



DÍOSPÓIREACHTAÍ PARLAIMINTE
PARLIAMENTARY DEBATES

DÁIL ÉIREANN

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

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DÁIL ÉIREANN

Déardaoin, 03 Deireadh Fómhair 2013

Thursday, 03 October 2013

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

Paidir.
Prayer.

Leaders' Questions

Deputy Michael McGrath: Now that the latest Exchequer returns and the quarter 2 economic data have been published, we are entering a period of intense political negotiation around the budget, which will be announced in 12 days' time. Fianna Fáil fully accepts the imperative to continue to reduce the budget deficit until we get to the point at which the Minister for Finance of the day is able to stand up in this House and announce a balanced budget.

People welcome any evidence that there is an improvement in the economy, but the Tánaiste would be the first to admit that they are not seeing any evidence of that yet in their daily lives or in their pockets. The truth is they will not see that evidence for some time to come, because any recovery in the economy will be gradual and budgets will be tight for a number of years yet in this country. We believe it is possible to achieve our deficit target in the forthcoming budget while also protecting vital areas such as education and mental health and disability services. This will not be easy, but it can be done. It is about minimising the inevitable damage inflicted on an economy when more money is taken out of it, while at the same time protecting the essential public services on which people rely. Above all else, the budget must be fair. Unlike the last two budgets, its impact must be progressive in nature.

As the Tánaiste knows, the ESRI independently verified that the last two budgets disproportionately affected those on low and middle incomes. Those people cannot afford a repeat of that in 12 days' time. The Minister for Finance has now confirmed that the budget adjustment will be somewhat less than the anticipated €3.1 billion.

Deputy Emmet Stagg: Any chance of a question instead of a lecture?

An Ceann Comhairle: Please allow the Deputy continue without interruption.

Deputy Michael McGrath: I welcome this. Now, it is about getting the budget right in terms of the adjustment figure and, perhaps more importantly, in terms of the detailed budgetary measures that will be contained therein.

In various interviews, the Tánaiste has stated his view quite strongly that the adjustment should be no greater than is necessary to achieve a deficit target of 5.1%; in other words, that no more be taken out than is absolutely necessary. Is that still the Tánaiste's view?

The Tánaiste: I acknowledge that Deputy McGrath has agreed the economy is recovering. I also acknowledge that many people have yet to experience that in their lives. We are seeing an increase in employment - 3,000 additional jobs per month. We have seen a drop in the live register figures this week and the level of unemployment is at its lowest level since 2009, down to 13.3% from a high of 15.1%. We are also seeing improvements in areas such as construction. Over the course of the past year, there has been an 11% increase in construction activity. More significantly, we are seeing an increase in the number of planning applications, which were up approximately 37% last year. All of this indicates an improvement.

In regard to the budget, the Exchequer returns show that Ireland is now on track to meet its targets in 2013, with tax receipts on profile and expenditure under control in the year to the end of September. This highlights again the consistent improvement in the management of Ireland's public finances by the Government. The Exchequer deficit at the end of September 2013 stood at €7.142 billion, which is €4 billion lower than the same period last year. The tax base is growing and we have just under €26.9 billion in taxes collected this year, up €768 million on the same period last year - an increase of almost 3%. More significantly, income tax receipts were up by €400 million last year. Given that there was no increase in income tax last year, this reflects the overall increase in the number of people now at work in the economy. VAT is up by €80 million, reflecting an increase in retail activity.

On the broad budget issues, I have said from the beginning of public discussion that I believed it was possible for us to meet our target this year through a budget adjustment of less than €3.1 billion, which was the figure being advocated by many commentators. The Minister for Finance confirmed yesterday that it should be possible to meet our targets this year through an adjustment of less than €3.1 billion. Deputy McGrath is correct in saying that budget discussions are at an intensive stage. Obviously, they will not be completed until closer to the budget and at that stage we will have a final figure for the adjustment.

Deputy Michael McGrath: If one parses what the Tánaiste has just said, that is a change in his position. He has not just been saying all along that the adjustment can be less than €3.1 billion. What he has been saying, repeatedly and clearly, is that the adjustment should be no more than is absolutely necessary to achieve the deficit target we are required to achieve. That is what he has been saying. I still do not know what that figure is. It could be €2.5 billion or €2.7 billion. The Tánaiste has not just been saying it should be less than €3.1 billion. Will the Tánaiste advise whether it is still his position that the adjustment should be whatever is required to achieve the deficit target and no more? It is important that he confirm that.

The fundamental point I want to make in regard to the composition of the budget is that it must pass the basic test of fairness. In my view, the two most recent budgets have not passed this test. One will never have consensus on what is fair, but the best measures are whether the impact of the budget is progressive and the burden of its measures is carried by those who are most able to carry it. This was not the case in the two most recent budgets. Is the Tánaiste's position still to have an adjustment of no more than is required to achieve the figure of 5.1%? Will the budget pass the basic test of fairness which the two most recent budgets did not?

The Tánaiste: One thing that is certain about the budget is that whatever is in it the Deputy and his party, and the Opposition generally, will oppose it. That is pretty certain and let us start with it. We are entering-----

Deputy Michael McGrath: The Tánaiste was pretty good at it himself.

The Tánaiste: Of course, it is politics.

Deputy Timmy Dooley: Therefore, the Tánaiste agrees with the Minister, Deputy Pat Rabbitte.

Deputy Alex White: It is what the Opposition is there for.

An Ceann Comhairle: There is no need for the chorus.

The Tánaiste: We are now entering political discourse on the budget, which is fair enough. Deputy Michael McGrath will not tempt me to tell him the budget figures in advance of the Minister for Finance and the Minister for Public Expenditure and Reform making their statements to the House.

Deputy Michael McGrath: I did not ask the Tánaiste to do so. I asked him whether his position had changed.

The Tánaiste: The position has not changed. We are on track to exit the bailout programme this year. We know we have a deficit reduction target to meet. We also know we are seeing recovery taking place in the economy and we can all look at the figures which support this. We must ensure this recovery is not put at risk, that we continue to meet our targets and that the budget meets them, continues to support employment, is directed at getting people back to work and is fair. I reject entirely the Deputy's assertion that the two most recent budgets were not fair. There were measures-----

Deputy Michael McGrath: Talk to the ESRI.

Deputy Finian McGrath: It was independently assessed.

Deputy Michael McGrath: It is factual. The Tánaiste is ignoring the evidence.

An Ceann Comhairle: As we are over time, please let the Tánaiste finish.

The Tánaiste: It is a bit rich coming from Fianna Fáil, when it signed up to an agreement at the end of 2010-----

Deputy Bernard J. Durkan: Remember it.

The Tánaiste: -----which prescribed what would be in the budgets for the subsequent three years.

Deputy Michael McGrath: That is not true.

The Tánaiste: It is true. Go back and revisit it. The utter hypocrisy-----

Deputy Timmy Dooley: Is the Tánaiste saying the recovery is based on those decisions?

An Ceann Comhairle: Will the Deputy please try to restrain himself?

The Tánaiste: This is total hypocrisy on the part of Fianna Fáil. It signed up to an agreement in 2010 which prescribed what would be in the budget.

Deputy Timmy Dooley: Are we responsible for the recovery?

3 October 2013

The Tánaiste: We had to change this. Now that we have succeeded in getting us to a point where we are exiting the bailout programme and seeing the economy recovering-----

Deputy Finian McGrath: Will the economy rocket?

The Tánaiste: -----it is as if Fianna Fáil wants to wipe history clean and pretend it never had a hand, act or part in the mess we inherited in the first place.

Deputy Timmy Dooley: Is the Tánaiste thanking us for the recovery?

Deputy Mary Lou McDonald: This morning we heard first-hand stories of families struggling to pay their gas and electricity bills. According to the Society of St. Vincent de Paul, the average cost of energy bills has increased by €500 per year. Working families and those out of work are simply unable to meet the spiralling costs of gas and electricity. When one hears their stories, they are heartbreaking. In my constituency I have met young mothers who have gone without gas or electricity. I have spoken to fathers hit by wage cuts and tax hikes who have seen their arrears spiral out of control. Many of these families were forced to make a choice between feeding their children or paying their energy bills. The arrears mounted up and the sleepless nights increased. What has been the response of the Government to this? A Labour Party Minister cut the smokeless fuel supplement, increasing costs for people living in cities. A Labour Party Minister cut the fuel allowance payment period by six weeks, wrenching €120 out of the pockets of families struggling to pay their fuel bills. A Labour Party Minister sat back and did nothing as the regulator hiked up gas and electricity costs; as a result, the arrears mount and the sleepless nights increase. Given the Tánaiste's commitment to fairness, as expressed this morning, will he tell these struggling families how he will help them to meet their gas and electricity bills in budget 2014?

The Tánaiste: I agree that energy costs and the price of fuel have been increasing. As a country, we are on the receiving end of the internationally set price of fuel. We are at the end of a very long pipeline from Russia. I have looked at the report from the Society of St. Vincent de Paul and welcome it. In particular, I want to look at where the society focuses attention on what can be done to ease the burden on hard-pressed families in paying their fuel bills. The statement issued by the society states that with some basic investment some homes could become warmer, healthier and cheaper to run. I agree with this. It acknowledges that 250,000 homes have acquired retrofitting measures such as attic and cavity wall insulation, draught proofing and low energy lighting, but it points out that more needs to be done in retrofitting. I agree with this. That is why the Government has concentrated its focus on finding a long-term solution to the high cost of energy which people must bear.

The Government has prioritised scarce resources in the retrofitting of homes through the warmer homes scheme and local authorities. The warmer homes scheme recently retrofitted its 100,000th house and this year the Government's stimulus package included €50 million specifically for retrofitting local authority homes. Also this year the Government committed €18 million to the scheme which will support the delivery of energy efficiency measures to approximately 10,000 homes, resulting in energy savings worth approximately €1.8 million. This is part of the Government's overall affordable energy strategy which we launched in 2011 shortly after the Government was formed because we identified back then that the issues of energy efficiency and energy costs had to be dealt with on a sustainable basis in the period ahead.

The Deputy mentioned low income households specifically. It is fair to state every house-

hold in the country is affected by high energy costs and the price of fuel. Last year we decided to focus the affordable energy strategy on households identified as being in poverty, particularly households spending more than 20% of disposable income on energy. I appreciate that I am over time, but I have a list of the changes we have made in this regard and I am quite happy to go into them in much greater detail for the Deputy in the second part of my reply.

Deputy Mary Lou McDonald: When one looks at the figures and the achievement articulated by the Tánaiste with regard to retrofitting, I will be kind and call them modest, but the scale to which the scheme has been rolled out is certainly underwhelming. The Tánaiste must remember that his party promised a €40 million allocation specifically aimed at those suffering fuel poverty. I accept that high energy costs affect everybody and every household, but there is an identifiable group of people who cannot meet their energy bills. Their energy supply is cut off, even after resorting to the use of meters.

The Tánaiste mentioned the Society of St. Vincent de Paul. Between 2008 and 2011, just to give a sense of the scale involved, the level of the Society of St. Vincent de Paul's assistance to families for fuel increased from €3.8 million to €10.4 million. That is the trend in what the organisation is dealing with.

An Ceann Comhairle: A question, please.

Deputy Mary Lou McDonald: I want to know from the Tánaiste specifically what he will do in this budget for people experiencing fuel poverty - those families who cannot pay their bills. What will he do about the fuel allowance and the smokeless fuel support payment? People hear the rhetoric about the "bigger picture" that the Tánaiste delivers that we are on the receiving end of global forces, but that is of no comfort to those whose homes are cold. What does he have in mind and what will he line up? Will he give comfort by saying he will not be as mean-spirited as he was in the last budget, particularly in respect of the fuel allowance?

The Tánaiste: First, the Deputy has said we undertook to commit €40 million to address the issue of fuel poverty and fuel prices. Last year we committed more than that figure - €50 million - for the retrofitting of local authority homes-----

Deputy Mary Lou McDonald: They are two distinct things.

The Tánaiste: Let me answer the question. As I said, we have committed €50 million for local authority homes alone and there is also €18 million for the improvement of the warmer homes scheme. This is not a short-term problem. The issue of high fuel prices and the cost of fuel is not one that can or should be dealt with on a short-term basis. We all know from experience that the price of fuel goes up and down again. Unfortunately, in recent years it has been going up, largely because oil and gas are scarce resources, they are in places that are hard to get to, they must come a long way to get here and we are subject to international pricing. The best way to address this in the long term is to carry out the retrofitting programme that we have set out and to concentrate it in the first instance on families on lower incomes. That is what gets down the cost of heating homes-----

Deputy Mary Lou McDonald: For those who cannot meet their bills, the fuel allowance-----

An Ceann Comhairle: Please, Deputy.

The Tánaiste: That is what gets down the cost of heating a home and fuel. We are committed to doing this. Only last week I had a lengthy discussion with the Minister, Deputy Pat Rabbitte, about the plans he had to encourage more people to take up the retrofitting scheme and about the grants and various forms of assistance available through his Department and Sustainable Energy Ireland. We are going to drive this to see to it that more homes are retrofitted and have a greater degree of energy efficiency which has the benefit of bringing down the cost of heating a home and of energy for households. That is the route to be taken.

Deputy Mary Lou McDonald: What about the fuel allowance?

The Tánaiste: By the way, that is what the Society of St. Vincent de Paul states is the best way of dealing with the problem. It is contained in its report. I welcome the report it has presented. It is timely and that is what it states, that getting more people into the retrofit scheme is the way for us to go.

Deputy Mary Lou McDonald: What about the fuel allowance?

Deputy Stephen S. Donnelly: On Tuesday the financial services firm Grant Thornton issued a report which analysed the last five austerity budgets and looked at the impact these budgets had had on Irish families. Among the findings are that Irish families are now paying, on average, double the amount in tax that they paid in 2008; that when Government cuts are taken into account such as, for example, cuts to child benefit, they are down, on average, €6,000 in disposable income. That is before property tax for a full year and before price inflation, for example, the rise of €500 in annual energy costs, an issue we have just been discussing, are taken into account. Not only do Irish families have a lot less money because of increased prices, that money is not going as far. What is particularly damning is what the report states about the distributional effects, or who is being asked to carry the heaviest burden. What Grant Thornton has found is that a family with an income of €80,000 has seen their tax burden rise by about 50%, but it has also found that a family with an income of half that amount, €40,000, has seen their tax burden rise not by 50% but by 125%. This, Grant Thornton suggests, was due largely to the changes to the universal social charge which was introduced in 2011. A tax partner at Grant Thornton said: "...it's clear low to middle-income earners have paid a heavier price in terms of the percentage increase in taxes they pay." We have independent expert opinion that the first two budgets of Fine Gael and the Labour Party have, unfortunately, increased the level of inequality in this country.

An Ceann Comhairle: A question, please.

Deputy Stephen S. Donnelly: This was not inevitable; it was a choice which, as I believe the Tánaiste will agree, was bad for everybody. It hammers those who have the least and slows the full economic recovery of the country.

With the Government's third austerity budget just 12 days away, I ask the Tánaiste the following two questions. Will he commit that he will give Members of Dáil Éireann when the budget is introduced, or, at the very least, before we are asked to vote on it, an impact assessment of the proposals in terms of the socioeconomic indicators and who will be asked to carry the heaviest burden? If that analysis shows that the proposals being put to Dáil Éireann ask those who have the least to bear the heaviest burden, will he withdraw the Labour Party's support for the budget?

The Tánaiste: Most people in this country do not need a report from Grant Thornton or

anybody else to tell them we have had an economic crisis. In 2008 the economy crashed, effectively. The people from whom we inherited the Government put the taxpayer on the hazard for the entire banking system when they introduced a blanket guarantee. The consequence was that the country and its taxpayers were made responsible for the debts of the banks. The property bubble that had been at the centre of the previous Government's economic strategy burst and we ended up in a situation at the end of 2010 where the country's financial position was so bad there was nobody in the international money markets who would lend money to this country.

Families and households do not need a report from Grant Thornton or anybody else to tell them how difficult it has been for families for the past five years. It has been difficult for them. People have lost jobs and businesses; they have seen their incomes shrink and, in some cases, their children having to emigrate. The job of work the Government took on was that we rescue the country from that economic disaster and turn it around. We are succeeding in doing so. The figures now available to us show that, compared to what we had prior to the election of the Government, when 250,000 jobs had been lost in the previous three years, we are now creating 3,000 jobs per month. In the course of this week we have seen the number of unemployed persons on the live register at its lowest rate since 2009. We are beginning to see retail activity improving. We are beginning to see recovery. What we have to do is to stay the course, get the country to recover and ensure additional jobs are created, that we drive on with recovery and that we get the public finances in order in order we will not find ourselves in the kind of situation we were in at the end of 2010.

Deputy Stephen Donnelly knows very well that I am not going to talk to him this morning about a budget that is not going to be announced until 15 October. However, I can tell him this. The budget on 15 October will be part of the Government's strategy to continue the job of recovery we have undertaken. It will contribute to it and be balanced and fair.

Deputy Stephen S. Donnelly: I was told never to expect an answer to any question I put during Leaders' Questions - so far, so good.

Deputy Michael McCarthy: Read on, Deputy. Do not bother asking a question.

Deputy Stephen S. Donnelly: In response to Deputy Michael McGrath, the Tánaiste described last year's budget as being fair.

Deputy Emmet Stagg: These are statements from the Deputy.

An Ceann Comhairle: I will make the decisions on that one, thank you very much.

11 o'clock

Deputy Stephen S. Donnelly: We do not need a report from Grant Thornton to tell us we have had an economic collapse. However, that report directly contradicts what the Tánaiste said to Deputy Michael McGrath about last year's budget being fair. In fact, it states very clearly that those with the least have been asked to contribute the most.

I asked the Tánaiste two questions. First, will the Government, when it brings forward the budget, provide all Members of the Dáil with an analysis examining the distributional effects of the proposals, thus assisting us in deciding how we will vote? Second, if this analysis shows that the distributional effects are such that those who have the least are being asked to contribute the most, will the Tánaiste withhold the Labour Party's support for the budget? I am sometimes

described - wrongly, in my opinion - as a right-wing neoliberal-----

An Ceann Comhairle: We are not getting into that just now. This is Leaders' Questions.

(Interruptions).

Deputy Stephen S. Donnelly: There is a question to consider here. If the crazy right-wing neoliberal is seeking assurances on equality from the leader of the Labour Party and is not getting them, something has gone wrong.

(Interruptions).

Deputy Jerry Buttimer: The Deputy is Shane Ross junior.

An Ceann Comhairle: Members must allow the Tánaiste to respond without interruption.

The Tánaiste: Deputy Donnelly cited figures he claims point to increases in taxes on families. This Government has not increased income tax since coming to office.

Deputy Stephen S. Donnelly: What about the universal social charge?

The Tánaiste: The Deputy expressed views in regard to those people who are most vulnerable in our society. This Government, perhaps to the surprise of the Deputy and many others, has not reduced the basic rates of social welfare payments. We have taken more than 300,000 of the lowest-paid workers outside the scope of the USC, to which the Deputy referred. In addition, the Government has restored the minimum wage and the joint labour committee system for the determination of pay and conditions for lower-paid employees.

Deputy Stephen S. Donnelly: Will the Government provide an analysis of its budget proposals?

The Tánaiste: Of course we will. The Deputy is here long enough to know that at budget time, in addition to the Budget Statement issued by the Minister for Finance and the Minister for Public Expenditure and Reform, Members receive a wad of documentation outlining the impact of budget measures on families at different levels of income.

Deputy Ruairí Quinn: There will be scope for Deputy Donnelly to write lots of articles.

The Tánaiste: To be fair to Deputy Donnelly, I was of the view when he first came into this House that he was a right-wing neoliberal.

Deputy Stephen S. Donnelly: It is the suit.

The Tánaiste: The longer he is here, however, the more I am coming reluctantly to the conclusion that he is just an opportunist.

(Interruptions).

Deputy Timmy Dooley: In that case we can expect the Deputy to apply soon to join the Labour Party.

Order of Business

The Tánaiste: It is proposed to take No. 11, motion re proposed approval by Dáil Éireann of the Ombudsman Act 1980 (Section 4 (10)) Order 2013; No. 3, Freedom of Information Bill 2013 - Second Stage (resumed); and No. 2, Road Traffic (No. 2) Bill 2013 - Second Stage (resumed). It is proposed, notwithstanding anything in Standing Orders, that the proceedings in regard to No. 11 shall, if not previously concluded, be brought to a conclusion after 20 minutes, with the speech of a Minister or Minister of State and of the main spokespersons for Fianna Fáil, Sinn Féin and the Technical Group, who shall be called upon in that order, not exceeding five minutes in each case, and Members having the option to share time.

An Ceann Comhairle: There is one proposal to be put to the House. Is the proposal for dealing with No. 11, motion re proposed approval by Dáil Éireann of the Ombudsman Act 1980 (Section 4 (10)) Order 2013, agreed to? Agreed.

Deputy Michael McGrath: In view of the recent publicity surrounding certain corporation tax matters relating to multinationals operating in this country, the international tax agreements Bill is particularly important in order to strengthen further the provisions on co-operation between Ireland and other countries on taxation matters. Will the Tánaiste confirm when that legislation will be brought forward?

The Central Bank (consolidation) Bill is another important legislative proposal designed to consolidate the full suite of legislation governing the functions of the Central Bank. What is the status of that Bill?

Many people are awaiting the introduction of the proposed new tenant purchase scheme to be provided under the housing (miscellaneous provisions) Bill. Will the Tánaiste indicate when that legislation is to be brought forward?

The Tánaiste: In regard to the international tax agreements Bill, which was originally to be called the mutual administrative assistance in tax matters (joint Council of Europe-OECD convention) Bill, a cross-departmental group has been established to resolve outstanding issues. It is expected to be published next year. As the Deputy knows, there have been several Bills relating to the functions of the Central Bank. Work is proceeding on the preparation of the Central Bank (consolidation) Bill and it will be published next year. Likewise, the housing (miscellaneous provisions) Bill is expected to be published in 2014.

