been involved? Has he made a proper analysis of the cuts and the effects they will have on services? We have already seen some of those effects. In addition, Bus Éireann ticket prices have risen, which is defeating the purpose. The idea is to try to get more people to use Bus Éireann and thus increase passenger numbers in that service. The Minister, however, is deterring people from doing so. Is that his policy? He is driving a privatisation agenda instead of working on behalf of a service that is there for people, young and old, including the disabled. Is it all about profit? We cannot work everything on the basis that it will, and must, be profitable. The State has to take a hit in some way.

**Deputy Leo Varadkar:** I remind the Deputy that while Sinn Féin's alternative budget did propose additional funding in a number of areas, it did not propose any additional funding for public transport. I can only conclude from that, therefore, that the Deputy supports the levels of subvention that the Government is currently giving to the CIE companies.

If a privatisation agenda is being pursued by this Government, we would not be trying to save these companies. There is no privatisation agenda here. We are trying to save these companies so that passengers can continue to rely on the services they provide and so people who work hard in those companies for modest wages can keep their jobs. We do not want these companies to fail. Even if one wanted the private sector to take over, it would not be possible; it does not have the capacity to do it. The Government's policy is to try to save these companies' services and jobs.

It is important to keep the subvention issue in context, so I will give two sets of figures. The subvention Bus Éireann will get this year is just over €34 million. It was €36.5 million in 2007 and €26.4 million in 2006 when the economy was roaring ahead. At the peak of the boom, the company was receiving a lower subvention than it does now.

The same applies to Dublin Bus. Its subvention last year was €74 million, but was only €69 million in 2006.

**Deputy Timmy Dooley:** The Minister is making a big play of the fact that the subvention was lower when times were better. He also said that other Opposition parties did not allow for

a greater level of subvention. When the fundamentals of the company's viability changed on the Minister's watch last year, he was required to reallocate €35 million from other areas of his Department. It is clear that, at the outset, the Minister did not know the group of companies was going to run into the difficulty it did at the end of 2012. Is the Minister suggesting that the Opposition should have a greater knowledge than he does? The facts changed during the course of last year with a reduction in usage and therefore a drop in fares' intake. Of course, the Minister had to look at what sort of service he wanted and he provided the appropriate funding at a later stage. I welcomed that at the time. However, I still believe that a strategic review is needed to decide what kind of national service he intends to have.

The Minister will also have to review the licensing issue. If he brings in more private services, they will have a greater impact on the ability of Bus Éireann to survive.

**Deputy Dessie Ellis:** There are alternatives. There are people on higher pay in Bus Éireann and other companies, including the CEOs who are paid an awful amount. Something like €4 million extra is paid in fuel for Bus Éireann so what about the fuel rebate? We could look at those areas.

The chairman of Bus Éireann is sitting in Abu Dhabi and appears to be more dedicated to Etihad than to Bus Éireann. Does the Minister have an opinion on whether the chairman should be here in the middle of a crisis? Is he involved in the chairmanship of other boards? This is a farce. Some chairpersons are appointed to five or six different boards and are getting €15,000, €20,000 or €25,000. Was the Minister involved in this man's appointment? Does the Minister have an opinion as to why he has not taken the time to come here and deal with a very serious issue?

**Deputy Leo Varadkar:** I really do not buy Deputy Dooley's point. His proposal to cut the free travel scheme and take another €3 million off CIE and over €1 million off Bus Éireann was made in December 2012, which was after the announcement that CIE was in serious financial trouble and required a bailout of €36 million. Therefore, even after the Deputy knew all that, and it had been in the newspapers - I know he reads the papers - he still proposed a further cut of €3 million in CIE and €1.5 million in Bus Éireann.

As regards Deputy Ellis's point, the fuel rebate is being reinstated in July, but it will only make a small difference. It will not make the big difference that people think it will.

**Deputy Dessie Ellis:** Pencil it in.

**Deputy Leo Varadkar:** We have to bear in mind that the money for a subvention comes from people's taxes. Taxes have gone up dramatically and people really cannot afford many more tax hikes. That is the truth of it. If the Deputy wants the subvention to go back up to record levels - even higher than in the boom - then one needs to have record taxes. People cannot afford very many more tax hikes, or fare hikes, imposed on them. That is what is happening. Taxpayers are paying higher taxes and passengers are paying higher fares. Cost savings are needed to mitigate that.

**Deputy Dessie Ellis:** Will the Minister answer the question about the Bus Éireann chairman not being present in all of this?

**Deputy Leo Varadkar:** I would be happy to.

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**Acting Chairman (Deputy Ann Phelan):** We have to move on to the next question.

**Deputy Dessie Ellis:** Can I get the Minister's answer on that point? I would like to know why the chairman has not come back in the middle of a crisis where people will lose €4,000 or €5,000 from their wages. That is what is being imposed on ordinary workers. As a matter of courtesy, we need to find out about the chairman.

**Acting Chairman (Deputy Ann Phelan):** Thank you, Deputy. We are now moving on to Question No. 4 because Deputy Donnelly, who has proposed Question No. 3, is not here.

**Deputy Dessie Ellis:** For God's sake.

### Transport Costs

4. **Deputy Timmy Dooley** asked the Minister for Transport, Tourism and Sport the measures he can take to reduce costs for all modes of transport thereby improving Ireland's cost competitiveness; and if he will make a statement on the matter. [23305/13]

**Deputy Leo Varadkar:** The Forfás Cost of doing Business in Ireland 2012 report identifies the key components in transport competitiveness as fuel costs, distance from markets, competition and efficiency in the provision of transport services. My Department has no direct control over many of these issues but keeps under close review costs arising from the services provided through our agencies.

Over 90% of Ireland's trade moves by sea. All shipping companies servicing routes to and from Ireland are independent commercial companies that are market driven. The costs facing the shipping industry today are due in no small part to external global factors such as fuel costs and currency fluctuations. It is vital that their operations are supported by an appropriately planned efficient national port infrastructure. To this end, I recently launched the new National Ports Policy which sets the necessary policy framework to achieve this aim and provide for the sector's continued commercial development.

Furthermore, the Competition Authority is currently carrying out a review of the sector. Once this review has been completed and published, my Department is committed to responding to any recommendations made to us within six months.

As regards the airline market, Forfás recommends that we maintain competition in the airline sector. We are fortunate to have several strong and profitable airlines in Ireland. The Government has made clear that it plans to sell its shareholding in Aer Lingus but only at the right time, for the right price and under the right conditions. The position in this respect remains unchanged and subject to ongoing consideration within Government.

Roads are a key component of the transport infrastructure. The report points out that the cost of the internal movement of export goods in Ireland is the cheapest in the euro area. However, we are not resting on our laurels. A fuel rebate scheme for licensed operators and bus operators is being introduced in the second half of 2013 by the Department of Finance. In addition, a new online licensing system is due to go live this summer which will cut costs for hauliers by streamlining the processing of road transport operator licences. This new licensing system is expected to realise a saving of about €32 million per annum to the industry in reduced administrative costs.

On the road system itself, in the current economic circumstances the capital allocations to the NRA have been reduced significantly. For the moment, the primary focus for direct Exchequer spending is the maintenance of the existing network and this will continue to be the case for some years. The Government's stimulus package of July 2012 does envisage €1.4 billion in private investment being directed to infrastructure projects, including roads identified by Forfás, as a way of stimulating economic growth and creating employment.

**Deputy Timmy Dooley:** My question is based on the Forfás report and the concerns raised therein. Much has been said about the capacity of our export sector to drive economic growth. We must be concerned when Forfás raises issues about competitiveness at the present time. The road haulage sector, in particular, argues that some issues of concern are still impacting on the sector's ability to provide a competitive service. While the introduction of the fuel rebate is welcome, there is the issue of the way in which road tax in this State is applied to haulage companies. They have a view, which has been presented to the Government, that road tax should be applied to usage rather than levied on an annual basis. The issue of cabotage, and the external competition that the road haulage industry faces from trucking companies based outside the State, makes it more difficult for them, requiring them to deal with what they consider to be over-zealous competition and requiring them to charge higher rates. Obviously anything that could be done in this regard would be helpful in terms of making our exports more competitive.

**Deputy Leo Varadkar:** Deputy Dooley raises two valid issues. Regarding motor tax on heavy goods vehicles, people who have trucks and lorries pay motor tax, and so they should. Heavy vehicles do much damage to roads, so it is appropriate that they contribute to the cost of them as everyone else does. The Irish Road Haulage Association has suggested we move to the model used in Britain, whereby one pays on a daily basis. The idea is that foreign licensed hauliers in Ireland would have to make a contribution to the cost of using our roads. There is an idea there that needs to be studied. There are issues with regard to tolls and administration costs. One interdepartmental group has already met to consider those proposals. If they add up they will be implemented, and if not they will not be. That will take some more work. The European law on cabotage needs to be changed. It means hauliers are carrying empty loads around Europe, which is inefficient, but we would need agreement on a European level to change those rules.

**Deputy Timmy Dooley:** I accept that the matter of taxation is under review, which will be helpful. On cabotage, I would have hoped that with Ireland's Presidency of the Council of the European Union, Deputy Varadkar would have made greater advances in that area. Trucks are traversing Europe without loads and that leads to inefficiencies in the service. There is a view among road haulage associations that the cabotage rules are not enforced to the same extent in this country as they are in other countries, thereby putting Irish road hauliers at a significant disadvantage. Anything the Minister can do in the remaining weeks of our Presidency would be helpful in moving that issue on.

### **Bus Éireann Services**

3. **Deputy Stephen S. Donnelly** asked the Minister for Transport, Tourism and Sport if he will provide an update on Bus Éireann's application to the National Transport Authority to reverse changes to the number two Wexford-Dublin route that serves Arklow, including the

details of the changes requested in the application; the initial rationale for these changes; the reason they are now being reversed; and if he will make a statement on the matter. [23297/13]

**Minister of State at the Department of Transport, Tourism and Sport (Deputy Alan Kelly) (Deputy Alan Kelly):** This question is about an Expressway commercial bus service. This is a commercial decision for Bus Éireann, as I am sure the Deputy is aware, and not one in which I have any role. However, I contacted the National Transport Authority for clarification, and the position is as follows. The NTA is responsible for securing the provision of public passenger transport services through public service contracts, where services cannot be provided on a commercial basis, and the licensing of public bus services, which are operated on a commercial basis. Bus Éireann's Expressway route 2 is licensed by the NTA and the company has been granted amendments to the licence for this route. There is nothing to prevent Bus Éireann or any other licensed operator from applying to the NTA to amend the times or routes of these licensed services. Such applications are considered in accordance with the arrangements set out in the NTA's guidelines for the licensing of public bus passenger services. There is no legislative framework for refusing an amendment where the NTA considers that there would be no impact either on any other commercial service or on any subsidised service by granting it. Accordingly, Bus Éireann's decision to amend the timetable and the points served on this route is entirely a commercial matter for the operator. I trust this clarifies the matter for the Deputy.

**Deputy Stephen S. Donnelly:** I thank the Minister for the update. I would not normally use a priority question for something like a single bus route. The reason I am bringing it up is that it is an issue for the Minister for Transport, Tourism and Sport, Deputy Varadkar, and for the Minister of State, Deputy Kelly. This is not just a question about a commercial route; it is issue of access to health care. The No. 2 bus goes to St. Vincent's University Hospital, which is the closest hospital for many people in the area for a wide range of health care issues. Last September, for commercial reasons, Bus Éireann decided to stop at St. Vincent's once a day, once going up and once going back. This caused a huge level of concern and panic in Arklow and on the route.

I have been engaged with the chief executive of Bus Éireann on this issue and he has gone as far as he can. Bus Éireann has responded to representations from me, other public representatives and the public, but he has gone as far as he can for the reason that has been given here - that this is a commercial route and is, therefore, nothing to do with the Minister and the Department. This is a case in which a subsidy is required. Many people are heavily dependent on this one bus route for job and health care reasons. I appreciate the Minister cannot give any commitment to subsidise the route now, but I ask that he acknowledge that this is not simply a commercial decision for Bus Éireann and that he undertake now to go back and look at whether there is a case - I strongly believe there is - for a subsidy.

**Deputy Alan Kelly:** I am glad to see Deputy Donnelly is interested in constituency issues. No doubt that is noted.

**Deputy Michael Ring:** We thought he was above that. He keeps telling us he is anyway.

**Deputy Timmy Dooley:** That mistake will never be made in Deputy Ring's case. There is no doubt about that.

**Deputy Michael Ring:** It is amazing how it brings Deputy Donnelly down to the standard.

**Deputy Alan Kelly:** Deputy Donnelly is beginning to follow Deputy Ring's way of doing

business. I did take the time to examine the changes that have taken place on this route. Decisions were made in early 2012 and some of them were amended on a number of occasions in May, August and September. Bus Éireann is even examining the introduction of new bus stops along the route and is engaging with local authorities on this. I know Deputy Donnelly is using it as an example of an issue. There is a distinction between commercial operation and PSO operation, and that is a pendulum that needs to be examined. In the overall scheme of things, the issue of PSO routes will have to be examined into the future and as part of that everything will be reassessed. Bus Éireann has made some changes on the route that deal positively with the issues the Deputy and many other public representatives had. It is monitoring it again. It has been pushed as far as it can be for the time being, but in the broader scheme of things it is a route that could be examined as part of a re-analysis of PSO routes.

**Deputy Stephen S. Donnelly:** I thank the Minister for his response. As I said, I would not normally bring this up on the floor of the Dáil, but it is a very serious issue. It is a serious health care issue for many people in Arklow and along the route. They are not asking for the introduction of new stops - just the re-opening of stops that were removed about halfway up the N11. I appreciate the Minister's recognition that this could be examined as part of a broad PSO review. I ask for a slightly stronger commitment: that the Minister ask his officials to examine this specific route as a matter of urgency. This is a major issue for the people of Arklow. There are many concerned citizens. This is their only way of getting to St. Vincent's University Hospital, so it is an urgent issue. I ask the Minister to have his officials look specifically at this case.

**Deputy Alan Kelly:** I have no problem engaging with the officials and asking them to re-examine it. That is not an issue. A number of stops have been put in recently and they are looking at rejigging the stops. They are engaging with the local authorities on that. Maybe I will forward the information to Deputy Donnelly; he might not have all that detail. This is one of many routes that can be examined. We might look at a pilot scheme on a number of these to produce a timeframe for examining the whole PSO side of things with Bus Éireann. We will not be engaging directly with Bus Éireann on this issue at the moment. As the Deputy knows, it is tied up with other business, but we will do it in the future.

**Deputy Stephen S. Donnelly:** By the end of the week will be grand.

**Deputy Alan Kelly:** I thank the Deputy for his confidence. I appreciate that.

**Deputy Stephen S. Donnelly:** No problem.

*3 o'clock*

### **Dublin Bus Services**

5. **Deputy Mick Wallace** asked the Minister for Transport, Tourism and Sport his views on whether Dublin Bus is adequately maintaining its fleet in order to cope with passenger demand; and if he will make a statement on the matter. [22956/13]

**(Deputy Alan Kelly):** This question is about the Dublin Bus fleet. Following the establishment of the National Transport Authority, NTA, in December 2009, the implementation and development of infrastructure projects in the greater Dublin area such as the replacement and

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refurbishment of PSO buses, comes under the remit of the NTA. I am not aware there is any problem regarding the capacity of Dublin Bus to cope with passenger demand, nor have the NTA advised me of any issue in this regard.

In keeping with priorities for transport infrastructure funding outlined in the capital framework to 2016, funding is provided via the NTA to Dublin Bus to facilitate a rolling programme of bus replacement and refurbishment in order to ensure the age profile of the PSO fleet is maintained at a safe and reliable level and to allow Dublin Bus to respond to passenger demand. This year the funding provided to the NTA will facilitate the purchase of 80 new buses by Dublin Bus, which are expected to be ready for delivery in the latter half of 2013. A similar number of new buses for PSO routes were funded in 2012 and I understand all of these have now entered into service.

**Deputy Mick Wallace:** I tabled a question relating to road safety, which obviously comes within the Department's remit, but it was disqualified. I sent a letter regarding the determination of penalty points to the Minister about a month ago and was disappointed that I did not receive a reply. I am concerned about the level of interest in the issue. We have not seen the report but I presume the Minister of State has seen it. I would like to ask him a few questions about it. Did he find the determination policy used by gardaí was within the limits set down by the relevant legislation? Does the report deal with the failure to offer protection to whistleblowers? Is the Minister of State concerned that whistleblowers were not interviewed even once by the people investigating the issue? In general, is the Minister of State happy with the report?

**Deputy Alan Kelly:** Fair play to Deputy Wallace but I cannot see how this relates in any way to the question. This is a matter-----

**Deputy Mick Wallace:** It relates to the question I submitted.

**Deputy Alan Kelly:** In fairness, that is not the question I received. This is a matter for the Minister for Justice and Equality. I have not read the report yet; it is being published at 3.30 p.m.

**Deputy Mick Wallace:** It concerns road safety.

**Deputy Alan Kelly:** I have not read the report on the penalty points issue. As I understand it, it is being published at 3.30 p.m. and the Minister will be dealing with it from there.

**Acting Chairman (Deputy Ann Phelan):** The Deputy has one minute, on the question posed.

**Deputy Mick Wallace:** Obviously I would not like to see the bus fleet in Dublin undermined in any manner but I am aware that the Minister, Deputy Varadkar, has read the report and I would like to know if he is happy with it. He is already on record today as commenting on the report.

**Acting Chairman (Deputy Ann Phelan):** The Minister of State to reply.

**Deputy Anthony Lawlor:** That was not the question asked.

**Deputy Clare Daly:** That was the question submitted. Is this a silencing policy, whereby Deputies submit questions only to-----

**Deputy Anthony Lawlor:** That was not the question asked.

**Deputy Clare Daly:** All of us submitted valid questions and they were all disqualified.

**Deputy Leo Varadkar:** I did not disallow the question.

**Deputy Mick Wallace:** The Minister, Deputy Varadkar, is usually pretty prompt within his remit.

**Deputy Clare Daly:** He has no problem talking to RTE but he cannot answer a question here.

**Deputy Alan Kelly:** I do not decide the questions or the order in which they are put.

**Deputy Mick Wallace:** I am not attacking the Minister of State.

**Deputy Alan Kelly:** Neither can I answer on another Minister's behalf.

**Deputy Clare Daly:** The Minister is present. He can answer for himself.

**Deputy Alan Kelly:** I have not read the report which is only being published at 3.30 p.m. today.

*(Interruptions).*

**Acting Chairman (Deputy Ann Phelan):** Thank you. We are out of time and are moving to the next question.

## **Other Questions**

### **Rail Services**

6. **Deputy Willie O'Dea** asked the Minister for Transport, Tourism and Sport the investment, if any, that is planned for Irish Rail over the coming year in view of the recent announcements from the National Roads Authority; and if he will make a statement on the matter. [22970/13]

**(Deputy Alan Kelly):** This question is about planned investment in Irish Rail in the light of recent announcements on roads investment. I assume the Deputy is referring to the recent signing of a public private partnership road contract. This is the first transport PPP since 2007 and provides a significant confidence boost and evidence of continuing recovery in the economy. In implementing the Government's medium-term capital framework, my Department and agencies will continue to explore and maximise the use of external funding sources where possible.

There is, however, currently no proposal for any PPP in the public transport area although the matter is being kept under review. Unfortunately, due to the economic difficulties, the PPP processes for the DART underground heavy rail project and the metro north light rail project

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had to be cancelled. Both projects, which are very expensive and required very significant Exchequer contributions, will be reviewed again in advance of the next capital programme.

With the reduced capital funding available to my Department the priority for public transport is to ensure that existing investment is protected and safety standards are maintained. Beyond this, all available funding will be targeted to support affordable, best value projects which complement and leverage existing infrastructure and contribute to economic recovery. This is why funding has been allocated for the Luas cross-city project which will allow the creation of a Luas network.

Iarnród Éireann is still receiving significant Exchequer support for investment in infrastructure in 2013. A total of €137 million is being provided this year, including approximately €90 million towards the railway safety programme. The remainder is being spent on projects which improve journey times and provide better facilities for passengers such as the upgrading or elimination of level-crossings, automation of ticketing systems and improved passenger information systems, upgrading the city centre signalling system, accessibility improvements at Charleville station and the opening of Oranmore and Hansfield stations.

**Deputy Timmy Dooley:** I thank the Minister of State. Given that he mentioned Oranmore he might update us on the proposals for Crusheen rail stop on the western rail corridor. The Minister of State will be aware the intended plan was for a network that would include metro north as part of our rail infrastructure. I understand it is not possible in the current economic crisis to raise the kind of funding needed to develop metro north. Has any effort been made to consider possible alternatives that would connect the city centre with Dublin Airport? There was a proposal dating back some time from Iarnród Éireann to extend a spur from the DART to Dublin Airport and it was relatively inexpensive by comparison to the metro north project. Perhaps the Minister of State could update us on that project.

**Deputy Alan Kelly:** Until the next capital programme is being considered we will not look at alternatives in regard to the DART or metro north. I am aware of the proposal for a spur to Dublin Airport to which the Deputy referred. The viability of that being included in the next capital programme is something we will have to consider closer to the date but I can confirm to the Deputy that we are not examining that proposal in any way at present because we simply do not have the funds.

I refer to Crusheen. Discussions are ongoing in respect of a number of related issues with which the Deputy will be familiar. I am hopeful for progress in that regard in the near future.

**Deputy Mick Wallace:** We have just seen the prioritisation of even further investment for roads, with rail being sidelined once again. The service has been downgraded and the ultimate viability of rail has been diminished, with negative prospects for existing jobs and long-term sustainable transport solutions. Did the cost-benefit analysis and the final political decision for the NRA project take account of the negative impact of the projects on corresponding rail services in terms of diminished competitiveness of rail journey times and, thereby, on the long-term viability of those rail services? How were the relative priorities for overall transport investment decided? Was comparative cost effectiveness analysis carried out when NRA expenditure was being decided? How much of the investment planned in Iarnród Éireann is for essential ongoing maintenance and how much for infrastructural upgrades or new developments that would lead to service improvements?

**Deputy Alan Kelly:** I understand that during the impact assessment period in respect of these projects impact assessment on other services is analysed. However, I would not like the Deputy to conclude that rail services are diminishing in regard to the type of service offered. To reiterate, we simply do not have the money for capital investment but a great deal of other work is taking place and we have put a lot of money into railway safety and related enhancements. Railway safety is possibly not fully descriptive of what really happens because a range of work is done under that heading.

We have improved speeds on a number of mainlines and one can, for example, travel from Dublin to Cork in a good time. The Dublin-Galway route has been considerably improved, as have other routes. Work has also been done to improve passenger experience, whether by offering Wi-Fi on trains-----

**Deputy Luke ‘Ming’ Flanagan:** It never works.

**Deputy Alan Kelly:** It has worked for me.

**Deputy Timmy Dooley:** The Minister of State was in a first class carriage.

**Deputy Alan Kelly:** I was never in one of those. He might tell me about them sometime. He might also tell me how often he takes the train.

**Deputy Timmy Dooley:** I will when the Minister of State brings it to Crusheen.

**Deputy Alan Kelly:** Onboard facilities have improved dramatically. It is all about improving the passenger experience to attract more people to the network.

**Deputy Mick Wallace:** It takes two hours and 40 minutes to get to Wexford.

### **State Airports**

7. **Deputy Pat Breen** asked the Minister for Transport, Tourism and Sport if he will report on the current status of legislation to merge Shannon Airport and Shannon Development; and if he will make a statement on the matter. [22864/13]

63. **Deputy Patrick O’Donovan** asked the Minister for Transport, Tourism and Sport the current status of legislation to merge Shannon Airport and Shannon Development; and if he will make a statement on the matter. [22863/13]

**Deputy Leo Varadkar:** I propose to take Questions Nos. 7 and 63 together. These relate to the merger of Shannon Airport and Shannon Development.

Work on the preparation of the heads of a Bill to provide for the merger of the Shannon Airport Authority, SAA, and a restructured Shannon Development is ongoing in my Department, in conjunction with the Department of Jobs, Enterprise and Innovation and with the assistance of the Attorney General’s office. It is unlikely that work on the new legislation will be sufficiently advanced to facilitate its enactment prior to the summer recess and I am now looking to the autumn session to introduce the Bill to the House. It remains the position, however, that when the heads are finalised and approved by Government, I will refer them to the Joint Committee on the Environment, Transport, Culture and the Gaeltacht for consideration prior to drafting.

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This has no material effect on the plans for the merger, preparations for which continue apace. The high level steering group of key Departments meets on a regular basis to oversee the implementation of the Government decisions in relation to Shannon Airport and Shannon Development. The Chairman of SAA and a representative of ICTU also serve on this group. Transition teams at senior management level are also *in situ* in both SAA and Shannon Development to identify and agree the necessary change processes and transitional measures to ensure the smooth implementation and management of the merger, while also ensuring that normal day-to-day business and operations carry on uninterrupted.

Staff transfers from Shannon Development to Fáilte Ireland, Enterprise Ireland and the IDA are scheduled to take place in June following conclusion of a facilitation process between management and union representatives in the company, along with relevant Departments, to address a number of staff issues, including the recent Labour Court recommendation on grading. The deadline for completion of that process is 23 May. In addition, the process to recruit a chief executive for the Shannon Airport Authority and the new Shannon entity is nearing completion and I expect an announcement will be made shortly.

**Deputy Joe Carey:** I welcome the progress made to date on creating new opportunities and businesses in Shannon through the merger of the airport with Shannon Development. The Minister indicated it is unlikely that legislation would be enacted prior to the summer recess but that progress continues apace. I welcome that the heads of the Bill will be presented to the Joint Committee on the Environment, Transport, Culture and the Gaeltacht. I ask the Minister to confirm whether the heads are ready and indicate when he will be in a position to present them to the committee. I also welcome that the process of recruiting a chief executive officer for the new Shannon entity is nearing completion. When will that key appointment be made?

**Deputy Leo Varadkar:** The heads of the Bill are not yet ready but I anticipate they will be ready to go to Cabinet and the committee before the summer recess, thus allowing drafting to be completed in time to publish the legislation by autumn and the Bill to be brought through the Houses during the autumn session. The appointment of CEO is being handled by the board and chairman of the Shannon Airport Authority and I am informed that an announcement in that will be made shortly.

**Deputy Clare Daly:** I am a former Aer Lingus worker and I am concerned about what goes on in Shannon but I am sure my colleagues in Shannon will agree with me that road safety and other issues take precedence at present. The Minister disallowed questions which we validly submitted on the investigation into the termination of fixed penalty points but he deigned to comment on the matter on the public airwaves.

**Deputy Eoghan Murphy:** That has nothing to do with Shannon Airport.

**Deputy Clare Daly:** I would like the Minister to comment on the matter in this House. We sent him a letter over one month ago to raise our concerns about it.

**Deputy Anthony Lawlor:** Deputy Daly does not give a hoot about Shannon workers.

**Deputy Clare Daly:** We have tabled questions on previous occasions but they have been disallowed. Is this what Fine Gael mean by transparency in Government?

**Deputy Leo Varadkar:** As an Aer Lingus worker with a full-time job as a politician, I hope Deputy Daly is not receiving remuneration from Aer Lingus, holding a post open or using the

car park or other privileges. One job is enough for anyone. The report will be published by the Minister for Justice and Equality at 3.30 p.m. I ask Deputies to withhold judgment until they have had a chance to read it.

**Deputy Clare Daly:** The Minister commented on it.

**Deputy Leo Varadkar:** I am happy to repeat what I said earlier today. The report gives me confidence that the penalty point system has integrity. It has been hugely successful in terms of freeing up Garda time and changing Garda behaviour. The report found that a small number of gardaí may not have used their discretionary powers appropriately but that is a matter for the Minister for Justice and Equality and the Garda Commissioner to discuss after the report is published this afternoon. It is not appropriate for me to speak about Garda matters.

**Deputy Luke 'Ming' Flanagan:** It is difficult to understand how the Minister can have confidence in an internal report when the whistleblowers who helped to bring the matter to light were never interviewed.

**Acting Chairman (Deputy Ann Phelan):** That is not relevant to the original question.

**Deputy Luke 'Ming' Flanagan:** Perhaps the Minister would like to order a serious and independent investigation.

**Acting Chairman (Deputy Ann Phelan):** The Deputy should ask relevant questions.

**Deputy Luke 'Ming' Flanagan:** We have concrete evidence of these practices from within the Houses of the Oireachtas. Unfortunately, I am guilty but I admitted that. Will people like Deputies Doyle and Troy now come forward?

**Acting Chairman (Deputy Ann Phelan):** The Deputy is out of order.

**Deputy Luke 'Ming' Flanagan:** Perhaps Senator Kelly might also come forward.

**Deputy Eoghan Murphy:** On a point of order, this has nothing to do with Shannon Airport. The Deputy is abusing privilege. This is unacceptable.

**Acting Chairman (Deputy Ann Phelan):** We are moving on. Please resume your seat.

**Deputy Anthony Lawlor:** He does not give a hoot about Shannon Airport.

**Deputy Leo Varadkar:** Shannon Airport is important and it is regrettable we have not had the opportunity to discuss it.

**Deputy Luke 'Ming' Flanagan:** He was not so reluctant this morning.

**Deputy Leo Varadkar:** The Deputies' questions concerned Garda matters, which are the responsibility of the Minister for Justice and Equality.

**Deputy Clare Daly:** They are matters of road safety.

**Deputy Leo Varadkar:** They are not for me to answer in the first instance.

**Deputy Mick Wallace:** Pontius Pilate comes to mind. He is washing his hands of road safety issues.

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**Deputy Leo Varadkar:** I did not disallow any questions. Neither I nor any other Minister has the power to disallow questions. They were disallowed by the Ceann Comhairle.

### **Industrial Disputes**

8. **Deputy Joan Collins** asked the Minister for Transport, Tourism and Sport if it is his intention to intervene in the developing dispute between Bus Éireann Staff and Management; and if he will make a statement on the matter. [22948/13]

18. **Deputy Bernard J. Durkan** asked the Minister for Transport, Tourism and Sport the extent to which he continues to monitor developments in the public transport sector with particular reference to the possibility of industrial action affecting bus services; if he and or his Department continue to have dialogue with key representatives on the issue; the extent, if any to which progress has been achieved with a view to averting industrial action and hardship and inconvenience for commuters; and if he will make a statement on the matter. [22952/13]

27. **Deputy Pat Breen** asked the Minister for Transport, Tourism and Sport if he will provide an update on the situation at Bus Éireann; and if he will make a statement on the matter. [22865/13]

87. **Deputy Anthony Lawlor** asked the Minister for Transport, Tourism and Sport if he will provide an update on the current situation in Bus Éireann; and if he will make a statement on the matter. [22768/13]

**(Deputy Alan Kelly):** I propose to take Question Nos. 8, 18, 27 and 87 together. These relate to the industrial relations dispute at Bus Éireann. Deputies will be aware that the company and trade unions are in talks at the Labour Relations Commission following from last February's Labour Court recommendation on addressing the company's difficult financial position. It has incurred accumulated losses of €27 million in the last five years, an unsustainable position which places the viability of the company at risk. The Labour Court recommendation on changes to terms and conditions would deliver annual savings of €4.8 million in a full year. In the absence of the necessary savings from changes to terms and conditions and ongoing intercity service changes, Bus Éireann faces annual losses of more than €11 million, which are simply not sustainable.