Deputy Mary Lou McDonald: It is almost eight months since the Taoiseach's apology to the survivors of the Magdalen laundries and several months since the establishment of a very limited form of redress for the women concerned. To date, however, not a single cent has been paid out. I have raised this issue with the Minister for Justice and Equality with a view to establishing not just when the moneys will be paid but also when the very basic services these women require will be delivered. He refuses to give an answer. I am, therefore, affording the Tánaiste the opportunity to tell us and, more importantly, the women in question, when those

commitments will be fulfilled.

An Ceann Comhairle: That is not a matter for the Order of Business.

Deputy Mary Lou McDonald: There is no legislative proposal on this matter. We could debate whether there should have been such a proposal, but I am raising the issue now because I am not getting answers anywhere else.

An Ceann Comhairle: The Tánaiste might give a short response to the Deputy's query.

The Tánaiste: If I had received notice of the question, I would have prepared an answer for the Deputy after speaking to the relevant Departments.

An Ceann Comhairle: The issue might be more appropriate to Leaders' Questions.

The Tánaiste: As the Deputy knows, the range of supports we have committed to provide, including health supports, housing and so on, involve several Departments. I will ask for a reply to be sent to the Deputy.

Deputy Robert Troy: Just before the summer recess the Government announced that the heads of a Bill to amend the Child Care Act 1991, to underpin regulations and inform provisions for preschool services, had been published. When will that legislation be brought before the House?

The Tánaiste: I am informed by the Minister for Children and Youth Affairs that the provisions in question are due to be dealt with on Committee Stage of the Child and Family Agency Bill 2013.

Deputy Mattie McGrath: My question relates to the criminal justice (victims rights) Bill. The Fr. Niall Molloy case and the situation of the Omagh bomb victims are two issues on which the Taoiseach had some engagement with the families involved before coming into office.

An Ceann Comhairle: We cannot debate the details of legislation.

Deputy Mattie McGrath: This is very important because we are talking about people who suffered terrible wrongs.

An Ceann Comhairle: The Deputy will have an opportunity to debate the issues when the Bill comes before the House.

Deputy Mattie McGrath: The Taoiseach promised these people everything. Now, however, just as he refuses to debate his proposal to abolish the Seanad, he also refuses to meet these people. Will the Tánaiste give a commitment to meet them?

An Ceann Comhairle: The Deputy should raise the issue by way of a parliamentary question.

Deputy Mattie McGrath: It is a very serious issue.

The Tánaiste: The criminal justice (victims rights) Bill will serve to strengthen the rights of victims of crime and their families and give effect to a proposed EU directive. Preliminary work on the Bill is under way, but it is not possible to indicate a publication date at this stage.

Deputy Brian Stanley: This time last year we had the launch of the document, Putting

People First, on local government reform. When will the heads of the local government Bill come before the Joint Oireachtas Committee on the Environment, Culture and the Gaeltacht for discussion, as requested by the Chairman and members? Will it devolve powers from fortress Custom House to local councils and from unelected county managers to councillors?

An Ceann Comhairle: We will not debate the Bill.

Deputy Brian Stanley: I am just asking the question.

The Tánaiste: The local government Bill is due to come before the Government shortly. I expect it will be published shortly thereafter. The intention is that it will go to the committee. However, we are anxious to have the legislation enacted and in place in advance of the local elections next year so that the measures proposed will take effect when new councils are elected in 2014. The Bill is at an advanced stage of preparation and I expect it will be dealt with by the Government in the near future.

Deputy James Bannon: The many problems associated with alcohol are well reported in the media, such as the clogging up of accident and emergency units in our hospitals, suicide, physical harm, murder and self-harm that people impose upon themselves.

An Ceann Comhairle: Maybe we can cut out the preliminary part and ask about legislation.

Deputy James Bannon: When will the public health (alcohol) Bill be brought before the House? It is important that this is speeded up.

The Tánaiste: The Minister of State, Deputy Alex White, has been working on the issue for some time. It was considered by a meeting of the Cabinet sub-committee during the week and I expect his proposals will come before Government shortly.

Deputy Bernard J. Durkan: On promised legislation, having regard to the concerns in respect of increases in private health insurance, when will it be possible to bring the health insurance (amendment) Bill, dealing with risk equalisation, before the House? Have the heads of the Bill been discussed in Cabinet and what is the degree of importance the Government attributes to it?

With regard to the companies (miscellaneous provisions) Bill, which deals with the need for authentic and reliable internationally recognised audits, is it intended to bring it before the House ahead of schedule? To what extent have the heads been discussed by Cabinet?

The Tánaiste: The heads of the health insurance (amendment) Bill, to provide for revised risk equalisation credits for 2014 and some technical amendment to the health insurance Act, were approved for the Government recently. It is scheduled to be published next year. The Minister for Health is aware of the necessity to make progress.

Work is proceeding on the preparation of the companies (miscellaneous provisions) Bill. The larger Companies Bill is before the House on Committee Stage. We are anxious to see progress because it includes a number of important provisions. I ask for co-operation. It is a large Bill and this is an opportunity for the House and the parties in the House to co-operate to see a major item of legislation passed. There would be many complaints if there was an attempt to guillotine debate on the Bill. I appeal for co-operation on the Bill's progression.

Deputy Dessie Ellis: We have all experienced noisy neighbours and the feeling of powerlessness in dealing with them. The hands of the Garda Síochána are tied. The noise nuisance Bill has powers to impose on the spot fines as well as mediation. When will the Bill be brought before the House? It is a major issue when neighbours have parties.

The Tánaiste: I do not have a date for the Bill. It is a Bill to extend and improve the powers available to the enforcement authorities to prevent, reduce or abate noise nuisances by allowing for on the spot fines and to provide for mediation between neighbours.

Deputy Tom Fleming: There are proposals for a new schedule of flights by Ryanair from Stansted Airport to Kerry Airport. With regard to the disruption to people travelling to work-----

An Ceann Comhairle: Hang on, we are talking about promised legislation. Please Deputy, do not abuse the Order of Business or I will not call Deputy Fleming in future. What Bill is the Deputy talking about?

Deputy Tom Fleming: The Irish Aviation Authority (amendment) Bill. I ask the Tánaiste to use his good offices, as the Minister for Foreign Affairs and Trade, to intervene in this situation-----

An Ceann Comhairle: I ask the Deputy to resume his seat. We cannot have a debate on all of these things.

The Tánaiste: The Irish Aviation Authority (amendment) Bill consultation is under way with the two agencies concerned. A number of policy issues must be addressed before work on the heads of the Bill can commence. The Bill is expected next year.

Deputy Jerry Buttimer: The Constitutional Convention has made a number of pivotal decisions. In this context, and regarding the referendum on marriage equality, has the Cabinet considered the report of the Constitutional Convention, will it report to the House and will we see a referendum date set sometime this term?

The Tánaiste: The Government has agreed a formula for dealing with the reports from the Constitutional Convention, that we will consider each report as it comes before us and have given an undertaking to make a decision on our response to the report within four months. We have complied with that timetable to date and we intend to comply with it on each of the succeeding reports. The Constitutional Convention has made a recommendation on marriage equality. The report has not yet been presented but when it is the Cabinet will address it within the timetable.

Deputy Noel Grealish: In the context of the landlords and tenants Bill, there is a major issue in certain parts of Galway city. We all know the film “Into The West”, where Tito used to keep the horse in the back garden. Unfortunately, that is a big problem in certain estates in Galway. Can the issue of animals being kept in the back gardens of houses be covered in the Bill?

Deputy Timmy Dooley: Is it The Rubberbandits?

The Tánaiste: In my experience, it depends on the size of the garden. I would not chance putting a horse in the gardens of some of the more recently constructed dwellings, where the gardens are a bit on the small side. The landlord and tenant Bill will be taken late next year.

Deputy Lucinda Creighton: With regard to the consumer and competition Bill in section A

of the Government legislation programme, I hope every Deputy is concerned about the concentration of media ownership in the country. The legislation programme says that the legislation will give effect to the recommendations of the advisory group on media mergers. I hope it will also look at the issues raised by the Competition Authority consultation-----

An Ceann Comhairle: We cannot have a debate on it.

Deputy Lucinda Creighton: It is very relevant and material and the legislation is imminent. I hope that it will also deal with the recommendations in the 2006 report from the Competition Authority.

The Tánaiste: The consumer and competition Bill will give effect to the recommendations of the advisory group on media merchants mergers. Heads of the Bill have been approved and we expect to publish it this session.

Deputy Pádraig Mac Lochlainn: The assisted decision-making (capacity) Bill has been dragging on for quite some time. I read some text from the Courts Service and saw the word “lunatics” is still in legal parlance in 2013. When will the Bill go ahead? The whole disability community is waiting on it.

The Tánaiste: The Bill, officially known as the Assisted Decision-Making (Capacity) Bill 2013, has been published and it is expected to proceed in the next couple of weeks.

Ombudsman Act 1980 (Section 4(10)) Order 2013: Motion

Minister of State at the Department of Public Expenditure and Reform (Deputy Brian Hayes): I move:

“That Dáil Éireann approves the following Order in draft:

Ombudsman Act 1980 (Section 4(10)) Order 2013,

copies of which Order in draft were laid before Dáil Éireann on 6th September, 2013.”

I seek the House’s support for this order which is required to enable the Ombudsman for Children to investigate complaints concerning children in places of custody or detention. I trust it would be useful for me to set out the background to the matter.

As the House will recall, the Minister for Public Expenditure and Reform, Deputy Howlin, completed the passage of the Ombudsman (Amendment) Act 2012 through the Oireachtas this month a year ago, which significantly extended the remit of the Ombudsman.

The legislation which was supported on all sides of the House resulted in a substantial expansion in the number of public bodies, offices and agencies whose administrative actions are now subject to review, including, among others, all publicly-funded third-level education institutions, education and training boards and the State Examinations Commission. This represented the most significant extension in the remit of the Ombudsman in over 30 years of the office’s operation.

In the course of the legislative process, both the Minister for Children and Youth Affairs, Deputy Fitzgerald, and the Ombudsman for Children sought that the remit of the Ombudsman for Children would be extended in a similar manner. Accordingly, the Ombudsman (Amendment) Act 2012 amended the Ombudsman for Children Act 2002 to align the remit of both ombudsmen over public bodies.

While the Department of Justice and Equality has always fallen within the remit of the Ombudsman, the Ombudsman's remit has not extended to the administration of prisons or other places for the custody of persons committed to custody by the courts. A similar exclusion was in place in the Ombudsman for Children Act 2002 other than for reformatory schools or industrial schools certified under Part IV of the Children Act 1908.

In June 2012, the Minister for Children and Youth Affairs, with the consent of the Minister for Justice and Equality, made an order under section 11(2) of the 2002 Act, with effect from 1 July 2012, which removed the exclusion which previously prevented the Ombudsman for Children from dealing with children in any institution in which children are held in custody or detention.

At the time the Ombudsman (Amendment) Act 2012 was subsequently being progressed through the Seanad, it was concluded that the legislation which retained the original exclusion in relation to places of detention would have no impact on the application of the June 2012 order. However, following concerns being raised by the Ombudsman for Children this year, and on the basis of subsequent advice from the Attorney General received following detailed consideration of what is a complex legal issue, it was concluded by Government that the amendments made in the Ombudsman (Amendment) Act 2012 had the unintended effect of precluding the Ombudsman for Children from dealing with complaints relating to children held in custody or detention.

Today's order rectifies this matter. Under section 4(10) of the Ombudsman Act 1980, as amended by section 6 of the 2012 Act, the Minister for Public Expenditure and Reform has the power to make an order to make an agency a reviewable agency. The Minister for Public Expenditure and Reform, with the consent of the Minister for Justice and Equality is, therefore, proposing to make such an order to restore the Ombudsman for Children's power to investigate complaints concerning children in custody or detention.

As required under section 6 of the Ombudsman (Amendment) Act 2012, the Minister for Public Expenditure and Reform consulted the relevant Oireachtas committee, in this case the Joint Committee on Health and Children, the two ombudsmen and the relevant Ministers on the matter prior to laying the draft order before the Houses of the Oireachtas. Recognising the importance of the matter, the Seanad approved the draft order last week. I bring this motion to this House seeking a positive resolution from it on this important matter to bring the order into effect.

Deputy Robert Troy: The Minister of State will be pleased to hear that he has my party's support, as he had the support, as he acknowledged, of all the political parties and all Members in the House in June of last year when the original order was brought before the House.

We welcome the extension of the remit of the Ombudsman. It is something that the Minister supported. It was something that was previously called for by the Government's independent rapporteur on child protection, Dr. Geoffrey Shannon. It is to be welcomed.

However, questions must be asked about why, over 15 months later, this motion is before the House and the reason for such a protracted delay in highlighting the deficiencies in the legislation. Why has the Department let this happen? One would imagine that in framing the original amendment, due process would have been gone through, the relevant officials would have checked over it and the Office of the Attorney General would have ensured that it was correct on day one.

It leads me to ask whether the new Department of Children and Youth Affairs is adequately resourced and has adequate personnel to look after legislation. In the past two and a half years since the Department has been *in situ*, it has not been inundated with a plethora of legislation. In fact, before last summer was only the second time a piece of legislation emanated from that Department. There is a High Court challenge to the result of the children referendum because of mistakes made by that same Department. It is something that needs to be looked at seriously.

While we have the opportunity to talk about detention centres, the Minister of State will be aware that in May of this year a juvenile court judge challenged the Minister for Children and Youth Affairs to explain the lack of spaces available to young offenders. In September last, there arose a situation in Limerick where a dangerous young criminal was placed in Limerick University Hospital among very sick patients because the State had no secure unit for him, and that youth ended up escaping from those services. This is something that I have highlighted with the Minister. It highlights, I suppose, the need to have the independent Ombudsman looking into this service. While I accept it is not directly Deputy Brian Hayes's responsibility, the reason there are such incidents, there is a chronic lack of space in the youth detention centres and there are vulnerable children, who are a danger to themselves and to society at large, who are not in a position to be detained is because of the recruitment embargo. From his own role, perhaps the Minister of State might be able to shed some light on whether the Minister, Deputy Fitzgerald, has been able to secure the additional staff to ensure the reopening of the eight-bed unit called Trinity House because she must take responsibility for young offenders, who are a danger both to themselves and to society at large. The State is currently neglecting its responsibility. According to the Minister for Children and Youth Affairs, this is because of lack of resources and lack of appropriate staff. Deputy Brian Hayes is the Minister of State at the Department of Public Expenditure and Reform and perhaps he can confirm whether the Minister has been successful in securing adequate additional resources to ensure that a similar situation does not arise again whereby a young criminal who had repeatedly offended was placed in University Hospital Limerick because the State had no secure unit for his detention. I support the motion.

Deputy Caoimhghín Ó Caoláin: This order is being made to rectify the unanticipated impact of the passage of the Ombudsman (Amendment) Act 2012 which to all intents and purposes nullified the order introduced by the Minister for Children and Youth Affairs in July 2012 to provide for the Ombudsman for Children having a responsibility to investigate and address issues relevant to children in places of custody or detention. The Ombudsman (Amendment) Act 2012 was subsequent to that order and all the information at that time suggested that it would have no such impact. However, it now transpires that this is not the case. The view is now strongly affirmed and also by the Attorney General, that this further order is required to correct the situation. I support the passage of this order and the passage of this motion to facilitate it. The Minister for Public Expenditure and Reform has the power to make an agency a reviewable agency. It has long been an issue of concern to me that the Ombudsman for Children had not that remit within her range of roles and responsibilities. I wish to acknowledge the role

of the Minister for Children and Youth Affairs, Deputy Frances Fitzgerald, in the intent and the facilitation of the extension of this power and responsibility to Emily Logan's office.

The Minister for Justice and Equality is also consenting to this situation. The Ombudsman for Children is anxious to have the situation restored to the situation applying as of July 2012. The proposal before the House had the unanimous support of the members attending at a recent meeting of the Joint Committee on Health and Children. The committee advised the Minister for Public Expenditure and Reform, Deputy Howlin, of my proposal arising out of discussion at that time.

It is important that this matter is rectified as speedily as possible. We are all familiar with many instances and cases, some of which are high profile and others which are not in the public domain. We welcome the proposals that the Office of the Ombudsman for Children must have a particular and specific role.

I am conscious of the role of the Minister of State's office in the progressing of the arrangements for the commencement of construction of the new facilities at Oberstown. I join with the Minister in commending the Minister of State's office for the efforts in this regard. In the most recent exchange last week, we noted that BM Building Limited has been appointed as the main contractor and the subcontractors have also been confirmed. As the Minister indicated to the House last week, it was expected that construction would commence this week. I do not know if there is facilitation for the Minister of State to reply at the conclusion of this debate but I will certainly conclude a little earlier to be of assistance and to hear if he has anything to share with the House.

An Leas-Cheann Comhairle: Tá nóiméad amháin fágtha.

Deputy Caoimhghín Ó Caoláin: I will be very happy to conclude my contribution with some little time left for the Minister of State to reply if he is in a position to confirm that the works have indeed commenced this month. We recognise that the provision of appropriate facilities, as against the situation that has applied heretofore at St. Patrick's Institution, is totally and absolutely inappropriate and that is where we need to start. I hope the Minister of State will be able to provide that confirmation before the conclusion of this short exchange.

Deputy Mattie McGrath: I am delighted to support this motion. I note that the order was brought to the Seanad last week for its approval. That in itself is an important statement, on this eve of polling day. I agree that a child must be protected no matter where he or she resides, no matter who purports to have care of the child. Difficulties have arisen with regard to the remit of the office in the past but it would be criminal to leave any child unprotected and to protect the abusers, whether the State or any other perpetrator. It is disappointing that this provision was not included in the amended legislation. As a humble backbencher of the Opposition I ask why this was the case. I have no doubt it is a very complex legal area but we are supposed to have employed all these complex legal experts in the Office of the Attorney General and many advisers in the public service. I am appalled to think that this provision was removed or fell through the hoops. It took pressure from the Ombudsman and other concerned people to persuade the Government to make this very necessary change. We must ask why it was not included in the amended Act and why these things happen.

I refer to the wrong information about voting and the franchise being interfered with in Dublin which was corrected subsequently. However, the welfare of children is a much more

serious matter. The protection of her children by the State was somehow negated, overlooked and dropped from the legislation with the passing of a Bill. This must be of significant concern, in particular, in view of the proposal to dispose of the Seanad. That House has more time for debating issues and it has legal experts among its Members. Senator Jillian van Turnhout is a children's rights campaigner and she is aware of these issues. This motion was intended to be passed without debate and now the House has only 20 minutes in which to discuss it. However, I support the motion.

It may be necessary to review how, on occasion, the Ombudsman interprets the remit of the office. Concerns have been raised with the Ombudsman, Ms Emily O'Reilly, to explain her assertion that she had no remit in some matters in the past. I was involved with some of those cases and there was a strong argument to show that the Ombudsman had a remit in this regard. Ms O'Reilly has never answered several questions, some of which I brought to the attention of the Minister for Children and Youth Affairs. There is a need for the Office of the Ombudsman to be accountable. It is not good enough to say that the office has no remit; it needs to have teeth and its decisions need to be respected. The Government and Departments must take notice of decisions of the Ombudsman and answer the questions. The citizens place great store and faith in the Ombudsman. They can come to us and we can raise matters by way of parliamentary questions but many cases are lost and the Ombudsman is the final arbiter. Where an appellant has not received a satisfactory response to persistent pleas to the Ombudsman I am not aware that Ms Emily O'Reilly has fully answered questions in some cases. She has come back with watery answers and that is not good enough. I refer to the Garda Síochána Ombudsman. Some people say that office is too intrusive but I disagree. People must have justice administered fairly and that is why the Office of the Ombudsman was established. I support this motion. The Ombudsman must be given the resources and the office must have zeal and a desire to find out the truth to ensure that it represents the downtrodden citizens who are denied their rights or who perceive that they have been denied their rights. I am not saying they are always right but there has to be fairness and understanding. When people go to the Ombudsman, they do not do so lightly, although there may be some crank issues I do not know about. They can occur with everything and we get them ourselves. There must be an independent and objective office to examine fully the file, carry out a proper investigation and reassure the citizen making a complaint to the Ombudsman that it is acting on the citizen's behalf, without frustration, impedance or bias. It should deal with the question in hand.

It is paramount that we protect children. A person contacted me last night regarding a convicted paedophile who had been released to the community without anybody knowing. That person is living next door to the victim's family. We must consider such cases, although they may be outside the Ombudsman's remit. Victims must be informed if convicted people are to be released having served a sentence, and they must not be allowed near the people who have been offended grievously or hurt, which would put fear into them again.

An Leas-Cheann Comhairle: Is the motion agreed?

Deputy Caoimhghín Ó Caoláin: Could the Minister of State use the 30 seconds I left to answer my question?

Deputy Brian Hayes: To be fair to Deputy Ó Caoláin, he asked a straight question and I am delighted to be able to answer it. This came from a decision in last year's budget to proceed with Oberstown, which is really important given the work we are trying to do in this area. The total bill is approximately €50 million and I am glad to inform the Deputy that construction

began on 9 September.

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 Catherine Murphy - the sale last week by the National Asset Management Agency of lands located in the Liffey Valley and the implications this may have for an ecologically sensitive area of special amenity; (2) Deputy Timmy Dooley - the need for a review of the criteria under which applicants are accepted on the professional diploma in mathematics for teachers; (3) Deputies Eric Byrne and Joan Collins - the need to address concerns raised by the proposed alignment of local government; (4) Deputy Brendan Ryan - the need to tackle the discriminatory practice of excluding people in receipt of rent supplement from rental in the rental market; (5) Deputy Clare Daly - the delay in the implementation of the pyrite levy legislation; (6) Deputy Mick Wallace - the failure of the Department of Social Protection to pay pensions last week to many people in the Duncormick area in County Wexford; (7) Deputy Richard Boyd Barrett - the need to re-open the education fund for survivors of the Magdalen laundries; and (8) Deputy John Lyons - the need for the CSO to gather further data on emigration, particularly on the patterns of young people leaving Ireland.

The matters raised by Deputies John Lyons, Timmy Dooley, Richard Boyd Barrett and Eric Byrne and Joan Collins have been selected for discussion.

Freedom of Information Bill 2013: Second Stage (Resumed)

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

Deputy Damien English: The increase in fees in 2003 was responsible for a marked tailing off in interest in and use of freedom of information for many years, although the economic crisis facing the country and efforts to gain an understanding of how this could have happened helped spark a new interest. There is a financial cost in search and retrieval, and this must be realistically assessed and made known, but there are also benefits in terms of correction and clarification of information stored when examined under freedom of information. That must also be considered.

In the week of the Seanad referendum, the passage of this Bill through the House, righting the wrongs of the 2003 Act, is highly significant. This Government has been elected partly on a platform of new and reformed politics and this Bill is part of an overall package of Dáil reform, and with the ongoing reform of local government it is strengthening our republic. It is helping transparency, accountability and the roots of inquiry needed to ensure the republic remains just and true to the people it serves and who give us power.

I was elected to the House in the "bought" election of 2002 which had such terrible consequences for the economy and the country so I commend the passage of this Bill through the House. At the beginning of my contribution I noted how public finances were used to buy the 2002 election and the changes to freedom of information afterwards prevented us investigating

that properly. There was a repeat performance in 2007 and the same thing happened again. The country's current position is a result of mismanagement of public finances from 2001 to 2008, when money was misspent on long-term projects even though short-term taxes were coming in. We will pay a heavy price for such action in this country, and our citizens are paying the price because they are stuck with high mortgages and other debt that came from pretences of a bad Government and managers.

I hope Bills like this will go a great way to enhancing transparency and making it easier for politicians on all sides of the House and people in organisations to get the information they need. People must be able to judge and assess what the Government, Departments and State bodies are doing. We came here with a manifesto partly based on reform, and we are trying to carry that out as best we can. We wish some of the reforms could happen more quickly but bit by bit we are turning around how the country operates and is run. That can only benefit us all.

I spent time as part of the Opposition in the last Dáil and our way of working has changed much in the past ten years; we are now in a better place to be a Deputy, no matter what side we are on. In politics it is important to get a chance to be heard and put thoughts on the record, and that opportunity exists. With Friday sittings, a Member can bring forward a Bill that will be discussed, which was not always possible. When in opposition, people need to wait their turn to put forward a Bill on Tuesday and Wednesday, so the Friday sittings are good. Many people complain that few people turn up but that is down to individual choice. The opportunity exists nonetheless. These reforms are about strengthening politics and transparency, and I hope the country will see the benefit of that as the years go on. I commend the Bill to the House and look forward to its fast passage into law.

Deputy Richard Boyd Barrett: In general terms I welcome the Bill, which is a positive development. The last Government rolled back the freedom of information legislation that was introduced by the Labour and Fine Gael Government.

Deputy Brian Hayes: That was in the 1990s and it was butchered thereafter.

Deputy Richard Boyd Barrett: Indeed, and there should be credit where it is due. The Bill's introduction is positive and freedom of information is being extended to more bodies. Nevertheless, amendments to the Bill are required, and the issues were discussed at the finance committee, of which I am a member. The first issue relates to fees. I accept that there are no fees for personal information but there is a €15 fee for non-personal information and an appeal fee of €50, which has been reduced from €150. There is also a €30 fee for an internal review, which has also been reduced from €75. It still costs money to access this information, which can have a chilling effect, particularly in a current climate where people are very strapped for money. This was noted extensively at Leaders' Questions earlier and people may have heard the rather disturbing reports of the Society of St. Vincent de Paul this morning about how many families are in dire financial positions. It should be fairly obvious that people in such cases would not have the money to access information they might want.

Having fees means there is essentially a two-tier access to information, which is not acceptable. If we are talking about freedom of information, it should apply to everybody and there should be no obstacle or deterrent to members of the public accessing the information. Their economic status should not be an impediment to having full access to information. The Government's justification for not abolishing fees relates to the potential administrative costs and the Minister suggested that public bodies would not have the capacity or may have problems

having the wherewithal to provide free access to FOI because of the loss of more than 30,000 workers from the public sector. That is not an acceptable justification. If FOI is a right that the Government seeks to vindicate for the public, then it can hardly say they have the right to FOI but because of other policies it has to cut the capacity of public service to deliver a service it says they should have and, therefore, they cannot have it or there should be an impediment to them having full and free access. That makes no sense whatsoever. If FOI is a public service the Government believes the public should have, it has an obligation to provide the resources to deliver it, otherwise it is not a service; it is just words on a page.

The public service has many aspects to it but surely one of the most important should be its role in providing information to the public. That is what democracy is about and that is what the public service should be there for. It is there to serve the public and a critical part of serving the public is providing people with information about what is going on and how public money is being spent. It is not good enough for the Government parties to say they do not have the means to provide free access and it makes a mockery of freedom of information if one does not have free access to information.

Furthermore, in Britain the possibility of charging fees was discussed and rejected on a number of grounds similar to those I have outlined. It was also pointed out, importantly, that the cost of levying fees might be greater administratively than the cost of not doing so. The UK Government decided not to charge fees stating,

Charging for FOI requests would have an adverse impact on transparency and would undermine the objectives of the Act. A charge would be expensive to administer and may result in increasing rather than reducing burdens on public authorities. This is particularly the case where a nominal charge rather than a much higher full cost recovery charge is being considered.

It makes sense not to have loads of public servants billing people or administering a charging system for request, appeals or reviews.

Perhaps there is also an implication in the Government's decision to retain charges – an issue that was also raised at the joint committee – that there would be loads of frivolous and vexatious FOI requests. Expert witnesses who appeared before the committee rubbished that argument and said a high bar would have to be set to show that a request was frivolous because what the Government might consider to be frivolous, the member of the public seeking the information might consider to be important. It is not up to public bodies or the Government to decide that they do not like a particular request or find it irritating or annoying. If the person feels it is important, he or she has a right to that information.

The exemptions for commercial semi-State bodies are unacceptable. This catch all phrase “commercial sensitivity” drives me around the twist because it is a blanket, get out of jail clause for entities that are fully owned by the public in which significant public money and resources are at stake and the notion that they can get out of jail regarding FOI requests because of so-called commercial sensitivities is just not on. There may be instances where a semi-State body could make a plea that the release of particular information would jeopardise its financial position but the presumption in FOI is that all bodies in which there is substantial public investment or ownership should be subject to the legislation as a general rule and if they want to make an case to be an exception, they should have to do so and outline why particular information should not be given out. It should not be the other way around, particularly in the context of

bodies such as Irish Water, which has a monopoly on the sale of water, itself an abomination.

I had desperate trouble trying to get information about industrial relations issues in Dún Laoghaire Harbour Company relating to pay, bonuses, executive expenses, huge sums wasted on ridiculous plans and so on. We need that information.

The joint committee also debated the issue of direct provision, the asylum process, refugee applications and so on. Will FOI legislation be fully applied in this area? This is important. We have had a dark and shameful history in the context of the cover up of institutional abuse in the Magdalen Laundries, industrial schools and so on. It is only now that this terrible history is seeing the light of day and restorative justice being offered to those affected. Refugees and asylum seekers are a new version of the Magdalen Laundries survivors. They have been relegated to the status of non-people. Children are spending their entire childhoods in appalling conditions in hostels with no rights. It is vitally important that a light is shone on this area and that it be fully subject to FOI provisions.

Deputy Seamus Healy: I welcome the opportunity to contribute to the debate. The Bill is also welcome, although I have concerns about a number of provisions but I hope that during its passage through the House they will be addressed and rectified. The purpose of the legislation is to reverse a number of the provisions in the restrictive 2003 Act, which dramatically changed elements of the original 1997 Act, and that is welcome.

FOI provisions will be extended to other public bodies but there are exemptions, with which I do not agree. The legislation has been welcomed cautiously by many commentators, including the former Ombudsman and Information Commissioner, Emily O'Reilly. She said it is positive for transparency but that the changes introduced in the Bill would only become clear when information was sought under the new regime. That is the critical question. Will there be a culture change? Will openness and transparency be embraced by officialdom and the various agencies covered by the Bill? When it comes to implementing the Bill, will we have that openness and transparency to which the public is obviously entitled?

12 o'clock

The extension of the remit of freedom of information raises resource issues. The addition of further bodies will mean the Office of the Information Commissioner will come under additional pressure. It is vital that resources be made available to ensure the legislation is operated in a positive and timely fashion.

The principle of freedom of information encompasses public scrutiny of decisions made by public bodies, allowing for greater appreciation of the issues involved in public decisions and stronger public ownership and acceptance of decisions made. Those affected by decisions of public bodies should have the right to know the criteria used in making the decisions. Every individual should have the right to know what information is held in Government records about him or her, subject to certain exemptions, to have inaccurate personal material on file corrected and to obtain the reasons for a decision that affects them personally. Citizens, as stakeholders in public bodies, should have the right to examine and review the deliberations and processes of public bodies. We need a properly functioning system whereby the public has a right to know and whereby people have easy access to information and to the system by which it can be made available to them. As the previous Information Commissioner stated, the key test is not what is written down on the page or in the Act when passed, but how the provisions of the Bill will

operate in practice on the ground.

One of the problems with the Bill relates to fees, which are a deterrent to the provisions of the Bill being widely available to the public. The issue has been discussed by various committees of this House and in other countries, as well as by professional individuals. Dr. Nat O'Connor of TASC, in a discussion paper entitled *An Economic Argument for Stronger Freedom of Information Laws in Ireland*, estimated that freedom of information costs in 2009 amounted to just 0.012% of total Government spending. He stated:

The argument that FOI is expensive is disingenuous. It seeks to reduce public administration to a simple bookkeeping exercise of balancing direct annual costs against revenue. In this simplistic account, the administrative cost of FOI is greater than the costs recovered through the fees regime. However, any serious cost-benefit analysis of FOI must include the estimated savings that are generated through preventing errors and wrong-doing. Therefore, we must include cost savings to the State which were largely brought about through information revealed by FOI requests.

At one extreme, the tribunals and claims against the State have shown that prevention is not just better than cure; it is also much cheaper than the costs of investigations and compensation.

Other eminent individuals have come down on the side of not having fees, including in recent examinations of the issue in the UK. I hope the Minister will consider withdrawing the proposed fees in the legislation.

I am concerned about exemptions, particularly of the Garda Síochána, other than administrative elements, and the widespread exemptions for NAMA and commercial semi-state bodies such as Irish Water. NAMA has been mentioned by a number of speakers across the political divide. Unfortunately, almost all documents of interest possessed by NAMA on the funds of companies and other entities in which NAMA has invested or could potentially invest are excluded. That is a difficult area and it should not be exempt. NAMA should be fully accessible to freedom of information requests. Issues have arisen in terms of NAMA's activity, the sale of property, dealings with developers, and staff of NAMA resigning, transferring and being re-employed by development companies. The Garda Síochána should come fully under the remit of FOI legislation. There is no good reason for excluding any portion of An Garda Síochána. That is also the case for semi-state agencies, including Irish Water. The public has a right to know what is going on in public and semi-state companies.

An Leas-Cheann Comhairle: I call Deputy Harrington who is sharing time with Deputies Kyne and Fitzpatrick.

Deputy Noel Harrington: I very much welcome the opportunity to speak on the Freedom of Information Bill 2013. As we are all aware, it seeks to reverse much of the regressive, sinister legislation that was introduced by the former Minister, Charlie McCreevy, in 2003 which restricted the 1997 legislation that had been introduced by the rainbow Government.

It is interesting to note that, internationally, the very first freedom of information legislation was passed in Sweden in 1766. It has taken a long time for other countries to catch up. Between 90 and 100 countries have enacted freedom of information legislation, the majority of them doing so in the 1990s and the early years of this millennium. In this country, freedom of information legislation was first introduced in 1997 and, regrettably, in 2003 it was amended

so as to inhibit the action of the original legislation. At the time we were in the middle of an economic boom. The country was awash with cash. It could be argued that the Government, politicians, civil servants and the Administration had taken their eye off the ball. The regulatory authorities had certainly taken their eye off the ball. One could question some of the Government decisions and mismanagement at the time. I refer to policy decisions such as the proposed move to e-voting, which has cost €16 million and counting; PPARS, which cost approximately €160 million; the residential institutions abuse deal, which has cost the State €1.2 billion, above and beyond what was predicted; the cost overrun for the East Link and West Link toll bridges, which was in the region of €407 million; the overrun for Stadium Campus Ireland - the Bertie Bowl - which was another €100 million; the overrun on the Luas project, which was €470 million; the overrun for the Dublin Port Tunnel, which was €350 million; the cost overrun and mismanagement of the construction of the five major inter-urban motorway projects, which we all use today, which amounted to €3.25 billion, and decentralisation, which has cost €900 million and rising. In the context of these decisions, we had a Government that decided freedom of information was not as important as it should be and it restricted the terms. The projects I have listed and ten or 12 others cost the State just over €7 billion over a period of ten years, in the middle of which the 2003 legislation was introduced. This is an enormous sum. When one reflects on what our upcoming budget will try to achieve, one realises it is staggering.

The 1997 legislation introduced the right of access to records held by a public body, the right to be given reasons for a decision, the right to have records amended where personal information was incomplete, incorrect or misleading, and the right to information on acts of public bodies affecting a person. It is fundamental to efficient and transparent democracy to have the right to information on who signs off on decisions in Departments, be the signatories Ministers signing off on policies or civil servants proposing policies or initiatives.

Some speakers have mentioned fees. Rightly, the fees have been reduced in this legislation and I do not have a major issue with them. As freedom of information legislation is developed in conjunction with technologies to store, process and gain access to information, fees become irrelevant. Ultimately, they will not be an issue in accessing information. Departments should make it a policy objective and as easy as possible to make information available through technology and efficiencies to those who request it.

In the 1990s, while many countries were progressive in their legislation, Ireland was taking the opposite approach. There are concerns, however, with any freedom of information legislation. Regarding the 30 year rule about which we often read, we encounter examples of policy documents with annotations, notes or signatures of senior Ministers and civil servants. It is reasonably easy to see who knew what when decisions were taken. I hope this Bill and general freedom of information legislation will not make Ministers reluctant to take notes, sign off on or leave their fingerprint, as it were, on legislation or policy documents in the knowledge that it might be quite clear to historians and the public who knew what when. As we deal with the 30 year rule, it will be interesting to note how decisions from 1997 which will not be available until 2027 will be presented to the public.

As a member of the Joint Committee on Public Service Oversight and Petitions, I was very pleased to have had the opportunity to listen to a presentation by the outgoing Ombudsman, Ms Emily O'Reilly. While I am reluctant to name people, I wish her the very best in her new role as European Ombudsman. We share her concerns on the resources issue. There are 180 State bodies now included in the list of bodies included in freedom of information legislation. This is very welcome. The list includes major semi-State agencies and bodies such as the VECs

and education and training boards. If we are to take freedom of information seriously, we must have properly funded freedom of information officers within the agencies. They ought to have proactive policies and should be trained. They should operate in an environment in which freedom of information fatigue does not set in. We have seen this phenomenon in some organisations because of the number of freedom of information requests. In some cases where budgets are contracting, decision-makers and financial managers are restricting funding for freedom of information officers. Each organisation falling under the freedom of information legislation does not necessarily need a dedicated freedom of information officer. The role could be shared among some of the organisations. Perhaps some work should be done on determining how such efficiencies could be introduced.

Information is power, as Sweden has realised since 1776. Proper and proactive compliance with freedom of information legislation, according to both the letter and the spirit of the law, will inevitably lead to more open and transparent decision-making, more efficient processing of information and the abolition of an environment characterised by secrecy and obfuscation that foster suspicion and mistrust, not only of public administration but also of politics. Progressive freedom of information legislation such as this Bill is vital to smooth governance and can only help to repair the damage done by the nod, wink and stroke politics that was the oxygen that kept Fianna Fáil in power for decades but stunted the legitimate ambition of the State to take its place among other nations in respect of transparency and open government. I very much welcome the Bill and regard it not as the last step in ensuring and enshrining openness and transparency in government but as part of a progressive approach that will enhance transparency and foster a culture of allowing the citizen to gain access to information and empowering the citizen in respect of decision-making.

Deputy Peter Fitzpatrick: In 1997 the then Government enacted the Freedom of Information Bill 1997 which was identified as a key to delivering openness and transparency in government. In April 2003 the Act was amended by the Freedom of Information (Amendment) Act 2003. The changes made in the Act were widely criticised. The Bill before us seeks to restore freedom of information legislation to its pre-2003 state and extend its remit to all public bodies, subject to some exceptions.

In the 2011 programme for Government the Government committed to introducing freedom of information reform legislation. The general scheme of the Freedom of Information Bill 2012 was announced on 25 July 2012. A pre-legislative scrutiny process was conducted on the general scheme by the Oireachtas Joint Committee on Finance, Public Expenditure and Reform.

The Bill seeks to reverse certain provisions of the Freedom of Information (Amendment) Act 2003. These include provisions on the mandatory protection of Government records but power is now discretionary, and the period of protection for Government records. Certain changes to the fees regime will be introduced by way of order following enactment of the Bill. Provision is made to extend freedom of information to public bodies, subject to some exemptions, and non-public bodies significantly funded by the Exchequer. For example, the Bill extends freedom of information to records relating to the administrative functions of An Garda Síochána. The Bill consolidates and updates freedom of information legislation. It has been cautiously welcomed by stakeholders and commentators. Ms Emily O'Reilly has said changes introduced by the Bill will only become clear once information is sought under the new regime.

Enacting the Bill may result in additional pressure on the Office of the Information Commissioner in processing appeals owing to the addition of further public bodies under the legisla-

tion. The reduction in fees will make information more accessible but will result in greater freedom of information costs for the State. However, it has been noted that a cost-benefit analysis of freedom of information arrangements must include the estimated savings generated through preventing errors and wrongdoing.

Freedom of information derives from the following broad principles. Decisions made by public bodies should be more open to public scrutiny, thus providing greater appreciation of issues associated with policy decisions and stronger public ownership and acceptance of decisions made. Those affected by decisions of public bodies should have the right to know the criteria used in making those decisions. Every individual has the right to know what information is held in Government records about him or her, subject to certain exemptions to protect key interests, to have an inaccurate personal file corrected and to obtain the reason for a decision that affects him or her personally. Citizens, as shareholders in public bodies, should have the right to examine and review the deliberations and processes of public bodies.

The world's first freedom of information legislation was adopted by the Swedish Parliament in 1766. Key achievements of the 1766 Act were the abolition of political censorship and the granting of public access to Government documents. Over the past ten years, the right to freedom of information has been recognised by an increasing number of countries, including many in the developing world, through the adoption of a wave of freedom of information laws. In 1990 only 13 countries had laws providing for access to information held by public bodies. Today more than 95 countries, with more than 5 billion inhabitants, have laws granting a general right to access information held by public bodies. International bodies such as the World Bank and various regional development banks have also adopted information disclosure policies. There has been a variety of internal and external pressures on governments to adopt freedom of information laws, including the promotion of such laws by civil society, media and environmental groups, demands for improvement by international organisations as well as a recognition by governments themselves of the usefulness of freedom of information in the context of modernisation.

Deputy Seán Kyne: The Freedom of Information Bill should rightfully be renamed the freedom of information restoration Bill because it aims to restore the legislation to its original position, prior to its curtailment by the Fianna Fáil and Progressive Democrats Government of 2002 to 2007. The Bill before us now actually goes further than the original 1997 Bill to provide a new, consolidated freedom of information framework.

I have previously made use of Freedom of Information Acts to ask questions about processes and procedures at the then Department of Social and Family Affairs. The Act was the only real and substantive way of securing information on the IT system, for example, underpinning the social welfare system. This was information that I believed was of interest to any citizen concerned with how taxpayers' money was being spent by the Department. It revealed that several social welfare schemes were administered using a computer programme that was nearly 20 years old and that had been created for use on visual display units, VDUs, rather than personal computers, PCs. To the best of my knowledge, that system is still in place today. My experience is one of access to information in the public interest as distinct from personal requests for information held by public bodies. Both are equally valid, with one important difference - namely, that there should be no fees for requests for personal information.

When first enacted in 1997, the freedom of information legislation represented a significant departure from the historical norm in Ireland. It is fair to say that Government and, as we

know now, other large and powerful institutions were troubled little by transparency and openness. Without doubt, the isolation experienced in the 1930s, 1940s and 1950s created a very inward-looking Administration, with a suspicion of openness and public decision-making. Our membership of the EEC radically altered mindsets in this and so many other areas and gradually freedom of information became a necessity rather than an optional extra. Similarly, the Irish people began to demand answers and explanations on a variety of issues. It became unacceptable for administrators, representatives, civil servants and others to provide meaningless or scant answers, with little or no explanation of the reasoning underpinning decisions. In this context, the 1997 Act was transformative and was hugely welcome. However, the circumstances surrounding the decision to curtail the 1997 Act in 2002 and 2003 are themselves worthy of a freedom of information request.

Government must have the ability to govern, debate, reason and deliberate independently. That is democracy. The Government cannot and should not have to govern to the tune of the pages of newspapers or the web pages of social media. The concern that Cabinet records could become available under the Freedom of Information Act was genuine. The response, however, in the Freedom of Information (Amendment) Act of 2003 was disproportionate and went against the spirit of the original Act.

This new Freedom of Information Bill achieves a number of important objectives. It reverses many of the objectionable amendments made in 2003 and extends the scope of the Act to a significant number of public bodies previously excluded, including An Garda Síochána, the National Treasury Management Agency, the National Asset Management Agency, the Central Bank, the Education and Training Boards and the Refugee Appeals Tribunal. It also extends the scope of the Act to non-public bodies which receive significant funding from the State, which is a very welcome development because State funding is, after all, public money.

While this Bill contains very important and positive measures, the objective of all public bodies and organisations providing services to the public should be one of maximum transparency and openness. We should aim for a reduction in the number of freedom of information requests, not out of secrecy or suspicion but because our Departments, State agencies and public bodies are more open and transparent and more willing to provide information from the outset. While there are many naysayers and detractors, we can already see the positive effects brought about by a new approach to Dáil business. This Bill has been subject to the new pre-legislative scrutiny which opens up consultation and brings in stakeholders at the earliest possible stage of law-making. The report compiled by the Joint Committee on Finance, Public Expenditure and Reform demonstrates the input of a wide range of interested parties from across society.