It is important to emphasise that the issues arising had been explored through the full industrial relations machinery of the State, culminating in a Labour Court recommendation which recognised that the savings had to be made in order to protect the continued employment of the staff. According to the Labour Court and the trades union's own independent financial assessors, Bus Éireann is in a precarious financial situation and the very viability of the company is under threat. Under the company's business recovery plan and the Labour Court recommendation, there would be no reductions to core pay or employment levels. I acknowledge that the position is extremely difficult for both sides and there is no easy solution to the problem. I am sure Deputies share my hope that the current negotiations at the Labour Relations Commission, which are likely to continue tonight, will result in an agreement that will deliver the level of savings that was identified as necessary by the Labour Court in its independent recommendation.

The future of Bus Éireann must be secured for the benefit of its employees and members of

the public who depend on its services. The company runs commercial Expressway services, which are currently loss-making and which the State is legally precluded from supporting. The viability of these services can only be secured if these savings are achieved. I extend my best wishes to those involved in the discussions at the Labour Relations Commission.

**Deputy Richard Boyd Barrett:** I hope the discussions will deliver a positive outcome for the workers at Bus Éireann, whom I commend on their determination and willingness to take industrial action to protect their pay and conditions. We are familiar with the line that core pay is not being touched. Allowances, overtime and other forms of remuneration for workers are under attack in the cost-cutting plan. The workers, who are not especially well paid, are right to fight and resist this attack on their pay and conditions because they are not responsible for the problems in Bus Éireann. Responsibility for the company's losses lies with management and the Government which substantially reduced the subvention to Bus Éireann. Ireland provides among the lowest levels of subvention in Europe to its public transport service. Bus Éireann should not be operated purely on the basis of profitability given that it provides a public transport service on routes and to areas where it is not possible to make a profit. I ask the Minister of State to ensure workers at the company do not become the fall guys for the lack of proper subsidy and subvention to our public transport service.

**Deputy Alan Kelly:** I thank the Deputy and I am sure his views are held sincerely. I, too, acknowledge the excellent workers in Bus Éireann. Friends of mine of many years work in the company and do a fantastic job. We want to ensure the 2,500 jobs in Bus Éireann are protected at this critical point. Staff costs at the company have increased in recent years.

Bus Éireann operates three different types of service. The school bus service is operated on a cost recovery basis. The public service obligation, PSO, services are subsidised by the State on the basis that they are badly needed in areas which would not otherwise have a service. As the Expressway services are subject to competition, the State is legally precluded from subsidising them and could not throw money at them, even if it had additional funding available.

I accept that management has a significant role to play in the ongoing discussions. I have deliberately chosen not to discuss the detail of the negotiations as it would not be fair or appropriate to do so. It is imperative that both sides pull together in the coming hours and days to ensure an agreement is reached to secure the 2,500 jobs in the company. This is of critical importance to the company's customers who benefit from the fantastic service provided by Bus Éireann.

**Deputy Dessie Ellis:** It has been reported that an attack on a Dublin Bus driver in Parnell Square yesterday was racist in nature. A number of attacks on ordinary bus drivers have been taken place, not all of them racist, and they must be condemned by all Members of the House. The bus drivers in Dublin Bus and Bus Éireann who must take such risks are having cuts in pay imposed on them. In the case of the latter, it is proposed to cut their core pay by between €3,000 and €4,000 per annum.

Has the chairman of Bus Éireann been summoned to Dublin? Has he been asked to explain his absence from his country? Has the board of the company met to discuss what is taking place? We have an absentee chairperson or technological manager who appears to work remotely from a computer. It is a disgrace that he has not had the courtesy to return to the country during a time of crisis in the national transport service.

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**Deputy Alan Kelly:** I share the Deputy's abhorrence at attacks on bus drivers. This is disgraceful behaviour and those who carry out such attacks should be brought to justice.

On the contributions that are being asked of staff, I have deliberately decided not to discuss the figures at this time. I did not have a problem discussing the issue previously and will do so again once the negotiations have concluded. However, as the Minister of State with responsibility for public transport, it would not be appropriate to discuss these figures while discussions are ongoing.

On the chairmanship of Bus Éireann, while the employment of the person in question has changed, he remains in constant contact and has attended numerous meetings. The role of chairman will be reviewed in due course, as necessary.

**Deputy Anthony Lawlor:** I acknowledge the work being done by the Labour Relations Commission in addressing the Bus Éireann issue and other issues.

During the strike by Bus Éireann drivers on Monday, I noted that a significant number of private operators took up the slack in my home town of Naas. Bus Éireann needs to be cognisant that a large number of private operators are willing to take up the slack if and when the company's workers do not operate routes. I hope the ongoing talks will be successful and the issue will be resolved quickly.

**Deputy Alan Kelly:** I welcome the Deputy's support for the process of negotiation under way in the Labour Relations Commission. I also acknowledge that the commission is engaged in separate discussions on a different matter. We should appreciate its willingness to deal with both issues at the same time.

I thank the private bus operators for the contribution they made during the strike. Bus Éireann services are up and running again and I hope full services will resume in the coming days. I also hope the negotiations under way at the Labour Relations Commission will reach a successful conclusion.

**Deputy Clare Daly:** Does the Minister of State accept that payroll costs at Bus Éireann have been slashed by €15 million since 2009? Does he agree that payments for overtime and driving throughout the night form part of the core wages Bus Éireann workers bring home to their families? I expect he will agree that they cannot afford to lose approximately €3,000 per annum under the deal that was placed before them. Does the Minister of State accept that an independent report commissioned by Deloitte on behalf of the Department indicates that Bus Éireann is an extremely efficient operation? Does he further agree that the root of this problem lies in the fact that an inadequate level of subvention is being provided? On Leaders' Questions yesterday, the Taoiseach provided a reply which his office subsequently corrected by e-mail. The Taoiseach originally stated that the Department gave Bus Éireann its highest ever subvention, but the e-mail I received in the interim indicates that this is not the case. Does the Minister of State agree that it is obscene that we are paying out millions in taxpayers' money to public private partnerships each year as a result of the fact that roads are not being used? This is at a time when, as he stated earlier, he is prevented from investing in buses that are being used? I have no difficulty with those who operate private buses as long as they pay union rates to employees and allow unions to be recognised.

**Deputy Alan Kelly:** Last year we paid Bus Éireann its fifth highest subvention ever. The Deputy raised the issue of staff. As stated previously, I have a number of friends who work for

Bus Éireann and I know the company quite well. Its average staff cost per employee in 2007 was €46,653. Instead of decreasing, this figure rose to €51,603 in 2012. I wish to place on record a few facts. I am very supportive of Bus Éireann which does a great deal of work throughout the country. Its impact across the network outside of the key conurbation of Dublin is huge. The role the company plays should never be underestimated. As stated on previous occasions, there are three different categories which apply here, namely, cost recovery in respect of school transport, the PSO requirement - as stated in reply to an earlier question, this will have to be reconsidered in the context of routes and areas - and the Expressway service. Given the competition which exists, there is no doubt the company has encountered some difficulties in respect of the Expressway service in the recent past. Bus Éireann has lost a considerable amount of money - €27 million - during the past five years. The projected loss for this year is €11 million.

I have spoken to many union representatives and they accept that this cannot continue because the position is not sustainable. I agree that changes will have to be made at management level and that savings are obviously going to be obtained from staff. There is going to have to be a combined effort and it will only be by means of this that we will be able to protect the company. As Minister of State with responsibility for public transport, my ultimate ambition is to protect Bus Éireann and the three core services it provides. I must also protect the public, particularly as the company provides such an extensive and badly needed service. A total of 2,500 people work for Bus Éireann, and their futures depend on the discussions which are taking place today. I sincerely hope the House will support the outcome of those discussions. The Labour Court, which made the original recommendations, is an independent body. The company sought a great deal more in savings, but the amount recommended by the Labour Court is €4.8 million. That is the quantum which will have to be achieved to ensure Bus Éireann will be able to survive and continue to operate with all of its 2,500 employees on board. We are working collectively to try to achieve that goal.

**Deputy Richard Boyd Barrett:** The workers are just as concerned as the Minister of State and everyone else about their jobs and the viability of the company. However, they are not in a position to take a hit of in the region of €3,000 each per year. The figure of €51,000 to which the Minister of State referred relates to all employee costs and contemplates the salaries of executives who are on much higher levels of pay. It is those executives who, along with the Government, are supposed to bear responsibility for any problems which arise within the company. Will the Minister of State acknowledge that there is a difficulty with regard to the low level of subvention relating to the company? As a proportion of its total revenue, Bus Éireann receives a subvention of 12%. In comparison, the bus company in Switzerland receives a subvention of 51%, that in the Netherlands receives 49% and that in Belgium receives 78%. I put it to the Minister of State that the pathetically low level of subvention being provided in respect of a company which provides a public service and which is not just a profit-oriented entity is obviously forcing attacks on the pay and conditions of ordinary workers. In addition, it is driving the public bus services in their entirety towards privatisation, which I suspect is the real agenda.

**Deputy Alan Kelly:** As Minister of State with responsibility for public transport, I assure the Deputy that under no circumstances is there a privatisation agenda. I do not know if he missed what I said earlier but last year Bus Éireann was provided with its fifth highest subvention ever. I have already outlined the position in respect of staff and I have no intention of discussing the quantum because to do so would be to cross the line regarding negotiations. The House will respect that, in view of my role, it would not be appropriate for me to do so today. I had no problem discussing that matter previously and I will have no difficulty talking about

it at a later date.

There are some restrictions here which lie outside the control of Bus Éireann. In particular, there are certain rules on competition, state aid, etc. which must be adhered to in the context of the Expressway service. We are working closely with the company to ensure the services it is developing for its customers will be sustainable into the future. Creating such sustainability is my ultimate objective.

**Deputy Richard Boyd Barrett:** Why are the subventions available elsewhere in Europe much larger than those given to Bus Éireann?

**Deputy Alan Kelly:** I have already stated that the company received its fifth largest subvention ever last year.

**Deputy Richard Boyd Barrett:** That is still a fraction of what is available throughout the rest of Europe.

**Deputy Alan Kelly:** There are some issues with which Bus Éireann must deal. There is a reason that savings, which are outlined in the Labour Court recommendation, must be delivered. I sincerely wish all those involved the best of luck in their endeavours today.

### **Road Projects Status**

9. **Deputy Brian Stanley** asked the Minister for Transport, Tourism and Sport his plans to upgrade the Castlebar to Westport N5 road. [22896/13]

43. **Deputy Paul J. Connaughton** asked the Minister for Transport, Tourism and Sport in view of the recent contract signing for the N11/Newlands Cross Public Private Partnership, if he will provide an update on the M17/M18 Gort to Tuam road project, County Galway; and if he will make a statement on the matter. [22683/13]

51. **Deputy Martin Ferris** asked the Minister for Transport, Tourism and Sport in view of the success of statewide road safety, his plans to focus to specific road safety blackspots such as the Castlebaldwin to Cloonamahon stretch of the N4 which has been the scene of the loss of 30 lives in recent memory. [22893/13]

86. **Deputy Michael Creed** asked the Minister for Transport, Tourism and Sport the position regarding the Macroom town bypass, County Cork; and if he will make a statement on the matter. [22668/13]

91. **Deputy Anthony Lawlor** asked the Minister for Transport, Tourism and Sport in view of the recent contract signing for the N11/Newlands Cross Public Private Partnership, if he will provide an update on the roads building programme; and if he will make a statement on the matter. [22767/13]

93. **Deputy Seán Kyne** asked the Minister for Transport, Tourism and Sport if he will provide an update on the Galway City Outer Bypass with regard to an IROPI application which is necessary to progress this much-needed infrastructure project for Galway and the West. [22950/13]

**(Deputy Leo Varadkar):** I propose to take Questions Nos. 9, 43, 51, 86, 91 and 93 together.

As Minister for Transport, Tourism and Sport, I have responsibility for overall policy and funding in respect of 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. In the current economic circumstances, the capital allocations to the NRA have been reduced significantly and this has meant that a range of worthwhile improvement projects have been deferred. The primary focus for direct Exchequer spending is the maintenance of the existing network, and this will continue to be the case for some years.

The Government's stimulus package of July 2012 envisages €1.4 billion in private investment for infrastructure projects, including roads, as a way of stimulating economic growth and creating employment. These projects must be off-balance sheet and, therefore, must be done by way of public private partnership, PPP. This requires that the projects must be of a particular scale. The M17-M18 PPP scheme is one of the priority projects identified for inclusion in the first phase of the programme. The NRA is responsible for implementation of the project, and following the contract signing for the N11 Newlands Cross PPP, the NRA is in discussion with the preferred bidder for the M17-M18 project with a view to progressing it. The other two projects which are highlighted within the stimulus programme are the M11 Gorey to Enniscorthy project and the N25 New Ross bypass project.

When the stimulus programme was announced, it was indicated that as the first phase projects progressed and as funding permitted, a second phase would be considered. In this regard, particular prominence was attached to the Galway city outer bypass project. As the Deputies will be aware, this has been the subject of legal challenge and the European Court has only recently delivered its judgement in the case. The matter has been referred back to the Irish Supreme Court. The NRA and the local authority are currently examining the implications of the European Court's decision and the most appropriate response.

To ensure there might be projects suitable for inclusion in future phases of the PPP programme in the medium term, the NRA has decided to take a number of projects through the planning process to develop a pipeline of potential future projects. In this regard, I understand the NRA intends to submit to the N5 Westport to Turlough project and the N5 Colloney to Castlebaldwin project to An Bord Pleanála later in the year. The Macroom bypass project was approved by An Bord Pleanála in April 2011. However, a judicial review against the approval of the scheme was heard and rejected by the High Court. I understand the applicant has sought leave to appeal against the High Court's decision. A determination on whether leave to appeal will be granted is due to be made in July. Depending on the outcome of the latter, this is a project which the NRA may give consideration to including in a future round of PPP projects.

**Deputy Dessie Ellis:** I thank the Minister for his reply. He stated that the National Roads Authority, NRA, was considering a public-private partnership, PPP, for the N5, but it is important that we consider all alternatives. The Minister outlined the number of capital projects, but it has been reported that he would consider other main projects if there was extra money. The N4 and N5 are important. The north west is one of the areas with the least in terms of road structures and has been neglected. Some newspapers have reported that the Department might have money available for capital projects, including road projects. There is a major problem in County Sligo, where one stretch of road has seen 30 deaths. This is another urgent consideration.

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**Deputy Leo Varadkar:** I thank the Deputy for his intervention. If money from any source is available this year, the priority must be road maintenance. Some of the country's roads are in a bad way and need money to be repaired. It is important to make a distinction between Exchequer money and PPP money. By and large, the latter comes from the private sector - for example, banks, bondholders and other groups that enter 30-year contracts to build and maintain roads and lease them back to the State. It is a different way of procuring roads.

We want a pipeline of PPPs ready. The pipeline was blocked for four years because of the financial crisis but has started to trickle again. For example, the Newlands Cross and N11 projects have been signed off and will go ahead. If we can move ahead with the Gort-Tuam project, which is the next one on the list, and the Enniscorthy and New Ross roads, we want another few projects in the pipeline to enter the system. The irony is that the projects must be large, amounting to hundreds of millions of euro. There are better projects that are much cheaper, but they cannot be pursued because they would need to be done using Exchequer funding.

**Deputy Seán Kyne:** I thank the Minister for his response. I am a long-time supporter of the Galway city outer bypass, which has been tied up in court for a number of years. Last month, the European Court of Justice ruled on it and the matter has reverted to the Supreme Court. Will the Minister reiterate his and the Government's support for the bypass? Will he comment on the imperative reasons of overriding public interest, IROPI, process and whether it can or should be pursued prior to a decision by the Supreme Court?

**Deputy Leo Varadkar:** I am happy to reiterate the Government's commitment to the Galway city outer bypass, which has a benefit-to-cost ratio, BCR, of 6:1. Of all of the projects on the books, this one has the highest BCR. It makes a great deal of sense. Anyone who knows Galway knows that this project needs to be progressed once we overcome the planning permission issues. The former Minister, Mr. Noel Dempsey, took a decision to suspend planning works on the project. I intend to lift that ban so that the NRA can develop a new planning permission should it need to do so.

**Deputy Seán Kyne:** I thank the Minister for his reply. Since the announcement of the stimulus plan, we have waited for the N11-Newlands Cross project to get the go-ahead. That has now happened.

The Minister stated that negotiations are under way with the preferred bidder on the M17-M18 project. How far along are they and when does the Minister expect them to conclude? It is a key infrastructural project for Galway and the west. Not only would it create construction jobs; it would also create jobs in the entire region, which is starved of them currently. When will we see contracts signed?

**Deputy Leo Varadkar:** I am loth to put a date on it. In respect of the N11-Newlands Cross project, I kept predicting that it would happen in a few months' time, but it did not. On the day it happened, I did not believe that it actually would. In fact, I had a €5 bet with my Secretary General, which he won on the day. I do not want to apply a timeframe. The NRA is handling this commercial discussion on behalf of the Government. It has asked the preferred bidder whether the latter will stand over the price quoted some years ago. If so, it will be a step forward. If not, the second bidder must be approached. This is how matters stand. As much as my involvement permits, I want the project to happen as quickly as possible.

**Deputy Anthony Lawlor:** I welcome the announcement on the commencement of the

Newlands Cross project. Another strategic interchange can be found at Osberstown on the M7, which is vital in light of Kerry Group's jobs announcement. Will the Minister indicate whether funding will be made available for this interchange?

**Deputy Leo Varadkar:** I am sorry, but I cannot at this stage. However, I would be happy to reply to the Deputy's query by correspondence. Suffice it to say that the road infrastructure will be in place for the Kerry Group jobs that have been announced so far.

*Written Answers follow Adjournment.*

## **Topical Issue Debate**

### **Commercial Rates Calculations**

**Deputy John Deasy:** I tabled this matter due to the level of uncertainty regarding the setting of commercial rates following the announcement of the abolition of town councils and the amalgamation of certain local authorities. I started by submitting a parliamentary question, in which I asked the Department to list all of the country's annual rates on valuations, ARVs. There are extraordinary differences between some commercial rate levels, even within the same county. For example, Donegal County Council's ARV is almost €70 whereas Buncrana Town Council's is approximately €44. Can businesses in Buncrana expect their commercial rate levels to increase to county council levels? The same situation obtains in my home town, in that Dungarvan has an ARV of €60 whereas Waterford County Council has an ARV of €70. The administration in Dungarvan is well-run and efficient and has been able to keep commercial rates at a reasonable level for many years. Businesses in my home town are asking me whether they will be penalised for that efficiency.

I have also raised this matter at the Committee of Public Accounts. The response I received was that the rates would be harmonised at the lower level where possible. That is fair enough, but we need clarity. The Minister has indicated his intention to move towards the lower rate.

Businesses are generally facing trouble, in what I would call a triple whammy. There may be an increase in commercial rates due to local government reform; many businesses pay commercial variable rates, which seemingly increase every few months and are reaching dangerous levels; and the Valuation Office is revaluing businesses and commercial premises. It has done so in Dublin and Limerick and is now doing so in Waterford. Many businesses will have different valuation rates applied to their properties. If they have extended, some will find themselves facing larger bills.

Before the last election, Fine Gael's policy was not to increase commercial rates. We also instructed councillors on various authorities to freeze commercial rates in order to restore competitiveness and help businesses through the recession. We must be conscious of our policy and acknowledge what has happened since, that is, the worsening of the recession. Generally speaking, it comes down to, for example, the cost to a business in a town council area such as

Dungarvan. If the businesses lose the town council, they will therefore lose representation. Given that they are losing, it would not be proper to ask them to pay anything extra. The slogan in America in the 1750s and 1760s was “No taxation without representation”. We must be careful. If we are taking representation from people, we cannot ask them for more money for the privilege. That might be a mistake. I hope the Minister will provide clarity on the issue. My question to him is simple. Will businesses in town council areas such as Dungarvan or businesses in local authority areas that are to be amalgamated see an increase in their commercial rates due to local government reform?

**Minister for the Environment, Community and Local Government (Deputy Phil Hogan):** I thank Deputy Deasy for the opportunity to set out the position on local government reform in the context of rates and the difficulties small businesses currently endure, and also the need to provide clarity on the matters raised.

The action programme for effective local government, Putting People First, which was published on 16 October 2012, sets out Government decisions on a range of measures relating to local government structures, functions, funding, governance and operational matters. Chapter 6 of the programme sets out policy decisions to replace town councils with a new comprehensive model of municipal governance based around principal towns to strengthen local government within counties and address weaknesses and anomalies in the current system. Key features of the new arrangements are also detailed, including governance, civic roles and an indicative listing of reserved functions of elected members at municipal district level.

Implementation of the reform programme is proceeding on a number of fronts. The local electoral area boundary committee has been reviewing local electoral boundaries, having regard to the results of census 2011 and the policy decisions announced in the action programme. The committee is to report no later than 31 May 2013 and its recommendations will provide the basis for the configuration and membership of the new municipal districts. The action programme for effective local government indicates that in the context of reorganisation of local governance structures, the proposed new municipal districts will provide an opportunity to achieve a more coherent approach to rates and charges on a county-wide basis, having regard to funding requirements and the need to support employment and business competitiveness.

The programme proposes rates harmonisation to cater for differences between annual rates on valuation, ARV, of towns and counties. My approach to rates harmonisation will seek to ensure harmonisation does not lead to any increase in commercial rates in any county. Accordingly, I assure Deputy Deasy that the purpose of savings that will arise from the merger of the two local authorities in Waterford is to reduce the cost of providing services to businesses and consumers. The levying of commercial rates, which Deputy Deasy is aware will be a matter for councillors elected after the next local elections, is a reserved function of councils. There should be no increase in commercial rates in Dungarvan arising from the merger of both local authorities. If it is the will of the councillors to do otherwise, that will run contrary to my policy.

**Deputy John Deasy:** The Minister has answered the question. Clarity was required on the issue and the Minister has provided it. He has made it clear what will happen in the case of Dungarvan or any town council. This is a also big issue in Cork and throughout the country. Because of local government reform, the abolition of town councils and the amalgamation of various local authorities, the rumour mill has led to suggestions that the commercial rates of businesses will increase because of the local government reform initiative. The Minister has made it very clear that will not be the case and that the reform initiative will not lead to a com-

mercial rates hike. That is good news. I appreciate the Minister's response.

**Deputy Phil Hogan:** As Deputy Deasy is aware, as Opposition spokesperson on the environment in 2009 – sometimes queried by members of my own party – I initiated a process to persuade local councillors to freeze or reduce commercial rates. That is the rationale behind the local government reform initiative. At a time when small businesses and commercial ratepayers generally are carrying the can, in particular in rural constituencies, in terms of providing the necessary funding for the provision of services, it is not acceptable in the context of the difficulties SMEs are going through and given the Government's policy to promote employment opportunities through SMEs, that we would implement a policy that would place an additional rates burden on businesses. That is not what is intended by local government reform.

Even though variations exist in the annual rates on valuation within counties – Dungarvan and Waterford are a case in point – what is intended in the merger of the two authorities in Waterford as part of the new municipal district concept is that there would be harmonisation of rates to the lower level within each county. That is the pro-employment, pro-efficiency agenda I wish to pursue with local government reform. Already we are in the process of saving €500 million. That money is now available within the local government system due to shared services, better procurement and a reduction of 8,000 employed in the local government sector. The savings must be passed on to consumers and businesses alike to ensure they are competitive and that they are assisted in these difficult times, when the disposable income of individuals is not as great as it should be, to provide the necessary footfall for businesses on high streets and main streets and also to provide disposable income for purchases that are necessary for those SMEs. I agree with Deputy Deasy's sentiments. I also agree with what he said about Dungarvan specifically. I will work to achieve that objective.

**Deputy John Deasy:** I thank the Minister.

### **Food Safety Standards Regulation**

**Deputy Michael McNamara:** Small food businesses have assumed a new importance at a time when the creation and maintenance of one or two jobs might be the difference between a family staying in this country or emigrating. That was recognised by the Government in that one of its first initiatives was to reduce VAT paid by people in small food businesses to enable them to become more competitive. It was a relatively modest jobs proposal but it has shown benefit already. We have an increase in employment, albeit small. While it is not of the scale we wish to see, nevertheless, this sector is providing an increased number of jobs.

The issue I raise is whether we require the level of regulation, inspection and enforcement in respect of small, household, family-run food businesses, or if a less strict regime is possible without compromising public health. There is now a trend across Europe towards simplifying legislation under the banner of "smarter rules for safer food". Earlier this month, Tonio Borg, the European Commissioner for Health and Consumer Policy announced a legislative package which aims to prevent the spread of communicable, animal-based diseases and foreign pests to European crops, and to simplify the large number of measures governing food safety in the European Union, a package that would reduce food safety legislation from the current 70 laws to five to ease compliance. In this regard I suggest that the Government should examine existing legislation, both national and EU-derived, to see whether we could introduce a new statutory instrument to bring all the legislation together and codify the various strands of legislation

involving numerous State agencies.

Undoubtedly, significant and overly cumbersome demands are placed on small food businesses. Farmers' markets operate throughout the country in which people sell produce from their own kitchen. Are they to be subjected to this level of registration? Surely there is a labelling mechanism by which people could be told that a product was produced in the home and that one would not expect it to be produced in compliance with the same standards that apply, for example, to McDonalds, which operates across continents. It is a question of labelling. The European Commission is beginning to acknowledge that what we need is better labelling. There must be an element of *caveat emptor* – let the buyer beware.

I will give the Minister an example.

*4 o'clock* Deputy Dooley would know the food business to which I am referring because it is located in the part of the county that he and I are from. I will not name the business because it would be improper of me to do so. A review of that business on TripAdvisor, written by a visitor from Caledonia in New York, reads: "Even though busy when we arrived we were given prompt, friendly service and a very good, reasonably priced meal." Another review, posted in February 2013 by a visitor from Yuma, Arizona, reads: "I only had a small sampling of their food, but it was enough for me to go again if I'm ever in the area." That particular business employs numerous students in east Clare. Indeed, it is a very valuable source of employment in the area. Fast forward several months and the same business receives an order from the HSE, under the European Communities (Official Control of Foodstuffs) Regulations 2010, SI 117 of 2010, ordering that the vegetable store and the fuel store only be closed. For the love of God, the fuel store, that is, the place where the fuel is stored, is closed by the HSE. Has it nothing better to do? Has this Government any intention to simplify the regulations that apply to such small businesses?

**Deputy Phil Hogan:** I wish to apologise on behalf of the Minister for Health, Deputy Reilly, who is unable to respond to this issue personally.

As Deputy McNamara has indicated, the success of Ireland's food sector can be attributed in no small part to our reputation as a provider of safe, high-quality food. This reputation has been copperfastened by the speed of our reaction to recent incidents involving equine contamination of meat and dioxin contamination of pork products. It is important, therefore, for us to ensure Irish products are checked regularly and any deficiencies addressed to maintain Ireland's reputation as a world-class provider of high-quality, safe food.

The contribution of small and medium enterprises, SMEs, is fundamental to the success of the Irish food industry. Over 90% of Irish food business operators fall into this category. With much of our food safety legislation developed at EU level, the Departments of Health and Agriculture, Food, and the Marine at all times look to ensure that the needs of SMEs are taken into account fully when discussing legislation at EU working group level. This has resulted in certain exemptions being set for smaller companies in such areas as labelling and food hygiene and reduced regulatory requirements applying to a range of small businesses, including butchers and retail caterers.

Detailed guidance notes for SMEs have also been developed and published by the Food Safety Authority of Ireland covering such matters as the implementation of hazard analysis and critical control point, HACCP, principles. In line with this Government's aim to substantially

reduce the administrative burden on SMEs, the FSAI has also introduced as much as possible online facilities in respect of many of its services. The FSAI has developed guidance for agencies to reduce the number of cases where food businesses were supervised by more than one set of food safety inspectors. This cross-agency guidance has succeeded in clarifying supervision arrangements and reduced the regulatory burden directly. The FSAI has also developed a number of fora through which SMEs can provide feedback on issues such as regulation, including the food service forum, the retail forum and the artisan food producers forum. Perhaps the business to which Deputy McNamara referred might take the opportunity to link in to one or more of these fora. Regulatory issues are discussed at these fora and the options for flexibility in meeting legal requirements are explored. It is also worth pointing out that Ireland does not charge the food industry for the costs of official controls, except where such charges are mandatory.

I will bring the matter that Deputy McNamara has raised to the attention of the Minister for Health and of the Minister of State at the Department of Jobs, Enterprise and Innovation, Deputy Perry, who has responsibility for small business and regulatory controls.

**Deputy Michael McNamara:** I thank the Minister for his very positive and constructive reply. Undoubtedly, good food, good hygiene and honest labelling are essential to consumer confidence and must be maintained. However, the complexity of the legislation and reporting which is required from very small businesses must be examined. I know of a person quite close to my home who was making home-made brown bread but the HSE closed the business down because the kitchen was too small. It was just a kitchen in a home but if it is home-made brown bread, where does the HSE think it is going to be made other than in a home?

**Deputy Mattie McGrath:** Hear, hear.

**Deputy Michael McNamara:** This is a matter of labelling and clearly stating that something is home-produced, like eggs, for example. I remember, as a child, when too many eggs were produced on the farm in the summer, they were brought to the local co-op to be sold. Obviously, we were not subjected to the same degree of regulation or maybe we were but acted unlawfully in selling off those extra eggs. If we did, I do not think we did anything wrong. While I acknowledge that regulation is required, we cannot go too far without strangling small businesses. We need to allow food businesses, particularly small kitchen enterprises, to develop.

**Deputy Phil Hogan:** I subscribe to the sentiments expressed by Deputy McNamara. It is a constant battle to reduce the regulatory approach that some of our agencies take in respect of small businesses, particularly in the food sector. Deputies in the House from rural constituencies will share my view that it is often difficult to explain to small businesses why so many inspections take place in the food area. However, there is a price to be paid if we do not get things right *vis-à-vis* food and hygiene, as was shown in recent times. The fora to which I referred earlier can provide businesses with an ideal opportunity to bring these matters to the attention of the Minister of State, Deputy Perry, and the Minister for Health, Deputy Reilly.

### **Houses of the Oireachtas Commission Staff**

**Deputy Timmy Dooley:** As the Minister knows, there is serious concern regarding the delay in bringing forward amending legislation to the Houses of the Oireachtas Commission Act to modernise the senior management structure in the Houses of the Oireachtas service and, in

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particular, the method of appointment of staff. This concern is particularly acute in view of the fact that the most senior position, that of Clerk of the Dáil, essentially the Secretary General or CEO of this House, is due to become vacant this summer.

Modernising legislation was promised as far back as 2009. Indeed, the then Minister for Finance, when moving the Second Stage of the Houses of the Oireachtas Commission (Amendment) Bill in 2009, teed up changes to the management structure of the House as set out in the Staff of the Houses of the Oireachtas Act of 1959. More recently, in December 2012, the Minister of State, Deputy Alex White, speaking on behalf of the Minister for Public Expenditure and Reform, referred to the fact that the configuration in that Act, particularly in senior structures, needed to be modernised. He went on to say that “the Minister is committed to ensuring, in co-operation with the Commission, that the administrative structures of the Oireachtas do not become out of step with Civil Service norms in terms of adapting flexibly to the needs and demands of modern management practices”. The Minister of State also said:

I also wish to advise Members that the Minister for Public Expenditure and Reform intends to bring forward legislation early in 2013 to ensure the modernisation of the senior management structures of the Oireachtas service. These are specifically recognised in the Staff of the Houses of the Oireachtas Act 1959. It is accepted that the configuration in that Act, particularly in terms of senior management structures, needs to be modernised.