It is apt to note the interaction between this Bill and parliamentary questions. In a sense, parliamentary questions are freedom of information requests. In my experience, parliamentary questions, while much maligned because of their cost, are an invaluable way of seeking answers and information in a timely manner. I have learned from my time in this House that, just as with freedom of information requests, the effectiveness and usefulness of parliamentary questions depends very much on the contents of the question. The exemption of draft parliamentary questions and parliamentary briefings from freedom of information requests is important but must be considered in the context of the fact that all parliamentary questions are published within hours of their delivery.

I welcome this Bill for a variety of reasons. It promotes openness, transparency and better access to information. It also restores, as committed to in the programme for Government,

Ireland's freedom of information laws.

Deputy Catherine Murphy: The first principle underlying freedom of information is that public information does not belong to the Government nor to State agencies but to the public. Governments and State agencies work on behalf of the citizen. Undoubtedly there are positive aspects to this legislation. However, there are also a lot of get-out clauses in it which concern me greatly. Furthermore, there are aspects of the legislation that could be improved because of risks inherent in the way it has been drafted.

People often complain that politics is very inaccessible. That is the case even for those of us who are elected to this House. Very often Government is quite inaccessible in terms of determining how decisions are made. We frequently ask for the advice given to Government on various issues but the advice that the Attorney General gives, for example, is never released to anyone other than members of the Government.

I appreciate that many of the provisions of the original 1997 Act are restored with this legislation, provisions which were disgracefully taken out or altered, in particular those concerning the operation of government itself. However, it is worth noting that it will be up to Ministers themselves, as heads of Departments, to determine whether an item of interest is to be protected from release for five years. Clearly, these are judgment calls and one would have to question why that provision is inserted so stringently. A safeguard, in that context, could be a requirement that Ministers issue a detailed explanation as to why items cannot be released rather than simply responding with a cursory one-liner.

If one looks at how Ireland compares internationally, it is clear that we have an opaque system of Government which was inherited from the British model. It was our exposure to the continental style of openness and transparency, primarily through the European Union, that brought a realisation that transparency is good and that we need to operate in a more open way. As has already been said, the more transparent decisions are, the less will be the requirement to use the Freedom of Information Act. The reality is that the transparent approach continues to be resisted at every level of administration from local government to central government and from the Civil Service to State agencies. This does the system a great disservice because when things are revealed, it can be very damaging in how it is perceived publicly.

The Cabinet operates under absolute confidentiality, which is extremely stringent. While I accept that in many cases maintaining Cabinet secrecy is in the national interest and can result in effective government, equally, in many cases, the national interest would be better served by having a more open and transparent process. We need only look at the budgetary process and the Economic Management Council. Such a process would not be tolerated in other countries. I do not see why we have to be different, because some of those countries are far better examples of how to do business and flourish. Why is putting Cabinet deliberations under the remit of freedom of information seen as a risk? What are we trying to protect the citizens from, if we are a true republic with government for the people by the people?

Some of these things will have to change in future - for example, the protection of advice from the Attorney General. The Oireachtas Joint Committee on the Environment, Community and Local Government has recently been debating the forthcoming climate change legislation, which is hugely important.

It is very annoying when one comes in here to make a contribution that there is only the

Minister and one other Member, and one is not listened to. I and others put a bit of effort into our contributions and, at the very least, some attention should be paid to them.

With regard to the way we will deal with legislation in the future, including scrutiny of the heads of Bills at a pre-legislative stage, the joint committee spent three days at hearings on the climate change legislation over the summer and will shortly be putting a report together. However, different advice was given by two Attorneys General to two Governments on climate change targets. Whether to include targets in the legislation is not relevant to the point I am making. The point is that the committee did not have the benefit of the Attorney General's advice, or in fact any advice - we had to go and look for somebody from the Library and Research Service. That will be a considerable difficulty when we are doing legislation in a different way. We are really doing it blindfolded. That will be problematic and will force a change towards better sharing of information if we intend to construct legislation differently.

The regulation of lobbyists is contained in another Bill, but there are two sides to lobbying. It is equally important that those who are being lobbied be subject to some scrutiny.

Dr. Nat O'Connor of TASC has shown that the fees regime for freedom of information does not lead to any cost recovery, as the cost of administering the fees more than absorbs this. The regime is a means of discouraging people from making freedom of information requests. The same happened with the €20 charge for planning queries. The intention behind that fee regime was to reduce public engagement. If anything, one could argue that public engagement was all the more needed, given the property market crash and the role that planning played in this. Far from being a nuisance, very often the points that were made and the proposed restrictions that were eventually rejected were positive rather than negative.

Genealogy is an area that has been of personal interest to me for a long time, and I have done a lot of work with regard to my own family. There are particular things in this legislation that could cause serious problems. Given the size of our diaspora, genealogy research could provide an economic opportunity. Let us not close off that opportunity. The first principle should be that of public ownership of the right to access. For those who are not related to a person whom they are researching, whether on a voluntary or a professional basis - we are seeing more and more professional genealogists, which is a welcome new industry - this is included in the Bill under section 2, which is assigned to the Data Protection Commissioner for definition. If we start to describe genealogical information, such as birth, marriage and death records, as private rather than public information, then the scope for genealogical research is closed unless one is connected to the people one is researching. This could be incredibly damaging. Other countries have decided that such information should not be deemed to be personal information after a certain number of years; for example, any information over 70 years old cannot be deemed as personal information and is, accordingly, open for historical research. Births, marriages and deaths could be stamped as research-only. There are ways of doing this that will not cause difficulty, and they absolutely need to be done. The Freedom of Information Bill presents several challenges in this regard. The drafters have failed to realise that there is a potential difficulty there. I have spoken to people who are very well respected within the sector, including John Grennan and Michael Merrigan of the Genealogical Society of Ireland, and they should be listened to. What appear to be positive aspects of the Bill may turn out to be negatives. We already have a difficulty because of the fragmented nature of our records, and indeed, the loss of our 19th century census records means that census substitutes such as birth, marriage and death records become all the more important. The more available they become, the bigger the benefits for those who are researching in this area. This could be a game-changer. In addi-

tion, there is not an integrated approach in terms of where these records are held, but that is a separate issue. We have a terribly bad attitude to such research, as though we consider it to be frivolous. The very fact that the General Register Office research facility has been moved from the Irish Life Mall to the old labour exchange on Werburgh Street demonstrates this, although I completely accept that it was costing too much. This site is protected by barbed wire and looks unsavoury. We should have a lot more regard for people who may have come here for The Gathering and are hoping to do research. Despite the fact that we have spent a fortune digitising these records, they are still not online and there do not seem to be any indications of when they will be. People have to physically go and get the records they need.

Deputy Brian Hayes: The facility is actually in a central location. I can give the Deputy a briefing on it.

Deputy Catherine Murphy: Has the Minister of State seen the site? It is an insult and he should not defend it. We could do better than that. I cannot stress strongly enough that we need to amend the legislation to deal with the issue of personal records. There is no definition of genealogy in the Bill, and that is a problem. That definition needs to go in. Section 37 protects personal information from third-party access and that is my point. I do not believe the Minister wants to inadvertently cut off this great opportunity. As someone who has done such research, I know the places where I have dug out records and found a connection to a place to which I did not know I had a connection. I go back over and over again. That is what people do and we want to encourage that. Not only does it produce a fund for this kind of research, but it produces returns to the local economies, for example history books written from an area. It is important in terms of building on our heritage.

A piece of European legislation, 10227/13 ADD 1, poses a risk to that aspect of research. We are different in that we have a very big diaspora relative to the size of our population. It seems to position such records in the area of darter protection. We must voice some concerns at European level about that. There must be a second definition that will overcome that.

The definition of electronic and paper records is another area of concern. That requires clarification in the language used in section 17. The wording of subsection (4) is very vague and we must address this on Committee Stage, when I will propose some amendments. Paragraph (b) states that it is considered reasonable grounds to refuse information if it would lead to considerable and onerous work in preparing that information, enormous records which have not been collated, for example. It seems to define it as though everything is in paper records, and that seems to be the difficulty. However, much information is held in digital format, and that is the case more and more. We should future-proof this legislation to take account of that.

Under section 17(4)(b) the FOI body shall take steps that “would be considered reasonable if the records were held in paper format”. The Minister does not mean a body may refuse a request to release electronically stored information in cases where if the information were theoretically in paper format it would result in an onerous amount of work. A solicitor, Mr. Simon McGarr, contacted me and raised this as an area of concern. Mr. McGarr contacted the Information Commissioner, who said he considered the wording very badly drafted. That needs to be examined given that it will cause problems into the future.

Deputy Brian Hayes: We can examine that.

Deputy Catherine Murphy: I can table an amendment but it would be better if the Govern-

ment tabled it. Regarding exempt and partly exempt agencies, NAMA has been raised. People feel an overly cautious approach is being taken. I can understand there is commercial sensitivity but this could be relaxed in a number of aspects in the broad strategic area.

I welcome that there are some changes regarding the Garda Síochána, for example in human resources. On a more strategic level there is a very unequal distribution of resources around the country. I have complained that this for a long time. There is no rational reason for it. My area, Kildare, has half the ratio of gardaí to population of Sligo-Leitrim, which does not have a higher crime rate. I see no reason why I cannot enquire into the strategic reasons why that is so. That is the kind of freedom of information that would be useful for me in my work. It would be useful in holding these agencies or organisations to account so that they make different decisions if there is a valid reason to do so.

At local government level where, say, a third party makes a submission regarding a county development plan and the county manager makes a decision on it, the third party has no right to an explanation as to why the county manager came to that decision. If we are going to encourage people to engage fully as citizens, how we do business is important. That is the kind of area where we need to do things differently. We might not need FOI if we do things differently, but in the absence of this, having a provision that would allow the kind of measure to be open to FOI would be an improvement.

There are positive measures in this legislation and I welcome them. There are a lot of get-out-of-jail provisions in this which are not needed. I will propose some amendments on Committee Stage.

Deputy James Bannon: I welcome the Minister to the House and, like my colleagues, I welcome the opportunity to speak on the Freedom of Information Bill 2013. As many Members have said, this is a very important Bill which seeks to restore the FOI legislation to its pre-2003 state and to extend its remit to the vast majority of public bodies. Under the 2011 programme for Government this Government committed to introducing FOI reform legislation to restore the Freedom of Information Act to its pre-2003 status and to extend its remit to other public bodies including the administrative side of the Garda Síochána. A commitment was also given to extend the Act to ensure that all statutory bodies and bodies significantly funded from the public purse are covered. This is right.

This legislation brings a raft of public bodies under the ambit of FOI for the first time, including the National Asset Management Agency, NAMA, the Central Bank, and the National Treasury Management Agency, NTMA and the Garda Síochána. The enactment of the Emergency Powers Act 1939 and the amendment and strengthening of the Official Secrets Act in 1963 are examples of a traditional lack of transparency on the part of a centralised and secretive State. Ireland joining the European Economic Community, EEC, in 1973 and in particular the attendance of Irish civil servants at EEC meetings have been credited for creating a cultural shift within the Civil Service, with greater recognition for the need for a more open bureaucracy within the service. Certain EU legislation, in particular directives on access to environmental information, contributed to the shift, as these required Ireland to make all information relevant to the environment available to the public. Further measures leading to greater transparency included the strengthening of the powers of Comptroller and Auditor General. In 1997, under the Fine Gael-led rainbow coalition, the Freedom of Information Bill was brought into law. At the time its enactment was seen as the key to delivering openness and transparency in government. The Freedom of Information Act 1997 established a right of access to records held by a public

body; a right to be given reasons for a decision; a right to amend where personal information in a record was incomplete, incorrect or misleading; and the right of a person to information on acts of public bodies affecting him or her. In April 2003 the Act was amended by the Freedom of Information (Amendment) Act 2003. That happened at a time when the Fianna Fáil-led coalition was run with the support of many others. Many things happened in that era that would be best forgotten, although they left a legacy with which the people must live. Key changes made by the Freedom of Information (Amendment) Act 2003 were: the extension of the period of protection for Government records from five years to ten; mandatory protection of Government records or records to be submitted to the Government; full protection of communications between Ministers relating to issues under consideration by the Government; protection of records relating to the workings of committees of officials and advisers assisting the Government in carrying out its work - many of the things that happened secretly behind the scenes at the time left the country in the state it is in today; and a provision enabling the Minister for Finance to prescribe fees for the making of a request for access to non-personal records and for any subsequent application for internal review and or review by the Information Commissioner.

The introduction of fees, in particular, was a barrier to the seeking of information and was predicted to result in fewer FOI requests. There was a substantial drop in FOI usage after the introduction of the 2003 Act and this is attributed in the main to the introduction of hefty fees at the time. The 2003 changes were made to the Act by the then Fianna Fáil-led Government which was determined to bring back the shroud of secrecy that had hidden the dealings of that Government. There is no doubt that the inadvertent release, under freedom of information legislation, after the general election in 2002 of records covering Government spending is noted as a possible factor in the decision to amend the Freedom of Information Act in 2003. The released information under the FOI Act showed that the Department of Finance and the then Minister for Finance were warning about the deteriorating economic situation and the need for cuts across all Departments. However, in the run-up to the election Ministers publicly and repeatedly denied that spending cuts were necessary. The embarrassment caused by the release of the information was a driving factor in the revision of the 1997 Act.

There seems to be a common pattern - a Fianna Fáil Government comes to power and interferes with the system to suit itself and then Fine Gael has to come in to fix the mess. We are fixing the mess the country was left in and reforming a system that demands reform. We are creating a system the people deserve because they certainly did not deserve the one that led us into one of the worst economic crises to hit the nation. The Freedom of Information Bill 2013 seeks to restore freedom of information legislation to its pre-2003 status and extend its remit to all public bodies, subject to some exemptions. Citizens, as shareholders in public bodies, should have the right to examine and review the deliberations and processes of these bodies.

To return to the issue of fees, the introduction of steep fees in 2003 severely affected the number of FOI requests from citizens. On top of this, many records had mandatory protection, while others which should have been accessible to citizens were not accessible until ten years after their relevance had faded. This was serious. Deputy Catherine Murphy said modern technology should make it easier for people to obtain information and I agree. I also welcome the Minister of State's agreement to make improvements to the draft legislation, where necessary. There is a need for tweaking and I have no doubt that he will deal with it competently.

Deputy Finian McGrath: I thank Deputy James Bannon for his contribution and facilitating mine.

3 October 2013

I am grateful for the opportunity to speak on this new legislation. I welcome the Bill as it will restore the freedom of information legislation to its pre-2003 state and extend its remit to all public bodies, subject to some exemptions. It will also seek to provide a framework for the extension of freedom of information to non-public bodies in receipt of significant State funding. This is a positive development, which it is important to hear from the Opposition benches.

In any open and democratic society the words “freedom” and “information” are keys that state the State cares about and is honest with its citizens. This is the reason this legislation is so important and relevant to the Ireland of today and the past ten years. The people want accountability and transparency. Sadly, they do not get enough of them, particularly in the case of the Government and public bodies. Therefore, I welcome this legislation.

Huge mistakes were made in the past and we need to ensure they will never happen again. Reform and change are important. The Bill is part of that reform, but we all need to go further than this. We need to ensure we will have a more open, inclusive and democratic society, with proper checks and balances. For that reason, I am sad that this week the Government is about to close down the Seanad and spending €14 million to do so. The Seanad abolitionists are opposed to reform and change and real democratic accountability.

1 o'clock

I urge the public to vote “No” on Friday. A “No” vote will bring huge reforms. A “Yes” vote will abolish part of our democratic system. I link this to the Freedom of Information Bill as I care passionately about democracy, reform and change.

The Freedom of information Act 1997 established statutory rights, including the right of access to records held by a public authority, the right to be given reasons for a decision, where personal information in a record is incomplete, incorrect or misleading the right to have the record amended, and the right to information regarding facts about public bodies affecting the person seeking the information. The 2003 regulations included a range of fees including a €15 fee for a freedom of information request, €75 for an internal review application and €150 for an application to the Information Commissioner to review the decision of a public body.

The Bill will reverse certain provisions of the Freedom of Information Act 2003, including provisions on the mandatory protection of Government records which power is now discretionary and the period of protection for Government records. Certain changes to the fee regime will be introduced by way of order following enactment of the Bill. It will extend coverage of the freedom of information legislation to public bodies, subject to some exemptions, and to non-public bodies significantly funded by the Exchequer. We must have accountability and transparency. The Bill extends to the administrative functions of the Garda Síochána. These are the bones of the legislation and the main provisions of the Bill.

When dealing with the Freedom of Information Bill it is important to examine Ireland’s history. Many of us feel that since its foundations Ireland has been centralised and too secretive, and far from a model of openness and transparency. The enactment of the Emergency Powers Act 1939 and the amending and strengthening of the Officials Secrets Act in 1963 are notable examples of the traditional lack of transparency on the part of the State. We can learn from history and try not to repeat our mistakes.

We also have major issues with regard to our justice system. Each week I received five or six calls from people to the Dáil or my constituency office in Donnycarney asking about major

miscarriages of justice and seeking accountability and information. We had the James Sheehan case in Ardfert in County Kerry and the Fr. Niall Molloy murder case. We have also had the great work done by Gemma O'Doherty on this issue. Another issue which has emerged, and I fully respect one must be sensitive to certain aspects of policing, is with regard to the Garda Síochána. Many families have approached me with regard to young vulnerable people on the fringes of gangs in Dublin city, who might be involved in a small bit of smoking illegal substances. They are encouraged by some members of the Garda to get involved in gangs so they can give information. The families are very worried they will be sucked into more dangerous situations. We must be conscious of this and it must be examined very carefully. Many people have major concerns about the Omagh bombing and I strongly support the families. These are all examples of where the State did not do its job in a professional and objective manner and raise issues of openness and transparency. Those Independent Deputies who ask these questions should not be dismissed. They should be examined seriously because they come from citizens of the State who deserve accountability and transparency.

It is important that we reflect on the issue of information. According to the Information Commissioner at the time, the single biggest contributory factor to the drive for the freedom of information legislation was the conclusion of the beef tribunal which made quite unsavoury findings about the behaviour of certain Ministers and Departments with regard to the beef industry. Favourable treatment was given to a particular operator at the expense of other operators and, more particularly, at the expense of taxpayers. This is why I support the legislation. I hope it is part of the reform agenda.

We were all elected through a change in Irish politics. We all made commitments on the doorsteps in 2011 that we would push for reform, change, openness and accountability. People told me to go in there, do my best and be honest. Everybody in Fianna Fáil, Fine Gael, the Labour Party, Sinn Féin and Independent Deputies gave this commitment. If we are serious about this we will support the legislation. Of course it can be tweaked and amendments can be made and we will do this also. The Minister indicated he has accepted some of the sensible proposals made by the Technical Group. I know Deputy O'Donovan has problems with this at times but he can get over it.

Deputy Patrick O'Donovan: We would not be here but for the fact Deputy McGrath was elected in 2002.

Deputy Finian McGrath: I was not involved in 2002.

Deputy Patrick O'Donovan: You were in with Bertie Ahern.

Deputy Finian McGrath: In 2002 I was not involved.

Deputy Patrick O'Donovan: You were.

Deputy Finian McGrath: I sat here as an Independent Deputy in the Technical Group. I ask the Acting Chairman to protect me from Deputy O'Donovan's heckling.

Acting Chairman (Deputy John Lyons): Deputy McGrath is doing fine.

Deputy Finian McGrath: He is causing me major distress.

Deputy Patrick O'Donovan: If you cannot take it, do not give it.

3 October 2013

Deputy Finian McGrath: In 2002 I was a Member of the first Technical Group in the history of the State.

Deputy Patrick O'Donovan: You were in coalition with Bertie Ahern.

Deputy Finian McGrath: Tony Gregory was our Whip. I ask Deputy O'Donovan to get his facts right and get over it. When one is wrong one should put up one's hands and one will learn in time. To return to the real issue-----

Deputy Patrick O'Donovan: It took Deputy McGrath a long time to learn.

Deputy Finian McGrath: I ask the Acting Chairman to have a word with Deputy O'Donovan. He is beginning to get up my nose.

Acting Chairman (Deputy John Lyons): I will have a word with him later.

Deputy Finian McGrath: To return to the legislation, as I stated it is very important because it deals with fundamental issues of reform, change, accountability and transparency in the country. In 1993, long before I was elected, the Let in the Light campaign was founded by a number of journalists and other interested parties to address issues of censorship and secrecy in Irish society and increase the momentum and growing campaign for greater governmental transparency. I remember the campaign very well because I was not even elected to the Dáil or Dublin City Council at the time. I was elected to Dublin City Council in 1999 and the Dáil in 2002 as an Independent Deputy.

Another important part of the debate on freedom of information is access to environmental information. The European Union's regulations on access to information on the environment provide additional means of access to environmental information and are important. Dublin Bay is a major national asset. The Minister of State, Deputy Hayes, knows this very well as he was born and bred near the bay. I know he will do his best to protect it from those who want to destroy it. For many years people such as Sean Dublin Bay Loftus fought hard and I will continue this tradition of protecting and defending Dublin Bay.

Deputy Patrick O'Donovan: Finian "Dublin Bay" McGrath.

Deputy Finian McGrath: We must be vigilant and have constant information and keep a close eye on the Dublin Port Company. It has greedy little hands and is looking at 52 acres and it will not go away.

I wish to announce some good news. A packed meeting in Clontarf was held recently with various residents and community groups. We will have fantastic celebrations and will work with the Minister for Transport, Tourism and Sport and various Departments in 2014 to commemorate the battle of Clontarf. I invite all my colleagues from various parts of the country, even colleagues such as Deputy Kevin Humphreys from the south side of Dublin, to come to Clontarf in 2014 and join in the six to eight week celebration. There will be artists, musicians and environmentalists-----

Deputy Brian Hayes: And the local elections.

Deputy Finian McGrath: Yes, they will be on at the same time. We will deliver and bring people from Norway, Sweden and Denmark to Clontarf for those eight weeks. The Barbarians rugby club has already agreed to come. We are going to bring tourism. Do not say we are not

coming up with ideas.

Acting Chairman (Deputy John Lyons): While the Deputy's contribution can be broad-ranging, I think he has gone as broad in range as is possible.