The Minister of State also said that “while it is recognised that significant modernisation has taken place, the statutory framework in the 1959 Act does not reflect this and needs to be modernised”.

That was put on the record of the House in December 2012. Time has gone by since then and it is quite clear that no legislation will be in place for the upcoming appointment, when the current Clerk of the Dáil retires later this year. The expectation was, based on the Minister’s direction, that such amending legislation would have been brought forward by now.

As the Minister knows, the appointment of each officer of the Houses of the Oireachtas involves the Chairman of the House, having consulted the Houses of the Oireachtas Commission, recommending a candidate for appointment by the Taoiseach. This process ensures there is little or no flexibility in assignments to any of these positions and such a person cannot be transferred within the Houses of the Oireachtas service. In my view, this has proved to be a major stumbling block in achieving flexibility and reassignment of functions within the Houses of the Oireachtas management structure. While the problem is not as acute now, with the appointment of two assistant secretaries, neither of whom are officers of the House, it is necessary to remove the anomaly created. This should be done as quickly as possible. It is an outdated function. The Minister is well aware there is no obvious provision for somebody from outside the House to apply for the job in the first instance. The Ceann Comhairle, in consultation with the Houses of the Oireachtas Commission, must look within the staff of the Oireachtas at a particular time and has no capacity to seek external assistance, as is the norm for top level appointments in the Civil Service.

I ask the Minister to bring forward the amending legislation without delay so that the next appointment, that of a replacement for the outgoing Clerk of the Dáil, can be done under newer legislation, thereby broadening the capacity for others to apply for the job, in line with the appointment of other Secretaries General in various Departments.

**Minister for Public Expenditure and Reform(Deputy Brendan Howlin):** I thank Deputy Dooley for his statement - much of which I agree with - on what is a very important issue for Members of both Houses of the Oireachtas. As the Deputy has rightly said, during the passage of the Houses of the Oireachtas Commission (Amendment) Bill 2009, reference was made to the Government's commitment to ensuring, in co-operation with the commission, that the administrative structure of the Oireachtas does not become out of step with Civil Service norms in terms of adapting flexibly to the needs and demands of modern management systems.

As Deputy Dooley correctly noted, during the passage of the Houses of the Oireachtas Commission (Amendment) (No. 2) Bill 2012, my colleague the Minister of State at the Department of Health, Deputy Alex White, advised Members that it was intended to bring forward legislation in 2013 to ensure the modernisation of the senior management structures of the Houses of the Oireachtas service. The existing arrangements for the filling of officer of the House posts in the Houses of the Oireachtas service, such as that of Clerk of the Dáil, means, as the Deputy has rightly pointed out, that an external candidate may only be appointed where no internal candidate is deemed suitable. This is completely out of kilter with the top level appointments committee, TLAC, system which incorporates nomination by boards comprising a majority of members from the private sector with specific skills in management and human resources. This format provides considerable opportunities for new blood to be introduced into organisations throughout the public service, and this has been mirrored by the introduction by the Government of a senior public service mobility programme throughout the public service. This has already been availed of in the Houses of the Oireachtas service at assistant secretary level.

I believe the objective in filling top posts of the Houses of the Oireachtas service should be to employ professionally organised and independent competitive selection mechanisms such as those that exist throughout the wider Civil Service to ensure the best possible person is selected from as wide a pool of talent as possible to lead the parliamentary service in future. In fact, changes to the current system have been foreshadowed by recent appointments to assistant secretary positions in the Houses of the Oireachtas service being made on the basis that the duties of the posts would subsume those of the Clerk Assistant of the Dáil and the Clerk of the Seanad once the incumbents have vacated their positions. It should be noted that the filling of two assistant secretary positions in the Houses of the Oireachtas service in 2006 and 2010, respectively, were as a result of TLAC open competitions. Each of these posts was sanctioned by the then Minister for Finance on the basis of achieving a modernising programme in the Houses of the Oireachtas service.

I am on record as being committed to ensuring, in co-operation with the Houses of the Oireachtas Commission, that the administrative structures of the Oireachtas do not become out of step with Civil Service norms in terms of adopting flexibly to the needs and demands of modern management practices. Legislation which would change the management structure at the Houses of the Oireachtas service and have the chief executive of the service selected from as wide a pool as possible in line with top level appointments in the Civil Service generally is being considered in my Department. I hope to have discussions soon with the Ceann Comhairle and the Houses of the Oireachtas Commission, as appropriate, and I will be bringing in legislation to Government immediately thereafter.

**Deputy Timmy Dooley:** I welcome the Minister's clarification and the reaffirmation of his desire to modernise the way in which appointments are made here. The Clerk of the Dáil will retire over the summer. Will the Minister's legislation be in place to ensure the broadest number of candidates will be in a position to apply for this position? Is it the expectation of the Minister

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that the position will be filled under the 1959 Act? Let us be clear how the 1959 Act applies. The appointment is effectively done by the Ceann Comhairle with reference to the commission and with confirmation by the Taoiseach. The Minister has accepted and identified that it is an outdated practice, and I welcome that. Will the Minister give the House a clear commitment that the Government will not utilise or allow the utilisation of the 1959 Act for the filling of the vacancy due to arise during the summer? Will the Minister give a commitment that the legislation will be in place to remove any doubt in respect of the way in which the position is filled?

**Deputy Brendan Howlin:** I cannot pre-empt the decisions of Government or the Oireachtas in that regard but that is my ambition. The legislation is drafted. However, as a matter of courtesy, I have held preliminary discussions with the Ceann Comhairle on this matter but I wish to have further discussions with him and with the Cathaoirleach of the Seanad on the legislation generally. I am keen to do that soon but, unfortunately, I have been preoccupied by several other issues in recent weeks. I am keen to see that legislation before the Houses as soon as possible.

**Deputy Timmy Dooley:** I welcome that confirmation but I wonder about the necessity to enter into a dialogue.

**Deputy Brendan Howlin:** It is a matter of courtesy.

**Deputy Timmy Dooley:** I accept it is a courtesy but surely the Minister will accept and agree that the decision has been taken in principle. The Government has committed to it. Surely the offices of Cathaoirleach and Ceann Comhairle must accept the direction in that regard. While I understand the need for courtesies, we are on a tight timeline. Over and above the courtesies, there is a requirement to ensure the best available pool of people are in a position to apply for this job. Therefore, I call on the Minister to ensure, at least, that the timeline is in place to allow it to happen.

**Deputy Brendan Howlin:** I am old-fashioned in these matters. As a matter of courtesy I believe I should explain my position. It has been the subject of discussions between services in the Department of Finance, as was, and the Department of Public Expenditure and Reform, as is, and the official services here. I have held preliminary discussions with the Ceann Comhairle. I wish to conclude that process and then bring legislation to Government and, I hope, to the Houses speedily. I imagine it will not be challenging legislation. We may have all-party agreement to have it enacted quickly once we introduce it.

### **FÁS Local Training Initiatives Expenditure**

**Deputy Mattie McGrath:** I thank the Leas-Cheann Comhairle for allowing me to raise this important issue. I feel I am repeating my words because on 27 September 2012, I raised the same questions. There may have been a different context because it related to workers getting paid proper redundancy, but I referred to the ongoing scandal of the abandoned hostel project in Tipperary town. I gather Pobal, FÁS and the Garda Síochána are conducting investigations, but this has been going on for three and a half years. I was informed on 27 September, eight months ago, that we could expect some results soon. At the time, we were promised the FÁS report by April 2013, but now we have been told it will not be available until the summer. This beggars belief in a modern-day democracy with accountability.

I am pleased the Minister of State at the Department of Education and Skills, Deputy Cannon, is here today. This was a fantastic project which was the brainchild of and organised by a committee. Exemplary work had been carried out by FÁS participants under a community initiative scheme in Tipperary town. Tremendous work was carried out and this project was nine tenths finished. Unfortunately, greed or whatever got involved and questions were raised over moneys. These are not my words but the words of an official from FÁS, whose report stated that an estimated €150,000 in grant money was incorrectly drawn down. That was the phrase used. Incorrectly drawn down could mean many things. I have seen cases throughout the country where small sums of money have been misappropriated. I have seen former Members of the House being arrested and hauled into court for small sums of money, perhaps only several hundred euro, and rightly so if there was any wrongdoing. However, it is remarkable that a case of misappropriation of funding to the tune of €150,000 could drag on for three and a half years. I raised this with Ministers in the previous Government who were carrying out investigations.

I salute Pobal and FÁS for the amount of funding they put into many valued and inspiring projects in Tipperary town and county. We want this to continue because we have a great reserve and resource of community-driven people in the town who want to work on these initiatives. I could name those involved but I will not because they are many and varied. However, this is tainting the good work of everyone involved in Tipperary town. It beggars belief that three and a half years have passed but there has been no result from the investigations as of yet.

What is the Minister of State hiding? What is being hidden from the public? Moneys were misappropriated. The chairman and four members of the board resigned because of the irregularities they uncovered in April 2010. The chairman reported to the Garda that his name was falsified on documents. That has been accepted but no action has been taken. The building is lying idle despite an investment of €4 million. Worse still, the good names of the members of the board who resigned have been left hanging in the air with allegations, innuendo, suggestions and implications. It is simply not acceptable.

I held a meeting recently with Councillor Mary Hanna Hourigan and Maurice Crotty, two concerned people. I salute the bravery of Councillor Hourigan in raising this several times in spite of being told to leave it alone because it was not something to be talked about. She raised the matter with Chief Superintendent Keogh of the Thurles district. Thankfully, she has reinvigorated and reinitiated the Garda investigation. I thank and salute her. I hope we get to the bottom of this. I compliment the officers who have been appointed. I have great faith and trust in them.

However, this is shameful. It is three and a half years later and this has been left hanging. We must have openness and transparency. The troika is watching everything we do. Someone needs to be watching what we do if €100,000 of taxpayers' money can be incorrectly drawn down. That is fraud, it is common criminality and should not have happened. I am chairman of a CE scheme and the board once spent three hours at a meeting trying to explain a €20 under-spend, and rightly so because accountability is only right and proper. This, however, makes a mockery of all the other projects in the State and the voluntary boards of directors. Above all, it is an insult to the former chairman, the board members, the staff and the community.

The truth must be brought out here. I am not worth my salt in this House if I do not expose this wrongdoing in my own county. I am delighted the gardaí have restarted the investigation but what about the Pobal investigation and the FÁS investigation?

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**Minister of State at the Department of Education and Skills (Deputy Ciarán Cannon):**

The Tipperary hostel project, under the then FÁS jobs initiative programme, was involved in the transformation of a Famine-era workhouse in Tipperary town into self-catering accommodation for tourists. This was overseen by a development company, Tipperary Hostel Limited. The company was primarily funded through Pobal, a not-for-profit organisation that manages funding programmes on behalf of the Government, with a manpower element provided by FÁS through the jobs initiative programme.

In June 2010 as a result of findings from an audit report into the project, FÁS decided to discontinue funding to the jobs initiative at Tipperary hostel. An investigation is ongoing into the findings of the audit report into the Tipperary hostel project. This investigation is expected to be completed by the end of June. It may be that the matter will then be referred to the gardaí. The Deputy will understand that I cannot comment or speculate on the possible findings or outcomes from these investigations at this time.

**Deputy Mattie McGrath:** I understand the Minister's last comments. I would not expect him to do anything that might upset the investigation. If the Minister of State has any respect for me or for his position, however, he would not come in here and tell me three and half years later what is happening. FÁS is well aware of what went on, FÁS participants have testified to officials about how their names were forged on documents and sick pay was drawn down for one individual.

The bottom line is honesty, openness, transparency and good governance, and the implications for taxpayers must be dealt with. FÁS says the matter might be passed on to the gardaí but it is already in the hands of the gardaí. Why is FÁS unable or unwilling to deal with this in its investigation? It has a duty to deal with it because a huge amount of taxpayers' money was involved and a wonderful project is lying idle with the crows flying in and out of it while innuendo permeates the town.

This must be cleared up. The Minister must go back to the Minister for the Environment, Community and Local Government, about the Pobal investigation. It would not happen in a country run by a junta, where there would be no answers three and a half years later and the truth would not be uncovered, no matter who it might embarrass. Who is holding back this investigation and why? I have heard all sorts of rumours.

I salute those brave people who are trying to get this finished. I salute the former chairman, Mr. Martin Quinn, for being awarded Tipperary person of the year at the event on 18 May. I wish him well following his recent illness but the truth must out and wrongdoing must be exposed. The person who did wrong must be prosecuted and we must not besmirch the good name of voluntary directors of companies up and down the country. There is one law for everyone in the country, not two. We are supposed to live in a democracy and respect everyone equally. We must get to the bottom of this. I do not want to have to beg the Ceann Comhairle to raise this again in another eight months. It is time this was brought to finality. It is unfair on the good people of Tipperary to have this morass hanging over them. Whoever is keeping a lid on it must be exposed.

**Deputy Ciarán Cannon:** The audit report into the running of Tipperary Hostel Limited noted serious deficiencies in the running of the company. The Deputy is right that we must be forensic in our investigation and analysis of how these deficiencies occurred to ensure they do not happen again. I have confirmed to him that it is expected the investigation will conclude in

late June. It is important to note the jobs initiative programme was transferred to the Department of Social Protection and FÁS therefore does not retain any further funding stream for projects of this type. If the hostel is to be completed under the jobs initiative programme, the decision to complete the development will rest with the Minister for Social Protection.

I assure the Deputy that I will do all I can in the limited powers I have to ensure the investigation concludes as quickly as possible.

### **Ministers and Secretaries (Amendment) Bill 2012: Order for Second Stage**

Bill entitled an Act to make provision for medium-term expenditure management and for that purpose to make provision for Government expenditure ceilings and Ministerial expenditure ceilings, and to amend the Ministers and Secretaries (Amendment) Act 2011.

**Minister for Public Expenditure and Reform(Deputy Brendan Howlin):** I move: “That Second Stage be taken now.”

Question put and agreed to.

### **Ministers and Secretaries (Amendment) Bill 2012: Second Stage**

**Minister for Public Expenditure and Reform(Deputy Brendan Howlin):** I move: “That the Bill be now read a Second Time.”

The challenges we have faced over the past number of years continue to be a reality we must all confront. The sheer scale of the task to stabilise the public finances has been indisputable but nevertheless they are challenges my colleagues and I have addressed head on and this is borne out by the fact that we continue to meet or exceed all of our fiscal targets under the EU-IMF programme.

We must continue to push forward the reforms that are necessary for the country to recover its economic sovereignty. While we are making significant progress, the Exchequer deficit so far this year stands at over €4 billion. This is not a sustainable level of borrowing and this Government remains steadfast in its commitment to balancing the books while introducing positive, sensible and prudent reforms to ensure the scarce resources at our disposal are directed toward delivering well-managed and well-targeted public spending, through modernised, effective and accountable public services.

This Government has now been in office for over two years. During this short time, we have introduced a number of important budgetary reforms aimed at enhancing the openness and transparency of the budgetary framework and improving expenditure management across Departments, which had through the good times been allowed lapse into disorder. We have completely modernised and reformed the annual Estimates process, built performance-related

information into the heart of the budgetary documentation, and brought evidence-based policy-making to the forefront of public service delivery.

These reforms are in keeping with the broader Government commitment that performance information should feed into the decision-making process at all levels, and that active performance management should be a key feature of how projects are delivered and continually evaluated within the public service. It goes to the heart of parliamentary oversight that Ministers and public service managers should be held accountable against clear targets set out in the budget.

In November 2012 my colleague, the Minister for Finance, introduced the Fiscal Responsibility Act 2012 which came into effect on 31 December 2012. The Act imposes a duty on the Government to ensure compliance with the budgetary rule and the debt rule, which were introduced as part of wider EU fiscal reforms. The Act also puts the role of the Irish Fiscal Advisory Council onto a statutory basis. The council has been assigned the monitoring and assessment functions required of an independent national institution under the fiscal compact treaty and, under EU rules, macro-economic forecasts on which budgetary decisions are made must in future be independently endorsed by the council. The reports of the independent fiscal council provide another useful perspective for Oireachtas committees to assess how well the Government is managing the public finances.

Aside from these domestic reforms that have been introduced-----

**Deputy Stephen S. Donnelly:** I beg the Minister's pardon. On a point of order, will we get copies of this?

**Deputy Brendan Howlin:** They are here if somebody was here to distribute them.

**Deputy Stephen S. Donnelly:** Apologies.

**Deputy Brendan Howlin:** Is there an usher?

**An Leas-Cheann Comhairle:** Yes.

**Deputy Brendan Howlin:** Aside from these domestic reforms that have now been introduced, Ireland is committed to adhering to and implementing the wider fiscal reform measures that have been introduced across EU member states. In particular, and with reference to the topic of today's discussion, the Medium Term Expenditure Framework which established multi-annual departmental expenditure ceilings on an administrative basis was first introduced in the Comprehensive Expenditure Report 2012-2014, published in December 2011. This important framework is being given legislative underpinning in the Bill. The Medium Term Expenditure Framework, MTEF, is a long-term reform which will provide greater transparency to the public finances in terms of establishing spending ceilings and associated rules which will mean better, more reasoned and longer-sighted expenditure policies. They will help disaggregate demographic, repetitive spending from once-off or discretionary purchase-type items.

The Bill, when enacted, will put the ceilings established in the Medium Term Expenditure Framework on a solid statutory footing through the amendment of section 17 of the Ministers and Secretaries (Amendment) Act 2012. This Bill logically follows on the introduction of the Fiscal Responsibility Act 2012, which gives full effect to the rules contained in the Treaty on Stability, Co-ordination and Governance in the Economic and Monetary Union, passed by the

people, otherwise known as the fiscal stability treaty.

This Bill gives effect to the expenditure piece which falls out of the so-called “six-pack” of five directives and one regulation which introduced, *inter alia*, an expenditure benchmark. The purpose of the benchmark is to help ensure that general Government, GG, expenditure, including the local authority sector and other GG subsectors, does not grow faster than the potential growth rate of the economy in good times and that, in bad times, GG expenditure reduction makes a major contribution to consolidation. This expenditure benchmark, introduced under EU Regulation 1175/2011, already has a direct effect under Irish law and as such, does not require to be transposed into primary or secondary legislation here to have effect. Accordingly, this now acts as a binding expenditure limit on General Government expenditure under Irish law.

The Ministers and Secretaries (Amendment) Bill provides for Government expenditure limits to be set down each year by the Minister for Finance having consulted with me, as Minister for Public Expenditure and Reform, and similarly, for the setting down of Government expenditure limits each year in respect of the three subsequent years - this is the new multi-annual framework. Then, as Minister for Public Expenditure and Reform, I establish, in consultation with the Minister for Finance, ministerial expenditure ceilings, that is, Department by Department.

Under the scheme as set out in the Bill, once the Government expenditure limits for each of the subsequent three years are decided by Government on the basis of a proposal from the Minister of Finance having consulted with me, as Minister for Public Expenditure and Reform, the Government decides upon an apportionment of these overall limits into ministerial expenditure limits on the basis of a proposal brought to Government by me. It is in this way that the legislation provides for my role, as the Minister for Public Expenditure and Reform, to dovetail with that of the Minister for Finance. The relationship and roles are such that both I and the Minister for Finance take the lead in one part of the process.

In this regard, I want to place on the record of the House the importance of maintaining a close and co-operative working relationship between the two Departments, a point that has been raised previously by Deputies opposite in questions. I am happy to say this is the case and that my Department works closely and harmoniously with the Department of Finance on these and other crucial areas involving aggregate governmental spending and funding matters are generally harmoniously resolved. I should say, on a personal basis, both the Minister for Finance, Deputy Noonan, and I also work very well.

In the Bill, “Government expenditure” is defined in practical, operational terms as the amount of expenditure that is voted by the Dáil each year along with the annual expenditure from the social insurance and the national training funds. Government expenditure is thus designed to match up with the gross expenditure that is set out in the annual Revised Estimates Volume.

It may be noted that the Government expenditure ceiling is not identical to the expenditure benchmark which, for example, excludes cyclically-sensitive expenditure, but there is extensive overlap between the two terms. It is certainly the case that prudent and disciplined management of the Government expenditure ceiling will essentially ensure compliance with the expenditure benchmark. More detailed reconciliation tables etc. will be reflected in the annual budgetary documentation to demonstrate how the benchmark itself is being respected.

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Both the Government expenditure ceilings and the ministerial expenditure ceilings must be laid before the Dáil - obviously they must be published - "as soon as may be" after the decisions are made. The subsequent annual Estimates of Expenditure, setting out the detailed expenditure proposals for the coming year, must not exceed in aggregate the Government expenditure ceilings for that year.

Taken together, the effect of these various provisions is as follows. The expenditure benchmark is the core expenditure rule with which the Government and the State are legally obliged to comply in the annual and multi-annual budgetary processes, by virtue of the direct effect of the regulation and the supremacy of EU law. The Government expenditure ceiling, which as I stated is not identical to the expenditure benchmark, must nevertheless be fully compatible and compliant with the benchmark, and the compliance will be demonstrated in the annual budgetary documentation. The ministerial expenditure ceilings are an apportionment of the Government expenditure ceiling and they may not in aggregate exceed the Government expenditure ceiling. It sounds more convoluted than it is. Obviously, the apportioned individual expenditure of each Department added together must comply with the overall Government expenditure ceiling.

In the past, expenditure growth was at times allowed to outpace the economy's underlying ability to finance it. Arising from this, value for money tended to suffer, along with the efficiency of delivering services for the public and the effectiveness of public expenditure in achieving its objectives. This new trans-European approach radically changes the Estimates process and introduces a major reform by setting out the Government's medium-term budgetary plans and overall spending allocations clearly in advance, thereby allowing Departments to plan carefully their budget structure well in advance.

The detailed and practical operational aspects of the Medium Term Expenditure Framework are being finalised by my officials taking into consideration the valuable input of their colleagues from other Departments, and will issue as a circular to all Departments and offices following the enactment of this legislation.

This new approach will set fixed and binding current expenditure ceilings for each ministerial Vote group over a rolling three-year period and makes clear well in advance the level of savings that need to be planned for in each Department to ensure that the allocations are adhered to each year. Special arrangements will apply to certain demand-driven blocks of expenditure, notably the live register, which is related to the economic cycle and is less amenable to multi-annual planning and control.

A comprehensive review of expenditure exercise, such as we undertook shortly after coming into office, will be conducted approximately every three years and will allow for the multi-annual ministerial expenditure ceilings to be re-evaluated reflecting new or developing Government priorities.

I will briefly describe each section of the relatively short Bill. As I stated, section 1 amends section 17 of the Ministers and Secretaries (Amendment) Act 2011. This section provides for the Government, following a proposal from the Minister for Finance, to approve an upper limit on Government expenditure, which comprises the aggregate amount of voted expenditure and the expenditure of the Social Insurance Fund and the national training fund, for each of the following three financial years. It also provides that the Government shall, following a proposal from the Minister for Public Expenditure and Reform, approve the amount of Government

expenditure to be apportioned to ministerial expenditure ceilings for each of the three financial years.

Section 2 states the Short Title of the Bill and provides for the commencement of the Act.

I also propose at Committee Stage to include a new section in the Ministers and Secretaries Act to allow for the provision of information necessary for the proper and effective operation of ministerial expenditure ceilings. The section will provide that public service bodies shall make available to the Minister such information as is necessary for the purposes of the proper and effective operation of ministerial expenditure ceilings. This is a permissive section to allow public service bodies supply the necessary information to the Department of Public Expenditure and Reform to enable me, as Minister, to properly monitor and operate the expenditure ceilings set out in the Bill.

It is proposed on Committee Stage to introduce a provision to allow the Minister for Finance, following consultation with the Minister for Public Expenditure and Reform, to allow the Irish Fiscal Advisory Council to endorse, as it sees appropriate, the macroeconomic forecasts prepared by the Department of Finance for the purpose of the fiscal planning on which the budget and the stability programme will be based. Deputies will be aware that it is a condition of the recently agreed six pack set of EU rules that a body be nominated for the purposes of independently endorsing the macroeconomic forecasts on which the budget is based. This task will be assigned to the Irish Fiscal Advisory Council and involves amending the Fiscal Responsibility Act to provide for this. As this legislative vehicle is before the House now, I propose to do that formal endorsing in law of the Irish Fiscal Advisory Council using the Ministers and Secretaries (Amendment) Bill, as it is dealing with similar issues and in the same general context. This amendment may mean the Long and Short Titles of the Bill will require change on Committee Stage also. I hope Deputies will understand that it is a finance measure but since this legislative measure is before the House we are using it to formally appoint the Irish Fiscal Advisory Council in the role required for it in the agreed six pack arrangements.

The Bill will provide in statute for the medium-term fiscal expenditure. Instead of having annual expenditure limits, by law we will have multiannual expenditure limits. We have been doing that in practice on an administrative basis since we came into office. This will underpin confidence, at home and abroad, about the soundness of the Government's overall budgetary plans. Its design will help to restore Ireland's public finances to a strong and sustainable position over the coming years. It will facilitate greater structural planning based on priorities and ensure there is a focus upon the core principles of Government and will continue the Government's commitment to return Ireland's economy to a position of growth while ensuring sustainability of the public finances. This new enhancement to the Estimates process is both sensible and practical while representing a responsible and necessary change in the approach to budgeting. I hope it will be acceptable to the House.

**An Leas-Cheann Comhairle:** I call Deputy Sean Fleming.

**Deputy Sean Fleming:** How much time do I have?

**An Leas-Cheann Comhairle:** The Deputy has 30 minutes, which is the speaking slot for spokespersons.

**Deputy Sean Fleming:** I welcome the opportunity to speak on the Ministers and Secretaries (Amendment) Bill 2012. As the Minister has said the Bill is quite short and deals with

some specific matters. While it is useful in that regard, it is only useful in so far as it goes. The legislation leaves much to be desired and should have included other matters. I will deal with one or two of those points specifically. I do not believe the public will fully appreciate what has been omitted from the legislation and should have been included. I ask the Minister to take that on board and for a common sense approach to prevail on Committee Stage when it comes to amendments we will propose. We are supporting the legislation at this Stage as it is an important step in the overall process of improving our public finances, but I believe the Bill can be improved as it goes through the House.

The Bill allows the Government to anchor its already operational multiannual expenditure limits in national law. This is a requirement under the EU-IMF programme of financial support for Ireland signed almost three years ago. Specifically, the Bill amends the Ministers and Secretaries (Amendment) Act 2011 and provides for medium-term expenditure management in Ireland through both multiannual Government and ministerial expenditure ceilings, which is important. This was required under the EU-IMF programme agreed in November 2010. We are within six months of November 2013 when we will exit the programme and this issue should have had much greater priority. The EU-IMF troika will practically have left our shores before this legislation will have been enacted.

**Deputy Brendan Howlin:** Please God

**Deputy Sean Fleming:** Please God - and rightly so. It is important to have these arrangements in place because the troika would not have confidence leaving us without some of these additional measures being in place. It should have been in place but be that as it may, it is coming through now.

The main change the Bill will effect is to provide for medium-term expenditure management in Ireland and it makes provision for multiannual Government expenditure ceilings and most importantly ministerial expenditure ceilings. I will come back to that point specifically.

In looking at the policy context of the Bill, we are dealing with the finances of the State. To an extent this is a technical Bill. There is no great issue involved other than managing our finances better. It is important that people understand what is included in the scope of the Bill. I want to deal with what should have been included but has not been. All State revenues must be paid into the Central Fund, the Exchequer. The Government draws on this for expenditure in respect of State services. Government expenditure consists of voted expenditure and non-voted expenditure. I do not know the public at large knows that. I do not believe everybody in this House even knows it. If I asked people the difference between the two, they probably would not be sure. If I asked them about the Central Fund they would not be sure. That is why we are here today. This is part of our job and people rely on us to know what we are talking about and they have trust in us to do that.

The larger part of Government expenditure consists of voted expenditure which is for the ordinary services, including health, social protection, education public services, the Garda, the Army, etc. However, excluded from this legislation is the non-voted expenditure, which is paid out of the Central Fund under specific legislation, without annual reference to the Dáil each year. This consists of expenditure on items such as: servicing the national debt and repayment of loans; running the Houses of the Oireachtas Commission, which involves paying our salaries and the operation of this House; share subscriptions to State bodies as required as has happened with banks in the past; and the salaries and pensions of judges, upon which we went to the

people with a referendum and yet it is excluded from this legislation.

**Deputy Brendan Howlin:** It is part of the separation of powers.

**Deputy Sean Fleming:** I know that, but I am talking about the actual payment. Also included are the salaries and pensions of Uachtarán na hÉireann, the Comptroller and Auditor General, and Deputies. I will come back to those points.

The Central Fund, unless otherwise stipulated by law, is where all State revenues are deposited. I now want to deal with a specific issue. I refer to the document, the Medium-Term Fiscal Statement, published in November 2012. The most important part of the document is table 3.3 on page 26 entitled Fiscal Forecasts 2012-2015. This gives a view of our overall finances, including total expenditure, receipts, the capital budget, the Exchequer balance and the general Government balance. I will summarise those and refer to some of the specific figures.

**Deputy Brendan Howlin:** To what document does the Deputy refer?

**Deputy Sean Fleming:** I am referring to the Medium-Term Fiscal Statement, published in November 2012. I believe it came after the comprehensive review of public expenditure. This was the one published in November 2012, incorporating the Department of Finance autumn forecasts.

**Deputy Brendan Howlin:** We have just published a more recent one. I take it the Deputy has that document.

**Deputy Sean Fleming:** Fine. I do have it, but the figures I am taking-----

**Deputy Brendan Howlin:** It is just that the Deputy has last year's document and not this year's.

**Deputy Sean Fleming:** It is interesting that the figures published last year have changed already. Is that the point the Minister is making?

**Deputy Brendan Howlin:** It is updated all the time.

**Deputy Sean Fleming:** I would have hoped the forecast would have lasted longer than six months. Anyhow it is an update. I have checked some recent figures also based on the 2013 Estimates. I refer to the document, Estimates of Receipt and Expenditure for the year ending 31 December 2013, which costs €1 for those who want to pay for it. I also referenced my figures to this document and there is a slight variation but not too much. I want the public at large to take account the issue of voted versus non-voted expenditure. The House must debate this issue. I have rounded the following figures from the Medium-Term Fiscal Statement so I do not lose people in the decimal points. In 2012 the voted current expenditure was €52 billion and capital expenditure was €4 billion, giving a total voted expenditure of €56 billion. For 2015 the figure for current expenditure is €48 billion and that for capital expenditure is €3 billion, giving a total of €51 billion, which is a reduction of 9% from the 2012 figure. This is the target with regard to voted expenditure for line Departments.