Deputy Finian McGrath: I thank the Chair for the correction. To go back to the legislation, section 27 relates to fees and is similar to the provision contained in section 47 of the 1997 Act. Certain changes to the fee regime have been agreed and these will be introduced by way of order after the Bill is enacted. There will be a reduction from €75 to €30 in the fee for internal review and from €150 to €75 in the fee for an appeal to the Information Commissioner. I welcome this given that, as was pointed out earlier, the issue of fees was preventing people from accessing the information. Section 27 is important.

Section 48 allows the Minister to draw up and publish a code of practice and guidelines to assist FOI bodies in the performance of their functions under the Act. The code may include provisions to promote the publication of official and other information held by FOI bodies that might otherwise be the subject of FOI requests.

Overall, I welcome the broader debate on the Bill. I know some aspects can be looked at and tweaked but, generally, it is an important development. This is part of a reform agenda. I know many of my Independent colleagues in the Dáil will be supporting this legislation because it is important. We gave a commitment that we would have reform, accountability and transparency. If somebody comes up with legislation that is sensible, accountable and transparent, as an Independent Deputy, I will support it, no matter what side of the House it comes from. If it is good for Ireland, I will support it.

Deputy Bernard J. Durkan: Excellent. Hear, hear.

Deputy Seán Kenny: I wish to share time with Deputy Kevin Humphreys.

Acting Chairman (Deputy John Lyons): Is that agreed? Agreed.

Deputy Seán Kenny: The purpose of this Bill is to provide for the commitments in regard to freedom of information contained in the programme for Government by removing the main substantive restrictions in access to official information introduced in 2003. Freedom of information will be extended to all public bodies and will provide a framework for the extension of FOI to non-public bodies in receipt of significant funding from the Exchequer. The legislation also provides an opportunity for a necessary consolidation that modernises and updates the legislation.

The original Freedom of Information Act was passed in 1997, when Labour was last in government. Amendments made in 2003 by Fianna Fáil and the Progressive Democrats involving six sections of the 1997 Act have been characterised as representing a significant curtailment of the principle of the right to access to records provided for in the original freedom of information legislation. I am very pleased that this Bill essentially reverses those restrictions, which I always believed were introduced for dubious reasons by Fianna Fáil and the PDs. These restrictions relate mainly to the treatment of Government records - section 28 - restrictions in regard to records under the deliberative process exemption - section 29 - and exemptions for categories of records relating to security, defence, international relations and Northern Ireland.

Certain exemptions will be provided for some bodies so as not to affect the ability of these

bodies to perform their core functions, or in the interests of the security or financial position of the State. The Bill exempts most commercial State bodies in full from FOI. Other bodies are provided with exemptions in part, including An Garda Síochána, the National Treasury Management Agency, the Central Bank of Ireland, various industrial relations bodies, the Insolvency Service of Ireland and the various ombudsmen. New public bodies will automatically be subject to the terms of the FOI legislation as they are established, but provision is made for the Minister to make an order specifically to exclude them in whole or in part, if required.

As I stated earlier, the legislation will replace the Freedom of Information Acts 1997 and 2003, which are being repealed under this Bill. The structure of the Bill is also being revised to seek to improve the accessibility and comprehensiveness of the legislation for the benefit of FOI bodies and citizens alike. Section 8 provides that each FOI body will publish a publication scheme to replace the section 15 and 16 manuals required under the 1997 Act. Given technological and ICT developments in the 15 years since FOI was first introduced, the migration of such information to websites and international best practice, these manuals were no longer considered fit for purpose.

In keeping with this aspect of the legislation, I would like to take the opportunity to express concern at the wording of section 17(4)(b) of the legislation. This could be seen as being rather ambiguously worded and should, in my view, be amended. The paragraph reads as follows: "...the FOI body shall take reasonable steps to search for and extract the records to which the request relates, having due regard to the steps that would be considered reasonable if the records were held in paper format". While I know it would not be the intention of the Minister or the Department, I would have a concern that this wording might be used as a basis for minimising the execution of FOI requests where digital information is concerned. I would be concerned the wording may infer that a "reasonable" step would be deemed as such only if everything was printed out on paper and not reasonable if data was held on a database or other digital storage. A more explicit wording is required to take databases and other forms of digitally stored data fully into account in terms of providing information requested under FOI legislation.

I am aware from reports that individuals at the Office of the Information Commissioner have contacted the Department of Public Expenditure and Reform and suggested to them there may be concerns in this regard, and I am aware the Department has been considering the matter. I would be interested to know if there have been any developments on this aspect of the legislation.

That said, I am happy to see this legislation come forward. We need greater transparency in our public bodies than we have at present and I feel this legislation provides an improvement over the current situation. I was very unhappy to see the legislation which I helped to pass as a Member of this House between 1992 and 1997 undermined by Fianna Fáil as soon as it came back to power. I find these actions to be a damning indictment of the political culture of the Bertie Ahern-led Fianna Fáil Governments. I hope that such actions do not happen again and that this present legislation, if it is ever amended, is amended to provide even greater transparency in public life, not less.

Deputy Kevin Humphreys: In recent weeks we have had a lot of debate about reform and a certain amount of criticism regarding how long that takes. However, this Bill is a key commitment from the programme for Government and one we are delivering on. I commend the Minister, Deputy Howlin, who has been leading on this Bill, and his officials for the work they have done to bring the Bill to the House. I believe the Bill will increase transparency and ac-

countability in regard to how the State does its business and reverse the damage done by Fianna Fáil and the PDs in 2003 to what was ground-breaking legislation which had been brought through by Eithne Fitzgerald.

The process of bringing through a suite of legislative reform will make the Government and the State much more open to scrutiny, which I welcome. We have to look at what is coming down the line, for example, the legislation on whistleblower protection, the inquiries Bill, the extension to the powers of the Ombudsman and legislation on a planning regulator. All of these are very necessary reforms and I look forward to them being implemented. I believe they will go a long way towards preventing the mistakes of the past being repeated. One of the most important things this Government can do is to put in place a body of legislation that will prevent any future Government - God forbid that Fianna Fáil would come back to power again - running this country into the ground.

Having been involved in this Bill at many stages, I have to say that reform is slow, is not glamorous and gets very little coverage in the media. However, the reform measures are exactly what we need. When this Bill is passed, it will apply to bodies funded by the State, unless there are specific reasons such as State security or commercial sensitivity. I welcome in particular the extension of freedom of information to aspects of the Garda Síochána and to the Central Bank and the NTMA. I ask that, at the next stage, we reconsider the position of the Central Bank and the NTMA to see whether we could go further. I agree with Deputy Catherine Murphy, who pointed out earlier that we might need to take this a little further.

The introduction of this Bill comes within a broader context of Dáil reform. In fact, it is one of several key reforms we have had since the election. There has, unfortunately, been a certain amount of belittling of the improvements made to how we do our work in this House, particularly in regard to the Friday sittings. The reality, however, is that those sittings allow backbenchers to bring their own legislative proposals to the House, some of which have been very interesting. Indeed, several of the Bills introduced by colleagues touched on the freedom of information issue, and the debate thereon helped to shape the development of the proposals we are discussing today.

The Oireachtas Joint Committee on Finance, Public Expenditure and Reform was responsible for the pre-legislative scrutiny of the heads of the Bill. I very much welcome this new aspect of the legislative process, the usefulness of which was also clear in the case of the Protection of Life During Pregnancy Bill and the Climate Change Bill. In each of these cases, the heads of the Bill were published in sufficient time to allow a comprehensive debate at the committee. Unfortunately, however, this and other changes to the process of our parliamentary work have been widely ignored, notwithstanding the heavy focus on the debate surrounding the Protection of Life During Pregnancy Bill. In the case of the Bill before us today, the pre-legislative scrutiny stage afforded the finance committee an opportunity to hear the views of experts from home and abroad, journalists and representatives of communities affected by the proposals. It was an excellent template of how things should be done and very useful in terms of allowing us to outline to the Minister what needed to be covered in the legislation.

A concern I have in regard to the Bill relates to the application of its provisions to the semi-state sector. We had extensive discussions on this issue at the finance committee, and there was broad agreement that the freedom of information provisions should apply where a monopoly exists. The last thing any of us wants is for semi-state companies to be hindered in their commercial operations. We all accept the rationale for ensuring that commercially sensitive in-

formation remains beyond the remit of the legislation. However, where semi-state companies have a monopoly, it is vital that they be open to scrutiny. I urge the Minister of State, Deputy Brian Hayes, to raise this issue with the Minister, Deputy Brendan Howlin, as I intend to do myself. Irish Water and the gas network will function as monopolies, as does EirGrid. Where there is a monopoly, it is important that the companies in question are held to account. In the absence of market competition, we must ensure taxpayers get the full benefit of their investment. The ability to submit freedom of information inquiries would be helpful in that regard, as will the forthcoming regulation of lobbying Bill. I understand a certain amount of lobbying went on to ensure the State monopolies were excluded from the freedom of information provisions. That Bill will be very helpful because it is an area in which accountability and transparency are badly needed.

There are several agencies which, because they are North-South bodies, must, I understand, be excluded from the provisions of the Bill before us today. However, oversight of these bodies is important. We should examine whether *safefood*, Tourism Ireland and Waterways Ireland, for example, might be brought within the scope of the legislation. My experience of dealing with Waterways Ireland on several occasions is that it is extremely difficult to extract information from it. Including it and other bodies with a North-South remit in the freedom of information regime would be useful for citizens, Members of this House and journalists.

Overall, this is an excellent Bill, although there is a need for some amendment. I hope the Minister will take those changes on board on Committee Stage.

Deputy Eoghan Murphy: I propose to share time with Deputies Patrick O'Donovan and John O'Mahony.

Acting Chairman (Deputy John Lyons): That is agreed.

Deputy Eoghan Murphy: At my first English lecture as a student in UCD, the lecturer, who was the head of the department, stood in front of 300 students and referenced a song by the Manic Street Preachers when he told us that libraries give us power. I thought this was quite cool at the time, even though the members of the band in question were a bunch of lefties - no offence intended to anybody in this House.

Acting Chairman (Deputy John Lyons): That band is still quite cool.

Deputy Eoghan Murphy: I agree, despite their political convictions.

The idea that we are empowered by knowledge is incredibly important. I agree with much of what Deputy Kevin Humphreys said in this regard. In the course of the campaign leading up to tomorrow's referendum to abolish the Seanad, the Government has been criticised for seeking to centralise power. In fact, as we can see from the provisions set out in this legislation, we are trying to do the complete opposite. These proposals seek to give power to the citizens. It is our responsibility to them to give them that freedom of information. That is what we are about here and it is important to acknowledge it.

Deputy Humphreys referred to other reforms introduced by the Government, including the Friday Dáil sittings. Those sittings afforded me the opportunity to introduce legislation on tax transparency, which is another issue we should consider in this context - namely, the right of citizens to information on how the Government is spending their money. I congratulate the Minister of State, Deputy Brian Hayes, on the huge amount of work he is doing, through the

Department of Public Expenditure and Reform, in getting that information out to people. I remain of the view that we should be more proactive in providing it. It is an excellent first step to ensure the information is there should people seek it out, but I would go further by giving every taxpayer an outline of exactly how their contribution was spent in a given year. That was the thrust of the Bill I introduced. Although I have been critical of some of the reforms that have been introduced, the Friday sittings, in particular, have empowered us as parliamentarians to bring forward further reforms and new ideas.

I welcome anything that returns to citizens the power that was taken from them in the past. It is useful to examine what our role as public representatives should be. Is it to include people in the decision-making process, to give them information so that they understand what is going on and, in that way, to bring them with us? Or is it to keep them out of the process and ignorant of what is going on? The latter approach serves nobody's purposes, nor is it within our rights to adopt it. When speaking in this Chamber I try not to criticise former Governments, including members of those Governments who remain Members of this House. On this occasion, however, it must be noted that the need to introduce this legislation is a real indictment of what was allowed to happen in the past in this area of public life. The 2003 amendments to the freedom of information provisions represented a retrograde step which infringed on people's rights. They amounted to a dereliction of duty on the part of those who led this Parliament on behalf of the people. Citizens elect us to represent them on the national issues of the day and to exercise our judgment in making decisions on their behalf. What judgment was it on the part of the politicians at the time who decided that people should be kept ignorant by restricting their access to information? These are basic rights, which could even be classified as human rights in the political sense. We should not have to introduce this legislation to restore people's rights to freedom of information, but it is good that we are. It is especially welcome that those rights are being not only restored but extended. As Deputy Humphreys observed, there is scope to extend them even further. I welcome that process and the opportunity we will have to go further with the legislation in the future, as required. The balance of power is shifting back to citizens in terms of their right to know. In addition, we are seeing improvements in technology all the time which are helping people to access information more easily, and more of it. All the excuses given in the past as to why information could not be given out, including the amount of time and money involved, are falling away. It is all moving in a very positive direction, and the Government has done an incredibly important piece of work in steering us in that direction as best it can.

It comes back to the basic principles of open government and transparency leading to accountability. Everybody wins with this legislation. Deputy Humphreys mentioned the position at local government level, which is an important aspect of this issue. Many local authorities own companies, because that is their way of doing business. However, the freedom of information provisions do not apply to them. I was not aware of this until Councillor Kieran Binchy brought it to my attention, and I subsequently sought clarification from the Minister by way of parliamentary question. This legislation is vital because it will shed new light on an entire area of public work. It is incredibly important that this should happen in the case of local government given that so much of the work done at that level does not make it into the public domain. This legislation gives us an opportunity to ensure that is done.

I welcome the Bill and congratulate the Minister on its introduction.

Deputy Patrick O'Donovan: I welcome the opportunity to speak on the Bill. When in the Chamber earlier I listened to some of the other contributions. All of the contributions of Deputy

Finian McGrath are notable, but in his contribution today he referred to the campaign in the early 90s to let in the light, as he called it. However, he failed to remind us that he had turned off the light in 2002 as part of his cosy arrangement with the then Taoiseach, former Deputy Bertie Ahern.

Deputy Bernard J. Durkan: He turned on the dimmer switch.

Deputy Patrick O'Donovan: Absolutely. Not only did he sign up to the withdrawal of what we had become used to in the Freedom of Information Act, another cosy little arrangement on which we never received any information was cobbled together by him and a few Independents with Bertie Ahern, leading to the formation of the Government in 2002. This articulates the point on why the Freedom of Information Act is needed as much today as it was then.

There is a common thread running through the Freedom of Information Act from its inception in 1997. It was spawned from decisions made primarily by Fianna Fáil-led Governments that resulted in the collapse of the Government in unusual circumstances in 1994 and 2011. In 1994, when the Government collapsed without a general election, the rainbow coalition introduced the mantra of openness and transparency. That is from where freedom of information from. What was regrettable was that people in Fianna Fáil realised freedom of information was a weapon for journalists and Opposition Members to aim at the inadequacies of the Government. Rather than rectify what they were doing, the people concerned decided to close off information and continue what they were doing. That is the reason for the mess we are living with today. Before he was sent to the gulag, the European Commission, in 2002, Charlie McCreevy had identified serious issues looming for the economy. Rather than deal with them, he was dispatched to the European Union and the Freedom of Information Act was dispatched with him. That is the legacy of that Government.

It is a pity that Deputy Finian McGrath has come into the Chamber to say he is a great proponent of freedom of information, as well as this, that and the other. It is a pity he did not use the opportunity to apologise for the fact that he and the people who supported the Government at the time got it so wrong by removing that provision. Were it not for the fact that journalists and Opposition Members had been prevented from having access to information that would have exposed what two successive Fianna Fáil-led Governments had been trying to do to the country, namely, inflict economic misery that we must clear up after the collapse, we might not be where we are today.

It is ironic that we are discussing the Freedom of Information Bill today. There was a discussion on radio earlier about emergency powers legislation which was introduced during the Emergency in the Second World War. While we are very fortunate to have access to information to the extent promised in the Bill, we must bear in mind that certain agencies in the State must keep information secret. Some information cannot be placed in the public arena for State security reasons.

While we call it the Freedom of Information Act, access to information is anything but free. Sometimes the more vexatious and spurious requests for information can tie up officers in local authorities, State agencies and public bodies for a huge amount of time. This costs money. To those who are having a go at the fees charged, the real cost of accessing information is far in excess of the fees charged. The research conducted for us shows that the vast majority of freedom of information requests come from journalists and that some of them are convoluted and complicated. They take time and it costs money.

Politicians and people working in the public service of my generation have become used to the idea of freedom of information, which is good. That means that when decisions are being made, or when people are acting in a public agency or making representations, they are conscious that whatever they say or commit to in writing or an e-mail might end up in the public arena. That is good because it means that, as we go about our work, we are conscious of the fact that we are representatives of the people. Whatever we have to say on their behalf should be capable of being reproduced in public.

I welcome the provisions of the Bill which is long overdue. Great credit is due to the Department of Public Expenditure and Reform. The people who bemoan the Bill and say the Government has delayed it should look back on their own record and ask whether it was appropriate to do what they did in 2002 in reducing the scope of the Freedom of Information Act and whether they should have left it as it was.

Deputy John O'Mahony: I am glad to contribute to the debate. I welcome the content of the Bill and the reasons for its implementation. A more mature nation is one that is open, transparent, fair and accountable. Thankfully, we are moving away from a society in which secrecy breeds suspicion and a lack of trust and accountability. A Fine Gael and Labour Party Government introduced the original Act in 1997 and the same parties are now restoring it to what it was. Freedom of information from public bodies and all bodies funded significantly by the State is an integral part of any normally functioning democracy and, as such, information should be accessible and available in a cost effective way for those who require it.

When first introduced in the late 1990s, freedom of information requests provided a window to the workings of State bodies for the ordinary citizen. For the first time, we discovered the inner operations of bodies and organisations that previously we had been unable to access. Between the introduction of the Act in 1998 and the more restrictive and costly Freedom of Information Act 2003, many significant issues of public importance were uncovered. Media outlets, in particular, benefited by informing the public of what was important.

The previous Fianna Fáil-led Government was obviously uncomfortable with the way the Freedom of Information Act had evolved and in 2003 introduced a series of amendments at odds with the spirit of the original Act as it was first introduced. There was general disquiet about the system under which the Freedom of Information Act operated. As there are no Opposition Members in the Chamber, I will not get answers, but it would be interesting to hear how they defend their actions in 2003. I welcome the restoration of the original measures. The changes made it mandatory to refuse access to Government records, even though the information was only remotely connected to a Government decision.

That brings us to the fulfilment of a programme for Government commitment with this Bill. I am delighted to note the significant reduction in fees for requests. It would be ideal if fees were abolished, but that is not possible in the circumstances. We will see an increase in the number of freedom of information requests, which I see as a strength rather than a weakness. An open and transparent nation is a stronger one. A commitment was also given to restore the bodies made exempt in 2003. Full Cabinet papers will be released after five years, which is welcome. This will restore trust and confidence in the system as it will be seen to protect the rights of ordinary citizens.

A recent Supreme Court decision is relevant to the Freedom of Information Bill. The court held that a Garda Síochána superintendent investigating a case could not be the one to issue a

search warrant for a house because his concern in the matter was not independent and impartial. Therefore, he could not act judiciously. With regard to a freedom of information request, any person concerned with the decision should not be appointed as the decision maker as the person cannot be considered to be independent or impartial and he or she cannot act judiciously. Such a person should be excluded from making decisions under the Freedom of Information Act. The practice in Ireland is that the person concerned with the matter is generally appointed as the decision maker. This should not happen and I ask the Minister to look at that area again. I also hope that, because of the increased future demand, there will be sufficient staff and resources to get the information that is requested.

Deputy Bernard J. Durkan: I am delighted to have an opportunity to speak on this particularly important and sensitive piece of legislation.

I can reminisce on all the times that some of us spent on the other side of the House, which happens to be vacant, and to remember the number of occasions on which we were excluded from access to information which was urgent, relevant and relative to the running of the country. I remember being the victim of expulsion from this House on numerous occasions in the period between 2002 and 2007, and after that, purely on the basis of being refused access to information to which I was legitimately entitled and which referred to public expenditure and information which would enable a legislator do his or her job better.

Deputy O'Donovan made reference to Deputy Finian McGrath's contribution which I viewed on the monitor. No doubt it was interesting. I remember, following the 2002 general election when it became obvious that the incoming Government decided to tighten up the avenues of information, both outside and inside the House, being on a programme where somebody quoted James Joyce and I thought that Seán O'Casey was more appropriate: "The blinds is down, Joxer, the blinds is down!" The blinds came down then, really and truly, and they put a curtain over the ability of the Opposition and the general public to get information. One could have the information afterwards but one could not inquire about it. It was sad that so much happened in that period which was relevant and for which the people are now paying the price, and that we could not gain access to the information. We were shunned. In fact, this House became an area where less information was made available than ever before and whatever chance there was of gaining information outside of this House through freedom of information, there was no chance inside the House at all. That is sad to say. It is probably a criticism of myself and of everybody else, and we can say we could criticise the system, but the legislation to amend and restrict the Freedom of Information Act 1997 at that time was introduced by the Government of the day. Nobody wants to accept responsibility for it now and the empty benches opposite are a fitting testimony to the fact that they do not wish to debate the issue.

When the history books come to be written, people will look back on that period and they will be able to re-examine all the occasions where information, that should have been made available, was available but was not made available to the general public or to the House of Parliament. I draw the distinction here. Meaning no disrespect to the general public in respect of freedom of information, information must always be available to the House of Parliament. That is particularly pertinent at present when the Opposition suggests on a regular basis that there has been no Government reform and we are operating a secret society. "They do not know where they are," is the answer to that question. If they were here during a previous regime, they would know exactly what was happening and they would know the vast difference between then and now. There are now put in place numerous ways of involving the Opposition in the running of the country and getting information at an earlier stage. First, on parliamentary questions, on a

regular basis it was obvious that a Member on that side of the House could get 20 questions refused every day on the basis that the Minister had no responsibility to the House for the matter, and the only hope was to go outside the House and try to get the same information through the Freedom of Information Acts, and it should not have been so. The information must be available to parliamentarians in order for them to do their work and to make a worthwhile contribution to the debate, but at that time it was snuffed out. Nobody accepted responsibility for that. Everybody thought it was great fun, and a laugh. They see the price we paid for it. When I hear criticism coming from that side of the House as to a lack of openness, lack of information and lack of participation in the procedures, I must smile to myself because if they were sitting on the Opposition benches during the period to which I refer, they would have got no information and would not have been included in anything and their only hope would have been to appeal through freedom of information, and then that was snuffed out as well by virtue of what happened after the 2002 general election. It is so sad to see what happened and how it happened, and to see the way that Parliament was side-stepped in that time.