Non-voted expenditure is not voted through the House, and I believe it should be as part of the budgetary process. In 2012 the total for non-voted current expenditure was €8 billion and the total for non-voted capital expenditure was €3 billion, giving a total of €11 billion. By the end of 2015 non-voted current expenditure is forecast to increase to €11 billion and non-voted

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capital expenditure is forecast to increase to €4 billion, so between 2012 and 2015 non-voted expenditure is forecast to increase from €11 billion to €15 billion. This is an increase of 36% and there is no mechanism in the Parliament to discuss it. We can have all the discussions we like in the Estimates and budgetary process about the voted expenditure, which will be reduced by 9%, but we have no mechanism to discuss the non-voted expenditure, which is to increase by 36%, according to the figures in the document.

**Deputy Brendan Howlin:** It is debt servicing.

**Deputy Sean Fleming:** I understand that, but we should be speaking about the cost of the debt which is part of government expenditure. It should not be excluded from our discussion process because it comes from the Central Fund and has nothing to do with Parliament. It is taxpayers' money and how much we pay on the national debt should be voted through each year. This is the point I wish to make. I know somebody will find out why these were separated back in the year dot, but it is no longer satisfactory.

I have given the context of these figures. Non-voted expenditure, which we do not get to discuss in the House, can increase by 36% while what we can discuss is reduced by 9%. I am detailing these figures because they are not discussed in the House and we do not vote on them. The Minister can say they are in the book but it needs to be said on the public record. Note 4 of the 2013 Estimates of Receipts and Expenditure for the Year Ending 31 December 2013 details non-voted current expenditure, and I will read the figures, of which I am sure the Department officials are aware. The cost of servicing the national debt is projected at €8.111 billion and the contribution to the EU budget will be €1.444 billion. Neither of these figures was discussed in the House as part of the Estimates process. This is taxpayers' money which we pay to the EU.

**Deputy Brendan Howlin:** We get a lot of it back.

**Deputy Sean Fleming:** Of course we get money from the EU, but we certainly do not get back the money for servicing the national debt. That money is gone.

**Deputy Brendan Howlin:** Correct.

**Deputy Sean Fleming:** I am just saying we do not get to discuss as part of the Estimates process the €8 billion which goes to service the national debt. We also do not get to discuss the contribution to the EU budget of €1.444 billion, and if we did there might be greater understanding about it. I believe we receive approximately €2 billion per annum from the EU through the Department of Agriculture, Food and the Marine, but people would be surprised to find we pay back three quarters of it with no discussion in the House. I am not saying we should not do so, but the public needs to know that the mechanism of the House and legislation do not allow for discussion of this as part of the Estimates process.

This year €5 million of taxpayers' money is budgeted for payments to PSE Kinsale Energy Limited under the Finance Act 1992. I presume this has to do with the Kinsale gas field, but €5 million of taxpayers' money will go there and will not be voted through the House. This year we will pay €50 million in salaries and pensions to the Judiciary and holders of constitutional office and pensions and allowances to certain Members or former Members of the Oireachtas; this is not part of the Estimates process and is not voted through the House. It goes through a bank account somewhere in the Department of Finance called the Central Fund and is paid directly to all of these people with no discussion in the House as part of the Estimates process.

This year we will spend €5 billion on payments to political parties under the Electoral Acts. This is a new development which is welcome and necessary. If the tribunals taught us anything it is that there should be a more public and transparent method of funding parties so they are not reliant on big business. I agree with this and support it. It is right and correct, but how did it get slotted in to be paid out of the Central Fund without discussion during the annual Estimates process? This figure should be discussed. I am not saying it is too much or too little, but it should not be excluded from the Estimates of the line Departments.

This year we will spend €3 million on election postal charges under the Postal and Telecommunications Services Act 1983. I do not know with what this is in connection, but I suspect it is for a referendum, probably on the Seanad. I have an excellent suggestion which I have made several times, and perhaps the Minister will take heed of it. The Taoiseach came before a meeting of the Select Sub-Committee on the Department of the Taoiseach to deal with Estimates. A figure of €2 billion was included for the referendum this year on the abolition of the Seanad. All of this will be allocated to the Referendum Commission for the information campaign, and rightly so. I made the point to the Taoiseach that last year the Department of Children and Youth Affairs abused taxpayers' money by not spending it in an appropriate manner. This year it will all be spent by the Referendum Commission. It makes no sense that we can spend €2 billion this year on an information campaign for the referendum and still spend €3 million on postal communication to each registered voter. The Minister knows that many houses have four or five voters and, for example, my constituency had 16 candidates in the most recent general election. There should be a mechanism whereby registered candidates can include their names and photographs with the ballot paper. This information could be sent to a body such as the Standards in Public Office Commission and one booklet could go to each registered voter with a list of candidates and pen pictures of them. This would be preferable to the sending of this information separately by all political party candidates and independent candidates at full postage cost. Each voter should receive details of who is running, but this could be included in one document. The way it is done at present means up to 20 documents could be sent to a household if several voters are living there.

The Houses of the Oireachtas Commission has a budget this year of €112 million, and €37 million has been provided for miscellaneous items, giving a total, according to this Estimates figure, of €9.796 billion this year. All of this money needs to be spent, but it should all be discussed as part of the expenditure process. This is not captured in the legislation, which only deals with voted expenditure.

Note 6 on page 8 of the 2013 Estimates of Receipt and Expenditure for the Year Ending 31 December 2013, prepared by the Government and presented to Dáil Éireann in accordance with the provisions of Article 28 of the Constitution, deals with non-voted capital expenditure, which is not discussed in the House and is excluded from the legislation in which the Minister states ceilings will be put on expenditure. If we have a ceiling on how much we can spend on health we should have a ceiling on how much we can spend on the interest on the national debt.

*5 o'clock* It is as simple as that. If any household is in difficulty, it must look at its total expenditure, including living expenses, mortgage payments and other debt commitments. There has to be some resolution. I am not talking about write-offs but about the proportion one spends on a mortgage or, in the State's case, paying the national debt and interest. There should be a discussion every year here as part of the Estimates process and these aspects should not be excluded. What I am saying is pure common sense.

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I now wish to mention the Schedule dealing with non-voted capital expenditure, which is never discussed in this House as part of the Estimates process. I was surprised to read the figures under the capital expenditure headings. We were discussing the Construction Contracts Bill in committee but had to suspend that work to attend this debate. With regard to payments under the European Communities Act, there is capital expenditure of €10 million on European Regional Development Fund and the Cohesion Fund repayments this year, and under FEOGA there is a payment of €800 million. That sum, plus the €1.444 billion, means that Ireland is making a total contribution this year of €2.454 billion. Since Ireland is paying almost €2.5 billion to the EU in 2012, are we a net beneficiary or a net contributor to the EU? Looking at this figure, I think we could be a net contributor.

**Deputy Brendan Howlin:** Not yet.

**Deputy Sean Fleming:** Maybe not. I am delighted to see that we are getting more than €2.5 billion back, but I do not think people realise that we are paying that sum into the EU's coffers this year. My point - which I will continue to make until people are tired of hearing it, so that maybe somebody will act eventually - is that it is never discussed in this House. It is excluded because it is called non-voted capital expenditure.

In addition, this year we are making an Exchequer contribution to the insurance compensation fund of €272 million. The promissory note payments for certain banking institutions amount to €3 billion. The ESM share capital obligation is €510 million, while miscellaneous payments amount to €34 million. Given the €510 million for the ESM capital obligation, where is the ESM helping us out in dealing with our debt, including what we had to invest in our banks in taking a shareholding? I note that €510 million is going from Ireland to the ESM this year, but I thought the traffic should have been going the other way. It is extraordinary, given what we did to look after German bondholders, that we have to pay €510 million to the ESM this year. That is on top of the same amount paid last year.

This year alone we will be paying out in the order of €15 billion in non-voted expenditure, yet there is no discussion about it in this House and no reference to it in the Minister's legislation. The legislation is good in so far as it goes, but what it leaves out needs to be examined in further detail. We will come back to ask about these matters in due course. All those items are not included on constitutional grounds. One cannot discuss FEOGA, payments to politicians, the ESM capital obligation, payments in respect of the Kinsale gas field, and postage for referendums. All of these issues should be discussed here annually. It is not right to have a debate that only deals with certain elements of expenditure while we are not allowed to discuss other matters.

I wished to ventilate those points concerning what is not in the legislation. It has been a fault with the whole expenditure process in this House for a quite a while. The largest areas of expenditure are excluded from the Bill before us, so to that extent the legislation is deficient.

I now wish to move on to some other points. The Minister referred to the Estimates procedure in his opening speech. It was nearly the last sentence in that contribution. Barring those of the Department of Public Expenditure and Reform and the Department of the Taoiseach, none of the Estimates for line Departments have gone to committees yet. We will be here in June passing that. The Minister is talking about a new enhancement of the Estimates process, yet we do not even get to discuss it in the first half of the year. That is a poor reflection of the process. Is someone trying to fool us by calling that an enhanced Estimates process? We are

discussing it halfway through the year when most of the money has already been spent. That is not a process at all and it is certainly not an enhanced one.

The voted expenditure we are discussing also takes into account net expenditure after appropriations-in-aid. Therefore, income raised by line Departments is included and netted off against an expenditure ceiling. As I said earlier, all expenditure has to go into the Central Fund, except where legislation states that it can be retained directly by Departments which use it to offset their departmental expenditure. Therefore, they must go to the Minister, Deputy Howlin, when voted expenditure is reduced by the amount of the funds they collect.

I will mention one or two issues that arise under the heading of expenditure in aid. In the Department of Health alone, €1.5 billion of income is raised through the Department. The biggest part of it is the amount raised from private insurance companies for private beds in public hospitals. The tobacco levy is also included, as well as a number of other items. I am not exactly sure into which account in the Department of the Environment, Community and Local Government or the Department of Transport, Tourism and Sport motor tax goes. Such issues arise from those figures, yet they are not being discussed as part of this legislation but are being netted off in the expenditure figures we are discussing. It would be more useful if we discussed the total income for the State in those areas that are not captured in this legislation and the total non-voted expenditure.

The budgetary system has been criticised, and rightly so, for facilitating levels of annual expenditure growth that were not prudent over the years. This is illustrated by the fact that there was average growth of 10% in the years 2001 to 2007, which outpaced economic activity in the country at the time. One of the flaws in the budgetary process at that stage was that while there was always a three-year expenditure plan, one analysis of expenditure growth identified as a shortcoming in the system the fact that there was almost a complete focus on the current year in setting the Estimates. The Department of Finance undertook a study which showed that the first year's outturns - those voted by the Dáil as part of the Estimates each year - typically came in within approximately 1% of the projection. I will come back to the thing that blew that figure out of the water last year, which was the largest Supplementary Estimate in the State, after the setting up of the Department of Public Expenditure and Reform. I do not understand that. The second year outturns came in ahead of projections by 6% because people were over-optimistic in what they projected the expenditure figure to be, including restrictions. The projections for the third year were out by 12% on average. In other words, every time somebody produces a projected figure for the next 12 months, even though it is done as accurately as possible, there is always a rose-tinted-glasses approach to figures for the second, third, fourth and fifth years. We always think there will be more growth and that the figure will be better. This probably applies just as much in the private sector, with companies going to banks seeking finance. It certainly happens here with public expenditure figures also, including the budget deficit and growth figures. It is good to be optimistic but somewhere along the line all those figures have been proven by the Department of Finance to be between 6% and 12% off the mark. We need to get that in order, so it is important to have tighter medium-term fiscal targets.

The Department of Finance acknowledges that our budgetary system is based on cashflow. All private businesses work on their income and expenditure and have figures for debts incurred and money owed. While it has its uses, our budgetary system is basic and simplistic. People understand what is taken in and what goes out, but it does not take account of money owed or debts incurred, which are omitted. It is also recognised that the system does not facilitate proper multi-annual planning, as it works on a cash receipts basis. Therefore, the system needs

to be adjusted.

The Minister mentioned some key reforms of budget matters. In 2006, we brought in the pre-budget outlook to replace the previous approach, under which an economic review and outlook was published each summer by the Department of Finance.

In 2007 we produced a unified budget approach under which the annual Estimates of expenditure were published separately. They were the abridged Estimates but now it is a unified budget approach and that is important. We also have the annual output statements, which have the potential to be very good, but have not got there yet. Some of the changes the Minister is bringing in regarding the budget Estimates process are very good but some have yet to be implemented.

There have been some developments as a result of international developments. The EU-IMF programme has made us change some of our rules. The legislative programmes in terms of the six-pack the Minister mentioned have made us change some of our approach and that is welcome. The adoption of the Treaty on Stability, Co-ordination and Governance in the Economic and Monetary Union, known as the fiscal compact treaty by the Irish people, was a key element in why we are doing what we are doing here today. The medium term expenditure framework to which the Minister referred is consistent with the document I referred to. The medium term fiscal statement is important there too. They all contribute into the discussion we are having here.

Last year the Minister published a schedule for the expenditure ceiling within the Department but it has already been breached by the Departments of Social Protection and Health and he had to give them more money because the Ministers could not be reined in. I would like the Minister to have a strong arrangement in place when the EU-IMF troika leaves here in December, so that there will be proper expenditure control on those two Departments. We had the largest Supplementary Estimates in the history of the State here last year. I mentioned this in passing before and I will not labour the point. Some €1 billion had to go through in December for the Departments, some of it connected with the two Departments I just mentioned. I have also mentioned that the 2013 Estimates timescale is hopeless. There is no organisation. We would support the Minister. Thank God, because of the EU we will have our budget Estimates in October this year and our Estimates should be completed before the end of the year, which will be very helpful. We will fully support the Minister on that.

I say to my colleagues in the House, "Please pay attention to the Estimates debate at the committees." I have seen the following in some committees in this House year in year out, on all sides of the House, whether Government or Opposition. The Minister comes in and gives an opening statement, and there could be €10 billion going through a Department and they spend time talking about one small aspect of that sum. Years ago Deputy Rabbitte, when he was in opposition and on the Committee of Public Accounts, did an analysis of the time spent by the various Dáil committees studying the Estimates, and the average time was less than 90 minutes. Only one committee, the finance committee, had even spent more than two hours.

Deputies will spend the rest of the year complaining about Government expenditure, the money being spent in Departments and waste, and yet when they have the opportunity to grill the Minister and the senior officials at the Estimates debate they give it only cursory time. I plead with Members to take it more seriously. I ask that in future the Minister considers the social impact of the Estimates and ensures they are poverty-proofed, gender-proofed and employment-proofed.

Spending on public private partnerships is not included in this. Another item excluded from the legislation is what I would call the tax incentives. We do not know the cost-benefit ratio of the many tax incentives. Some of them are valuable in encouraging private expenditure but they should be factored in and counted as income foregone as part of this issue, almost like an expenditure.

I have covered most of my points. The Minister has inherited the spending pattern across all the Departments and he has given them all a ceiling. Somewhere along the line the Minister should stand back and ask whether that is the proportion we would like to spend. He is tied by the current spending commitments in the historical arrangements of what we spend in each Department. Perhaps there is a need for some Departments to get a higher proportion than others in the future and that is something that needs to be looked at.

**Deputy Mary Lou McDonald:** Unlike the previous speaker, I dare to take as a hopeful signal the fact that the Minister has not rushed the Estimates through the committees. Let it be borne in mind that there is now a substantive dialogue in respect of the public sector and the Croke Park proposal as it was a proposal that was defeated. Unlike Deputy Fleming, I would say we cannot have it both ways. I was very critical of the Minister when he moved the Estimates for his own line Department through committee and it is only prudent and appropriate that he does not rush in that manner.

Providing for multi-annual Government expenditure ceilings as part of a medium-term expenditure management framework brings us in line, as the Minister has indicated, with other European states. This Bill gives legislative effect to our international commitments, and goes some way to put in place medium-term safeguards for public spending, falling as it does within with the EU's agreed two pack framework, bringing the annual budget announcement forward to October, which is welcome.

Fianna Fáil's "If I have it, I spend it" approach did not serve this State very well. Annual budget announcements have traditionally been used by outgoing Governments as a pre-election giveaway with the harshest measures reserved for the beginning of a term in office. Multi-annual budgeting and medium-term budgetary processes are a step in the right direction. The legislation includes the necessary flexibility to accommodate unforeseen budgetary demands. We could usefully discuss that further on Committee Stage. Like all plans in life, we need to stick to them but we must also allow for the necessary fluidity to alter the plan as needed. This will be a challenge to any Government but a balance must be struck between budgetary safeguards on the one hand and an ability to ensure public spending serves the public needs on the other. However, what is in this legislation is certainly not a revolution or revelation of reform, and despite the work of the Minister over the last two years he has fallen far short on his Programme for Government commitments.

Does the Minister remember that Fine Gael and Labour on entering Government promised to "open up the budget process to the full glare of public scrutiny in a way that restores confidence and stability by exposing and cutting failing programmes and pork barrel politics"? Fine words, but completely contrary to what was delivered last December for the announcements in respect of budget 2013. The Minister rowed back on this commitment in way not seen before. The Expenditure Report 2013 did not include a full breakdown of spending for a number of Departments. Unlike previous years, where key departmental spending would have been detailed, we got the sparsest of information. The health Vote, bad as it was, was not the worst but let me give it a particular mention.

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A summary of €1.2 billion in cuts to the health budget was detailed over ten lines. Where was the public scrutiny or the glare of the public in that? There were no specifics on savings on the Department Vote of €60 million or on other changes to primary care schemes to save €44 million. Fast forward by five months and we discover that, for instance, the assessment criteria for the under-70s had be changed. We discovered that months later. It is not said up-front. There were no specifics on increased generation of private income amounting to €115 million. That is no way to proceed.

Cuts to the Garda, prisons, other areas of justice and equality, local government funding and education were all astonishingly short on detail. All provided less information in the budget document than previous years. So the public was left in the dark about where exactly the impending cuts were coming from, as were the Opposition Members. All this falls far short of the Minister's statement in the Dáil last December that the setting up of his Department of Public Expenditure and Reform "represents the Government's commitment to more effective and open Government". Transparency requires that one actually submit the data to the public domain for public scrutiny. During the same budget speech the Minister told us he intended to bring proposals to Government for Ireland to participate in the global Open Government Partnership, reinforcing our commitment to progress in this area. This global Open Government Partnership initiative requires a commitment to fiscal transparency. Last year's expenditure announcements not only were not transparent but were a step backwards for this Government's aspiration for open government. Last February the Minister stated that Ireland's participation in the open government partnership had "a clear potential to contribute to the continued recovery of Ireland's international reputation". Huge strides are needed if we are to bring ourselves up to the base-line of best practice but we should also see ourselves as potential champions of open government. What we appear to be seeking at every turn, however, is the bare minimum or, as happened during the budget 2013 announcements, a step backwards.

This legislation should be a statement of intent from the Minister that he intends to make radical changes to the budgetary process, as called for by his own party colleagues. Last year at the Labour Party conference or Ard-Fheis - I am not sure what it is called - calls were made for the annual budget to be equality proofed by undertaking a distributional analysis of proposed budgetary measures on all income groups, and for the evidence generated as part of the proofing process to be published as part of the budget documentation. That is a very strong and worthy idea. Labour Party members, colleagues of the Minister, went on to demand that the measures to be implemented be subjected to an equality audit that would quantify the impact of budgetary measures on all income groups, and for this information to be published within six months of the budget.

The programme for Government commits to ensuring that the rights of women and men to equality of treatment and full participation in society are upheld. The ultimate measure of any reform agenda will be the experience of citizens in seeking and accessing services. The people will be the jury and they will decide ultimately the success or failure of any administration and its reforms. Whenever I put the straight question to the Minister, as I have done several times, asking whether he will equality-proof the budget and publish the data, I am told time and again that the primary objective is to reduce the deficit and return public finances back to a sustainable footing. I never understand this response as it suggests equality budgeting and sound public finances are somehow opposed objectives, which is not at all the case. In reality, they are two sides of the same coin.

The Minister has told us Cabinet procedures require that proposals put to Government must

indicate clearly whether there is any impact of the proposal on, among other things, gender equality, persons experiencing or at risk of poverty or social exclusion and people with disabilities. However, whenever I and, I imagine, others have sought this same information I am told the information cannot be released due to Cabinet confidentiality. The Minister tells us he champions the reform agenda yet when real reforms are put to him, not only by the Opposition but by his own party colleagues, he balks and refuses to countenance them. In light of successive reports detailing the outright failure of Government to put in place the required policy responses and resources to tackle deepening inequality and systemic unemployment, my advice to the Minister would be to open his ears and his mind.

The latest reports of the ESRI and the National Economic and Social Council, NESC, on the impact of the economic crisis on young people and families are damning. The author of this week's ESRI report describes the impact of the crash on younger groups as "large, both by international standards and in a historical comparison". The report asks how policy can best address the disproportionate impact the crisis has had on Ireland's young households. The NESC report notes that the succession of harsh budgets since 2008 has had the hardest impact on families with children. Some 22% of all households are now without any work and the report notes that a quarter of all children are living in jobless households. Youth unemployment is a shocking 50% in Limerick, 49% in Donegal and 47% in Wexford, and is at intolerably high levels in Dublin's inner city.

These reports are not news. The ESRI's Distributional Impact of Tax, Welfare and Public Sector report told us that last year, following budget 2012, the greatest reduction in income was to those on the lowest incomes, with a fall of about 2% to 2.5% for the poorest 40% of households. This compared with a fall of about 0.7% for the top 30%. Square that circle. These results reflect the truth that increases in indirect taxes are regressive and cuts in welfare have a greater impact on low income groups. That is logical. A study carried out by TASC revealed that the group most at risk of poverty in Ireland, namely, lone parents, lost the highest percentage of income in budget 2011. Clearly, this situation will have worsened in light of the ESRI report findings from earlier this year, and given the increased cuts to supports in the following budgets. There are years of evidence, yet the Government, like previous ones, doggedly refuses to make the link between equality budgeting and public expenditure.

The Campaign for Equality Budgeting in Ireland, which I wish to commend in the Dáil today, has done some constructive and positive work on setting out proposals for the implementation of equality budgeting. Just last month the campaign submitted a detailed proposal to the Minister for Finance. In light of Labour Party members' support for equality budgeting, it is deeply disappointing that the Minister, Deputy Howlin, has failed to grasp not only the value of but the necessity for this approach to expenditure planning. Equality auditing and impact assessments can provide information to Government on how different sections of society are affected by its economic and social policy measures. How else can Government tackle inequality in wider society, or take informed decisions, if it does not have the necessary data to inform such decision making? Under the Government's current budget process it cannot achieve the very best equality outcomes for society, particularly those hit hardest by disadvantage and unemployment.

We know the crisis is hitting families, women, youth, and people with disabilities but the Minister's current approach to expenditure does not include impact assessments and analysis detailing how specific sections of society are affected by public spending. The Departments of Finance and Public Expenditure and Reform both continue to look at fiscal planning from the

bottom line up, thereby deliberately restricting their own analysis and, indeed, the analysis of those measures they have put in place as the Government's checks and balance. Equality budgeting would increase the level of information available on public expenditure, have an impact on equality markers and increase levels of transparency. The concept of equality budgeting is not new. Since the 1980s more than 60 countries have embraced some form of equality or gender budgeting. Some positive work has been done in this area by previous Governments in as much as strategies were developed and a small number of initiatives saw the light of day, some only very briefly.

The equality budgeting campaign specifically detailed the Scottish model in its submission to the Minister for Finance and I urge the Minister to consider it in detail. The Scottish budgetary process involves the publication of a draft budget which allows for public consultation and debate before final publication. An equality statement is issued with the draft budget, outlining the equality implications of the budget. However, this is just one model - there are many more that can be drawn upon internationally. It might be worth the Minister's while to look up the road to the North of Ireland, at its section 75 provisions, and see how equality requirements are processed there. The measure is not perfect but is infinitely better than the system we have down here.

Proposals for equality budgeting could include, for example, setting up a unit with responsibility for integrating equality horizontally across all economic policy processes and planning, with particular reference to the nine grounds of the Equal Status Acts and to socioeconomic status. This equality budgeting unit must be adequately resourced to undertake or commission research on the impact of the economic crisis on differing sections of society and to ensure data used in policy making are disaggregated on the basis of gender, disability and other relevant socioeconomic indicators. At the very least it should publish impact assessments alongside the budget to allow members of the public and elected parliamentarians to see how the budget affects different sections of Irish society. The Minister has repeatedly indicated this information is provided to Government by Departments through expenditure-related budget submissions and proposals. I am simply asking him to put it in the public domain and be guided by it in making budgetary and expenditure decisions.

At the outset of his contribution, the Minister spoke about positive, sensible and prudent reforms. I will always support such reforms but I fear the Minister and his Department are not so much prudent as overly cautious and timid in respect of overhauling the budget process. I accept the need for discipline in expenditure and that we have to cut our cloth according to our measure but we must also ensure the services we provide meet the fluctuating needs of people. Crucially, the issue of equality and fairness should not be located in the budget process in a whimsical sense but firmly rooted in practice and regulation through a system of equality budgeting. The Minister indicated that he intends to introduce additional provisions on Committee Stage. I am not in a position to comment in detail on such provisions until I see them but I look forward to debating them on Committee Stage and I urge him to make equality budgeting a reality.

**Deputy Stephen S. Donnelly:** I welcome this Bill as a small step towards significant budgetary reform, although I shall outline the specific concerns I have with it. I have the greatest of respect for the Minister of State at the Department of Arts, Heritage and the Gaeltacht, Deputy Dinny McGinley, but it is ironic that the Minister, Deputy Howlin, stated in his contribution, "We have introduced a number of important budgetary reforms aimed at enhancing the openness and transparency of the budgetary framework", only to leave when Deputy McDonald

started her speech. There are only three Opposition Deputies on the Minister's sub-committee, namely, Deputy Sean Fleming, Deputy McDonald and me. The Minister's departure set the tone for our contributions. There is a lot of big talk from the Government but its culture and actions belie its words. Ministers claim they are listening only to leave the Chamber when we speak. By leaving at the start of Deputy McDonald's speech, the Minister perfectly illustrated this problem.

We know that budgetary reform is badly needed. In 2005 we were scored by the World Bank in the lowest quartile internationally. We are in the same category as Greece, Cambodia and Kenya. In an index of legislative capacity produced in 2006, we scored zero out of ten in the quality of information given to parliaments to assess budgets and in the time given to parliaments to assess budgets. In another study of OECD and other countries, we came 35th out of 36 countries. The only country worse than us at doing budgets was South Africa. We are appalling at this process and previous Government and officials are to blame. The culture of secrecy and protecting information is extraordinary.

The programme for Government states: "We will open up the budget process to the full glare of public scrutiny in a way that restores confidence and stability". I have spent several years working with numbers, budgets and financial analyses in the public and private sectors and nothing in this process instills confidence in me or leads me to believe that it will achieve stability. The Minister regularly makes speeches like the one he just made to tell us he is doing everything he can. Opposition Deputies are constantly asking for improvements but we do not seem to get them. Government backbenchers are now calling for reform. I read in this morning's *The Irish Times* that there was a surprising amount of support in Fine Gael for Deputy Eoghan Murphy's proposals on political reform. We know it is wanted on all sides of the House, that it has been promised and that it would make a big difference but it does not seem to happen.

This Bill will not introduce these much-needed reforms for two buckets of reasons. These are the mechanics of the process, which are bad although getting better, and, more important, the culture in which it happens. Without a change in the culture, nothing else will change. The Minister stated that the Government has "completely modernised and reformed the annual Estimates process, built performance-related information into the heart of the budgetary documentation, and brought evidence-based policy-making to the forefront of public service delivery". That is nonsense. This Government has not modernised and reformed the Estimates process. I am heavily involved in that process and it remains a shambles.

In regard to performance information, I have studied closely the documentation on the revised Estimates provided by the Minister. It contains a few performance-related metrics but nothing which would allow us to hold anyone to account. The font is probably 4-point or 6-point. One would not want to be hard of sight because it is a dense and impenetrable document. I have years of experience of interrogating financial information but it was impossible for me to use the documentation provided by the Minister to hold him to account, which is part of my constitutional role. As for evidence-based policy making, Deputy McDonald summed it up. Policy making may be based on evidence but any evidence is being kept from us. The Minister explicitly refused to share evidence of policy making with me. When he announced the capital expenditure programme, which involves a vast amount of money, I asked for a technical appendix, a cost-benefit analysis and decision criteria but he told me I could not have these details because they would be too complicated for me to understand. That is just one example. I do not buy the claim that the Government has completely modernised the process by building in

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performance-related budgeting and bringing evidence-based policy making to the forefront of public service. I certainly do not see these reforms as a Member of the Oireachtas.

Deputy Sean Fleming's arguments are well made. There is a huge amount of non-voted expenditure that the Dáil does not get to see. This practice must be stopped.

I draw the Minister of State's attention to subsections 1(5) and (8), which neatly segue into the culture underpinning the legislation. Subsection (5) reads: "The Minister for Finance shall, on behalf of the Government, inform Dáil Éireann of a decision under subsection (2) or (3) as soon as may be after the decision is made." Subsection (8) is identical except in respect of the subsections to which it refers. Under the Constitution, Dáil Éireann is the only institution in the State which may authorise public expenditure. The previous Government, with the support of the current Government parties, passed an Act which bypassed the Dáil and provided that the Minister for Finance can spend any amount of money on the banks, for any reason and at any time. We are now €64 billion into that particular act of lunacy. The only requirement the legislation imposed on the Minister was that he must inform Dáil Éireann of his intentions. Similarly, the legislation before us does not require Dáil approval for the various binding estimates, ceilings and important multi-annual targets. On the contrary, it provides that the Government, having agreed such measures, will inform the House of what is to be done. We are, therefore, hard-wiring the problem in the early Act into this legislation.

Let us address the culture behind the Bill. Last week, I asked the Minister for Finance, Deputy Noonan, a question on the stability programme update, an important financial document which, as in the case of the expenditure in the Bill, is a multi-annual medium-term estimate that is submitted to the European Commission. The Commission may return the document with binding country-specific recommendations. When I asked if the Dáil could be given more notice than the two and a half hours we received this year and if the committee could be given more than one hour to debate the document, he stated he had brought it to the committee "at the first available opportunity" and that I had not been "inhibited in any way whatsoever" before describing my intervention as "a wrangle about process rather than dealing with the document", which was, he said, "a waste of time." I was allowed to speak for five minutes, having received the document only two hours before the committee met. It was subsequently submitted to the Commission as it had been presented to committee and without proper Oireachtas oversight. The Minister placed the document under our noses one hour before it was e-mailed to Brussels and basically told me to stop wasting his time. He refused to give me any comfort on my request that Deputies be allowed to scrutinise what was a very important document.

Two weeks ago, I asked the Taoiseach if the budget would be signed off on 15 October, to which he replied in the affirmative. The point of the European semester is to co-ordinate and try to drive good budgetary practice into countries such as Ireland. Under the current requirement, a draft budget must be submitted to Brussels by 15 October. In other countries, a draft will be submitted to the Commission and subsequently debated in the national parliament, where it will be changed through parliamentary input and oversight, before being passed in December. This is not the process we are adopting. Instead, the Government has decided to avoid parliamentary oversight and bring the budget forward to the day on which the draft document must be submitted to Brussels.

Some months ago at a committee meeting, I asked the Minister for Public Expenditure and Reform, Deputy Brendan Howlin, if he would consider including in one of the forthcoming referendums a question on removing from the Constitution the preposterous provision that only

Ministers may propose amendments that incur charges on the State. Deputies may not propose any amendments that would give rise to a cost. The Minister declined my suggestion on the basis that every Deputy would spend time making silly proposals that would either cost a substantial amount or result in tax reductions.