Incidentally, in the context of the debate that continues to take place, the present Government rightly involves the Opposition, through the committees, in taking submissions and listening to Members' views prior to a Bill coming into the House. That did not happen previously. One or two former Ministers were helpful, but they were the exception rather than the rule. It is so sad that the Members on the other side of the House, who still remain absent, do not acknowledge the fact that the changes have taken place. The shock of being in opposition is too much for them. Sadly, they would like to be able to control, the way they did when they were in government. They feel that they should still be controlling and have their hands on the tiller guiding the ship, when they guided it onto the rocks previously. It is a sad reflection on society as well that society allowed them to do that. Society approved it more than once. On three occasions, society approved that. When blame is being apportioned for what went wrong in this country, we should remember that it was not because the House was not present, it was not because the Members were not present and it was not because the Opposition was absent, as it is now. It was because the Opposition was snuffed out, manacled, silenced and gagged.

Apropos of looking for justice in the context of the present debate on the Seanad, Parliament has always been where the debate takes place and should take place. It is not a matter of whether the Opposition or the Government has the most influence. It is the degree to which that debate takes place and the Members of the elected body have access to and the right to have that debate. If the debate takes place in the normal way that it should, then the public can make up its mind afterward. If the Members of the House have ready access to the information that they need, then the debate can take place and it is a worthwhile debate. If, however, they have no access to information, if the areas of information are sealed off from them, then they cannot have an informed debate and it does not work. I would pay tribute to the Members of the other House who have always used their experience and expertise to further examine the legislation in so far as they saw it. While they do not have access to parliamentary questions, they have access to debate, which they have conducted effectively and repeatedly.

The amazing point about it is that while people have always known that information is power, one must have the information and the means of getting it. In so far as public representatives are concerned, we are really caught in an area almost like a spotlight. We are caught by the right to use the Freedom of Information Acts to gain access to information, which we should not have to do. As Members elected to a House of Parliament, we should be able to get that information readily without any difficulty at all and information that is available outside of that by whatever

means should be equally readily available to us. However, there are increasing instances of where the Data Protection Commissioner appears on the scene and states that a Member cannot ask a question, needs permission from the constituent to ask it or needs permission from the body to ask it, and that is untrue. Members have the right to raise any question, on behalf of anybody, for or against a matter, and to be able to do so without reference to data protection or otherwise - hence, the necessity for Parliament. There is increasing evidence to suggest that Members are being restricted in the degree to which they have access to information or the right to make representations on behalf of groups or individuals. It is a very important issue which I have brought to the attention of the Data Protection Commissioner many times in the past, as have other Members. Nobody has the right to restrict the ability of a Member of Parliament to represent his or her constituents whether it be to gain information, to give information or whatever the case may be. I ask the Minister of State that if any additions are made to the Bill it should be remembered that Members of Parliament are given their permission to represent on the day they are elected. If they abuse the system then the public will deal with them but they need to have the right to raise questions about bodies or individuals with impunity otherwise they are restricted in their ability to represent their constituents. I emphasise the necessity to recognise the supremacy of the Houses of Parliament; whether there be one or two Houses, the same supremacy prevails.

I have concerns about the names on the list of witnesses for the public consultation process on the draft heads of the general scheme of the Bill. The witnesses include the Minister and the Information Commissioner, Ms Emily O'Reilly and Stephen Rafferty of the Information Commission. I note a large group of journalists were listed but that is fair and appropriate because journalists are in the business of information. However, the process should not be organised in such a way as to facilitate journalists alone. I am a little concerned that there might be an over-emphasis on the necessity to facilitate journalists only. I do not see any names of public representatives listed in that group except for the Minister and I know the Minister will adequately and truly represent us. I note names of witnesses from the Anti-Deportation Ireland group, which is fine and also representatives of the newspapers. I note Mr. Ed Hammond from the UK Centre for Public Scrutiny is also a witness.

I am concerned at the over-concentration on the media in the consultation process as everyone in that group would have a similar line of thought. I would be the first in the world to respect the right of the media as well as the right of the public representatives to be able to access to the maximum amount of information in order to make a judgment on the job we do. However, we have equal rights. It was not always the case in the past that our rights have been facilitated. I refer to what happened after 2002.

I ask the Minister of State to bear in mind during the course of any further discussions of amendments that due regard should be had to the fact that we as elected Members of Parliament need to be able to at least be assured that we have equal access to information the same as anyone else inside or outside the House. I acknowledge that some information is sensitive and that there are rules governing Cabinet confidentiality beyond which we cannot expect to go. However, by the same token, we need to be sure that the information is only made available selectively. For example, I do not necessarily believe it is in the public interest for me to know private or personal information about anybody in this Chamber, even though the opposite side of the House is completely vacant and it would be impossible for me to point the finger at anyone. Such information may be of benefit to news media but it is of no benefit to me.

There is a need for the general public to be able to have some access to or knowledge of

what information about individuals was held by the State. For example, I was dealing with a loan application on behalf of some unfortunate citizen in recent weeks and I discovered that the application was refused on the basis of an intervention from the Irish Credit Bureau. This body has information on every citizen in the country who ever opened a bank account or had business difficulties. I support all the current measures to create jobs and to regenerate the economy. However, this does not necessarily apply to the operations of the Irish Credit Bureau which imposes a blanket ban of five years, virtually, on any transaction for any individual who may have committed some sin of failure to pay his or her bills. This is a common practice in the present climate simply because in the economic circumstances it became very difficult for many people such as small businesses and householders, rich, poor and otherwise, to meet their commitments in the same way as previously. They should not be punished indefinitely nor should they be punished for a period of five years. The Irish Credit Bureau holds incriminating information on individuals for which they have to pay in order to access it. In my view this is in breach of freedom of information legislation and it is also in breach of the data protection legislation. I ask the Minister of State to level the playing pitch and to at least give the citizen some reasonable chance of knowing what the system holds on him or her. It is now the case that Big Brother controls everything and everybody. A new type of phone is activated by use of a fingerprint. I wonder what happens to that fingerprint and how that data is handled and to whom that information is made available and how it could be used or abused. This could and will result in the erosion of people's rights and entitlements by unscrupulous people who access the information. I refer to the manner in which advertisers glean information of a confidential nature and use it for their own benefit and commercial use. In my time in public life I have seen countless instances of serious deficiencies in the degree and the extent to which information necessary for a legislator is made available and has been restricted. This needs to be emphasised and addressed.

I welcome the Bill which at least recognises that the blanket of secrecy that was spread over the accessing of FOI in 2002 to 2003, was not good. I remind the empty benches across the floor that I spent seven or nine years of my political life on those benches. During that period we were subjected to all those restrictions and now we hear the howls of derision from that side of the House now when they claim there is no openness and transparency and they cannot participate. They should have been here then.

Minister of State at the Department of Public Expenditure and Reform (Deputy Brian Hayes): I thank Deputies from all sides of the House for their constructive, informed and insightful contributions to the debate. I thank colleagues for their positive proposals. On behalf of the Minister, Deputy Brendan Howlin and the Government, I assure the House we will consider all those proposals on Committee Stage to see if they can be worked into the general scheme of the Bill in order to improve it.

2 o'clock

It is very much an open view we have with regard to improving the legislation.

Given the scale of the collapse in this country because of what happened, we need to construct not just our political system but our regulatory and banking system in such a way as to encourage contrary people with ideas to challenge us all the way. I am not referring to my erstwhile colleague as a contrary individual at all.

Deputy Bernard J. Durkan: It has to be me.

Deputy Brian Hayes: Being contrary must be a fundamental part of what we are trying to do because too much groupthink was a feature of the time. Freedom of information, the extension of the Ombudsman's power, the work done to regulate lobbyists and whistleblowing legislation is a fundamental part of the reform that will lead this country back to health. We must radically overhaul the way in which we view information for people because, as Deputy Durkan rightly stated, this is the public's information and we must encourage absolute accountability at all levels of government.

Major international companies consider the openness of a country's public administration system so this is not just good for ourselves and our citizens, it is also good for the reputation of this country abroad as a place for people to come to do business. Companies will not invest in a country with restrictions on information and which does not operate to international norms, which is also important. I am a great believer in giving the public as much information as possible, which takes away the sometimes distorted view of information that elements of the media sometimes like to present.

The firm view of the Minister, Deputy Howlin, and the Government is that this is an essential part of our programme of reform and the negotiated programme for Government. Some colleagues suggested that this is simply restoring the *status quo* that obtained before the previous Government butchered the legislation some years ago. We contend that this is not a restoration of the *status quo* but an extension of those rights and that legislation. There is a significant number of improvements and enhancements in the Bill which we will have the opportunity to go through on Committee Stage. Some very fine contributions have been made on all sides and it is the firm intention of the Minister to consider those ideas on Committee Stage to see if we can improve the Bill according to what colleagues are suggesting. With freedom of information, there must be a general right of access to records, which should be released unless they are found to be exempt. That is the cornerstone of the legislation and what we are trying to achieve.

Many contributions referred to implementation issues. People want to see much better record management across public bodies and there should be proactive publication of information in an open format. There must be a consistency of approach in dealing with freedom of information requests across the public administration system and there must be adequate training on freedom of information. With this in mind I inform the House that it is the intention of the Minister, Deputy Howlin, to shortly bring before the Government a draft code of practice for freedom of information for the first time. That is important to note as we often see a different approach with freedom of information, depending on the public authority with which one deals. This will provide more streamlining and consistency in the approach, which I know colleagues have sought, and it comes on foot of some significant work on the advisory group, which is composed of experts on freedom of information drawn from some of the groups referred to by Deputy Durkan. The work is not yet completed and we hope the code, which is to be approved by the Government following the Minister's proposal, will help to bring about consistency in the area.

The issue of fees has been raised consistently and we have attempted in the legislation to apply the international standard to the matter. The application of fees applies in a minority of cases and not in personal cases whatever. Our view is formed by the 2002 report of the Canadian access to information review task force, which states:

Fees were not intended as a cost-recovery mechanism and should never be an obstacle to legitimate requests. They should act as an incentive for focussed requests and as a safe-

guard for the sustainability of the system.

In the way we are focusing the legislation, fees are not supposed to be a disincentive to people obtaining information. There must be some balance with regard to the non-personal information being sought, and we believe we have obtained that balance. We will discuss the matter in greater detail on Committee Stage.

With regard to exemptions, Deputies have welcomed the provision included in the legislation which ensures that freedom of information applies automatically to all public bodies. It is worth saying that exemptions form part of a Schedule to the Bill, which is important. Based on our experience of how this works, rather than waiting for a new piece of legislation, the Minister can by ministerial order take out some exemptions. Essentially, if a Minister believes the exemptions should be amended, he or she can do so by means of ministerial order; the issue would come before the House but would not require separate legislation. This is a realistic approach to the exemption question based on the experience of the legislation and how it works in a real sense.

There was a third discussion across the Government with regard to commercial State bodies and the Minister spoke with Cabinet colleagues before the Bill was published. There is now a regulatory oversight with regard to semi-State companies, which are key strategic assets for the country. They are not normal public bodies, as some would suggest, and much of the information is commercially sensitive; therefore, there must be a balanced view on how much information would go into the public domain. It should be said that representatives of virtually all these bodies now come before committees of the House and make their information available to us. Such information is also obtained by regulatory function in one shape or another. As they are assets of the people, we cannot limit the potential growth of commercial State bodies by making it so onerous as to give all information to the public domain.

This has been a useful and fair debate, and I know it is the firm intention of the Minister to deal with all these issues on Committee Stage. Points were made about genealogy etc. and we will have the opportunity to debate those in greater detail at the next Stage. This is a key part of what the Government is trying to do in freeing information and ensuring the public has access to that information. We must send a strong signal across public institutions that the public has a right to know what is going on. I take the point made earlier by Deputy Eoghan Murphy that by giving the information to the public in the first instance and making it available through the web and other sources, the number of requests for freedom of information will be diminished. That is the gold standard we must obtain and the Government is setting it now. There is major support for this legislation, which is not just revisiting the original amendments to the law but rather it is setting out a vision for freedom of information into the future.

Question put and agreed to.

Freedom of Information Bill 2013: Referral to Select Committee

Minister of State at the Department of Public Expenditure and Reform (Deputy Brian Hayes): I move:

3 October 2013

That the Bill be referred to the Select Sub-Committee on Public Expenditure and Reform pursuant to Standing Order 82A(3)(a) and (6)(a).

Question put and agreed to.

Road Traffic (No. 2) Bill 2013: Second Stage (Resumed)

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

Deputy Noel Harrington: I wish to share time with Deputies O'Mahony and Walsh.

I welcome the opportunity to contribute to the debate. I recognise that the Bill is part of a progression building on successful legislation introduced in recent years, which has led to a dramatic reduction in fatalities on our roads. The greatest challenge the Government and the Road Safety Authority, RSA, face is complacency. It is clear that work needs to continue to reduce the threat of road accidents and the inevitable loss of life. It is disappointing that the number of road fatalities has increased this year compared to last year. That underscores the difficulty and challenge we face in trying to reduce the number of road accidents and fatalities.

The Bill contains a number of welcome provisions, particularly the introduction of a new category of novice driver who will remain in this category for two years after he or she passes the test. Most of us drive extensively. I drive 1,500 km a week on average and I am always learning. Nobody would be stupid enough to say they know everything that can happen and that they can anticipate everything on the road, but experience is a fantastic benefit in driving a car safely. The two-year novice drivers category must be introduced and should be welcomed. Further provisions include lower penalty point disqualification limits for both learner drivers and novice drivers, with the limit reduced from 12 points to six. That will focus minds on driver behaviour, particularly younger male drivers in their early 20s, a category that presents a particular problem that needs to be addressed. Female drivers of the same age are less of a risk but, unfortunately, they must pay a penalty because under equality legislation we are all equal and they are regarded as financially equal also. While we are all equal under the law, we do not all behave the same way. This must be addressed in this and other legislative areas. We need to reward good driver behaviour but we cannot, which is a shame.

The legislation also provides for amendments to the penalty points system. It will introduce a new range of offences and provides for a reduction in the penalty points accrued for failure to display a national car test, NCT, disc. That is a sensible approach. Since the NCT was introduced, the standard of vehicles has improved greatly. The age of the national fleet has increased because of the financial downturn but it is hoped it will decrease again. Perhaps the Minister is pushing measures in the upcoming budget to stimulate that sector, but as the economy turns around the age of our fleet will decrease and the standard of vehicles will improve, which will reduce risk on our roads.

The provision to take blood from an incapacitated driver without consent is also welcome. Anybody involved in an accident should be tested, even if he or she is incapacitated. It does not make sense that this is not done currently. Under the Bill, a sample can be taken without consent and subsequently tested with consent. This is a sensible approach. Preliminary impairment testing is a major issue, particularly in the context of drug testing. We are all familiar with the impairment experienced by drivers under the influence of alcohol and the blood alcohol

concentration levels involved, but it is difficult to deal with drivers who are under the influence of other drugs. Given the lack of technology to conduct roadside testing, the Garda needs to be empowered to conduct preliminary impairment testing. While this was provided for previously in the Road Traffic Acts, enforcement is a difficult issue. This raises the question of what are the greater causes of road fatalities in the State. Alcohol and drugs are obvious, but fatigue, something we cannot readily test for, is an issue and it leads to many accidents. However, I do not propose that tachographs be installed in everybody's car immediately.

Deputy Dooley was probably in a different frame of mind when he was travelling home from the All-Ireland hurling final replay last weekend, but some objects are designed to distract as drivers travel along the motorway. While the volume of traffic last Saturday was unusual, this issue should at least be recognised, if not legislated for. Roadside posters and advertisements on the side of the motorway are designed to distract drivers. They are erected there in order that drivers will read them and take their eyes off the road. Unfortunately, given that traffic was busier than normal at the weekend, cars were stopping and starting and there were a number of accidents. Thankfully, nobody was seriously hurt, but that issue must be addressed.

I refer to the testing regime for learner drivers. Members drive on different types of road, including on motorways, national and local roads, boreens and tracks, and some of us even drive off-road in our day-to-day work. We drive in various weather conditions, including on ice or in the meltingly hot conditions we experienced this summer. However, driver testing does not reflect that. I do not know, for example, whether many of us were tested on how to overtake safely. One is encouraged not to exceed 40 km/h or 50 km/h during the driving test but that is not the experience we have daily as we drive. Testing for different road conditions and for different driver behaviour, including anticipating irresponsible behaviour, should be introduced. I accept that might impose further demands on the road testing facilities. If we analyse the causes of accidents we could introduce more effective testing and comprehensive rehabilitation regimes to establish whether someone's driving skills have deteriorated or were never up to the mark in the first instance. Such drivers are as much a danger on the road as irresponsible young men in their 20s whose behaviour has been well flagged, but they can equally kill. Such people must undergo rehabilitation and retesting and if it is found that they do not have the required life skill to handle a vehicle then perhaps they should not be on the road at all.

I very much welcome the provisions in the Bill. It is not an end but a work in progress to stay ahead of the curve, as it were, to avoid and deal with complacency in the way we deal with road safety. I hope the Bill and future legislation we enact will lead to a reduction in road fatalities. That can only be welcomed.

Deputy John O'Mahony: I welcome the provisions in the Bill, which in effect is a further effort to build on the good work of recent years in making our roads safer for all citizens, whether they be motorists, pedestrians, cyclists or motorcyclists. Sometimes one can look on penalty points as being harsh, but we must educate people to see them as incentives for better behaviour on the road rather than impediments or harsh penalties. We will all benefit if that approach is successful.

We all welcome the downward trend in road deaths in recent years, especially between 2001 and 2012. That has had a knock-on effect in terms of reduced motor insurance premiums. I acknowledge the lead taken by the RSA. Since it was set up it has led from the front and helped to change the culture among motorists. The headquarters of the RSA is in my constituency in Ballina. On many occasions I have seen the methodical, researched and logical way it has

confronted road safety in order to convince members of the public of the need to change their behaviour on the roads. The RSA's actions have been spearheaded by the outgoing CEO, Noel Brett, who will shortly move on to new pastures. He has left a great legacy in terms of how things should be done. He has rightly set the bar high for his successor, whoever he or she might be. I wish him well in his new post. On his previous appearance before the Joint Committee on Transport and Communications he warned about becoming complacent in view of the decreasing number of fatalities. He also predicted that they would increase. Unfortunately, that is now happening. It is opportune that the Bill is being introduced at this time. I commend the Garda, which has implemented many of the measures taken in recent years, often in difficult circumstances and with reduced resources, as is the way in every area currently. We are experiencing an increase in the number of road deaths. It seems inevitable that the increase will not be corrected before the end of the year.

I also commend the Minister for his introduction of the Bill at this opportune time. I welcome the fact that he has consulted widely on the measures contained in it. The consultation ranged from expertise from abroad and in this country to Oireachtas committees and individual Members on all sides of the House. This is a new development that must be welcomed. It is especially welcome at the moment, when Dáil reform is top of the agenda. It is an ideal way to approach road safety.

Speed, intoxication, fatigue and lack of concentration are the main causes of traffic accidents. Many of the issues are being addressed and strengthened in the legislation. In recent weeks and months penalty points have been a topic of conversation for negative reasons. It is undeniable that the introduction of penalty points in 2002 is a key reason for the reduction in road deaths. I remember the weekend they were introduced; the country was travelling at a snail's pace. That has adjusted somewhat since, but penalty points have had a positive effect. The measures on penalty points in the Bill are helpful also.

I will not go into detail on the other changes being introduced, such as testing for alcohol of those who have been injured in accidents. Safeguards are required in that regard, but I welcome the measure, which will address drug driving as well. We should not lose sight of the progress that has been made. I refer to the 65% reduction in road deaths between 1997 and 2012 when the number of cars increased by 66%. Much good work needs to be done, but the Bill will strengthen the measures that are required to continue the good work.

Deputy Brian Walsh: I thank my former Government colleagues for sharing time with me and allowing me to speak in the debate.

Deputy John Browne: The Deputy is on the way back.

Deputy Brian Walsh: I compliment the Minister.

Deputy Timmy Dooley: The Deputy must not have picked up penalty points.

Deputy Brian Walsh: The Minister has been most progressive in the legislation he has presented since he assumed office. This is the fifth road traffic Bill he has brought before the House. Any constructive legislative measures aimed at reducing the number of lives lost on our roads are to be welcomed and commended. The Bill is another step towards doing that.

Significant progress has been made in road safety in the past decade and a half. Between 1997 and 2012, the number of road fatalities in this country annually has fallen by almost two

thirds. On this side of the House we are quick to criticise our predecessors for things they got wrong, but in fairness, we must compliment them on the work they did on road safety. I refer to the former Ministers Martin Cullen and the late Seamus Brennan, who did a huge amount of positive work, as the current Minister is doing, to improve the situation.

The positive trend we have experienced in the past decade and a half can be attributed in part to developments in the law pertaining to risk factors such as alcohol testing, the strengthening of the law on the use of seat belts, speeding, and the roadworthiness of vehicles. The reduction in fatalities and improvements in road safety have also been thanks in no small part to the vigilant enforcement of the law by the Garda, which is at the coalface of every campaign and legislative measure. Without the hard work and vigilance of the Garda in enforcement the measures might not have been as successful.

In addition, we have succeeded in fostering a new culture surrounding road safety in Ireland through awareness campaigns and education programmes under the auspices of the RSA. There has been notable success, in particular, in combating the prevalence and perceived acceptability of drink driving that there once was to disastrous effect. Most Members of this House will recall a time when the pilgrimage undertaken by both sets of supporters, such as last weekend's All-Ireland final, would have been punctuated by boozy pit-stops during which it would not have been strange to see the designated driver indulge in a few pints. However, this culture has been consigned to the past and, accordingly, both the number of road fatalities and the proportion in which alcohol is a factor have been dramatically reduced.