As Deputy McDonald noted, last year's budget is a perfect example of the culture of locking Parliament, including Deputies from all sides, out of the budgetary process. Guillotines were used for every measure and Deputies were given practically no time to speak on the social welfare, finance and local government tax Bills, all of which were rushed through the House.

I am not sure why the Minister is not present. Perhaps the Minister of State, Deputy McGinley, who is not in the Department of Public Expenditure and Reform, will inform the Minister that Labour Party, Fine Gael and Opposition backbench Deputies want a modern budgetary process introduced. Contrary to the Minister's claim that he has already done this, the culture at the top - namely, in the Economic Management Council - has not changed. The council is controlling and stifling debate and shutting out the Oireachtas. This practice is repeated in the Bill in the provision that the "Minister for Finance shall, on behalf of the Government, inform Dáil Éireann of a decision".

I ask the Minister of State to relay to the Minister a number of proposals. First, the budget should not be passed in October and, second, the stability programme update should not be waved under the noses of members of the Joint Committee on Finance, Public Expenditure and Reform one hour before it is sent off to Brussels next year. I emphasise that the European Commission can make binding recommendations based on this document. I also fully concur with calls for the Government to introduce equality budgeting.

If we want to have best practice, we should examine a report on the matter issued by the OECD, which states: "In no case should this be less than three months prior to the start of the fiscal year." As Deputy Sean Fleming noted, we will receive this year's Estimates in June. The report continues: "Non-financial performance data, including performance targets, should be presented for expenditure programmes where practicable." While this is being done to some extent, I have not seen anything I could usefully use to hold a Minister or Department to account. The OECD also recommends that "comparative information on actual revenue and expenditure during the past year and an updated forecast for the current year should be provided for each programme." It states that monthly reports should be prepared showing progress in implementing the budget and a parliamentary budget office should be established, which would allow Government backbench Members and the Opposition to properly interrogate budgets.

This legislation has been introduced because the European Union requires us to do so. Underpinning the Bill, however, is a culture whereby the Government is in charge and there is nothing for Dáil Éireann to see in it. While I accept the budgetary process is improving, I repudiate the idea that we are even close to good international practice, because the culture at the top of government is stifling the House and preventing it from doing its job.

**Deputy Mary Lou McDonald:** Hear, hear.

**Deputy Finian McGrath:** I welcome the opportunity to speak on the Bill, which addresses the management of the public finances, expenditure and budgets. This debate provides an opportunity to examine, reform and change the system. We must be clear and honest with people. The days of false promises and inefficiency should be consigned to the past and the game-

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playing replaced with sensible management of the public finances. If this is done in a fair and equitable manner, we could build for the future. People want hope and a vision for change. Above all, they want action which will have a positive impact on their lives.

The Bill allows the Government to anchor its already operational multi-annual expenditure limits in national law. This is a requirement under the EU-IMF programme of financial support for Ireland. Specifically, it amends the Ministers and Secretaries (Amendment) Act 2011 and in doing so provides for medium-term expenditure management through multi-annual Government and ministerial ceilings. This is the core element of the legislation.

We must address the issues of banking, the economy and distressed mortgage holders, because families are suffering as a result of what took place in this country. We must deal with the €64 billion put into the banks. Small businesses are being devastated.

At the same time, there must also be accountability and transparency. There are examples of the latter in many parts of the public service. I was previously employed as the principal of a small school in a disadvantaged area. The school in question was probably one of the poorest in the country and I recall how every single cent of its budget had to be accounted for and how the books were checked regularly by inspectors from the then Department of Education and Science. If we were €1 or €2 over our budget, someone would be on our case. The money in that school's budget was spent on the weakest and most disadvantaged pupils in the country. I am aware that this is also the case with the modern DEIS schools. The Minister of State, Deputy McGinley, knows a great deal about this matter and has a good understanding of the position. DEIS schools receive taxpayers' money and they keep records and must account for every single cent. That should be the case across every Department.

In the context of the legislation before the House and the broader economic issues by which the country is affected at present, Deputy Donnelly put forward many sensible suggestions for reform. It is not acceptable for Ministers to state continually that members of the Opposition do not put forward constructive proposals. I ask the Minister, Deputy Howlin, to take on board these sensible proposals. We were all elected to this House on the basis of a vision for change and reform. When we knocked on their doors during the 2011 election campaign, people asked if we would take action to fix what was wrong and if we would do our best for the country. That must also be measured in the context of State revenues and expenditure.

The Constitution states, at Article 28.2, that the executive power of the State is exercised by or on the authority of the Government. The Constitution also states that the Government, which is responsible to Dáil Éireann, is collectively responsible for the Departments of State administered by its members and that the Taoiseach, the Tánaiste and the Minister for Finance must be members of the Dáil. All State revenues must be paid into one fund - called the Central Fund or the Exchequer - and the Government then draws on this for expenditure in respect of State services. As stated by previous speakers, Government expenditure consists of voted and non-voted expenditure. The larger part of Government expenditure consists of voted expenditure, which is for the ordinary services, called supply services, of Departments. Following the Government's proposals, the Dáil is asked to vote on authorising the moneys in respect of these services each year. Non-voted expenditure is paid out of the Central Fund under specific legislation, without annual reference to the Dáil. This consists of expenditure on items such as servicing the national debt, the Houses of the Oireachtas Commission, share subscriptions to State bodies, judicial salaries and pensions and the salaries and pensions of Uachtaráin na hÉireann and of the Comptroller and Auditor General. What I have just outlined are the nuts

and bolts of the legislation before the House.

Under the EU-IMF programme of support, Ireland is committed to implementing a number of reform measures in respect of its budgetary management process. These will build on reforms undertaken to date, particularly since 2006, which were aimed at increasing the transparency and effectiveness of the budgetary process. The two words on which we must focus in this regard are “transparency” and “effectiveness”. Both previous and current reforms are outlined in the Bill, as are a number of the weaknesses identified in the Irish system.

I welcome the Bill and the broader debate on this matter. I urge the Minister to listen to what Opposition spokespersons are saying. We were all elected on a platform of reform. I would like the Estimates process to be modernised. In that context, an evidence-based process is required as a matter of urgency. In addition, there is a need for transparency in respect of non-voted expenditure. Real reform, real change and real accountability are required. Imposing guillotines in respect of important legislation such as finance and social welfare Bills is not sensible, does not represent good practice and is a danger to the State. I am grateful to have had the opportunity to address these issues and I hope the Minister will take our views on board.

**Deputy Seamus Healy:** I wish to take the opportunity provided by means of my contribution to the debate on the Bill to commend the Ballyhea Says No group on its actions and to place its proposals on the record of Dáil Éireann. The group in question has been marching in Ballyhea for the past 115 weeks. The group in Charleville has been marching for 100 weeks and the growing Ireland Says No movement has been doing so for 15 weeks. The Ballyhea group commenced its protest on 6 March 2011, shortly after the most recent general election and in the immediate aftermath of the announcement by the Taoiseach, Deputy Enda Kenny, that burden-sharing with the banks would not happen. The latter was, of course, a complete U-turn and represented a reneging on the promises and commitments made by Fine Gael during the general election campaign. Apart from its weekly march, the Ballyhea group has visited Dáil Éireann on three occasions, has travelled to Brussels on two occasions and has been in the ECB’s headquarters in Frankfurt. Its members did all of this at their own expense. The Ballyhea group includes members of all political beliefs and none. Collectively, the group is apolitical. The members of the group are not economic experts and do not pretend to be. In the context of age, gender and employment status, they represent a cross-section of society. However, they have a single, united agenda, namely, to lift the unjust bailout from the shoulders of the people. Those in the group are not going to rest until they have been successful in that regard.

The Ballyhea group has put forward a number of proposals in respect of bank debt, the Europe-wide crisis and the major imbalance that exists in the context of Ireland’s contribution to resolving that crisis. It has called on the ECB to write off the €28.1 billion in sovereign bonds currently held by the Central Bank in lieu of the promissory notes-----

**Acting Chairman (Deputy Seán Kenny):** Will the Deputy address the content of the Bill?

**Deputy Seamus Healy:** I am doing so. This is Second Stage and all the matters to which I refer are germane to the debate.

**Acting Chairman (Deputy Seán Kenny):** Yes, but perhaps the Deputy could speak on the actual legislation.

**Deputy Seamus Healy:** The promissory notes were issued in 2010 to cover a flagrant abuse of the emergency liquidity assistance fund, when €31 billion was pumped into two already insol-

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vent institutions, namely, the former Anglo Irish Bank and Irish Nationwide Building Society. This was an abuse which the ECB approved. The group is also seeking that the EU - through the European Stability Mechanism - restore to the Irish Exchequer the €3.1 billion already destroyed on the basis of those promissory notes, the €20.7 billion taken from the National Pensions Reserve Fund to bail out the banks to which I refer and the remaining €13 billion or so borrowed from the various emergency funds to bail out the Irish banks in general. The first proposal in this regard would ease the long-term bank debt burden and the second would ease the current situation, provide money to be invested in job creation and enable us grow our way out of the recession. I support these proposals and I hope other Members of this House and the Seanad will do likewise.

The Bill before the House has been introduced on the instructions of the troika. It facilitates the implementation of the six pack and the EMS treaty and is part of a plan to hand over detailed control of our economy to the larger European powers. In other words, it is a plan to diminish Irish sovereignty.

*6 o'clock* When we joined the EU in the 1970s, we were told by Fianna Fáil and Fine Gael that it was not a surrender of our sovereignty but a pooling of it. Due to the reckless lending of European banks and the collaboration with same by the wealthy Irish establishment and its political representatives, namely, Fianna Fáil, Fine Gael and the Labour Party, total control of Ireland has been handed over to international financiers.

**Deputy Anthony Lawlor:** And Deputy Ross.

**Acting Chairman (Deputy Seán Kenny):** Order, please.

**Deputy Seamus Healy:** International vulture capitalists are roaming the country buying up assets for a song. The Government led the way in these fire sales when it allowed 37% of Bank of Ireland to be bought by the American financier Wilbur Ross for just over €1 billion, leaving the State with a 15% stake in the bank in which it invested €5 billion.

This Bill is related to a deliberately misleading analysis that alleges that Ireland's public expenditure is excessive. Nothing could be further from the truth. Irish public expenditure in 2011, at 42% of GDP, was lower than that of the UK, Germany and Sweden, at 47.3%, 43.7% and 52.5%, respectively. Irish public expenditure increased in the 2000 to 2008 period, but it was still behind other European countries and started from a low base.

The budgetary deficit is mainly due to the collapse in tax revenue, although low and middle income families are heavily and unfairly taxed. The main reason for the collapse was the transfer of the tax burden from the rich to stamp duty on property transactions. At 30.8% of GDP, the Irish tax take is well below that in other European countries - 38.9% in Britain, 40.6% in Germany and 47.9% in Sweden. To a considerable extent, this is due to tax breaks for the rich. In a 2012 report, Social Justice Ireland stated that investment property-related tax breaks - for example, car parks, hotels and section 23 and section 48 properties - were costing the Exchequer €435 million per year.

The super-rich often claim that they are in favour of free enterprise. They are opposed to prudent regulation, as we know from recent years. They are also in favour of profits subsidised by Irish citizens.

The Bill sets in stone the policy of austerity being pursued by the Government. That policy

unfairly taxes low and middle income families while wealthy people with significant incomes and assets get off almost scot free. I oppose the Bill.

**Acting Chairman (Deputy Seán Kenny):** Deputy Terence Flanagan is next and is sharing time with Deputies Lawlor and Donohoe. Is that agreed? Agreed.

**Deputy Terence Flanagan:** The introduction of this short, technical Bill is a requirement under the troika programme of financial support for Ireland. It will provide for medium-term expenditure management and will amend the Ministers and Secretaries (Amendment) Act 2011. The aim is to set a limit on the annual budget of each Department, resulting in each Department prioritising its resources and working more efficiently. Having defined limits in place will focus the minds of Ministers and senior departmental staff. This is not before time, given the events of the past ten years.

The Government recognises the importance of introducing a more transparent expenditure system with a longer-term outlook. The Bill's provisions number among a range of regulations to promote this change. It has been made clear in recent years that Ireland must implement reform measures in its budgetary management process to increase the transparency and effectiveness of the process. Fine Gael sought such changes in opposition and is continuing in its policy with the Labour Party in government. It is vital that the system be accountable to the Oireachtas and, most importantly, the public.

The current budgetary process has a short-term outlook that focuses on the year ahead instead of a number of years in advance. Financial pressures that fall outside the annual frame of reference do not receive the same attention and projections are regularly outdated and incorrect by the time the year in question is reached. Ireland operates a traditional annual cash-based system of Government accounting. While this has strengths, a number of areas of public financial management are not addressed.

In recent years, several significant policy developments have taken place at national, EU and EU-IMF levels. Methods of economic and budgetary governance are now under review at EU level and specific proposals have been tabled to help to ensure that all EU member states manage their national budgets in a sustainable way. Ireland has already moved to implement a number of these proposals. In this regard, some commitments were set out in the National Recovery Plan 2011-2014 and budget 2011.

Multi-annual expenditure planning is in place in a number of other countries. It is only right and proper that the Oireachtas would introduce such a system. It sets fixed expenditure ceilings for each year in a multi-year cycle and for each main area of expenditure rather than for just one year. Under the terms of this Bill, for each financial year the Government will approve an upper limit of expenditure for the following three financial years. The Minister for Finance will submit a proposal about the limit and can later propose to the Government that this amount be revised upwards or downwards. The new section 17(6) inserted by section 1 of the Bill outlines that the Government will decide the amount of expenditure to be apportioned to each Minister's area of responsibility for the financial years concerned.

This short, technical Bill will change the accounting exercise involved in the annual budget. Any move to improve transparency in Government expenditure should be welcomed by all Deputies. This system will enable the public to hold Departments to account and to ensure there is effective management of scarce public resources. The introduction of a more complete

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medium-term framework for fiscal planning will inevitably lead to the greater planning and control of expenditure.

**Deputy Anthony Lawlor:** I come from a business background. Anyone with that perspective understands how budgets work. One tries to budget or plan a number of years in advance. We must welcome anything the Government can do that is similar to what happens in business, such as putting long-term budget plans in place. I am astounded by the criticism of some Opposition speakers of what the Government has done to date. We are trying to ensure we do not allow the type of economic collapse that happened in 2008.

My first election was in 1977. At the time, the Fianna Fáil Party-----

**Deputy Alan Kelly:** Deputy Lawlor must have been very young then.

**Deputy Anthony Lawlor:** I was only a nipper.

**Deputy Paschal Donohoe:** Deputy Lawlor looks well for his age.

**Deputy Michael Healy-Rae:** Was Deputy Lawlor running in that election?

**Deputy Anthony Lawlor:** Deputy Healy-Rae's father might have been running at the same time. At the time promises were made to scrap rates on property – we are bringing back property tax now – and car tax in order to get a party elected. If we had in place what we are endeavouring to put in place now, none of the ridiculous promises that caused economic hardship for the next ten years in this country would have been possible. In the period from 2002 to 2008, we regularly spent 10% more than we took in on tax receipts. That did not make economic sense. The economic growth during the period was less than what we were spending at the time. We are taking these little steps to ensure there is inherent regulation of the budgetary process.

I welcome the fact we are planning ahead by introducing budgetary ceilings. Previously, when Governments introduced budgetary ceilings for two or three years, they were not adhered to. It is incumbent on us to adhere to the budgetary ceilings we put in place in conjunction with the Department of Finance. That would give us an opportunity to put in place a budgetary process on which we could plan ahead. From what Ministers have said, it is clear what we will do in this year's budget. Everyone knows the breakdown of the cuts and taxation elements of the budget and that we have to take €3.6 billion out of the economy in 2014. The plan has been clearly set out by the Minister for Finance. Although the figures are large, the fact that they exist is a benefit because they will help the markets to understand where we are going. There is a challenge to maintain the upper limits in the future. We must work hard with the Department of Finance to ensure the figures we set out are achieved. That creates problems for various line Ministers.

Because we will have narrower budget deficits, at times we will end up with surpluses and we must learn how to deal with them. It might be necessary to introduce a Bill on how to deal with surpluses in the future. Deputy Catherine Murphy is laughing but I always look at the long-term picture rather than short-term, narrow gains.

**Deputy Catherine Murphy:** Deputy Lawlor should get his Zimmer frame out.

**Deputy Anthony Lawlor:** Many Opposition speakers, especially from Fianna Fáil, were disparaging of the fact that we were told to do this by outsiders. We would not have had to do it if Fianna Fáil had not put us in the current situation by not adhering to a proper budgetary

process.

**Deputy Paschal Donohoe:** I wish to comment on the brief exchange between my colleague, Deputy Lawlor, and Deputy Catherine Murphy on a potential budget surplus. Deputy Murphy encouraged Deputy Lawlor to get his Zimmer frame ready. It is probably worth pointing out that we will have a primary budget surplus within the next two years. A primary budget surplus is what one gets when one strips out interest payments on the national debt. We expect to run a small surplus in the budget once we exclude the interest on our payments. While the cost of servicing the national debt will be onerous and we will seek to reduce it, and while we still have a considerable deficit that we are currently seeking to reduce, Deputy Lawlor is correct to make the point that we should engage in some kind of planning for what we should do when we get to the point where the level of tax is roughly enough to pay for the level of expenditure. It is the lack of such discussions in the past that created the environment within which our budgetary situation and ability to regulate our banks fell completely apart. We are getting to the point where we need to have a discussion on the kind of country we want, the level of spending we want for public services and the level of taxation without having the troika in town.

One of the most provocative comments I heard recently on the troika came from Dr. Don Thornhill, chairperson of the National Competitiveness Council. He said the following recently: “Yet when the Troika came to town, Government committed to, and began implementing reforms which many long ago recognised as necessary”. He went on to list the reforms. He also said: “If Ireland regains access to the international financial markets, at acceptable cost and if we say goodbye to the Troika what will happen?” He later went on to say in the context of the troika leaving this country:

Sadly our history suggests that the risks of reform, fatigue and failure are very real. If we fail, the costs will be reflected in high levels of embedded unemployment and emigration, higher levels of taxation which impair economic growth, as well as diminishing levels of provision and quality in our public services. This would be an ironic and tragic consequence of our efforts to restore economic sovereignty.

As the man who runs the National Competitiveness Council, it is Dr. Thornhill’s job to look at what this country should be doing and what progress we need to make to retain levels of competitiveness sufficient for the country to prosper. Rather disturbingly, he is questioning whether the country and its institutions will have the ability to do that if the troika departs. I am certain that the troika will go. I am also certain that in the absence of the troika, the Government, Parliament and all the institutions have the ability to come up with plans and deliver strategies that ensure the country can get to better days, and that we do not need the troika for our country to make the right decisions. The Bill and the introduction of multi-annual budgeting is a small but important part of the process. That is the type of measure sought by many commentators in this country before the boom. It is a system that is already in place in many other countries.

The elements of good budgeting I would welcome in legislation exist on four different levels. The first is that we must get to a point, towards which we are making steady progress, whereby we ensure the taxes we raise roughly pay for the level of public services we want. The moment a country is unable to deliver that, it sets itself on a path that makes it vulnerable to outside forces, be they the financial markets, other institutions or, in extreme cases, entry into a programme such as prevails currently. The second element that is vital is that we must be aware of the impact of levels of private credit within the economy. We have to know if they are fuelling an asset boom or levels of lending or personal debt that are becoming unsustainable.

Again, Ireland under the last Government lost the ability to do that.

The two final points that are essential are as follows. First, we must have a tax base that is broad and capable of weathering any sudden collapses in economic activity. Second, we must also ensure, with such a tax base in place, that the level of spending allowed by that tax base is roughly in line with the kind of growth happening in the economy. That is why legislation like this, which puts in place the requirement for multi-annual budget forecasting, is something I welcome. Those four ideas are very simple and most people would agree with them but they are ideas that our country, and the last Government in particular, was incapable of delivering. This legislation requires that this and any future Government look at these metrics and be aware of their impact on our budgetary situation.

All of that being said, when this legislation is passed and up and running, there are other areas that will be important in order to ensure that it works successfully. Those areas relate to what happens with current and capital spending. It is very important to recognise that capital spending is different from current spending. We must ensure that as each year goes by, if a given Department - for example, the Department of Transport, Tourism and Sport - decides not to spend all of its capital budget in a particular year, for whatever reason, the money is not lost to that Department in year two. Departments must be able to ensure they spend their capital allocations at what they believe is the best time in terms of getting the best value for the taxpayer.

On the issue of current spending, in order for a system such as this to work, Departments and Ministers must stick to the allocations made available to them. The moment that stops, legislation such as the Bill before us today stops working. Finally, the Government must have the ability to allocate money among Departments as it deems appropriate. If a particular Department is not spending its full current spending allocation, for whatever reason, the Government should be able to intervene centrally and decide where else that money should be spent. That is particularly important at the end of the fiscal year.

Of course, what this legislation is silent on is the Dáil. The Bill seeks to ensure that the Dáil will play a greater role *vis-à-vis* multi-annual budgeting in the future but does not envisage a greater role for the Dáil beyond that. It is clear to me, as a member of the Committee of Public Accounts, that the Dáil could play a greater role in two particular areas. The first area concerns the annual output statements that each Department publishes. My strong sense, having looked at how they are dealt with in the Dáil and in Oireachtas Committees, is that we are still not making enough use of them to confirm that the money allocated to particular Departments is actually spent in the way in which the output statements say it should be spent at the start of the year. The second area relates to the recommendations made by Oireachtas committees. As the committees move through the sectoral Estimates of a Department, scope should be provided for those committees to make recommendations on the reallocation of money within that spending area and to outline how the money could be spent. Obviously, it is exclusively the decision of the Government to accept or reject such recommendations, but there are many good ideas emanating from Deputies in the two main parties in government, not to mention our colleagues on the Opposition benches, that we should be capable of hearing within the budgetary process. If those ideas are good ones, the Government should be capable of making a small number of them happen. Of course, the other consequence is that it would force people who are against everything and in favour of nothing to engage more constructively with the budgetary process. This is an approach to devising budgets which, had it been in place in the past, might have prevented some of the difficulties we are now in and averted some of the misery that the people we represent are dealing with. For that reason alone, I look forward to the implementation of

this legislation.

**Deputy Catherine Murphy:** I wish to share time with Deputy Tom Fleming, with the agreement of the House.

First, I wish to pick up on something Deputy Lawlor said about the 1977 election. I agree it was an election that was bought and also that we have paid a price for that type of behaviour. Essentially, we need to balance our budgets, but we must balance them within a social context. The introduction of this legislation is very much a part of the European fiscal compact, which is something that was accepted by the citizens of Ireland. Clearly, the compact was accepted and we must live with the consequences of that. I feel that we let ourselves down badly in that regard by not negotiating some debt write-off before entering that process. We have been left with very little tolerance in the running of public services. The requirements of the compact add to our difficulties in raising funds and covering the cost of public services.

Had this legislation been passed ten or 12 years ago, we would possibly have been able to manage ourselves better. Having said that, a whole raft of legislation would have been required because budgetary management was not the only thing that went wrong in the context of the bubble in the economy. I also believe that the Maastricht treaty was a flawed process and thought so at the time. However, the euro is clearly a fact of life now and we must stick to the rules, which are very unfair in terms of the burden that the Irish people have been asked to bear.

I wish to draw attention to a number of issues with this legislation. State revenues must be paid into one fund, called the Central Fund, as outlined in the Bills Digest. However, that can be misused. If one takes the example of the carbon fund, there is major resistance to a carbon tax because it is seen as just another tax rather than a fund that is used to counterbalance the harm caused by the use of dirty fossil fuels. The money is not ring-fenced and we do not see an output from it.

There is a certain amount of dishonesty surrounding how our budgets continue to be devised. I would have thought that now, more than ever, we need to be honest with people. We need to be honest about how money is raised, how it is spent and what funds are available. The local property tax, for example, is not spent locally. As money is being raised through a property tax, it is being withdrawn from the local government fund. This means that there are no visible new services provided on foot of a new tax.

The way in which we devise our budgets is important, but we get very little time. Budgets are rushed through and often guillotined. Very often, amendments proposed by members of the Opposition are rejected out of hand. I completely accept that the Constitution does not allow us to put a charge on the State but sometimes the power to rule amendments out of order is over-used because, on some occasions, what members of the Opposition are proposing will result in a saving rather than a charge to the Exchequer. That issue must be examined in the context of how we devise our budgets in the future.

It must be asked if there really is Cabinet responsibility, especially in the context of something like the Irish Bank Resolution Corporation Bill on the so-called prom night, when it was the Irish Fiscal Advisory Council that was in the loop and not the Cabinet. Sometimes it is not only a question of the Dáil not being fully informed; in that case, the Cabinet was not even fully informed. People find it offensive when they read in a newspaper about our budgetary process or aspects of our budgets being debated in the German Parliament in advance of our considering

them, and that has taken place several times.

There should be a greater honesty about how we do things. Not long ago we were debating the Motor Vehicle (Duties and Licences) Bill, the purpose of which was to raise additional taxation under each category from motorbike up to articulated lorry. Licence fees were being raised. Less was to be raised in that Bill than the amount it allowed to be taken out of the motor taxation fund to put against the national debt. Why did we not simply call it the national debt tax? We are trying to hoodwink people into believing that these are taxes for specific things when in fact they are not for what we have claimed they are for. There will be a price to pay for such dishonesty.

Funding for the Houses of the Oireachtas Commission is included in the Bill. That is non-voted expenditure which comes from the Central Fund, but the commission is not representative. For example, no one from Sinn Féin, the Technical Group or the Independents in the Seanad has any involvement in the Houses of the Oireachtas Commission, a forum at which one may put forward proposals to reduce the amount of expenditure. I have tabled several proposals in the past in this regard. However, because the legislation was laid before the House on the last sitting day of December last, it was rushed through as a matter of course. Such so-called oversight is completely unacceptable.

We have been forced to do this because we signed up to the fiscal compact. We held a referendum and the proposal was accepted. There is no option but to put forward this legislation because the troika is effectively telling us that we must do it. However, we have not heard from the European Union about whether there is a social union, whether housing is an issue that should be provided for within our budgets, or whether our health care or education will be properly provided for. I believe this is one-dimensional in that regard. Further, I believe the Government has been responsible for a great deal of spin, referring to the protection of headline rates and core rates when in fact we know virtually everything outside of these have been cut, as has funding for the issues I have drawn attention to previously. I call for a more honest approach to how we do business, because people are not foolish. They will recognise these things and there will be a price to pay for trying to hoodwink people into thinking they are getting something they have paid for when in fact the money is going elsewhere.

**Deputy Tom Fleming:** Under the EU-IMF-ECB programme, we are committed to implementing several reform measures in respect of our budgetary management process. These will build on reforms undertaken to date in Ireland, especially since 2006, which have been aimed at increasing the transparency and effectiveness of the budget process. For several years our budgetary framework has been identified as substandard with regard to multi-annual fiscal planning and management. For example, annual expenditure growth averaged approximately 10% between 2001 and 2007, which outpaced the annual rates of economic growth during the same period.

The existing budgetary process focuses attention on the immediate year ahead, whereas expenditure trends and pressures which fall outside the annual frame of reference do not receive the same attention or control. By the time these future years are reached earlier projections will invariably have been superseded. Ireland operates the traditional annual cash-based system of government accounting. The Department of Finance often acknowledges that this approach has strengths in terms of management and control of the cash allocation from year to year. However, many key themes of public financial management during recent decades have not been ideally catered for by these arrangements.

One key budgetary reform has been the pre-budget outlook, which replaced the previous economic review and outlook published mid-year or during the summer by the Department of Finance. The pre-budget outlook is published in October and November and presents a multi-annual review of the economic and budgetary contexts within which the following December's budget is framed. Another key reform has been the introduction of a unified budget whereby all expenditure and tax policy decisions are put together on budget day and expenditure estimates are produced as part of the budget documentation. As a result of these reforms, Ireland is gradually reaching the required levels for a medium-term expenditure framework and for the development of multi-year budgeting and expenditure planning. These features have become an integral part of the financial management systems of many countries, including Sweden, Finland, the United Kingdom and the Netherlands. They have been practising these methods for several years, approximately since the turn of the century.

The Bill proposes that each financial year the Government will, upon a proposal from the Minister for Finance, approve an upper limit on the Government expenditure ceiling for the following three financial years. Section 17(3) provides that the Minister for Finance may propose to Government that this amount be revised for any one of the financial years in question. I welcome this initiative and I am pleased that there is provision for flexibility by the Minister for Finance.

Recently, there has been much emphasis on austerity measures. Let us consider the debate on the promissory notes. At the time, last February, I highlighted the fact that as far back as last October Christine Lagarde and the International Monetary Fund directed the European Central Bank and the European Union to ease off on the extreme austerity measures which were being imposed on the Irish public. It took six months before that was reiterated by a senior member of the troika. That is shameful. It should have been acknowledged if the Irish Government was informed behind the scenes. That much should have been brought forward to Dáil Éireann. I only became aware of it because I saw it in a newspaper article, which I put aside at the time. It is noteworthy that within the past five or six weeks it has been acknowledged and recognised that this statement came from someone in European officialdom. There is good will from the Government.

There have been utterances from a number of Ministers. The Minister of State at the Department of Finance is here tonight and I would like him to give some clarity on Government policy on what is coming from the top down. Our situation has been compounded by layer after layer of harsh measures and people cannot take any more. From now on we must plan a strategy to get ourselves gradually up off our knees. We must have stimulus programmes and reach out to Europe to get additional support and help; we have made a start on this. We must accelerate our efforts in this area. We may then offer some hope to the public, who have been driven into the ground in many cases with the weather and shortages for farming communities at present. Great efforts are being made by the Minister for Agriculture, Food and the Marine and the Government on that, with co-operation from everyone. People are acting in a neighbourly fashion and helping each other out. The IFA and the farming organisations are on board as well. We hope we will get over this dire situation, because we are well aware that farming is the backbone of the Irish economy.

The ECB must recognise some of the damage done by the EU and all involved in it. I am sure the Government is trying hard and this is a delicate situation involving a whole European and global situation. There is recognition that we need a huge boost so we can lift the economy. There should be small business incentives which would stimulate more job creation, which is

paramount to lifting us out of our deflation and reviving the ailing economy. It is crucial over the next three to five years if we are to make any sort of return to normality.

There are a number of issues. Section 17 of this Bill provides for the Government, following a proposal from the Minister for Finance, to approve an upper limit on Government expenditure, which comprises the aggregate amount of voted expenditure and expenditure of the Social Insurance Fund, SIF, and the national training fund for each of the following three years. The reality is that a review in September 2012 of Ireland's SIF showed a significant shortfall. The fund, which forms the core of the country's system of social insurance, is set to expand to €25.7 billion by 2066, or 5.7% of GDP, according to the most recent official actuarial review. The SIF finances long-term benefits such as pensions as well as short-term payments, including maternity benefit, jobseeker's benefit and carer's allowance. The actuarial review of the SIF set out the position of the fund at the end of December 2010 and gives projections as far as 2066. The fund currently has a significant shortfall of income over expenditure, provisionally at €1.5 billion for 2007, with expenditure of €9 billion but income of just €7.5 billion, according to the review. This poses an alarming situation that we must set about rectifying, and whatever measures that will have to be carried out must be put in place over a number of years. It certainly will not be done in the very short term. The Minister for Social Protection, however, is committed to rectifying this. She has stated the significant shortfall in the fund is being met by the Exchequer, and the prospect of acceleration of this deficit in the future represents a daunting challenge that must be addressed. The one thing we cannot lose sight of is our pensions, maternity benefits and the different funds for jobseekers, carers and those with a disability. We must ensure they get adequate funding.

We must acquire assistance from the European Social Fund and funding globally. I welcome the national training fund, which was also mentioned in the report.

**Deputy Mattie McGrath:** Tá súil agam go mbeidh an Cathaoirleach ann maidin amárach nuair a bheidh mé ar Leaders' Questions. Deputy Broughan is a great man to keep order and I apologise for whispering to my colleague when Deputy Fleming was speaking. He would be a great man for Leaders' Questions and would keep order on the Government side while I was trying to make my points against the adversity of the onslaught of the shouting and everything else. Sin scéal eile.

I am delighted to speak on the Ministers and Secretaries (Amendment) Bill 2012. At least the Government had the manners and respect to call it what it is - it is the Ministers and Secretaries (Amendment) Bill - unlike some of the Bills it has brought in recently. One was called the land conveyancing and something something else Bill, a total misnomer. It is the Bill to throw people out of their houses, the evictions Bill. It is not the first one the Government has brought in, so at least this is called by its proper title and amends an existing Bill. It is about time there was some accountability there.

Mar a dúirt mé riamh, ar Bille eile, the Government is closing the stable door when the horse is gone. The Chair will give out to me for mentioning names but Mr. Cardiff is in Brussels or somewhere else and many of the Ministers of the day are swanning around on big pensions. The bankers are at large roaming the countryside like predators, as they always were. One of them has possibly been charged but nothing has been heard about a court case. He presented 30,000 documents and when we hear the likes of that we know nothing will ever come out of it. It is simple enough to charge people with fraud - naked, basic fraud. I am a small businessman and I know that if financial returns are misstated by any amount of money, be it €1 or €5 million,

and I mislead the accountant who signs off on the basis of the figures I supply him-----

**Acting Chairman (Deputy Thomas P. Broughan):** I ask the Deputy to address the Bill before us.

**Deputy Mattie McGrath:** Táim ag teacht ar ais so fan cúpla nóiméad. I am coming back to it, although I am going the circuitous route.

I am elected to the Dáil like everyone else for the time being and I cannot understand the charade that is going on in this country and how people have plundered it and walk free. If I mislead my accountant it is basic, naked, simple fraud and I can be charged. There is no need to wait for 30,000 documents or anything else. We know that in the case I am talking about it was millions and billions that were moved in and out of accounts before the books were done. Lo and behold, we find the accountancy firms that were helping out have now been appointed under the IBRC Bill to look after the winding up of those two banks.

Reference was made to the multi-annual fund. The first time I heard of it was at a meeting of South Tipperary County Council when we trying to get certain byroads included and we were told they had to be national secondary or national primary roads and that there would be a multi-annual fund that would go on forever, but the road was never done.

We are now bringing this in because the troika wants us to bring it in. Herr Angela is our god now. Previous speakers mentioned that our budget can be discussed in the German Parliament before we even see it here. It is sad.

There was reckless carry-on. The 1977 election was mentioned. Certainly, I was out canvassing that time, putting up posters promising no motor tax and no rates on land. At the time, rates on land were a heavy burden to pay. They were always paid by my father and his father - God rest them - and most others. Anyway, there was out-bidding by the others and it was about who could bid the highest. More fool I was, but we learned by our mistakes and I admit that.

Certainly, the last election was auction politics. When Fine Gael was running away with it, the former party of the Acting Chairman, Deputy Broughan - like myself, he is in exile - could not offer enough. They were going to burn the bondholders. They were going to have smoke going up into the skies - the planes could not fly with the smoke that would be going up and the chafe and the dust from the bondholders' bonfire. What were they not going to do? The stated "Not another cent," and the exact opposite was done then when they came into Government. The people are wary now. I am involved in politics since 1976. Certainly, it has been an education, but it is sad the way the public has been caught, cajoled and led astray by Governments and the permanent Government.

On the Bill, while the Bills Digest contains nice points, it even mentions, if one would not mind, Bunreacht na hÉireann, the Constitution into which so much effort went and which has stood us well over the time. Of course, now it is used when we feel like using it and abused when we feel like abusing it. Bunreacht na hÉireann, the Constitution of Ireland, states that the executive power of the State is exercised by or on the authority of the Government - Article 28.2. The Government, which is responsible to Dáil Éireann, is collectively responsible for the Departments of State administered by its members. The Taoiseach, the Tánaiste and the Minister for Finance must be members of the Dáil, and I thank God they are. All State revenues must be paid into one fund, called the Central Fund or the Exchequer, as we painfully know it. The Government then draws on this for expenditure in respect of State services. Government

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expenditure consists of voted expenditure and non-voted expenditure. The larger part of Government expenditure consists of voted expenditure, which is for the ordinary services, called supply services, of Departments. Following the Government's proposals, the Dáil is asked to vote on authorising the moneys in respect of these services each year. Non-voted expenditure is paid out of the Central Fund under specific legislation, without annual reference to the Dáil. Is mór an trua é sin. This consists of expenditure on items such as contributions to the European Union budget; servicing the national debt, that monstrosity that we must service at all costs even though the ordinary humble citizen had little say or part in creating such a monster; and the Houses of the Oireachtas Commission, a wholly extraordinary body which could not be described as being fair or representative when it includes no representative of the Independents, of which there were previously 19 and there are now 22 or 23, a sizeable portion of this Parliament - and, as I heard earlier from Deputy Catherine Murphy, Sinn Féin is excluded as well.

What did I do wrong now?

**Acting Chairman (Deputy Thomas P. Broughan):** You are okay.

**Deputy Mattie McGrath:** Are you sure?

**Acting Chairman (Deputy Thomas P. Broughan):** I am chairing.

**Deputy Mattie McGrath:** Go raibh maith agat. I thought I did something else wrong but I thank God I am spared this time.

The non-voted expenditure also consists of expenditure on share subscriptions to State bodies, judicial salaries and pensions, and with which I have no difficulty at all, salaries and pensions of Uachtarán na hÉireann. We have a good Uachtarán na hÉireann and I respect him. He came up the hard way and he understands life in Ireland. On his recent interjection on tax, in spite of the attempts to corral him back, it is time someone in authority in this country gave representation to the people and the anguish they are going through because of the recklessness of previous Governments, permanent government and this Government.

This Central Fund, unless otherwise stipulated by law, is where all State revenues are deposited and is also the source of all Government spending. The fund is provided for under Article 11 of Bunreacht na hÉireann. The Central Fund, therefore, equals the credited amount in the Exchequer account kept at the Central Bank.

As there is mention of the Central Bank in the Bills Digest, I welcome the Minister of State, Deputy Brian Hayes. I am glad he is here. With all the talk about the Cyprus experience and the Minister of State and his European colleagues discussing over the past number of days the sequence of punishment or whatever repayment when persons get reckless again, and to which this Bill should apply as well, I am reliably informed that there is nothing like what should be in the Central Bank to cover deposits up to €100,000 that are guaranteed. What is there would not go within an ass's roar of it. The Minister of State might be able to clarify the matter for me when he replies. We are told that up to €100,000 is guaranteed and we are delighted. They tried to interfere with it in Cyprus. The Government has the Presidency and Deputy Brian Hayes must take responsibility in that his senior Minister was involved in this up to so high, and the officials, because Ireland holds the Presidency and the Government is in charge. I am informed that there is nothing else-----

**Deputy Brian Hayes:** It was a Eurogroup decision. On a point of information-----

**Deputy Mattie McGrath:** Of course.

**Deputy Brian Hayes:** It is difficult to decipher.

**Acting Chairman (Deputy Thomas P. Broughan):** There is actually no facility for a point of information.

**Deputy Mattie McGrath:** Leave the Minister of State off.

**Deputy Brian Hayes:** Would Deputy Mattie McGrath like to give way?

**Deputy Mattie McGrath:** Yes, of course I would.

**Deputy Brian Hayes:** The decision came from the Eurogroup and the chair of the Eurogroup is not the Minister for Finance, Deputy Noonan; it is the Dutch Minister.

**Deputy Mattie McGrath:** Gabh mo leithscéal. I stand corrected on that. What is all the hoo-ha at Dublin Castle about the Presidency?

**Deputy Brian Hayes:** It refers to the Presidency of the Council of the European Union. It is a separate issue. The factual position is this: ECOFIN is the 27; and the 17 is the Eurogroup.

**Deputy Mattie McGrath:** My niece and some others have been up Dancing at Lughnasa or dancing like lunatics at the Mansion House for these guests and it all is for fun and games. We see the flags flying inside the hall. We have power when it suits us and we have no more power.

**Deputy Brian Hayes:** What Deputy Mattie McGrath stated was wrong.

**Deputy Mattie McGrath:** I accept that. I thank the Minister of State.

**Acting Chairman (Deputy Thomas P. Broughan):** The Minister of State will get a chance to come back at the end.

**Deputy Mattie McGrath:** I do not mind deferring to the Minister of State at all. I do not mind saying I am not infallible. I am only a humble backbencher from south Tipperary. I would not be always right or claim to be. Certainly, I note the charade that went on.

We talk about the European Central Bank. When we had our so-called bailout, which I referred to at the time as a clean-out, the interest rates charged were austere - 2% and 3% higher than what the IMF charged for what it put into the fund, after first insisting that we take vast amounts out of the pension fund to pay back those whom the Tánaiste and Minister for Foreign Affairs and Trade, then Deputy Gilmore, stated we should burn. As the proverb goes, "Fool me once, shame on you; fool me twice, shame on me." The public will be waiting eagerly in the long grass.

Mention was made of expenditure being taken out of the Central Fund for the Houses of the Oireachtas Commission. That Commission must be redrafted and reshaped to take account of all those elected to this House because that is only fair. One can quote Bunreacht na hÉireann when it suits us and one can misquote it.

**Acting Chairman (Deputy Thomas P. Broughan):** They are all important issues, but we are talking about the medium-term expenditure programme.

**Deputy Mattie McGrath:** We are, but we are looking for what we call rolling funds or, as I

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learned first in the local authorities, the multi-annual fund. As to how medium or how roving is multi-annual, I do not know. As roving as you like, I suppose, Acting Chairman. I do not know whether it is roaming or roving.

Recently, I spoke on the Non-Use of Motor Vehicles Bill. I was aghast. I made my horror known. We were talking about the situation of off-road vehicles. Many Deputies thought there was significant fraud going on and it is their right to believe there are persons not taxing vehicles and going to the Garda and getting them signed off, as if the gardaí all were complicit in this deceit on a wide scale. However, the junior Minister at the Department of the Environment, Community and Local Government stated that the Government had acknowledged that there was overcharging of motor tax in the area of pay in arrears. It involved a nice sum. It was stated glibly in the speech that for some it was only €10 and for others €20 or more, and the Department was not going to pay it back because it was too cumbersome and awkward and it cost more than that to send out the cheques. Why could the Department not state that it would allow it against the next taxing of the vehicles? The arrogance of whoever wrote that speech and the arrogance of those who uttered it beggar belief. That is why we are here in this position tonight again. We have lost the run of ourselves in this country.

*7 o'clock* The permanent government has long since lost the run of itself and is dosing out medicine of any type it feels like to the public because it believes the public will take it. The day might not be too far away when the public cannot take any more, because it is not possible to get blood from a stone. It is very worrying and damaging to the body politic and to democracy. The Government is bringing out new imaginative names for different Bills - I would not mind if they were imaginative, but they are not. They are deceitful names as far as I am concerned. The Land and Conveyancing Bill deals with the Dunne judgment. The eminent Mr. Justice Dunne, in his wisdom, made a judgment and the Government has to change the law to deal with it. Why not call it the repeal of the Dunne judgment Bill rather than the Land and Conveyancing Bill, as if it dealt with cottage acres and plots that were squared off 50 years ago and might have been mis-squared as a result of bad mapping? This is deceit as far as I am concerned. It is not right or fair. We were all forced into a situation at the time of the introduction of the bank guarantee, for which I voted. I have regretted it ever since, but we were told we had to or else we were facing into the abyss. We should have got guarantees then but many members of the Cabinet did not know. I was summoned to Dublin to meet the then Minister, the late Mr. Brian Lenihan Jr., and told that if I did not vote for it most of the credit unions in the country would be closed down, with all the savers affected. Last Thursday night I attended a very pleasant 50th anniversary function in Clonmel and I said that. Credit unions are now being made into scapegoats even though they are keeping the country going and have done so in tough times. The Government is now putting legislation on top of them to deal with the sins of the banks.

I am delighted the Minister, Deputy Howlin, has arrived back in the Chamber. I took issue with him this morning. If he holds clinics in his constituency he will know all about what I am talking about. He would certainly know that the words I utter here are not silly - I hope they are not silly. I certainly would not describe anything he or anybody else says as silly. It is what is in my mind and what I am able to say. I do not have ministerial staff writing scripts for me. Two weeks ago Deputy Tom Fleming had a Private Members' Bill and the Minister of State had 15 minutes to deliver a speech scripted by someone. She sat down after seven and a half minutes and the House had to adjourn. In fairness to the Minister of State, she accepted the Bill afterwards and did not oppose it. Anything I say is from my heart, ó mo chroí. I say it in all honesty and in all compassion. I live in the real world, out in the country in the sticks.

I receive calls on a regular basis from Wexford, Loch Garman. They are not about hurling or tickets for the Leinster final, but about the crisis facing ordinary people, especially people with farms, and the behaviour of banks and institutions in the name of this State in what I can only call State terrorism. These are not my words, but the words of a coroner in Tipperary. They are blackguarding and frightening the compliant people, not the big people who never wanted to repay their bills and who have massive resources and can have barristers take actions in the High Court or Supreme Court. I am talking about the ordinary citizen.

We are discussing voted expenditure.

**Acting Chairman (Deputy Thomas P. Broughan):** Can we have a slight bit of attention for the Deputy?

**Deputy Mattie McGrath:** I thank the Acting Chairman, who is very fair. He did the same when I was talking, for which I apologise. We have a habit of doing that. Maybe when the speaker is not that interesting we wander into that area.

I will keep repeating this while I am in this House. We voted €3 million to run the children's rights referendum and a Supreme Court action was taken. Five Supreme Court judges - not just one - condemned out of hand the behaviour and actions of the Government in squandering and misspending and buying that referendum with false advertising and so on. The Supreme Court judges used stronger words than those. The Minister is a member of Cabinet and he can call me silly if he likes. It did not go down well when he called me silly this morning because I got many calls from people watching it live. Every Deputy is entitled to say what he wants to say here, whether it is on Leaders' Questions or otherwise.

The Government refused to have a debate in this House. The Minister for Justice and Equality appeared on "Six One" news and said the High Court had found differently. He should understand better than anyone that the Supreme Court is higher in the pecking order. The Government has refused to answer the question honestly. A case has been going on in recent weeks seeking to overturn the decision. Maybe it will be overturned - it is up to the judges. What will the Government do then? Is that democracy? Is that fair? Is that the voted expenditure we are discussing here? Money that the House voted - I voted for it - was misappropriated and misspent. I voted against the referendum. Of course I did; why would I not? I was the only Member of this House to do so. That is why, and the Minister cannot describe it as silly. It is flagrantly trampling over Bunreacht na hÉireann and the citizens' rights that go with it.

People other than Oireachtas Members who take a case are told they have no *locus standi*. This is all a big game to protect the State at all costs. I do not mind protecting the State - my late father fought for our independence. We have to start protecting our citizens and give them fair play. We must understand the Constitution and the rights of the citizens.

Another lady who came into this House to address us today got horrendous abuse from the State and it is still going on. Apropos of the legislation soon to be introduced, it is given a fancy name it should not have. It is literally the introduction of abortion on demand. This lady, God bless her, who was in that situation, was forced by the State to have an abortion.

**Acting Chairman (Deputy Thomas P. Broughan):** I remind the Deputy that we are discussing Second Stage of the Ministers and Secretaries (Amendment) Bill.

**Deputy Mattie McGrath:** I am just saying I am glad the Minister has arrived, because

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that is how silly it is. We have got carried away and punch drunk, thinking we can do what we like, when we like, where we like and to hell with the people and to hell with Bunreacht na hÉireann. We simply say, “Yes, we will do whatever you ask” to our European colleagues. We have never looked for a write-down for the bondholders that the party of the Tánaiste and the Minister, Deputy Howlin, were going to burn. I will not even go back to that again. However, I know now that the Government never asked for the write-down. I learned from the IMF in Washington when I visited there that the bondholders were actually insured and would not have lost a shilling if the Government had had the bonfire.

**Acting Chairman (Deputy Thomas P. Broughan):** As nobody on the Government side is offering, I call Deputy Healy-Rae.

**Deputy Michael Healy-Rae:** I thank the Technical Group for allowing me some time to speak on the Ministers and Secretaries (Amendment) Bill 2012. When it comes to guillotines, the present Government parties were highly critical of the previous Government. However, the first thing they did when they came to power was to avail of the guillotine at any and every opportunity that suited them. It was one of the big disappointments I have had with the Government because it represented another false promise of reform.

The Bill before us amends section 17 of the Ministers and Secretaries (Amendment) Act 2011. The main changes provide for medium-term expenditure management by making provision for multi-annual Government expenditure and multi-annual ministerial expenditure ceilings. Planning ahead is, of course, very important. The reason we are in the state we are in is probably that there was not enough prudence and planning. However, I believe this is definitely a case of closing the stable door after the horse has bolted.

A number of broad themes can be identified in the process of reforms taking place in Ireland and internationally - the evolution of a stronger medium-term framework, including expenditure management, and a stronger focus on performance. With such proposed reforms, Ireland is moving towards good international practice in a number of areas, which is, of course, to be welcomed. Under the EU-IMF programme of support, Ireland is committed to implementing a number of reform measures in its budgetary management process. The Bill will build on reforms undertaken to date, particularly since 2006, aimed at increasing the transparency and effectiveness of the budgetary process.

Despite all that, since taking office the Government has continued down the road of breaking every commitment and every promise it made. Deputy Catherine Murphy spoke about incoming governments buying elections. To borrow a phrase used by a Minister this morning - I will use it in its proper context - one silly thing the Government parties did was to buy the election, because they did not have to do so as it was being given to them in a bag and was there for the taking. They made false promises to students and signed pledges in front of them swearing what they would do. They made commitments with regard to abortion, and to old, disabled and vulnerable people. They have continuously broken every commitment and promise they made. When they were canvassing in the last election, did their members tell elderly people they would put a carbon tax on their bags of coal and their bales of briquettes? They stop people from cutting turf but want to place a carbon tax on those who do cut it. We have the hypocrisy and irony of the Government breaking every commitment and promise made to vulnerable, disabled and old people, to students and young people struggling to pay mortgages, to the living and to those who have not been born yet, and it is absolutely frightening. Firm commitments were made with regard to upward-only rent reviews but the Government broke these promises

and hid behind advice it received. When we asked in the House for this advice to be published it refused to give it to us. We would have had much more respect for the Government if it had finished the story and explained why it was reneging on a promise.

I take grave exception to the way Deputy Mattie McGrath was treated this morning. As was his right during Leaders' Questions, he was asking questions but he was continuously badgered and told he was being silly. He was accused of being silly because he was highlighting the plight being suffered and endured by the farmers of Ireland at present. These are people affected by budgetary matters and false promises. Two or three months ago we were highlighting on a weekly basis the fact that there would be a fodder crisis. This fodder crisis will most certainly not end in the coming weeks; it will continue throughout the summer and into next winter, and the Government will have to engage in a continuous programme of importing fodder because next winter there will not be enough to feed the animals. The Acting Chairman may fear I am straying from the point, but I am not. This Bill plans for the future through budgeting for the future and these budgets are for all sectors of society. The issue of the farmers was described as being silly this morning, and when the issue of the contractors - who were here today, and we are very glad they were - was raised it was also described as silly. It was a low day to see a senior respected member of the Cabinet using such words on a continuous basis. It would not happen on a sheep dipping committee that a member would shout at another that he was being silly. We will see who is silly in the future.

Of course a debt write-off was required. We took our eye off the ball and gave too much for too little. That is why we are in the mess we are in and why young couples, the people I think of from when I start in the morning to last thing at night because, like other Deputies, I deal with them, are saddled with insurmountable debts and live in houses that cost €300,000 or €400,000 but that, if they were sold tomorrow, would not make €100,000. For the next 30 or 40 years these people will pay massive mortgages and will never have the luxury of having disposable income. The Acting Chairman, Deputy Tommy Broughan, is a politician with an extremely thoughtful conscience and I see him in his office until 10 p.m. or 11 p.m. working in a very diligent manner. Like many of us, he has these people firmly in his heart. They will never have the comfort of having a spare €500 to treat themselves or their children. They will never have this luxury because they will have a continuous battle with the budget.

Deputy McGrath mentioned the smoke that was to fly up into the sky when the bondholders were burned. What happened to this? It was another false promise, like all the others by the Government, which has now been in office for more than two years. The Government has failed miserably because it has broken the Dáil commitments it made and continuously removes itself from reality.

The centralising of services was supposed to save us money, but decentralising the medical card system removed the community welfare officers from the process. They had an intimate knowledge of the people in their areas and could work in conjunction with local representatives to deal swiftly with those in urgent need of medical cards. Drivers' licenses were also centralised and taken from local authorities, which had given excellent service. What will this eventually do to local authorities? It will cost jobs. Those in employment are not being let go, but when they retire, get sick or die they will not be replaced. These jobs will be gone from locations throughout the country.

**Acting Chairman (Deputy Thomas P. Broughan):** Ten minutes remain in the slot and Deputy Boyd Barrett is also offering. Does Deputy Healy-Rae wish to cede any time in the

slot to him?

**Deputy Richard Boyd Barrett:** The debate will roll over, as it is not scheduled to finish this evening.

**Deputy Michael Healy-Rae:** If it is helpful to Deputy Boyd Barrett of course he can speak now.

**Deputy Richard Boyd Barrett:** I thank the Acting Chairman; I appreciate it, and I am ready to speak when Deputy Healy-Rae concludes.

**Deputy Michael Healy-Rae:** With regard to student grants, I received a text yesterday, in the middle of May, from the mother of a student whom I had been helping. She thanked me and let me know the grant had just come through. In the middle of May a student received a grant. This is because the system was centralised.

We have a crazy situation whereby the Government and the HSE are closing down our ambulance control bases and centralising them to Townsend Street in Dublin and Ballyshannon. Our bases in Cork and Kerry are being centralised to Dublin, where people do not know the terrain or the areas. They will not have the knowledge that has been built up over the years by the people working in the ambulance base in Tralee. It is being taken from our county tomorrow and landed up in Dublin. No disrespect to the people in Dublin, but they will not have the knowledge of the areas that those working in the service locally had.

This Government is one of failure. It lacks common sense and is devoid of reality. I would much prefer to be able to stand up to praise the Government and compliment it. I give credit where credit is due, but I will point out honest deficiencies and mistakes and what is being done wrong. People are being crippled with property taxes while our roads are falling into a state of disrepair because the Department will not provide enough in maintenance grants. People are being asked to pay for better services but they receive fewer services.

I will give way to Deputy Boyd Barrett to ensure he will have time. I thank the Acting Chairman for pointing this out.

**Acting Chairman (Deputy Thomas P. Broughan):** Seven and a half minutes remain in this slot.

**Deputy Richard Boyd Barrett:** Will the debate roll over if I am not finished?

**Acting Chairman (Deputy Thomas P. Broughan):** Yes.

**Deputy Richard Boyd Barrett:** I have a big problem with the rationale behind this Bill. The legislation is part of a suite of measures that arises from our commitments under the troika programme and under the fiscal treaty, both of which I oppose. On the face of it, the Government's arguments might seem reasonable - that we require budget discipline, need to balance the books and have medium-term planning. In addition, the Government says we need monitoring of budgets to ensure that things do not become unbalanced and go out of control. Those all seem like reasonable aspirations but context is everything when it comes to the economy. This suite of measures, which arises from the fiscal treaty and the troika programme, is not taking place in normal economic conditions. It is taking place in the context of the most severe economic crisis Europe has faced since the 1930s. It is unprecedented in modern Irish history.

The Bill before us is one part of that suite of measures which comprises a new architecture of monitoring, surveillance and co-ordination. All those measures are unfolding against a background where our economy - as with other economies across Europe - has been loaded with enormous debts that are not ours. If we continue to have to pay off these debts and meet strict targets for doing so, it will consign this economy to a long-term economic depression. It will ensure that the severe suffering that ordinary workers, or vulnerable unemployed people, are enduring will continue. These measures will make it much more difficult, if not completely preclude governments from taking the sort of measures necessary to get us back on the path to growth, economic recovery and a resolution of the most pressing crisis this country and Europe are facing, which is unemployment.

The rationale behind these measures is based on a false premise, which I heard articulated by some of the earlier speakers. They said the reason we are in the current mess is because public spending got out of control. Anybody who fairly and objectively examines the circumstances that led up to the economic crash, however, will conclude that we are not in the current mess because public expenditure got out of control. Quite the opposite - it was because the markets got out of control.

In addition, there was a systematic drive over a period dating back to the late, unlamented Margaret Thatcher's ascension to power in Britain, wherein a consensus developed that we had to row back the State and public enterprise in favour of letting loose market forces. The consequences of that were devastating. Most obviously in this country it was the insanity of the property bubble, together with completely unregulated financial and housing sectors. Something as basic as housing was left in the hands of greedy, profit-driven developers whose main interest had nothing to do with a rational housing policy or providing people with affordable accommodation.

Some people claimed it was just about trying to cash in on a market and things got out of control, and it had nothing to do with public spending. However, if we had more public spending on social housing during that period we would not have had the bubble, or at least not to the extent that it occurred, and neither would we have had the devastating crash that followed. We needed to have more public spending on the provision of housing, which is a key area.

I would argue that we are likely to see more property bubbles and crashes without further public spending on social housing. It still seems that despite everything that happened, the Government's policy is to let the market and the banks sort out the housing crisis. Those are the same people who created the bubble in the first place. This is obviously long-standing Fine Gael ideology but I find it extraordinary that the Labour Party has bought into this. The Minister has managed to twist the argument from being about how to deal with the current economic crisis to one about policing and monitoring public expenditure. I do not believe for one moment that was the cause of the crisis or that it is the solution.

That argument involves forgetting about the people in the European Commission and others who will be monitoring and co-ordinating our economy. Do these people seriously deserve our respect and trust when it comes to managing budgets and having a strategy to serve the best interests of the economy and, more importantly, the citizens? I do not think they have earned that trust; quite the contrary. The European Central Bank, the European Commission and the rest are up to their necks in responsibility and culpability for what happened. They allowed the dogs - that is, the financiers and corporate interests - off the leash to indulge in riotous market forces that caused the crisis in the first place. I find the idea of embracing a plan for budgetary

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discipline, which is monitored by these kinds of people, to be deeply worrying.

Debate adjourned.

### **Good Friday Agreement: Motion (Resumed) [Private Members]**

The following motion was moved by Deputy Gerry Adams on Tuesday, 14 May 2013:

That Dáil Éireann:

notes that:

- this year marks the 15th anniversary of the historic Good Friday Agreement in 1998, which was ratified by an overwhelming majority of citizens in referenda held North and South on 22 May 1998;

- this is set out in an internationally binding treaty;

- the Agreement recognises fully the differences between the equally legitimate political aspirations of the Unionist and Nationalist sections of the community in Northern Ireland;

- the Agreement and subsequent agreements, at St. Andrews in 2006 and at Hillsborough Castle in 2010, are premised on the principles of full respect for, and equality of, civil, political, social and cultural rights, of freedom from discrimination for all citizens, and of parity of esteem and of just and equal treatment for the identity, ethos, and aspirations of both communities; and

- it is essential to acknowledge and address the suffering of all the victims of conflict as a necessary element of reconciliation and healing;

recognises the crucial role played by all those, both in Ireland and abroad, who worked to bring the conflict to an end, promote the political process and build reconciliation; and

calls on the Government, as joint and co-equal guarantors of the agreements, to:

- ensure that all the commitments in these agreements are implemented by both governments;

- renew substantive engagement with the British Government to progress outstanding issues, including the establishment of a Bill of Rights for Northern Ireland and an all-Ireland Charter of Rights and other legislative commitments;

- ensure the realisation of the promised peace dividend and financial package agreed at St. Andrews which the current British Government has failed to deliver;

- expedite the completion of the consideration of the case for additional implementation bodies and areas of co-operation on a North-South basis as agreed; and

- work with the British Government and all parties in re-energising the peace and political processes by promoting engagement and developing a reconciliation process which helps create the circumstances to manage the legacy of the past.

Debate resumed on amendment No. 1:

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

“notes that:

— this year marks the fifteenth anniversary of the historic Good Friday Agreement in 1998, which was ratified by an overwhelming majority of citizens in referendums held North and South on 22nd May, 1998;

— this is set out in an internationally binding treaty;

— the Agreement recognises the legitimacy of whatever choice is freely exercised by a majority of the people of Northern Ireland with regard to its constitutional status;

— the Agreement and subsequent agreements, at St. Andrews in 2006 and at Hillsborough Castle in 2010, are premised on the principles of full respect for, and equality of, civil, political, social and cultural rights, of freedom from discrimination for all citizens, of parity of esteem, and of just and equal treatment for all the people in the diversity of their identities and traditions;

— a crucial role was played by all those, both in Ireland and abroad, who worked to bring the conflict to an end, promote the political process and build reconciliation; and

— the Government, as joint and co-equal guarantors of the agreements, is committed to continuing to:

— work to ensure that the agreements are fully implemented;

— engage substantively with the British Government and the parties of the Northern Ireland Assembly to progress outstanding issues, including the establishment of a Bill of Rights for Northern Ireland and an all-Ireland Charter of Rights, a Civic Forum and an Irish language Act for Northern Ireland;

— observe and implement human rights principles across the range of issues set out in the agreements;

— ensure, through working with the British government and the parties in the Northern Ireland Assembly, the acknowledgement of the pain that victims and their families have endured and the accommodations they have made for peace;

— ensure strong and deep cross-Border co-operation on policing, security and justice matters;

— closely co-operate with the Northern Ireland Executive in the framework of the North-South Ministerial Council in support of economic recovery and the provision of public services on a shared basis;

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— encourage the Northern Ireland Executive to expedite the review of North-South co-operation as set out in the St. Andrews Agreement, including further development of existing areas of co-operation, additional areas of co-operation on a North-South basis and completion of the consideration of the case for additional implementation bodies; and

— encourage the Northern Ireland Executive and the parties of the Northern Ireland Assembly to continue to work together to develop a strategy for building a shared and reconciled society in Northern Ireland, and to ensure that initiatives and policies to tackle sectarianism and segregation are fully delivered thereafter.”

- (Tánaiste and Minister for Foreign Affairs and Trade).