As legislators, we cannot reflect on that reduction and consider that we have done enough. A single fatality is one too many and an increase in the number of road deaths to date this year should act as a warning against complacency. On listening to the debate this week, it struck me that it might seem callous to speak about road deaths solely in terms of statistics. It is important to remember that each one represents an individual, namely, a parent, a child, a sibling or a partner. With each fatality, multiple lives are irreparably damaged.

I have no doubt that the Bill will further the progress made by successive Governments in reducing the number of lives lost on the roads each year. To this end, the increase in penalty points for certain offences proposed in the legislation seems sensible and proportionate with the statistical correlation between those offences and their role in serious road traffic accidents. Among the new offences that will attract penalty points is the contravention of rules for the use of mini-roundabouts. While in principle I support this provision, I suggest that if there is to be regulation of the use of mini-roundabouts, there should also be greater regulation of the provision of mini-roundabouts and the form that they take. There has been some frustration among my constituents in regard to a series of new roundabouts constructed along Grattan Road in Salthill and along the coast. The area covered by the white paint demarking each mini-roundabout on the coastal thoroughfare is so small that it could easily be confused with something that might have dropped from a well fed seagull, rather than something designed to govern the flow of traffic. The mini-roundabouts are very difficult to negotiate properly and, in the case of larger vehicles, impossible to negotiate properly and represent merely a bump on the road. Perhaps some guidance for local authorities is required in this area if the law is to be implemented fairly and effectively, or, at the very least, elaboration on what precisely will constitute an offence under the relevant section of the Bill.

Deputy John Browne: I welcome the opportunity to say a few words on the Bill. It provides for a number of legislative changes that can only improve the quality of driving and safety

on the roads. In recent years we have witnessed a significantly different attitude to road safety. There are many reasons for this, including tougher legislation, penalty points and zero tolerance of drink-driving. The increase in the number of motorways has created a safer driving environment for citizens.

We must welcome the reduction in the number of deaths on the roads in recent years. While the number has increased in the past year, the RSA and the Department have generally done a great job in highlighting the dangers of speeding, drink driving and carelessness on the roads. Mr. Noel Brett will certainly be a major loss to the RSA. Both he and Mr. Gay Byrne highlighted regularly the importance of safe driving. Perhaps the Minister might be announcing a replacement for Mr. Brett in the near future. I met Mr. Brett on many occasions and always found him to be very helpful, supportive and on the button when running the RSA as it should be run.

Deaths on the road certainly cause great devastation among families. I had a 20 year old daughter killed in a car accident and know very well the trauma and continuing sadness that it brings during the years. There have been many accidents in recent years that have caused major problems for families. Accidents increase the pressure on accident and emergency units and the health service incurs a cost. Anything that can be done to address this through this legislation can only be welcomed.

One of the most important provisions in the Bill is the introduction of the novice category of driver. This measure will apply to all drivers during their first two years as motorists. The Minister is saying that if one accrues six penalty points, one will lose one's licence. The Minister might explain why he is moving from the current maximum, 12, to six. A number of younger people have raised this issue with me. They believe the six point cut-off is rather stark. Perhaps the number should be increased. Will the Minister comment on this?

The Bill introduces a number of offences attracting penalty points, including the offence of failure to display N and L plates. This is a major problem. Many motorists do not display L plates. Gardaí will tell one that, because of the pressure they are under, they cannot spend all their time trying to find out whether a driver should have an L plate. The work the Minister is now doing may encourage people to display their L plates.

We all welcome the measures on intoxicating liquor driving offences. This will empower members of An Garda to require people in charge of a car in a public place to undertake intoxication impairment testing. I am sure we have all heard anecdotal evidence and some very strong evidence of people who caused accidents but who were not injured at all jumping into the ambulance in order that gardaí could not test them for being intoxicated. This had to be dealt with and it is welcome that the Minister is doing so.

The Bill for the first time allows the taking, subject to medical approval, of a specimen of blood from an incapacitated or unconscious person following a road traffic collision involving death or injury. Who will actually make a final decision on the taking of the specimen? Will it be the doctor or a garda?

We fully support these provisions and believe they will have a positive impact on road safety. We also believe there is serious concern. I do not know whether Mr. Gay Byrne is correct in contending the system is not being operated in the way it should be. There has been a reduction in the number of gardaí, certainly in my part of the country, and this is leading to a reduction in

the number of apprehensions. I was apprehended recently for speeding. Gardaí are certainly on the Arklow bypass and doing a good job in that area.

We published a Bill in 2013 to crack down on hit-and-run drivers by introducing tougher penalties and extending the powers of arrest of the Garda. Under the proposed Fianna Fáil Bill, it would be an indictable offence for anyone to leave the scene of an accident resulting in injury. The offence would carry a punishment of up to ten years in prison or a fine of up to €5,000. Obviously, one would lose one's driving licence. The Bill would significantly increase the Garda's powers of arrest in any hit-and-run incident and extend the time available in which to test offenders for drugs and alcohol from three hours to 24. In recent weeks there have been two, if not three, hit-and-run incidents. This issue needs to be dealt with. Perhaps the Minister might consider amendments on Committee Stage on that issue.

Let me raise the issue of the operation of speed vans and their placement. Many people point out to me that many speed vans are operating in 30 kph zones or on motorways. In the opinion of many, these are the least likely locations of accidents. I was at a meeting recently at which many people were claiming that instead of the vans being used to slow down traffic, they were used as part of a money-making scheme. I ask the Minister to comment on this. Certainly, on the Arklow bypass and within the 30km per hour zones in our towns, where drivers are an easy catch, vans are found on a regular basis, but on more dangerous roads, including back roads, side roads and main roads, the vans are not in place.

I do not know if anything can be done under this legislation to deal with the issue of illegal parking at schools. At the opening and closing of schools, particularly in urban areas, one will see cars abandoned or parked illegally when hundreds of children are entering and leaving the school. I have suggested to the local authority in Wexford that we should, where possible, have drop-off zones at least 100 metres away from school gates, particularly in larger schools, because of the danger of accidents. No parking should be allowed within the vicinity of school gates. I am not sure whether the Minister can introduce regulations to deal with this issue under this legislation. However, it is certainly an area of concern. Many small accidents and incidents are happening as it is, but I believe it is only a matter of time before a major accident occurs.

I welcome the Bill and hope it will further increase protections for people on the roads. It will also deal with some of the anomalies as a result previous Bills. I hope the Minister will be in a position to respond to some of the issues I have raised.

Deputy Damien English: I welcome the opportunity to speak on the Road Traffic Bill 2013. Yesterday we discussed the Freedom of Information Bill 2013, which attempts to restore the pre-2003 position. The Bill before us now reminds me of my early days in this House in 2002 and, prior to that, with Meath County Council, when road safety was a major issue. Unlike the Freedom of Information Bill, we are not seeking with this Bill to return to the old days of the 1990s and the 2000s. Indeed, 2001 was one of the worst years ever for road deaths, with 415 people killed. That is 415 fewer mothers, fathers, sons or daughters, friends, neighbours, work colleagues and so on - so many lives lost needlessly. Last year, 161 people were killed on our roads. While that figure is still far too high, it also represents 254 fewer wakes, funerals and empty chairs at dinner tables from that awful high of 2001. We cannot slip back to those figures.

One of the issues that interested me most in 2001 when I was first elected as a councillor was road safety. Road deaths disproportionately affected my peer group at that stage - those in their

late teens and early twenties. Sadly, that remains the case. We have not changed the percentages in that regard. The high insurance premiums also affected young men greatly.

Much progress has been achieved but we cannot rest on our laurels. Lives are still being lost and deaths are occurring that are preventable. We talk a lot about accidents in the context of road safety. However, I believe that in the majority of cases, we should be referring to incidents. Incidents are preventable and happen when people make mistakes or do something wrong. Accidents are often an act of God and are not preventable. We must remind ourselves of the fact that most road incidents are preventable.

We must always remember that a car handled poorly or with a lapse of concentration is a lethal weapon. In that context, I believe we may have to strengthen our laws, because if one drives a car under the influence of drink or drugs, one is, in my view, attempting murder. The vehicle in that scenario is a weapon. This Bill goes a long way to reinforce that point but if we cannot get the message through to people, we will have to introduce even stronger measures in order that people will realise the consequences of their actions. If they are drink driving or driving under the influence of drugs they are, literally, attempting murder. That is what they are doing.

The attitude to driving of many people in this country is that they have a right to drive and were born with that right. That is not correct. It is not a right but a privilege to be allowed to drive on our roads and we must get that message across. In the context of road safety, young people in particular think an accident will never happen to them, but it can happen to any of us. The national lottery advertisement campaign is relevant in this regard. That campaign works well because it convinces us that we could win the lotto. The slogan "It could be you" works, which is why hundreds of thousands of people buy lottery tickets. The flip side of that is the fact that we do not believe that something bad can happen to us. We must convince young drivers at an early stage that it might just happen to them. They might go around a corner and meet an articulated lorry on the wrong side of the road. They might skid on water or ice. It might just happen to them. The attitude must change. Even with the best of legislation and road engineering, we must continually work on the education of drivers and on changing attitudes. If one sits by the side of the road for any length of time and watches what is going on, one is amazed that there are not far more road accidents. It is amazing that the number of road deaths last year was 161, given what goes on the roads.

I referred to the importance of road safety in my speech on the passage of the Non-Use of Motor Vehicles Act 2013 in April of this year. The clampdown on non-verification of the off-the-road status of vehicles may yield anything from €50 million to €75 million. This revenue is to be welcomed and I urge the Minister to ensure that as much as possible of this new motor tax windfall goes into the continued promotion of road safety, thus backing up what he is trying to do with this legislation. I know that other Ministers will want to get their hands on that money too, but nevertheless there is extra money available because of the closing of a loophole in the law. The long queues that we saw recently outside various motor tax offices simply proved that there was a problem with off-the-road declarations. There was a panic in the last few weeks with people trying to get this sorted out. This proves that the Non-Use of Motor Vehicles Act 2013 was correct and that reform should have been introduced a long time ago. We are making progress but we should make sure we spend that additional money wisely. Some of it should be used for road safety measures to back up this legislation and the ongoing work of local authorities.

The scenario that followed the passage of the Non-Use of Motor Vehicles Act brings to mind a very Irish attitude - namely, that laws affect others and not one's self. It also reflects another particularly Irish attitude to new laws - namely, that they will not be enforced. The rush indicated that people thought the law would not be implemented, but it was. If one went to a motor tax office three or four weeks ago, one would have been in and out in ten minutes. In the last week, when people finally realised it was going to happen, there were massive queues. People always assume that laws will not be passed or will not be enforced. Things must change in this country. People must realise that new laws will be introduced, passed and enforced. That message must go out loud and clear. In fairness to the Minister, when it comes to road safety, that is the message he is putting out. The Irish attitude to the law must change because generally, laws are for our own good. Laws are passed to protect us and those around us.

For too long we have grappled with the stumbling blocks of drink driving, penalty points and seatbelt use. Progress has been slow and people are slow to change. People resist change but when change does happen, through strong leadership from Government and with proper explanations from Ministers of the issues at stake, we see very quick cultural shifts. We saw that with the plastic bag levy and the smoking ban. We have a very strong Minister in the Department of Transport, Tourism and Sport who is prepared to lead and pass the necessary laws. The people will follow but it is so important that we explain why we are introducing new laws. In terms of road safety, it is quite straightforward - we want to protect lives.

I have been involved in road safety campaigns for many years, as have many of my colleagues, some of whom are sadly no longer with us. I welcome this Bill as another progressive step forward, especially in the area of driving under the influence of drugs. That is an issue that scares everybody, and the situation is very serious. Many of the provisions of this Bill have been called for by road safety campaigners, professional driving instructors and bereaved families for the last ten years or more. Sadly, it has taken time for it to happen, but I commend the Minister for listening to their concerns and acting upon them in the first half of this Government's term. The provision of more details on the novice class of driver, with lower alcohol limits allowed and now a lower disqualification limit for penalty points, is very welcome. It represents common sense and reflects the reality that good driving habits require practice and time. There is a difference between knowledge and wisdom. One can obtain knowledge from lessons and one can pass one's driving test but wisdom can only come from several years of driving under the many varied conditions drivers face on the road. Every day we learn more about how to handle our own cars.

In the time remaining, I wish to raise one other road safety issue relating to some of our national roads on which schools are located. In recent years many schools have developed proper safety mechanisms to deal with traffic. Rathmore national school on the N51 serves a large number of students who are dropped off there by parents in their cars. A large volume of traffic builds up in the morning and evening. It is an accident waiting to happen. However, as responsibility falls to various Departments and councils, this matter will not be tackled. A plan must be put in place to deal with road safety at schools on main roads. It is a cross-departmental issue but should be led by the Minister for Transport, Tourism and Sport. While we can enforce all the road safety laws we want, we also need to work on driver attitudes from an early stage.

Deputy Eoghan Murphy: I welcome the Road Traffic (No. 2) Bill. The deteriorating road infrastructure in Dublin city is a problem that I encounter as a cyclist and hear about from my constituents. This is a danger to road safety. There are certain stretches of road and dedicated cycle paths that are in such disrepair that accidents will inevitably happen on them. We should

invest more money in repairing them. While I accept that the road maintenance budget may be down by €100 million, we should target it at repairing roads. This would also lead to savings. For example, a victim of a road accident caused by the poor state of a road will end up in hospital, a further cost to the Health Service Executive. During the bad winter several years ago Dublin City Council claimed it could not afford to maintain sufficient salt stocks to keep footpaths clear of ice. However, many pedestrians suffered falls as a result and ended up in hospital. The cost to the State of broken bones was more than the cost of buying salt for gritting. It will cost us more money in the long run if we do not invest in repairing existing road infrastructure and providing new infrastructure to deal with accident black spots.

All Members know someone who has been affected by a road traffic accident. We can bring in laws such as this, but if the basic road infrastructure is not up to scratch, serious road safety problems will continue and only get worse.

We need to do more to make cyclists comply with the laws of the road and not break traffic lights or cycle on footpaths. Recently I saw a person knocked over by a cyclist on a footpath. Fortunately, they were not badly hurt. On-the-spot fines should be given to cyclists who do not comply with the rules of the road. The only way we will get cyclists to comply is if they are walked to the ATM to pay the fine or asked to empty their pockets as they are far too liberal with the road laws.

Deputy Tony McLoughlin: The reduction in the number of road deaths in recent years may well be one of the positive results of the Celtic tiger era. The number of motorways with dual carriage status has done much to reduce the numbers of road casualties in the past ten years. Since 1997 we have reduced the number of road deaths by almost two thirds, which is to be welcomed. To further decrease the numbers of road deaths and accidents we need to examine how we achieved these reductions.

The penalty points system is a central plank of the Government's plan to deter drivers from bad behaviour on the roads. Penalty points are an added deterrent rather than just fines where the implications for consistent poor road behaviour will eventually lead to a driver being put off the road.

The Bill provides that learner drivers will be automatically disqualified when they amass six penalty points, as compared to 12 for drivers with full licences. I welcome this proposal as statistics will tell us that drivers aged 21 to 25 years remain the age group with the highest number of driver road deaths. It is evident every weekend when we hear of news reports of up to four young people in a small car involved in single vehicle accidents between 12 a.m. and 5 a.m. In some cases, drivers with provisional licences are involved. We must try to do all in our power to inform and educate these learner drivers that there is a thin line between life and death, that they are not alone on the road and that they must always expect the unexpected.

The issue of drink driving has been the subject of many a debate from here in this House to our local council chambers. The decline of the rural pub is directly related in many cases to the reduction in the blood-alcohol limit which has been revised on a number of occasions by successive Governments. Despite this action, it is clear from reading local newspapers that some reckless people continue to drive with blood-alcohol levels far in excess of the limit and are involved in accidents causing death or injury.

Currently, the law does not allow for the taking of a blood specimen from incapacitated

drivers following a collision. This will now be permitted under the Bill where the treating doctor does not consider it prejudicial to the health of the person. The sample can be taken without the permission of the incapacitated person, but permission must be given before the sample can be tested. This will be welcomed by many victims of drunk drivers who would have expressed their frustration with the current law. These drivers will suffer the consequences not only for their own injuries but those of the persons they hit. The Minister is also allowing for intoxication impairment to be tested more easily where a person is impaired because of alcohol or drugs. This will result in getting more reckless people off the roads and is very welcome.

The issue of drug-driving presents difficulties for the Garda. I understand from some gardaí that the effects of drug intoxication may not be as visible as alcohol intoxication. Most drugs can be detected during tests for alcohol in blood and urine samples. However, there is a need for roadside tests in the case of drug-driving. Section 11 gives the Garda powers to carry out preliminary impairment tests like walking a straight line and will allow a garda to make up her or his mind as to whether he or she should proceed to a formal test.

The Minister is increasing the number of penalty points in several areas on the assumption that certain types of driver behaviour cause the most accidents. The number of penalty points for speeding increases by one point to three. It is obvious that speeding is the reason for many accidents. However, I must question the placement of certain speed checks on regional roads. Some checks are done in 30 km areas; the proverbial "shooting goldfish in a bowl" comes to mind. Instead, we want more checks late at night or at weekends which respond to statistics on accidents when some of the boy racers are out on the road and driving recklessly.

I note also the increase by one point for drivers who use their mobile phone while driving. This, again, is a practice that causes many accidents. Most new vehicles have a Bluetooth system fitted which does not require a driver to take his or her hand off the steering wheel. Car kits can also be fitted at very good value. There should be no excuse for drivers and I welcome the proposal.

I welcome the measures introduced by the Minister which will continue to reduce the number of road deaths. From 2002 to 2004, 362 people were killed in road traffic accidents. I estimate this year and the previous two will see that figure down to approximately 172, a reduction of 50%. While this is good, it is still too many. However, 200 families will not experience the grief of having a loved one killed on the road compared to ten years ago.

Our road infrastructure is a major negative factor in the number of road deaths.

3 o'clock

I urge the Minister to concentrate his limited resources on the upgrading of major traffic routes. Last week the Minister visited my constituency, where he viewed the results of the €1.1 million spend on the N16. I again thank the NRA and the Minister for this funding, which will decrease the number of accidents. In the last 15 years more than 40 accidents have taken place, with numerous deaths and serious injuries. This narrow road is expected to cater for articulated lorries en route from Sligo to Belfast and it cannot. Similarly, the N4 from Castlebaldwin to Collooney is a road the Minister is familiar with, and statistics, alongside the white cross reminders, show the large number of accidents on this stretch.

The development of motorways with dual carriageway to Galway, Waterford, Athlone and Limerick in the last five years has directly resulted in reductions in road deaths. If we have the

opportunity to further stimulate the economy I urge the Government to address the deficiencies in our major road network. This would not only enhance regional and Border economic development but ensure the further saving of lives on the roads.

Deputy Thomas P. Broughan: I warmly welcome the Road Traffic (No. 2) Bill 2013 because it includes three important areas of reform. I congratulate the Department of Transport, Tourism and Sport and commend the Minister for his courage in introducing some of the necessary changes to road traffic legislation. It has been said to me that the Bill continues a piecemeal approach to road traffic legislation. I note that the Department of Public Expenditure and Reform has embarked on a revision and consolidation of statute law in various areas. The Minister said he would bring forward further amendments on Committee Stage.

I commend the fantastic contribution made by members of the group known as Promoting Awareness, Responsibility and Care on our Roads, PARC. A number of PARC members, led by their chairman, Ms Susan Gray, are with us in the Visitors Gallery. PARC has consistently engaged with the Minister and his Department to promote and realise key reforms of road traffic legislation. We see the fruit of that here today.

I also commend the outgoing chief executive of the RSA, Mr. Noel Brett, for his tremendous work in recent years. I was the Labour Party's transport spokesperson for a fair number of years and watched the work of Mr. Brett and his chairman, Mr. Gay Byrne, at close quarters. Unfortunately, as other Deputies have said, this year we have had a regression in road safety figures. We had done outstanding work to reduce the number of fatalities to 162, but already this year we have lost 145 people, an increase of approximately 17 on the same period last year. Since this is happening on the Minister's watch, it is critical that it be reversed. The Minister and his officials should examine what the causes might be and whether the Garda Síochána and the RSA are properly resourced. I agree with the Deputies who spoke about the quality of roads. In west Dublin and the Dublin Bay north area many roads have deteriorated badly, and we urgently need to address that issue.

Part 2 of the Bill contains new provisions concerning graduated driver licensing, which I warmly welcome. The definition of a novice driver is contained in section 3. The novice period is two years after the issue of a person's driving licence on successful completion of a driving test. Section 4 outlines the requirement for a novice driver to display an N plate or tabard in a public place. The Australian states Victoria and New South Wales first introduced a programme of graduated driver training and invigilation. Unfortunately, it has taken us almost 50 years to bring a similar system into this country. It is reflective of the RSA's recommendations about learner and novice drivers. The Road Traffic Act 2010 introduced the concept of a novice driver into Irish law, but contained little restriction on novice drivers. I disagree with one of the previous speakers about some of those restrictions. Unfortunately, our experience is that they are well merited given the terrible tragedies we have had with young people's deaths over the years. PARC has pointed out that according to its research, in the last three years more than 140 learner drivers were involved in fatal and serious collisions, and 119 of these were driving unaccompanied at the time of the collision. PARC has highlighted practice in Northern Ireland and elsewhere in the UK of applying penalty points to learner drivers who are apprehended while driving unaccompanied. PARC notes that learner drivers who drive unaccompanied or fail to display L plates receive three penalty points in Northern Ireland. This is compared to two points upon payment of a fixed charge for these offences under section 10(d) of the Bill, which amends Schedule 1 of the 2002 Act. I assume the Minister might re-examine the different standards in the two jurisdictions, particularly when we are, hopefully, achieving an all-Ireland

standard.

I welcome the reduced penalty points limit for disqualification for learner drivers. I acknowledge the Minister's courage in introducing that section of the Bill. The reduction in the limit from 12 points to six for learner and novice drivers recognises the determination of the whole community. The rationale is to prevent risk-taking, especially by young men, who are often very interested in vehicles and mechanics but who also, unfortunately, have a tendency to drive very fast. It also reflects similar practice in other jurisdictions, such as the UK, New South Wales and Ontario.