**Deputy Mick Wallace:** The Good Friday Agreement has been a very positive development, but we should not take things for granted. There is still work to be done if we are to ensure the long-term sustainability of the peace process. Like other Deputies in yesterday's debate, I want to concentrate on some of the prison issues. Marian Price and Martin Corey were released on licence many years ago but were rearrested in the last few years and are now imprisoned without trial. It is called internment. A series of abuses have occurred in the case of Brendan McConville and John Paul Wootton, known as the Craigavon Two. Allegations are weak in both cases and there are serious issues relating to the Police Service of Northern Ireland, PSNI, regarding their convictions and recent failed appeal. Injustices have the potential to put the peace process at risk.

Having visited Maghaberry Prison on three occasions over the last three months with other Members of the Oireachtas and listened to the prisoners' side of the story, one would have to be concerned. I have no interest in republicanism, but I feel the treatment of political prisoners in Maghaberry is unjust and leaves much to be desired. Prisoners' rights were promised in 2010 but did not materialise and this led to a dirty protest which lasted 18 months up to last December. Promises were made again following the end of the protest, and again they were not delivered. Measures were to be introduced to bring about a conflict-free environment in the prison. These were to be brought in over three phases in a 12 month period to include movement access, whereby they were promised they would be allowed to have six men on the landing at one time, three in the laundry, three in the phone room and three in the classroom. It turns out the classroom is not available to them. There are no teachers available to them. These prisoners are getting no education and are locked up in their own cells most of the day. It does not make much sense.

What ever happened to the idea that prison was meant to reform the prisoner, make him or her a better person and fit for society? They also have serious grievances about the continued use of strip-searching and the use of isolation in an effort to break particular prisoners. It would make far more sense to have a peaceful atmosphere in the prison rather than one of conflict.

**Deputy Clare Daly:** The issues Deputy Wallace has raised have been silenced by the mainstream media here in the South and we will ignore these issues at our peril. Not too far up the road we have a man who has been in jail for three years who meets all the criteria of the Good Friday Agreement, whose licence was revoked, allegedly for security reasons. He and his legal team have not been informed of these reasons and decisions have been made behind closed doors. The exact same situation faces Martin Corey and the very ill Marian Price, people who have not been presented with the cases against them and who have remained in custody for

years. This is not the type of approach that will bring peace in the North. These people are becoming symbols of a continued injustice, and of the fact that internment without trial is still alive and well. There cannot be peace unless justice is done openly and transparently.

I am not a nationalist or a republican. I am an internationalist and am concerned about these issues very much from a human rights point of view, and that is why we have been involved in the cross-party delegations to Maghaberry Prison. It is absolutely reprehensible that the prison authorities and the establishment in the North and Britain have breached agreements and promises regarding prisoners' conditions which should allow the men to go out onto the landings and socially interact, to get an education, to engage in handicrafts and other issues which deal with rehabilitation. This is not a way forward to bring a conflict-free environment. It is not in the interests of the prisoners or the staff in that prison. Unless we here address these issues we cannot have a lasting peace. I urge the authorities in the South to exert pressure for a desperately needed resolution of these issues.

**Deputy Thomas Pringle:** It is appropriate that 15 years on we should note progress and renew commitment to the Good Friday Agreement in this House. The Government's amendment stresses that it continues to work towards the observation and implementation of human rights principles. As has been outlined by other Deputies in their contributions, the human rights of prisoners in the North are being abused on a daily basis. Martin Corey, Marian Price and the Craigavon Two are all having their human rights abused. The Government needs to step up to the mark on this and ensure it deals proactively with the British Administration because the Secretary of State is overruling the court system in the Six Counties to ensure these prisoners are kept in custody. This is internment. Holding prisoners without any notice of charge, trial date or attempt to bring them to trial is an abuse of human rights. This Government needs to ensure this is addressed and to deal with it very proactively.

The purpose of the Good Friday Agreement was to remove the circumstances that caused the conflict in the first place, but the British Government is leaving the potential for martyrs and undermining people's confidence in the justice system. The justice system has to be an integral part of any peace process and the workings of the Good Friday Agreement. I am a member of the North-South Interparliamentary Association which was established under the Agreement and it took many years - since before my time in the House - to get it up and running and to get agreement from the Northern side to establish it. We have recently had our second meeting in Stormont and it shows the potential that is there for reconciliation to take place and the breaking down of barriers where we can come together and discuss issues that are of mutual concern and that can be grown and developed. It is a very worthwhile process.

**Deputy Richard Boyd Barrett:** The most recent phase of conflict in the North began when civil rights protesters campaigning on matters such as equality in housing were beaten off the street by the Royal Ulster Constabulary, RUC back in the late 1960s. That produced 30 years of conflict. We all welcome the fact that an Agreement arose out of the fact that people in the North got sick of communal violence, demanded some sort of end to that violence and rejected paramilitary violence as a way to deal with the problem, and rightly so. However, it is worth reminding ourselves that the start of it all was repressive forces of the state attacking peaceful protesters who were not protesting on communal or even on nationalist lines. They were just campaigning for housing equality.

So it is a great irony when one sees the so-called peace dividend in the North manifesting itself in the most horrendous, deliberately intimidatory security operation around the forthcom-

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ing visit of the G8 to Fermanagh where, incredibly, drone planes that are used to kill innocent people in Afghanistan will be deployed in the North to monitor protestors who will protest against the militarist agenda of G8 and its failure to deal with issues such as global poverty. There is a concerted campaign to bully and intimidate those peaceful protesters including the Irish Congress of Trade Unions, Friends of the Earth, War on Want, Trócaire and a host of other civil and political organisations which are campaigning against global poverty and militarism.

Incredibly 2,500 police are being drafted in from Britain for the operation. In an unprecedented move, courts will be opened on Sundays. This is against a background where the Democratic Unionist Party, DUP will not even allow children's playgrounds to open on Sundays because we must keep holy the Sabbath day, apparently. However it is all right to have special openings of courts to deal with protesters, as they are suggesting they are going to do, and prepare cells to arrest hundreds of protesters in a deliberate attempt to discourage, bully and intimidate people who want to do nothing more than engage in peaceful protest around the visit of the G8. That is a disgrace and is the sort of thing that led to the conflict in the North in the first place, and we should be protesting about it down here.

**An Leas-Cheann Comhairle:** Deputy Jack Wall is sharing time with Deputies Regina Doherty and McNamara, the Minister for Justice and Equality, Deputy Shatter, and Deputies Hannigan and McHugh.

**Deputy Jack Wall:** The community sector is vitally important in terms of peace making and reconciliation. Many argue it was largely left to the community and voluntary groups to try to bridge the divide between Nationalist and Unionist communities in Northern Ireland after the Good Friday Agreement. I am a member of the Oireachtas Joint Committee on the Implementation of the Good Friday Agreement. Together with other members, also present in the Chamber, I have visited the North on a number of occasions and seen that. We want to highlight the urgent need for the Governments in Dublin and London and the Executive in Belfast to examine that situation and ensure mechanisms are put in place to support such community groups. These are people on the ground who have been putting the Good Friday Agreement into practice by contributing positively to their communities and in wider community relations. By the time the Belfast Agreement was signed there were approximately 5,000 voluntary and community organisations in operation in Northern Ireland, with up to 33,000 people being provided with some type of employment through those local bodies. That is more than the number employed in the manufacturing sector.

One of the worrying things we saw on our visits related to the Titanic project. Many in the Nationalist community felt it was beyond all possibility for them to get employment within that project, which goes to show the void that still exists. We cannot get to a situation of commonality in respect of entitlement for those seeking employment. In the past 15 years these community groups have helped to sustain economic life, especially in disadvantaged areas, but there is a fear that the work of the community sector in advancing reconciliation and peacemaking in the North has been taken for granted. Complacency has set in with regard to the Northern Ireland Government. In March 2010, for example, the Sinn Féin education Minister introduced a 70% cut in funding for the Northern Ireland Community Relations Council. Part of this budget went towards enhancing good community relations between cohorts of young people aged between 3 and 15 years. This is what we are talking about - the effort these voluntary bodies are making. It is up to the parties involved in government in Northern Ireland, with the help of our Government and that of the UK, to provide funding. One thing I saw when I was there was an enthusiasm to move forward, past all the problems of the troubled times, and to ensure the

communities survive and become vibrant, allowing themselves to interact within the situation.

I also welcome the commitment by the First Minister and Deputy First Minister to dismantle the almost 60 peace walls that separate the Catholic and Protestant communities, especially in Belfast, by 2023. Again, this highlights the problems that exist. Communities cannot drive, expand or work together with the present facilities. We have to build confidence and ensure we overcome the basic nervousness that currently exists. We met many members of committees when we visited and, with the help of God, we will go again shortly. That is what we must do to ensure the Good Friday Agreement will reach and involve the people, overcome problems and ensure we will not lose out on this wonderful opportunity of peace.

**Deputy Regina Doherty:** It is hard to believe I have only two minutes for such a momentous topic, so I will have to talk fast.

**Deputy Dinny McGinley:** The Deputy is well able to do that.

**Deputy Regina Doherty:** It is genuinely hard to believe that last month was the 15th anniversary of the Good Friday Agreement. After 30 years of violence and more than 3,700 deaths across the island, we all recognise the peace of the day many people thought would never come.

For me, a fundamental core value of the Agreement was the promotion of integrated education, but today only 7% of the children in Northern Ireland's schools are educated in integrated schools. The sad fact of life today is that some of our young adults do not meet people from the other side of their communities until they go to university. Based on the school population staying the same, it will take another 499 years for the divided education system to be fully and organically integrated. This prolongs the sectarian politics of the main Unionist and Nationalist political parties. When it comes to the increase in integrated schools the figures are no better. Today, there are 511 controlled schools and 519 schools under Catholic management, compared with only 62 integrated schools. Of almost 1,100 nursery, primary and post-primary schools, only 6% are integrated. Research and, unfortunately, practice have shown that a sectarian education system maintains divisions and fosters mutual ignorance, while pupils educated in integrated sectors are far more likely to adopt a positive position on key social issues such as politics, religion and identity, all of which extend into their later adult lives.

Since the Good Friday Agreement, provisional figures indicate that approximately 130 people have died for reasons of division - an average of nine per year, compared to the average of 71 every year for 30 years before the Agreement. Even today, that figure is too large. We must recognise that many people have worked long and hard to achieve peace and it is up to us to ensure we continue to fight equally hard to maintain it.

**Deputy Michael McNamara:** It is right that Dáil Éireann should mark the 15th anniversary of the Good Friday Agreement. There are certain momentous events one lives through in one's life. I will never forget where I was on 31 August 1994 when the news of the IRA ceasefire came through - on a campsite in Munich with a good friend from Castlederg. Now, as then, I commend the IRA on having the courage to abandon violence.

The Good Friday Agreement was the culmination of that ceasefire. The Government has already marked the anniversary. The Tánaiste and Minister for Foreign Affairs and Trade, Deputy Gilmore, the Labour Party leader, recently visited Belfast to mark the occasion. He met local party leaders and the British Secretary of State. The Labour Party has a proud history going back to the creation of the Agreement. We were in government during the signing

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of the Anglo-Irish Agreement in 1985 and, as Tánaiste and Minister for Foreign Affairs, Dick Spring had a crucial role in the development of the peace process and the ceasefire of 1994. We never played politics with that process, nor do we intend to. In opposition we wholeheartedly supported the referendum on the Agreement in 1998 and we supported successive Irish Governments in their efforts to establish the institutions and create a peaceful Northern Ireland. Now, in Government, the Labour Party continues to support the full implementation of the Agreement as the basis of our approach on Northern Ireland. I attended the inaugural meeting of the North-South Interparliamentary Association, which was held in the Seanad Chamber.

The motion before us tonight comes from Sinn Féin. It asks us to consider the outstanding elements of the Agreement that are yet to be implemented. As co-guarantors of the Agreement, the two Governments have a responsibility here. That is why the Tánaiste is spending a significant amount of his time meeting his British counterpart and it is the reason our Ministers play an active and engaged role in the North-South Ministerial Council, along with members of the Northern Ireland Executive.

It is true that we need a bill of rights for Northern Ireland. The quasi-incorporation of the European Convention on Human Rights into law here, which mirrored a similar process within the entirety of the United Kingdom, was a positive step towards developing a bill of rights that was universal across these islands. However, a full bill of rights remains outstanding and must be implemented. In considering this motion, however, I ask its authors to outline and examine what they have done to advance this. It is very clear that all of us on this and the other island have a duty to work on the Good Friday Agreement.

The Assembly and Executive in Northern Ireland were suspended from 2002 to 2007. Since then, Sinn Féin has been in government in Northern Ireland, with five Ministers in the Executive. In that time there has been a failure to expand the remit of North-South bodies and even to establish the Executive's review of North-South institutions. Unfortunately, there has also been a failure to convince Unionists in any meaningful way that North-South bodies should be expanded and that many of them should be allowed to remain on the care and maintenance footing on which they were established during the suspension. Instead of seeking to develop such bodies, people have jumped towards talking about a plebiscite. This has been a highly divisive and destructive subject which has little support from Unionists in Northern Ireland. All of us have a duty to work with the Good Friday Agreement and it is a duty that I, as one of 166 Deputies, take seriously. Sinn Féin Members share this duty and I look forward to hearing their reflections on it.

**Minister for Justice and Equality (Deputy Alan Shatter):** The Good Friday Agreement was a key milestone in the process of seeking an agreed and durable political solution to the conflict in Northern Ireland. It was instrumental in securing an end to the decades of bloody violence that had visited untold grief on so many families North and South, and in Britain. The Good Friday Agreement was a comprehensive settlement addressing not only the constitutional and political questions concerning the governance of Northern Ireland but also covering security, policing, human rights and equality issues essential to underpinning the political settlement.

In the limited time available to me, I will focus on the strong progress that has been made in policing and criminal justice co-operation, particularly in addressing the threat on this island from terrorists and the organised crime gangs to which they are inextricably linked, put simply, criminal terrorists. There is positive and dynamic North-South co-operation at policy and operational levels in combating crime. The challenges that crime presents on this island

are shared ones and joint working will continue to enhance our efforts to improve community safety for all.

Arising from the Good Friday Agreement and the recommendations of the Patten Commission, a new dispensation in policing in Northern Ireland came about with the establishment of the Police Service of Northern Ireland in 2001 and new policing accountability structures. The two Governments signed an agreement on police co-operation in 2002 to provide a framework for the implementation of certain of the Patten recommendations on enhanced police co-operation aimed at improving the level of cross-community confidence in policing in Northern Ireland. This agreement provides, among other things, for personnel exchanges between the two police services, which have been operating successfully across a range of police ranks and work, including training, human resources, general operational policing and the specialist areas of policing. As part of the enhanced policing relationship, the two police services are operating a joint cross-Border policing strategy. The purpose of the strategy is to improve public safety throughout Ireland, disrupt criminal activity and enhance the policing capability of both police services on the island of Ireland. The Garda Commissioner is very committed to building on this joint policing strategy and to maintaining and augmenting cross-Border co-operation across all aspects of policing. He has my full support in doing that.

I meet and maintain regular contact, formally and informally, with the Northern Ireland Minister of Justice, David Ford, MLA. As well as our formal meetings, we frequently discuss matters of interest by telephone as they arise. We, and the officials in our Departments, have developed a close working relationship which is of great benefit in addressing matters of mutual concern and enhancing effective criminal justice cooperation. Building on the Good Friday Agreement, the two Governments signed an agreement on North-South co-operation in criminal justice matters in 2005, which was renewed in 2010 following the devolution of policing and justice to the Northern Ireland Executive. Under the framework of this agreement, I meet regularly with the Minister, Mr. Ford, to review and develop the initiatives and plans in place to achieve more effective co-operation across the criminal justice spectrum. There are a number of project groups which involve the criminal justice agencies, North and South, and they are bringing forward initiatives to enhance joint working. These project groups address issues related to probation, youth justice, forensic science, sex offenders, victims and social diversity. The aim is to improve the knowledge, capacity and responses of the criminal justice systems in facing similar and shared challenges.

The brutal killing of Detective Garda Adrian Donohoe underlines starkly the need for co-operation on all cross-Border aspects of crime. I pay tribute to the cooperation which the Garda Síochána has received from the PSNI in its ongoing investigation into this tragic killing. Since 1998, very significant progress has been made in embedding peaceful and democratic politics in Northern Ireland and in ensuring communities all over this island can aspire to develop and progress. The will of the overwhelming majority of the people of this island has very clearly held sway in that respect. That said, it is sadly the case that there remains a small number of unrepresentative groups who cannot or will not leave the past behind and whose only aspiration is to sow chaos and despair. These paramilitary groups have, unfortunately, become known in some quarters as dissidents. They could not be further from deserving the historical respectability that this label might confer on them. Let us be clear about it; these people are no more or less than criminal terrorists. They have no respect for life or liberty, they only know the law of the gun and the bomb, and they use them both to dishonour democracy. They will happily crawl into bed with any criminal gang of drug dealers or smugglers to fund their comfortable

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lifestyles and their acts of thuggery and futile violence. Despite the relatively small numbers involved, the threat these criminal terrorists pose, North and South, is real and persistent. The fight against the terrorist threat has always been and remains an absolute priority for the Government and the Garda Síochána. Garda authorities continue to disrupt, pursue and arrest those involved and to make them amenable to the courts for their crimes and terrorist activities. Gardaí co-operate seamlessly with their counterparts in Northern Ireland in bearing down on these criminal terrorists. The Garda Commissioner and the Chief Constable of the PSNI, who have responsibility for operational policing co-operation, have emphasised repeatedly that this close and high quality co-operation has been instrumental in disrupting these groups, preventing attacks, combating criminality and saving lives.

I mentioned already that the Garda is committed to building on and improving the current level of cross-Border co-operation. Likewise on the political front, I will continue to work with the Minister, Mr. Ford, and the UK Secretary of State, Theresa Villiers, to ensure an effective response to ensure an effective response to terrorism and cross-Border criminality.

The House will be aware that I have previously expressed profound concern at the possible withdrawal of the UK from a number of areas of EU police and judicial co-operation from the end of 2014. I have made it clear on a number of occasions that such a move would represent a retrograde step in the area of security co-operation. A large number of areas of police and judicial co-operation could be negatively impacted by such a move. Some of the areas of co-operation are critical to the effective countering of terrorism and cross-border criminality. The European arrest warrant, EAW, is the most obvious example. The EAW procedures have replaced in their entirety the previous arrangements with the UK for extradition of fugitives from justice. If the UK withdraws from the EAW, there will be, as things stand, no legal basis for extradition between our jurisdictions. This would obviously be a most undesirable situation. Other areas of co-operation, such as mutual legal assistance, would also be adversely affected by any withdrawal by the UK from EU police and judicial co-operation measures. It is entirely inconceivable that such areas of co-operation should cease. Who is likely to benefit most from such a situation? It is clear that only terrorists and criminals will profit from the legal gap which would prevent the Garda and the courts from facilitating the effective investigation of offences or the bringing of people to justice in the appropriate jurisdiction. While I have no desire to intervene in a political debate in another jurisdiction, the House will appreciate that I would be failing in my duty if I did not continue to make these points very strongly in meetings with my UK counterparts.

I meet and maintain regular contact with my Northern Ireland counterparts, David Ford and Theresa Villiers, and I can state that we are firmly of one mind with regard to the terrorist threat. We share a strong determination that all appropriate measures within the law will be taken in order to bear down on these criminal terrorists. Fifteen years on from the Good Friday Agreement, our message to these groups must be as loud and as clear as ever: “We, who chose peace, democracy and a decent future for the people of this island, haven’t gone away, you know”, and we will not go away. Terrorism will not win out in the face of our strong resolve to stand by those who are victims of terror. All the communities on this island, no matter what their background, their beliefs or their aspirations, share a desire to be left to get on with their lives in peace, free from the threat of terrorism. That is the shared aim of all right-thinking people in Ireland, and those groups who do not like that fact should get off the stage. They belong to the past and they should leave the future to the rest of us.

*8 o'clock* **Deputy Dominic Hannigan:** I welcome the Government amendment which dem-

onstrates that we are fully committed to the agreements that underpin the Northern Executive. The Government is working with the Executive to finalise the work commenced with the signing of the Good Friday Agreement 15 years ago.

As my time is limited, I will focus on one aspect of the motion, namely, the proposal to introduce an Irish language Act, as agreed at St. Andrews. As Deputies may be aware, I was fortunate to chair the Joint Committee on the Implementation of the Good Friday Agreement before Deputy Joe McHugh was appointed to that position. While in that role, I visited Belfast with members of the joint committee where we visited the cross-community Cúlurlann McAdam Ó Fiach, a culture and arts centre on the Falls Road. The centre has a restaurant, theatre, gallery and bookshop and caters for matters concerning the Irish language. The name of the centre was chosen to reflect both communities in Belfast. The Cúlurlann does not have any political affiliation. It was started through local grassroots advocacy with the objective of promoting the Irish language. It is located in a flourishing Gaeltacht area and people from the local streets socialise in the centre and use its facilities to improve their Irish language skills. It is the type of cross-community centre that would benefit from the greater recognition an Irish language Act would afford.

There have been some positive developments in delivering an Irish language Act in recent years. The Northern Ireland Minister for Culture, Arts and Leisure, Ms Carál Ní Chuilín, for example, published draft strategies on an Irish language Act and Ulster-Scots Act in July 2012. Public consultation was invited and many comments were received on the strategies. I pay tribute to the work the Minister is doing on the Líofoa 2015 project, which seeks to encourage 5,000 people from all walks of life in the North to take up and become fluent in the Irish language by 2015. Like any good Minister, Ms Ní Chuilín is leading from the front by becoming fluent in Irish. I follow her tweets on the subject on a daily basis.

Other positive developments include the digital cross-over last year, which resulted in TG4 and Raidió na Gaeltachta becoming available in Northern Ireland. This fulfils one of the commitments made under the Good Friday Agreement.

The Government is taking seriously the issue of implementing an Irish language Act in Northern Ireland. The Tánaiste has met many Irish language groups to discuss this subject and he and his Department will continue to work to get the Act over the line. As we all know, this is a key part of the St. Andrews Agreement and it is in everyone's interest that this objective is achieved.

**Deputy Joe McHugh:** Tá lúcháir orm a bheith anseo ag an díospóireacht seo faoi ábhar iontach tábhachtach 15 bliain i ndiaidh shíniú Chomhaontú Aoine an Chéasta. I am pleased to contribute to this very important debate 15 years after the signing of the Good Friday Agreement.

I acknowledge the role played by members of the Joint Committee on the Implementation of the Good Friday Agreement who visited Belfast prior to the flags protest and, more recently, to evaluate opinion at both community and political levels. The peace process, 15 years after the signing of the Good Friday Agreement, is very much in its infancy. Developments in recent months have been a wake-up call which has highlighted the fragility of the process. It is important to note, however, that the vast majority of people in Northern Ireland share an overwhelming desire not to return to the dark days of the past. Much effort is being invested in the peace process at civic, community, church and political level in the North and it is important

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to acknowledge this collective effort being made by former combatants, church leaders, community activists and civic society.

Let us not forget the politicians in Northern Ireland. While criticism from the sidelines often dominates the narrative, it is important to point out that change is slow, especially in a society where some people are segregated by concrete walls and less than 7% of education provided in the jurisdiction is integrated. Notwithstanding this, the warm welcome afforded the First Minister, Mr. Peter Robinson, in Derry at the official opening of the Peace Bridge is very much a sign of progress. Equally, the warm reception received by the Deputy First Minister, Mr. Martin McGuinness, at the official opening of the Skainos Centre in east Belfast also offers testament to the progress that has been made.

Politicians in Northern Ireland cannot travel alone on this important peace journey. Westminster and Dublin still have a very important role to play, whether in terms of engaging at North-South ministerial level or North-South inter-parliamentary level or in day-to-day contact on important matters such as health care, transport or agriculture. The important work of the North-South bodies needs to continue apace and where pragmatic and practical solutions for enhanced co-operation are an option, they should be grasped immediately.

Fifteen years on from the Good Friday Agreement, citizens need to see tangible economic benefits from cross-Border co-operation, examples of which include the planned radiotherapy unit at Altnagelvin Hospital which will open in 2016, the Narrow Water Bridge which will connect County Louth to Warrenpoint and the A5 road connection through the north west.

The east-west strand of the Good Friday Agreement should not be ignored either. I acknowledge the work of Deputy Frank Feighan who chairs the British-Irish sovereign committee. Deputy Feighan has shown excellent leadership and dedication on the decade of commemoration. I also acknowledge the ever present interest of the US Government in the peace process. Through the work of the US embassy in Dublin and US consulate in Belfast, the US Administration is kept abreast of ongoing developments and progress.

Outstanding elements of the Good Friday Agreement include an Irish language Bill, a bill of rights for Northern Ireland, a charter of rights for the island of Ireland and a civic forum. It is of the utmost importance that these matters are kept high on the agenda.

What was normal in Northern Ireland in the past is different from what is normal in the North today. A British army checkpoint in Aghnacloy, County Tyrone, has been replaced with a hairdressing salon. On a recent trip to Belfast, I was able to roll down the car window to get directions to Coláiste Feirste, as Gaeilge, from a city council employee. That a recent five part television series, "The Fall", could be based in Belfast and not be about the Troubles is progress in a society that is becoming normalised. The irony of a programme depicting a serial killer on the loose in Belfast being considered a reflection of a normalised society will not be lost on many dark humoured citizens of the city.

It is important to create a space for politicians and civic society in Northern Ireland to develop their vision, one which is based on consent and accepts difference. Interwoven in this vision is the serious business of grappling with legacy issues. The weight of the past cannot be ignored. The Parades Commission is working tirelessly with communities to avoid contentious parades. With more than 4,500 parades taking place annually, this can be a very difficult task. The progress we have observed in recent days with regard to a parade in Rasharkin and good

work being done in other places such as Castlederg are very welcome. I acknowledge the role of all involved in seeking a way forward.

As a Donegal man and an Ulster man, I am aware that Ulster people are often accused of being a little “thran”. For those who are not familiar with Scottish vernacular, this expression means that Ulster people do not like being told what to do. This could help explain to PhD students seeking to explore voting trends the reason County Donegal consistently votes “No” in referendums. On the other hand, the people of Ulster are big enough and bold enough to know that this peace journey, which is very much in its infancy, will require help along the way. I ask Deputies to reach out to our neighbours who are only a few miles up the road. I look forward to working with them on issues of concern to all of the people of this island, North and South.

**Deputy Pádraig Mac Lochlainn:** When the Good Friday Agreement was signed, I was in my mid-20s. I grew up in a republican family during the conflict and my father was imprisoned for nine years. Like thousands of others who had similar experiences, it was unbelievable to watch television coverage of the negotiations. I recall seeing images of the various negotiators standing in the windows of different rooms in the early hours of the morning. I also recall the drama and the immense achievement of Senator George Mitchell in bringing everybody over the line in the context of finalising the Agreement, which was then overwhelmingly endorsed by the majority of Irish people on both sides of the Border.

That was a moment of great hope. It has been a rocky road since but the institutions are up and running, power-sharing is in place, there has been a new beginning in respect of policing and - despite the activities of a tiny minority of individuals who have no support whatsoever - there is peace in the main. However, that is not enough because it is not what was agreed. The outstanding issues include the failure to introduce a Bill of Rights for the North and an all-Ireland charter of rights, the failure to act on the Weston Park commitment to hold an independent inquiry into the killing of human rights lawyer Pat Finucane and the fact that Marian Price and Martin Corey remain in prison. Whose interest does it serve to imprison people without either trial or access to due process? All this does is to drive some young people into the arms of so-called dissident republican organisations. That is the only eventuality to which the ongoing imprisonment of Marian Price and Martin Corey - without any charges being proffered against them and without their having access to due process - gives rise. I cannot understand why the British Government is adhering to its approach in this regard.

The complacency in respect of this matter is unacceptable. Consider how long it took to arrive at the Good Friday Agreement. If the true potential of the Agreement is to be achieved, then both the Irish and British Governments need to reconsider their attitude. The Irish Government must engage in renewed substantive engagement with its British counterpart in order to progress outstanding issues, including the establishment of a Bill of Rights for the North, an all-Ireland charter of rights and other legislative commitments. Sinn Féin wants a strong, inclusive and effective Bill of Rights to be introduced. This instrument must be capable of helping us move away from a society in which fundamental human rights were systematically trampled upon to one in which they are thoroughly, extensively and enduringly protected and promoted. Fifteen years on from the signing of the Agreement, my party maintains that a meaningful process should be put in place to implement a Bill of Rights that is worthy of the aspiration of all the people regarding a rights-based society which offers protection to the most vulnerable and which respects the diversity of our communities. Equality must be at its very core.

The Joint Committee on the Implementation of the Good Friday Agreement, which is

chaired by Deputy McHugh, recently heard from representatives from the Irish Congress of Trade Unions and the Northern Ireland Human Rights Consortium about the failure of the Irish and British Governments to implement the key human rights obligations contained in the Agreement. It is 15 years since the Agreement, which was democratically endorsed by the vast majority of the people on this island who voted for a Bill of Rights for the North and an all-Ireland charter of rights, was signed but we are no further along the road. Despite the democratic demand on the part of the people, both Governments have failed to meet this obligation and that continues to undermine the agreement. A Bill of Rights for the North would be an opportunity to establish fundamental rights for all in our society. Who does not want that? What reason could anyone have for delaying the introduction of a Bill of Rights? Who does not believe in equality? Difficulties with regard to equality were core to the conflict in the first instance and were at the heart of the profound tragedy of 30 years of pain and hurt among people in republican and Nationalist areas, in Britain and across this entire island.

It is sometimes for parties in this House which do not have representation in the North to use this matter as an opportunity to score points and to offer often the most bizarre arguments against Sinn Féin. I appeal to the political parties which support the Good Friday Agreement and which contributed - in some cases significantly - to its development to reflect on the level of engagement which is taking place. The Minister for Justice and Equality used the term "in another jurisdiction". The Irish Government is a co-signatory to the Good Friday Agreement. It is, therefore, a co-guarantor and it has every right to have a view in respect of and have a say on what happens in the Six Counties. It does not need to apologise for that or to refer to "another jurisdiction". Those in government will skilfully, diplomatically and respectfully engage with all parties but there is also a need for frank discussion, particularly as the Agreement is not being honoured in full. We know where complacency led us in the past and we cannot afford to go down that path again.

**Deputy Aengus Ó Snodaigh:** There has been a huge change in the political climate since the pre-Good Friday Agreement era. Every once in a while, people should pause and recall the time when the conflict in and militarisation of the Six Counties affected all aspects of life on this island. They should also recall how, before the Agreement, it was virtually impossible to contemplate an era of peace in which British soldiers and their sidekicks in the RUC would not harass and hound Nationalists, in which the Six Counties would not have been all but cut off from the remainder of the island and in which thousands of men and women would not languish in jails in Ireland and Britain on foot of conflict-related charges or in which death and injury as a result of war would not be a daily occurrence. We have achieved much of that to which I refer, which was a dream for all of us during the conflict. As an Irish republican, I also dream of a time - soon, I hope - when I will witness the reunification of Ireland.

The subject of this debate is the Good Friday Agreement, 15 years on. I commend those who had the vision to see beyond that supposedly intractable impasse in which we lived until 1998. The work of some of the key players in early years of the peace process has been acknowledged by previous speakers. I support the comments that were made in this regard. However, I especially wish to acknowledge the role of my party leader, Deputy Adams, and of the Deputy First Minister, Mr. Martin McGuinness, MLA. Without them, there would not have been a Good Friday Agreement and there would be no peace. Perhaps Deputy Deasy, who seems to be stuck in blinkered anti-republican mode, might dwell on that when he reflects on his ill-informed contribution to this debate. The Deputy's comments are only a reflection of the other ill-informed statements and jibes we regularly hear in this Chamber. Ignorance is bliss

but it behoves the Members of this House - as with any other issue - to fully inform themselves of the facts with regard to what is happening in the Six Counties. Somebody should inform Deputy Deasy that 15 years have passed and that Ireland and the world have moved on. However, that is not to state that everything has been resolved. Far from it. Without Deputy Adams, Deputy First Minister McGuinness and the party, as a whole, pushing out the boundaries during negotiations on the Good Friday Agreement, the Weston Park agreement and St. Andrews Agreement, we would be much worse off than is now the case. Others were contemplating settling for much less than was achieved in the Good Friday Agreement.

Dar leis na Poblachtaigh, is próiséal atá i gceist anseo agus dá réir sin, tá bogadh éigean agus dul chun cinn éigin i gceist. ‘Séard is brí le sin, ná go bhfuil ar an Rialtas anseo agus i Shasana comhlíonadh a dhéanamh ar na geallúintí a thug siad. Don chuid is mó, tá an méid atá geallúnta ag an Rialtas anseo comhlíonta, ach níl se sin déanta i gcás an Rialtas i Shasana. Ag an staid seo, ba cheart go mbeidfimis ag cur leis an dul chun cinn seachas a bheith fós ag lorg geallúintí a bheith chomhlíonta 15 blian ina dhiaidh an Chomhaontú.

My colleagues have outlined many of the outstanding issues, particularly in respect of a peace dividend for the North. In December, I informed the Minister for Justice in the Six Counties, Mr. David Ford, MLA, that the biggest threat to the peace process would be the death in prison of Marian Price or Gerry McGeough. Since then, the latter has been released, but Marian’s health has continued to deteriorate. The intractable mindsets of securocrats who would keep an ageing woman with mental health problems locked up without charge, deny their own Queen’s pardon and keep Mr. Martin Corey locked up without trial or a case to answer obviously do not understand the history of prison conflict in Ireland. Maybe they do and it suits their warped agenda, which was never about what was best for Ireland.

The message should go out from this Chamber to the British Government loud and clear - release Marian Price and Martin Corey immediately. There should be no prevarication.

**Deputy Dessie Ellis:** The Good Friday Agreement is one of the most important achievements of 20th century Ireland. It was achieved thanks to the hard work of many dedicated people, including quite a few in the House, and we must honour that achievement with our own dedication to implementing the Agreement and what flowed from it.

I wish to address an issue that affects a large number of people and their families on both sides of this community, but especially the Nationalist side on this part of the island. I am a member of that group, as are some members of other parties who have been elected to the Oireachtas. I speak of former political prisoners and their rights. Many speak abstractly about former combatants and those imprisoned as a result of the conflict. They speak of them as if they have never met one, as if we are unfit to be members of society or are not active members of our communities - fathers, mothers, husbands, wives and providers. This must surely be the case, as in many instances we are not given any consideration in policy formation. I hesitate to use the word “criminal” because it is so insidious in this context, yet that is how we are treated. I am not a criminal, I never was a criminal and I will never allow anyone to treat me as such. I am not alone in this feeling, but many still face criminalisation years or decades out of prison.

The Good Friday Agreement is clear in opposing the erection of barriers to former prisoners finding employment. The Minister for Transport, Tourism and Sport, Deputy Varadkar, and the Minister of State, Deputy Kelly, have twice deliberately worked against this principle. In 2011, the Minister introduced a Bill that discriminated against former political prisoners from operat-

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ing as hauliers. This complaint fell on deaf ears. He had time to make some supposedly witty quips and statements in poor taste, but he had none to consider his Bill's repercussions for the hard-working people whose livelihoods were under threat or the damage done to the Government's credibility in advancing the peace process.

Tomorrow, the Dáil will debate the Taxi Regulation Bill, which will make it possible to suspend or disqualify former political prisoners from operating taxis. The Minister of State has tried to fob the issue off on the Minister for Justice and Equality, Deputy Shatter. This is rubbish. Many former political prisoners are taxi drivers. They will need to appeal to hold on to licences that they have operated without problem for many years.

The Minister might not believe that there is a difference between someone like me and a common criminal, but the people showed they believe differently. The Agreement certainly differs. In the Mr. Daniel McComb case in the North, the courts ruled that it was wrong to discriminate in this exact context. What exactly about the term "equivalency of rights" does the Irish Government not understand? Problems also persist for those who seek employment in the security industry, but it is a difficulty in many more fields. Will any Deputy tell me that neither I nor Deputy Martin Ferris is fit to drive a taxi, or that Deputy First Minister, Martin McGuinness, is good enough to sit at the Executive table but not anywhere else?

The Government must work to provide a legislative basis to ban discrimination in employment against former political prisoners covered by the terms of the Good Friday Agreement. This issue must be a consideration in every Bill it introduces. Treating international agreements to which it signed up as *à la carte* menus is not good enough. The Government also has a role in holding its partner in the Agreement to account and in pushing for equality and justice in the North. The Government has done little to push this agenda forward or to progress the Agreement's implementation. It has cynically used the North as a stick with which to beat Sinn Féin, usually displaying a shocking lack of knowledge of the North, the history of the conflict and the issues facing the people today. We need the Government to be a strong campaigner for the Agreement, but how can we expect that when it shows such little respect for it in the Twenty-six Counties?

It is only right that the Government should speak of a shared future through the peace process. It is what we seek to build. Ex-prisoners have been to the fore in pushing the process onwards and in working across communities to build a shared future. The Government would do well to join them in their work instead of devising new ways of barring them from employment or treating them as pariahs. Let us not roll back the clock. It is time to move forward.

**Deputy Caoimhghín Ó Caoláin:** I took my seat in the Dáil as the sole Sinn Féin Deputy in 1997. The peace process had broken down at that time. It had been undermined by the refusal of the British Conservative Government of the day to enter inclusive negotiations, respecting all electoral mandates and without preconditions. Through hard work, persistence and consistent engagement by political leaders, not least by the leadership of Sinn Féin, the peace process was revived and inclusive negotiations began. The outcome was the Good Friday Agreement of 1998. I took part in those talks and was present when the Agreement was concluded.

It is difficult to believe that was 15 years ago. In that time, huge progress has been made. We now have a shared peace, apart from isolated incidents, that has been with us for a decade and a half. The political process arising out of the peace process took years to put in place before inclusive institutions were finally established in the North. What for many was previously

unthinkable was manifest before their eyes when Unionists and republicans worked together in the Executive and the Assembly, with inextricable links to all-island structures. They are still working together, which is in itself a major achievement.

The big issues, such as the release of political prisoners, demilitarisation, the putting of weapons beyond use and policing, proved intractable for very long periods, but were significantly progressed, allowing the political process to develop. Much progress has been made within the Six Counties and on a cross-Border, all-Ireland basis. Co-operation in areas such as health, transport, agriculture and tourism has been greatly enhanced. The North-South Inter-Parliamentary Association has been established, and I am proud to have played my part in bringing that about. I look forward to it playing an increasingly important role.

A lot has been achieved, but an awful lot more remains to be done. That is fine so long as we can see that progress is being made and there is the political will on the part of the British Government to move forward. The big problem is that the required political will on the part of the British Government is absent. For this reason, Sinn Féin is raising these issues in this debate.

Key commitments are not being met, and the level of engagement required is not forthcoming from the British Government. The Irish Government, sadly, is not acting with the intensity of application required from it either. The £18 billion peace dividend undertaken by the British Government in the St. Andrews Agreement has not been delivered. The block grant for the Six Counties has been cut by £4 billion. The British Government is trying to impose harsh social welfare cuts. The British Secretary of State continues to imprison Ms Marian Price and Mr. Martin Corey. The promised inquiry into the murder of Mr. Pat Finucane has not been established.

I want to focus on two particular outstanding issues. This week marks the 39th anniversary of the Dublin and Monaghan bombings in which 33 people were killed. The British Government continues to refuse to release all the files and other information in its possession relating to this, the biggest single loss of life in a single day during the whole course of the long conflict, and to release the files on the other cross-Border bombings in Dublin, Belturbet, Castleblayney and Dundalk. I believe that this Taoiseach and his two predecessors have been far too accepting of the British position on this.

In February 2012, members of the Oireachtas Joint Committee on the Implementation of the Good Friday Agreement met the British Secretary of State for the North, Mr. Owen Paterson, and pressed him on the continuing non-disclosure of British Government documents relating to the cross-Border bombings of the 1970s. Justice for the Forgotten described his response as very disappointing. He told the committee that the Secretary of State for Foreign and Commonwealth Affairs, William Hague “had assured his counterpart here that we have made available the synopsis that is relevant to this case”. This apparently refers to a ten page letter to Judge Barron from former Secretary of State, John Reid, in February 2002. Judge Barron expressed his frustration with the lack of information contained in this letter. He repeatedly requested the British Government for access to the documents themselves but, on every occasion, he was refused. That refusal continues to this day and it is totally unacceptable. The Government must be far more proactive on this matter.

The second outstanding issue I wish to raise is the Ulster Canal. Far-seeing individuals, not least in the local communities, saw the potential long ago of re-opening the Ulster Canal from Lough Erne in County Fermanagh, through Clones in County Monaghan and on to Lough

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Neagh. This was a flagship project identified in the Good Friday Agreement and confirmed in subsequent negotiations and agreements. Those far-seeing people saw the potential economic return for entire communities throughout this beautiful part of rural Ireland with the opening up of the Erne-Shannon waterway, linking Lough Erne with the River Shannon. They rightly concluded that similar benefits could be gained from re-opening the Ulster Canal, with the 13 km Erne to Clones section marked out as the first phase of the overall project.

In July 2007, nearly six years ago, the North-South Ministerial Council agreed to proceed with the Ulster Canal project. That was widely welcomed at the time, especially in the Border counties, where the peace dividend had been very slow to materialise. It was widely seen as vindication of the campaign of the local communities and the calls from elected representatives of all parties North and South, including my Sinn Féin colleagues and me, for this very positive project to be advanced. In the intervening period we have seen the economic collapse in this State and a parallel contraction in the North. Despite that, the Ulster Canal project was kept live. Nonetheless, it took until October 2011 for Waterways Ireland to lodge planning applications. Permission was granted last month for the northern section by Minister for the Environment, Alex Attwood, and earlier this month by Clones Town Council and Monaghan County Council for the section in this jurisdiction. The Minister, Deputy Deenihan, has advised that the earliest the contract could be awarded would be late 2014 with a completion date in spring 2017. I urge the Government to do all in its power to expedite this process. I also urge the Minister, Deputy Deenihan, and other colleagues to maximise the possible EU funding for the project from the PEACE IV programme. The Ulster Canal project is hugely important, not only symbolically, but will prove to be powerful in terms of economic development across this island. It is time to get the work on the ground under way.

**Deputy Jonathan O'Brien:** The signing of the Good Friday Agreement in 1998 marked an unprecedented historical breakthrough that has provided the platform upon which the last 15 years of political stability and relative peace has been built. The Agreement itself was recognition by all sides that the policy of partition had failed. Decades of discrimination, oppression and the abuse of power by some within the Six Counties led to an armed conflict that was an inevitable consequence of partition. Prior to the signing of the Agreement, the Six-County state was a bankrupt political entity that, as well as failing Nationalists and republicans by treating them as second-class citizens, also disenfranchised a sizeable percentage of the Protestant-Unionist community.

The signing of the Agreement in April 1998 was a result of more than two years of intense multi-party talks between the political parties in the Six Counties and the Governments in both London and Dublin. While it was not a perfect arrangement, the Good Friday Agreement paved the way for the establishment of a far more equitable and reflective political system that empowered elected representatives from both communities so they could have a more meaningful role in the future direction of their communities. The Agreement also recognised the legitimate but differing political aspirations of Nationalists and Unionists, but for us as republicans - we make no apologies for saying this - we see it as an opportunity to achieve our objective of a united Ireland through political means.

Republicans have always endeavoured to work the Agreement with others in the interests of all citizens - Nationalist, republican, Unionist and loyalist. We have done that despite the fact that the Stormont Executive has had one hand tied behind its back. The lack of fiscal power, the cut in the block grant, the failure of the London government to honour its commitments to provide a peace dividend and the current Tory government's attempt to impose more than €1

billion in welfare cuts will not deter republicans from pushing this process forward and from achieving the full implementation of all the outstanding issues.

The establishment of a power-sharing government between parties from very different backgrounds and history and with very different ideologies has not stifled progress in transforming, not only the political landscape of the Six Counties, but the economic, educational, cultural, civic and social landscape. Evidence of that can be seen every day in the infrastructural development of the Six Counties in terms of new hospitals, schools, tourism centres and transport links. Sinn Féin is very proud of the pivotal role we have played, along with others, in forging this Agreement and making it work. Our track record in the Assembly is there for all to see and we have shown on countless occasions a willingness to make the hard but fair decisions that are taken for the betterment of citizens from all backgrounds in the Six Counties. It is a track record that also makes a mockery of some of the condescending comments we hear from too many Government and Fianna Fáil spokespersons, who without even a touch of irony claim Sinn Féin is unfit for government in this State.

The comments from Deputy John Deasy on the motion last night were ill-informed and ignorant. His assertion that for the past 15 years Sinn Féin had no interest in substantive engagement with others on the implementation of the Good Friday Agreement is laughable and has a touch of irony considering he would probably get a nose bleed if he crossed the Border. Deputy Deasy's contribution reflects the all too familiar partitionist mentality of some Deputies in this Chamber who see and talk about the Irish Republic as a 26-county political entity rather than a 32-county democratic socialist republic as declared in 1916. Lest Deputy Deasy has forgotten, he is a member of a political party that once claimed to be "The United Ireland Party", which makes his crass partitionist attitude all the more ironic. Let us compare what he said to some of the other contributions made by members of his party. Deputy McHugh's contribution was well-informed and conciliatory. That is the type of dialogue we need between political parties in this State. The peace process is not to be taken for granted and needs continuous work. I appeal to people such as Deputy Deasy to step out of the past and into 2013 and to work with us to ensure the full implementation of the Good Friday Agreement. The hardship that ordinary people in this State have had to endure as a result of the ineptitude and corruption of previous Governments resulted in the destruction of the economy in this State, and the policies of their successors in the current Government, of which Deputy Deasy is a member, and which continues to impose the failed policy of austerity is in stark contrast to what the Good Friday Agreement set out to achieve, namely, equality, justice and a path towards a new shared Ireland which respects all of the traditions and cultures on this island.

**Minister of State at the Department of Transport, Tourism and Sport (Deputy Alan Kelly):** I am delighted to be present for the debate. When the people of the island of Ireland voted to approve the Good Friday Agreement 15 years ago they were hopeful of a future free of the violence and division which had scarred Northern Ireland for the previous 30 years. They believed that peace was possible and they wanted to see it become reality. In many ways, their wish has come true. Northern Ireland today is a place where all traditions take their seat in government, where Ireland North and South work together to develop a prosperous all-island economy, and where sectarian violence is no longer a feature of everyday life. It is important that we reflect on all the positives that have come out of the peace process, and that we recognise how far we have come in those 15 years but, most importantly, that we concentrate on cementing a lasting peace.

The Tánaiste spoke yesterday of the impact the Agreement has had and the great progress

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that has been achieved. That is certainly the case. I commend all those involved. The relationship between North and South and between Ireland and Britain has never been stronger. These strong relationships have seen great benefit for the people of this island and the Government will continue to make them a priority. I commend the work of Deputy Joe McHugh, as Chairman, and his colleagues on the Joint Committee on the Implementation of the Good Friday Agreement.

More than 15 years on, most of the provisions of the Good Friday Agreement have been implemented, but there are some still outstanding issues. It is still a work in progress. There is great scope for further expansion of North-South co-operation to develop a stronger economy for the whole island. Current economic challenges should stimulate discussion on cost-saving and cost-sharing measures, as well as initiatives to encourage investment. We do have friends, though, and I hope that my colleagues on the other side of the House accept that we have friends outside of Ireland, particularly in the United States of America. Serious work has been done by the United States in recent times to help in the implementation of the provisions of the Good Friday Agreement. In that context, I am delighted that President Obama will visit Belfast before attending the G8 summit in Fermanagh.

As we have heard often in this debate, there remain great challenges to developing a fully reconciled and shared society in Northern Ireland. Parades and flags still have the ability to cause division, tied up closely as they are with identity. The custody and treatment of particular prisoners, an issue which has also come under scrutiny in this debate, is also a source of concern. At the heart of all these issues is the question of rights, reminding us that a Bill of Rights for Northern Ireland is an important provision yet to be fulfilled.

The fifteenth anniversary of the Good Friday Agreement has provided an opportunity to take stock of where we are. Northern Ireland is, in many ways, an entirely different place from 15 years ago but there are shadows of the old sectarianism which still cause instability. We hear about such shadows frequently - too frequently. We must continue to work with the British Government, the Assembly and the people of Northern Ireland to build a future where peace is secure and where division is a distant memory. It is useful to reflect on the past but we must really be thinking of the next 15 years and where we want to be by then.

I hope the Government motion can find agreement from all. It makes a number of important amendments to the motion tabled by Sinn Féin. First, it acknowledges the enormous progress which has been achieved over the last 15 years in Northern Ireland. The political institutions of the Agreement are very firmly in place. Second, it reflects the very particular responsibility of the Northern Ireland Executive and those in leadership positions in the Executive to play their part in ensuring full implementation of the Agreement and in tackling sectarianism and segregation. The Government has long since tabled proposals for a North-South consultative forum, sought an early and thorough review on North-South co-operation and tabled specific proposals to eliminate duplication and improve service provision with reduced resources. A response is awaited on each of these. Third, the Government motion reflects the deep and continuous commitment of this Government to implementing and developing the peace process and also to uniting in harmony and friendship all the people who share this island, in all their identities and traditions. Fourth, it gives due importance to the principle of consent with regard to the constitutional status of Northern Ireland. Finally, it more fully reflects some of the un-implemented aspects of the Agreement, including a Bill of Rights for Northern Ireland, an Irish language Act and a civic forum.

On a personal level, as a student of Irish history, I remember the bad old days as well as everyone else in this House. I remember how Northern Ireland was when I was growing up. It had a deep impact on me and affected the way in which I thought about every single thing I did. In my role as a Government Minister it has given me great pleasure, while taking part in various official engagements across the Border in Northern Ireland, to see the wealth of growth and friendship there and the way in which attitudes have changed. I had the pleasure of being the first Irish Minister to lay a wreath at the Cenotaph recognising those who died at the Battle of the Somme. I really appreciated that moment and enjoyed doing it.

On that note, I commend the amendment put forward by the Government and hope that all parties will continue to work with this and future Governments on this issue, which is absolutely critical, not just for one political party or political philosophy, but for each and every one of us.

**Deputy Martin Ferris:** The Good Friday Agreement is now 15 years old. This historic Agreement presents all involved in the Irish peace process with the opportunity to resolve all outstanding issues associated with the military conflict, now thankfully in the past. However, there remain painful difficulties involved in truth recovery, particularly for victims and their families. Sinn Féin believes that as a society seeks to leave conflict behind and to move forward, there is a requirement that all of us address the tragic human consequences of the past.

Republicans are very conscious of the hurt and suffering which has been caused through conflict in our country. We reject any attempts to create and sustain a hierarchy of victims. All victims and survivors of the conflict must be treated on the basis of equality and in order to deal with our past, do justice to the memory victims and give closure to families of victims and survivors, we need to put in place a mechanism to facilitate that. Sinn Féin believes an independent international truth commission is required as a vehicle for truth recovery. Sinn Féin is very mindful of all the difficulties involved in truth recovery, particularly for victims and their families, but there is an onus on all political leaders to promote this. The discharge of these responsibilities needs to be rooted in the political dispensation agreed on Good Friday, 1998.

How we deal with our past will also help to shape our future. We must also learn from our past. The civil war in this part of our country in 1922 and 1923 left a bitterness and hurt which was allowed to fester for generations and shaped the very nature of politics in this State - civil war politics. There was no truth recovery process and the consequences of that remained with us for many decades. A truth recovery process would have helped to heal the pain of that particular period.

In contrast, Nelson Mandela's government initiated, in 1995, a commission of inquiry, known as the Truth and Reconciliation Commission, in to all apartheid-related activities, with the objective of mending unbridgeable racial disparities. The politics of reconciliation embodied in that inquiry was predicated on the fundamental principle that to forgive is not just to be altruistic but is the best form of self-interest.

For many years Sinn Féin has worked alongside victims and survivor organisations in their efforts to uncover truth, particularly those people killed directly by the British State or by surrogates of British Government agencies in the Unionist paramilitaries organisations. An independent international truth commission is required now, with all participants in the conflict sincerely and genuinely embracing it. All process should be victim-centred and should deal with all victims of the conflict on the basis of equality. There are vested interests who do not want the truth to come out and who will oppose the creation of a meaningful truth recovery process.

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The disgraceful British and Unionist wrangle over the definition of a victim and the recognition payment are cases in point. Truth recovery cannot and will not be dealt with through a British-Unionist prism or, for that matter, through an Irish-Republican prism.

The British Government, which has historically played such a divisive and violent role in Irish affairs, must join in an honest endeavour which allows the people of our island to carve out a new future. The British Government has pursued, as a matter of policy, the use of administrative and institutional violence and collusion. It has employed the full weight of its political influence and authority to deny actively, cover-up and block truth recovery processes. This has involved the suppression of reports by various commissions from Stalker, to Sampson, to Stevens. It has also refused to fulfil its commitments with regard to the Pat Finucane murder case and to co-operate with the Barron commission. If there is to be an inclusive healing process and a genuine process of reconciliation then the British Government must face up to its responsibilities. The Irish Government has a constitutional, legal and moral responsibility to actively promote and encourage this course of action. All of us must pledge ourselves to tell and hear the truth about the past. Only then can the healing really begin.

**Deputy Peadar Tóibín:** Tá Comhaontú Aoine an Chéasta tógtha ar comhionannas agus cuimsiú. D'átháin Comhaontú Aoine an Céasta dé-shaoránacht agus féiniúlacht muintir an Sé Chontae. Tá cearta teanga mar cuid lárnach den Comhaontú agus gheall an Chomhaontú an Gaeilge a chosaint.

Riomh an Comhaontú rinne an stáit sa Tuaisceart gach iarracht bac a chuir ar an Ghaeilge. Rinne an stáit gach iarracht an Gaeilge a imeallú. In ainneoin é seo tháinig borradh iontach ar an Ghaeilge sa Tuaisceart de bharr láidreachta agus chuid oibre an chomhphobal.

I mBéal Feirste d'fhás pobal breá bríomhar Gaeilge ar Bóthar Seoige. Tríd a saothar féin chruth siad an céad Gaeltacht uirbeach sa tír seo. Tháinig fás agus forbairt ar an chomhphobal agus d'oscail siad an chéad Gaelscoil. Rinne an Rialtas san Tuaisceart gach iarracht bac a chuir ar an nGaelscoil sin. Ach lean siad ar aghaidh ag obair go díograsach chun an Gaeilge a chuir chun cinn.

De réir an Comhaontú Chill Rímhinn ní mór don Rialtas Sasanach Act na Gaeilge Tuaisceart Éireann a chuir i bhfeidhm. Is trua an rud é gur shocraigh na hAontachtaí dul i mbun feachtas in aghaidh an Act, gan deiseanna cur chun cinn éagsúlacht an chomhphobal a thuiscint i gceart. Theip Rialtas Sasana beart a déanamh de réir a mbriathar de bharr an feachtais aontachta seo.

Is rud uafásach an frith Gaelachas seo mar taispeánann sé easpa meas, easpa comhionannas agus easpa cearta agus leis an fhírinne a rá is rud nua é sin i measc na hAontachtaí. Bhí Aontachtaí i gcroí lár Athbheochan na Gaeilge sa tír seo. Chuir an hAontachtaí le forbairt na Gaeilge i mBéal Feirste go háirithe.

Tá cultúrlann lonnaithe i mBéal Feirste, agus tá an t'ainm atá ar in onóir beirt - an Cairdinéil Ó Fiach agus Robert Shipboy McAdam. Rugadh Robert i 1805. Preispitéireach a ba é. Bhí sé eolach i trí teanga déag. Ba bailitheoir lámhscríbhinn Gaeilge é agus shocraigh sé ar foclóir Gaeilge-Béarla a chruthú. Chaith sé a shaol ag chuir a Gaeilge chun cinn. Gan amhras is ómós iontach é an cultúrlann dó.

Is cuid den gcultúr de gach phobal sa tír seo an Gaeilge. Is cuma cén taobh den phobal a bhaineann tú leis. Tá stair coitianta againn agus tá cúlra coitianta againn agus caithfidimid bheith bródúil as.

Ní bagairt é Comhaontú Aoine an Chéasta do éinne. Cosnaíonn sé saibhreas ár n-oidhreacht. Ní bagairt í an Gaeilge nó Acht na Gaeilge ach an oiread. Ní cheart go mbeadh diúltú an mionlaigh in ann bac a chuir ar dul chun cinn an Gaeilge nó ar cearta teanga muintir na Sé Chontae.

Caithfidh an Rialtas Sasana a chuid dualgais a comhlíonadh agus reachtaíocht a chruthú chun cearta teanga a chosaint. Ba cheart dóibh acmhainní a chuir chun fhorbairt na Gaeilge a láidriú.

Tá Rialtas na hAlbain agus Rialtas an Bhreatain Bheag tar éis reachtaíocht cosúil le seo a chuir i bhfeidhm agus tá a lán le foghlaim againn ó ár gcomharsan béal dorais.

Ceann de na rudaí rathúil a tháinig as an gComhaontú ná tuiscint níos fearr idir an Oirthir agus an Iarthar. Mar ball den Tionól Pharlaiminteach na Breataine agus na hÉireann is féidir liom tairbhe an comhoibriú a fheiceáil. Faoi láthair táim ag obair mar comhúdar ar tuarascáil ar seirbhísí an EIB agus an slí is fearr níos mó tairbhe a bhaint amach as an EIB. Is féidir liom fás san tuiscint agus san chomhionann a fheicáil sa tionól.

Mar Gael, mar Phoblachtach Éireannach ba mhaith liom comhoibriú cothromach a fhobhairt idir an tír seo agus Sasana. Gan amhras tá fadhbanna ann ach is féidir linn iad a comhréitiú ach obair le chéile. Tá deiseanna tráchtála ann agus is féidir linn tairbhe iontach a bhaint amach ach obair le chéile. Ach chun é sin a déanamh caithfidimid i bhfad níos mó a dhéanamh chun Chomhaontú Aoine an Chéasta a chuir i bhfeidhm. Tá an glúin seo a braith ar agus tá na glúin a tá le teacht ag breath ar.

**Deputy Mary Lou McDonald:** In the course of this debate many speakers have looked back over 15 years and recognised the great achievement that was the Good Friday Agreement. They have acknowledged the efforts and achievements of Irish political leaders and I wish to reiterate that. I wish to recognise in a particular way the friends of Ireland, especially in the United States of America, who have supported and facilitated the process. In truth, there would have been no peace agreement without them. Often, people outside Ireland showed far more vision and courage than many at home were prepared to show and I wish to acknowledge that as well.

As others have noted, the Good Friday Agreement and the Irish peace process are beacons for other parts of the world. They represent a framework of institutions based on equality, power-sharing and democratic principles. Naturally, the Agreement is not an end point but a means by which to deliver peaceful change. As we know, it removed the British Government veto on change, proving that the North of Ireland is not and never was as British as Finchley. It provides for a Border poll. In the final analysis it will be up to the people North and South in this country to determine the future shape of our nation. Yesterday evening I was in Crossmaglen with a panel of speakers at a packed meeting where people from across south Armagh and north Louth enthusiastically and energetically debated the issue of a Border poll and the future Ireland they wished to see for their children.

The two governments are equal co-guarantors of the Agreement. In the first instance it is for them to ensure compliance with and implementation of the Agreement. Like previous administrations, this Government must resist the temptation or instinct to take a back seat to the British Government. To date the actions of the British Government have amounted to stepping outside and undermining crucial elements of the Agreement. For example, it resisted the agreement at Weston Park for a full public inquiry into the killing of Pat Finucane. It has cut budgets and

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undermined institutions in the North. It has failed to legislate for Acht na Gaeilge. It has set aside financial agreements entered into at St. Andrews for an £18 billion financial package. It has cut the block grant by £4 billion. Now it is seeking to cut a further £1 billion from welfare benefits. Meanwhile it has rejected the joint call by all parties in the North for greater fiscal powers. Therefore, in the mind of the British Administration the Northern economy is to fend for itself, grow, develop and provide opportunity, essentially with one arm tied behind its back. The Irish Government should intervene on this issue. It is not good enough to sit back and observe cutbacks and hardship in the North. The Irish Government should call it as it is and make the case clearly that for the North to flourish and for the country to flourish, fiscal powers must be repatriated to Stormont and those powers must reside with elected Irish leaders.

The actions of this British Government have not only undermined the Agreement and the institutions but frequently the standing of the Irish Government as well. It has often provided cover for those opposed to the agreements. Let us be clear about it in case there is any doubt: Sinn Féin has always delivered on agreements. We want to see the full implementation of all of the outstanding issues and we stand squarely against inequality and sectarianism and for inclusion, equality and respect. We also support absolutely the need for truth and reconciliation and we recognise that this cannot be a one-sided discussion. We have supported and will continue to campaign for the establishment of an international independent truth recovery process and we encourage everyone to play a full part in such a process.

The Agreement belongs to all our people and the current Government is a custodian of it.

*9 o'clock* The Fianna Fáil amendment to our motion is threadbare and minimalist, raising a question mark over Fianna Fáil's understanding not just of the progress we have made in the North, but the challenges that face us. The Government's amendment, by contrast, provides a constructive consensus on dealing with issues as we move forward. We can only judge the bonafides of that by the actions our colleagues across the floor will take. We note, despite a welcome reference to co-operation in the framework for economic recovery, that there is a studied absence of reference to the peace dividend and the financial package agreed at St. Andrews. I encourage the Government to be proactive on that matter.

I commend the Minister of State, Deputy Kelly, on being the first Minister or Minister of State to lay a wreath at the Cenotaph in Belfast. Clearly that was an important moment for him. In the same spirit, as the Taxi Regulation Bill is considered, I ask the Minister of State to look again at the issue of qualifying prisoners under the Good Friday Agreement. If his analysis is that the conflict is over and we are to move forward collectively and in a spirit of co-operation, why he would facilitate discrimination against that group of men and women? I ask him to reconsider that.

We also call on the Government to work with the British Government and all of the parties to re-energise the peace and political processes. Fifteen years is a long time to some but in truth it is the blink of an eye, an historical heartbeat. There is a danger, however, 15 years on that people can become complacent or even detached from the process unfolding just up the road. The Government does not have that luxury; this is too important. We stand ready to work in co-operation and with goodwill with all parties across the Dáil and with every political party in the country to ensure hope and history continue to rhyme and that we have full delivery of the agreements and their political potential.

Amendment No. 1 agreed to.

Motion, as amended, agreed to.

The Dáil adjourned at 9.05 p.m. until 10.30 a.m. on Thursday, 16 May 2013.