Part 3 of the Bill makes provision, in section 10, for 11 new categories of penalty points offence and increases the number of penalty points for other offences that are already contained in Schedule 1 of the Road Traffic Act 2002. This arises from the Department's review of the penalty points system, which was forwarded to the Oireachtas Joint Committee on Transport and Communications. I welcome the process of consultation, particularly the increase from two points to three points for the offence of driving while using a mobile phone. It is astonishing how many people are driving around while talking on their phones. We seemed to have addressed that a couple of years ago, but we have now had a serious slippage.

I welcome the addition of new categories of road traffic offence outlined in section 10(g). I wrote to the Minister about the expiry at the end of this month of the derogation from the maximum height applying to heavy goods vehicles, HGVs, on our roads. Our limit of 4.65 m is the highest in the EU and the Minister has said the derogation for vehicles above 4.65 m will not be extended past the deadline of 31 October 2013. I ask him to glance at that again.

We know legislation alone will not tackle the problem of the increased number of deaths and serious injuries on our roads. Unlike in a number of other national policy areas, it is notable that one Department makes the law and another enforces it. The Minister might examine that in terms of the number of fatalities on the roads this year. Just this week a report by the Comptroller and Auditor General, Mr. Seamus McCarthy, revealed that a significant number of drivers are escaping fines imposed through the penalty points system. This thorough examination of the system during 2011 and 2012 found that fixed charge notices were issued for almost 850,000 drivers, but the report contains a number of disturbing findings. Approximately 11% of all recorded fixed charge notice cases ended without the fine being paid or answered in court. Discrepancies were found in the termination of penalty points by the Garda Síochána. The report also found that up to one in five drivers are escaping fines from fixed charge penalty notices. Even in financial terms it seems astonishing that this area is not being further invigilated by the Minister's Department. Hopefully this Bill will be another step forward in ensuring all penalty points fines are dealt with properly.

The final significant part of the Bill before the House today concerns the testing of incapacitated drivers. Part 4 of the Bill amends the provisions contained in sections 11, 14 and 17 of the Road Traffic Act 2010. The replacement section 11 outlines the obligation on a member of An Garda Síochána to perform impairment tests, and I welcome the clarifications in that provision. Section 12 of the Bill outlines important amendments in the area of taking blood from an unconscious driver. I particularly welcome the inclusion in section 12(b) of the obligation on the Garda to send the blood specimen to the Medical Bureau of Road Safety and to retain part of the sample for the driver if he or she wishes to be provided with his or her own sample. Hopefully, this will address one of the most contentious and disturbing aspects of the investigation of crashes in this country and will lead to some sort of process of closure for families who

are tragically bereaved.

It is significant that we are now finally enacting strengthened provisions in regard to the testing of incapacitated drivers so that our laws will be similar to those of many other jurisdictions, including Germany, Portugal, the Netherlands, Belgium, Finland, New Zealand and many of the OECD countries. As the Minister is aware, PARC has strongly recommended the inclusion and enactment of a provision to allow for the testing of an incapacitated driver following a serious road traffic collision. This will bring us into line with equivalent legislation in Northern Ireland and the rest of the United Kingdom. Significantly, the IMO has also called on the Government to ensure that all drivers, whether conscious or unconscious, are tested for alcohol and other drugs following a crash where a person is injured. The Minister has discussed this with the IMO, the Medical Bureau of Road Safety and the Garda Commissioner. This is a major step forward and I commend the Minister on it.

The Bill does not include a number of important areas that have been highlighted by other Deputies and by me in previous years. For example, Deputy Dooley introduced a Private Members' Bill providing that a driver in a hit and run collision where any person was injured or required assistance would be guilty of an indictable offence. This is an issue I hope the Minister will address when the Bill goes to Committee Stage.

Decades from now, people may well ask why anybody should have died on our roads over the years when such a simple mode of transport was used. I note the comments made by our colleague from Meath about it being a privilege to be a driver. That is true. In time to come we may well look back at some of the figures that astonish us now. Surely we can imagine a situation in which only small numbers, perhaps in the single digits, form the casualty rate for a small State like ours. We have lost some of the momentum built up over recent years, in which death rates were consistently reduced. However, we have lost 17 extra people tragically this year compared to the same period last year. Families and communities have been left devastated as a result. We heard at first hand from one of our colleagues of the tragedy of losing his daughter. The Minister needs to redouble his efforts in this regard. He has said he will do this, but he needs to liaise with the Minister for Justice and Equality on it.

The Minister and I have some serious differences with regard to budgetary and economic matters. I believe this area is one that needs to be ring-fenced. In my experience and that of many Deputies, measures such as road checks seem to have disappeared from our roads. In 2010, when the Act became law, checkpoints were seen regularly around the greater Dublin area and people were breath-tested regularly. This practice seems to have almost died out. There are issues with regard to resources, the traffic corps and enforcement. However, it is the responsibility of this Minister and the Minister for Justice and Equality to ensure this Bill is relentlessly enforced.

I welcome the Bill as it will help to promote road safety and ensure that adequate measures are in place to punish those who commit road traffic offences. I hope the Minister will come back on Committee Stage with amendments covering some of the issues I have raised.

Deputy Denis Naughten: I welcome the opportunity to speak on this legislation. I wish to raise a number of issues with the Minister. The first issue concerns driving licences. The new credit-card-style driving licences have been promised for a long number of years and are eventually being introduced. I understand a microchip is to be included on the new licence, but I am disappointed that no provision is being made to include a facility for an ICE number

to be included on the current licences so that where somebody is involved in a road traffic accident the next of kin can be contacted. The number should be there so that the services can be provided with information in regard to particular medical needs etc.

I understand that what we should do once the chip is introduced on driving licences is to include basic medical data such as blood group, allergies etc. The difficulty now is that some deaths are due to a delay in the provision of the necessary medical care because doctors must wait until they have discovered whether road traffic victims are allergic to a drug or have some other complication. I urge the Minister to ensure that when the revised driving licences are issued, basic information like this is included.

Last week during the debate on the Fines (Payment and Recovery) Bill, Deputy Terence Flanagan pointed out that the Bill does not provide for fines to be attached to social welfare payments. Therefore, if a person on social welfare accrues a fine, that fine cannot be taken, even by a couple of euro a week, from his or her social welfare payment. I know it is planned to make provision in the legislation for recovery of sums paid through the Motor Insurers Bureau of Ireland. However, I hope provision is made to recover some moneys through social welfare. While it may be only a small amount of money on a weekly basis, it is a matter of principle. If people are in receipt of social welfare, they should not believe they can get away scot free if they do not have insurance. I hope provision is made to recoup such fines.

Another issue is one I raised with the Minister of State on previous legislation. It concerns an anomaly within the NCT regulations that does not allow for a waiver for medical reasons. I gave an example here previously of a young man from County Roscommon who is photosensitive and who requires specific tinted windows on his car transport. The HSE paid for the tinting of the windows on his car, but when it went for its NCT it failed on account of having tinted windows. The family was told it would have to remove the tinted windows for it to pass the NCT and that they could then get the windows retinted. There should be flexibility in such circumstances where there is a valid medical reason to support special treatment. The NCT should be issued in such cases. I have been told there is a requirement to change the existing legislation, but for some bizarre reason the Department seems hesitant to do that. If there is a need to amend the primary legislation to deal with this issue, I urge the Minister to do it, in this legislation if possible. Otherwise, I urge him to ensure the regulations are changed to allow the necessary flexibility so that families do not end up in silly situations such as this.

In general, I welcome this legislation. Deputy Mitchell will recall that we spoke a long time ago about introducing a log book for novice drivers - the Minister was probably in short pants at the time - to provide for reduced blood alcohol levels and reduced penalty points for novice drivers after passing their tests. I am glad this has been introduced and that the Road Safety Authority has taken it up. I have not always agreed with Noel Brett, but his heart has always been in the right place. He has been very dedicated to the cause and I commend him for the tremendous work he has done in establishing the Road Safety Authority and driving it through its first years.

We have seen significant reductions in road fatalities. There has been a blip this year but we have seen a significant reduction. The insurance industry has over the years argued if road traffic accidents decreased and fatalities decreased insurance costs would also decrease. We have seen a dramatic reduction in the number of fatalities, accidents and injuries but we have not seen the type of reduction in the cost of insurance, in particular the cost of insurance for young drivers and young male drivers. There is a responsibility on the insurance industry to

live up to it is part of the bargain. Now it states because it cannot make margins on the stock market that young drivers should have to foot the bill. This is not fair. We have improved our fatality rate and reduced the accident rate and it is about time the insurance industry pulled up its socks on the issue.

Deputy Seán Kenny: I welcome the Bill, which provides for a number of measures to improve safety on our roads and it will have implications for all drivers. The legislation introduces measures towards the completion of a graduated driver licensing system. A new category of novice driver will be introduced and they will be required to display a distinguishing N plate along the lines of the existing L plate. Novice and learner drivers will also face a lower penalty points disqualification threshold. Learner drivers will have to record a minimum amount of accompanied driving before being permitted to take the driving test. The new novice driver category will cover drivers during the first two years after qualifying for a full driving licence. A period of disqualification or ceasing to hold a licence is not counted as part of the two years as a novice. The use of an N plate by novice drivers, or an N tabard in the case of novice motorcyclists, will be required to demonstrate to other road users the novice status of the driver in question. It will be an offence not to display an N plate or an N tabard. The legislation will also give authority to the Minister for Transport, Tourism and Sport to allow, subject to conditions which the Minister may set, vehicle insurers have access to endorsements on a person's entry on the national vehicle and driver file. This is an amended version of the provision made in the Road Traffic Act 2010.

As part of the legislation there will be a new requirement for learner drivers to record a minimum period of accompanied driving before he or she is permitted to take the driving test. If a person presents for a test without the appropriately completed record he or she will be refused a test and will forfeit the test fee. There is also a change of procedure following conviction and disqualification of a driver so particulars of the disqualification rather than the particulars of both disqualification and conviction will be communicated to the national vehicle and driver file. This reflects a change in policy on recording other criminal offences where a mechanically propelled vehicle is used onto the driver licence record. There will also be new powers of arrest for members of the Garda Síochána in cases where an individual disqualified from holding a licence is detected driving.

The Bill makes provision to test incapacitated drivers for intoxication following a road traffic collision where death or injury has occurred. Section 11 of the Road Traffic Act 2010 is amended by the legislation to provide for intoxication impairment testing and I welcome this. It replaces, and represents a significant advance on, measures in the Road Traffic Act 2010 which were never commenced due to the advancement of policy in this area. Members of the Garda Síochána will now be empowered to require people driving or attempting to drive mechanical propelled vehicles in a public place to undertake intoxication impairment testing. This involves non-technology-based cognitive testing such as walking a straight line, tipping one's nose or counting while standing on one leg. The results of these tests may be used in evidence to support the garda forming an opinion a person is intoxicated. The Minister will be empowered to prescribe in regulation the nature of the tests and their manner of administration as well as a form for recording the observations made during the tests. It will be deemed an offence to fail to comply with a requirement to undergo intoxication impairment testing. A new power of arrest will be created for use in the case of an offence under this section.

Section 12 of the Bill amends the Road Traffic Act 2010 to allow for the taking, subject to medical approval, of a specimen of blood from an incapacitated or unconscious person follow-

ing a road traffic collision involving death or injury. The legislation will also make provision for the procedures which must be followed where a specimen has been taken from an incapacitated driver who subsequently regained capacity. The person in question will be required to give consent to the issuing by the Medical Bureau of Road Safety of a certificate of the result of the analysis of the specimen. Failure to consent will be an offence. This puts incapacitated drivers as nearly as possible on a par with drivers who are not incapacitated.

I am impressed with the provisions of the Bill. It is clear much work has been done to amend other legislation to ensure consistency. They are tough and uncompromising and I welcome this. Our roads must be made safer for everyone and one way of making this happen is to ensure justice will be able to be done in the event of proven wrongdoing.

Deputy Olivia Mitchell: I am pleased to have an opportunity to speak on this very welcome Bill, which builds on the success we have seen in recent years in reducing road fatalities. I echo the remarks of the Minister and others in acknowledging the work done by Mr. Noel Brett, the first CEO of the Road Safety Authority, who is moving on to a job which I suspect will be no less challenging, which will be to represent the Irish Banking Federation. I do not believe the huge drop in road deaths is down to one man, but it was under his stewardship the Road Safety Authority spearheaded bringing about the fundamental changes we have seen in driver attitude and behaviour in recent years which has saved many lives.

Prior to the establishment of the Road Safety Authority and Mr. Brett's appointment, driver behaviour and attitudes were fundamentally different and we have forgotten this. Drunk driving was not just commonplace, it was largely socially acceptable. Seat belt usage was regarded as girly behaviour and car journeys were regarded as the perfect opportunity to make mobile phone calls and send text messages. All of this has changed and not because we are better people but because for the first time we have had road safety policy measures driven by the results of rigorous research and evidence-based measures operating in other jurisdictions. The Road Safety Authority is to be thanked for this. Legislation, regulation, enforcement, technology and engineering investment have in recent years had a solid justification based on this research. Many of these changes were not popular when they were introduced but no one can gainsay the results they have brought about in terms of lives saved and injuries avoided.

The results are also thanks, as has been mentioned, to the tremendous enforcement work done by the Garda and the Medical Bureau of Road Safety, and we should not forget our engineers in the public and private sector and in local authorities throughout the country who, in conjunction with the Road Safety Authority and the National Roads Authority - now the National Transport Authority - built a motorway network which has been a major road safety success, and they continue to implement road safety measures in counties throughout the country. These are funded as generously as they can be because it is recognised engineering makes a difference to road safety.

Deputies of all parties in the Chamber have been heartened by the falling number of road deaths and have always supported the many legislative changes, unpopular as some of them were, which underpin this regime. The legislation builds on the success of recent years and the regime which has so successfully influenced driver behaviour and attitudes. Notwithstanding the increase this year in road deaths, and one will always have years which will not follow the trend, the constant updating of the legislation will improve this and there is no doubt attitudes are changing. It is appropriate and necessary to review the road safety regime on an ongoing basis as well as providing for the measures included in the new road safety strategy.

By and large, I would welcome all of the changes envisaged here. In particular, I welcome the ongoing effort to ensure the testing of drivers following accidents, whether that driver is incapacitated or not. I fully appreciate the concerns that have been expressed about bodily integrity and civil rights but I believe the rights of drivers have to be measured against the rights of innocent people on our roads to be protected from drunk drivers. I also welcome the provision for future roadside drug testing, notwithstanding the difficulties in finding an appropriate comprehensive testing device. It is important to pursue the testing objective when it is clearly demonstrated that the taking of drugs influences judgment and impairs driving.

I would broadly support the introduction of elements of the graduated driving licence for learner and novice drivers. These are absolutely justified by the disproportionate numbers of young people who are killed on our roads.

I welcome the changes to the penalty points system. I would sound a small note of caution on the danger of the whole system becoming so over-regulated that it becomes ineffective. All of these changes are worthy in themselves but they make demands on the administrative system as well as on enforcement resources. The reality is that the main dangers on the road remain speed, drink, fatigue and inattention. It is vital that enforcement focuses on those main causes of accidents and fatalities. My worry is that if we get bogged down in enforcement of minutiae, such as the contravention of rules for negotiating a mini-roundabout, logging driving hours and the like, we may lose sight of the wood for the trees. Of course, it is important that people know and observe the rules. None the less, I caution that we should not place such pressure on our administrative and enforcement procedures. We have limited Garda resources and I would not like to see these issues taking attention from the big-ticket issues which are the cause of accidents, particularly speed and drinking.

In all of the debate and literature around the legislation, the one figure that stood out and appalled me is that of the allocation of penalty points. More than 250,000 penalty points - that is, almost 40% of points - could not be issued because no licence holder was identified. I accept that some of these drivers are probably from Northern Ireland and some may be foreigners visiting us. However, the reality is that it must be down to the fact that there are so many untaxed cars on the road, because it is through the taxation office that the licence holder is located. If we are not locating them, this is down to untaxed cars. That 40% of penalty points may not reflect 40% of cars, but it could be very close to that. If these drivers can effectively drive with impunity, it makes a complete farce of the penalty points system and completely undermines its value in ensuring safe driving behaviour. To me, it is more than galling to find us in here legislating for a whole new panoply of penalty points only to realise they will only have application to maybe 60% of drivers, and that the rest are untouchable and will get off scot free.

The lesson here has to be that before we go chasing down drivers for minor infringements, we should concentrate resources on chasing down those untaxed cars. We have had great success in bringing down the numbers killed on the roads and a large part of that is due to the behaviour-changing impact of the threat of penalty points. However, if that threat only applies to a portion of drivers, then we are undermining the value of the system and all of the resources we devote to it. I believe we should be merciless in bringing those drivers and their cars into the enforcement system so that it applies to everybody. While these new measures in the legislation are welcome, to be really effective and, indeed, to have public acceptability among law-abiding citizens, they have to apply to everybody.

Deputy Joe Carey: I welcome the opportunity to speak on the Bill. The measures in the

Bill will enhance safety on Irish roads. The fact that there has been a 65.7% fall in road deaths in Ireland between 1997 and 2012 shows that Ireland has made huge strides in reducing road deaths under successive Governments. The strategic and targeted nature of the approach has been very successful. However, we can never become complacent about road safety.

This legislation is welcome and timely. It places an emphasis on road safety and serious injury, which is just as significant an issue. Every motorist has to renew his or her own efforts to drive safely. The fundamental issue is that the driving environment is one that is constantly in a state of flux. While there has been a significant improvement in the reduction of road fatalities, the numbers remain stubbornly high and, regrettably, are creeping slightly upwards for 2013.

I want to pay tribute to Noel Brett, CEO of the Road Safety Authority. I have had a number of dealings with Mr. Brett throughout his tenure as CEO of the Road Safety Authority and I have found him to be a most impressive individual who has worked tremendously hard in his role. Indeed, Mr. Brett can be proud that, as he leaves his position for newer pastures, he leaves a very good legacy. He has heightened awareness with regard to road safety, and the downward trend in fatalities during his tenure is a tribute to him.

This Bill will have an effect on road safety by targeting key areas. It strengthens the penalty points system and reinforces the driver learning process. It is my view that driver education is key. I believe we should start teaching young people good driving habits while they are still at school. Such an approach may take a number of years to be implemented but it is undoubtedly the way forward. Comprehensive training in all aspects of motoring, such as skid control, hazard awareness and driving at different times of the year, delivered as part of the school curriculum in transition year, can only pay dividends in terms of improving road safety and driver behaviour.

I have worked with a constituent on this principle over the past number of years. County Clare native Kieran O'Brien established a company in 2008 called the Irish School of Excellence, which provides this type of training for transition year students in Irish secondary schools. The driver education programme, as delivered by the Irish School of Excellence, is in 21% of our secondary schools throughout the State. Since 2001, 70,000 students have completed the programme and, as a result, it is the largest driver education programme in the country. The programme is delivered by young, exciting staff who can relate to teenagers, and it takes place over a six-week to eight-week period at a cost of €50. The programme hires local driver instructors for each school, which creates work for instructors. All students during the course get to do the following: practice their theory test; learn about green energy and driving; listen to gardaí give talks on road safety; learn how to buy a car, tax it and insure it; be taught how to use sat-nav systems; be taught how to drive a car; put on beer goggles to give the effect of drink driving; and learn basic maintenance such as changing a wheel, changing oil and so on. They also spend half a day in a live court setting, where they can see the consequences of drink driving, speeding and other driving offences. This is a very practical course, which why it has been so successful. I would like to see this template form part of the curriculum in all our secondary schools. Perhaps the Minister might take this on board and, in conjunction with the Department of Education and Skills, set about rolling this programme out to all secondary schools throughout the State.

In light of the fact that our road network has changed so significantly over recent years, I believe learner drivers should be taught how to drive on motorways. It seems contradictory to ban learner drivers from driving on motorways until they pass their driving test. It is a skill in

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itself to be able to navigate the motorway network, deal with merging traffic, changing lanes and so on. It might be helpful if a designated number of the compulsory driving lessons were set aside specifically to cover motorway driving, with the latter also incorporated into the practical driving test.

Last Saturday I travelled to Dublin to attend what has been generally described as the best ever all-Ireland hurling final, in which my native county of Clare took on Cork. I take this opportunity to congratulate the victorious team and management on a breathtaking performance, of which we in Clare are very proud. Both sets of travelling supporters met in Portlaoise on the way to the match, which resulted in huge traffic delays. There is a need for proper traffic management on the occasion of major sporting events. It took some supporters five hours to get from Clare to Dublin last Saturday.

Deputy Paul Kehoe: And three days to get back again.

Deputy Joe Carey: We certainly were happier coming home. There should be a better system of co-operation between sporting organisations such as the GAA and the Garda Síochána on the days of important matches. It is something the Minister might consider for the future.

Debate adjourned.

Topical Issue Debate

Emigration Data

Deputy John Lyons: In keeping with the final contribution in the preceding debate, I take this opportunity to congratulate my own county of Dublin on the fantastic victory of its team in the all-Ireland football final some weeks ago.

I acknowledge the fantastic work being done by the Central Statistics Office in collecting data on emigration from this State. That information is gathered from the quarterly national household survey and an analysis of applications for visas to countries such as the United States, Canada and Australia. The CSO also examines national insurance numbers given to Irish people in Britain. This considerable quantity of material can help to answer some of our questions about the people who are leaving this State.

Several other organisations are also engaged in data-gathering exercises on the issue of emigration. For example, representatives of the National Youth Council of Ireland attended a recent meeting of the Oireachtas Joint Committee on Jobs, Enterprise and Innovation to speak about the information they compiled earlier this year about young people who have left Ireland. Of particular interest is the study released last Friday by the EMIGRE project at University College Cork. That report is based on more than 900 responses from households throughout the country, 1,500 responses from emigrants who completed an online survey, 500 responses from emigrants the report authors met at jobs fairs, and 55 indepth interviews carried out via Skype and Viber with Irish citizens living abroad. The study reflects a fine blend of both quantitative and qualitative research. As such, it tells us not only the number of young people on the move and their destination but also why they left and how they are finding life in their new country.

Emigration is a sensitive topic, and very few people in the country have been left untouched by it. Every Deputy to whom I have spoken has a family member, neighbour or friend who has left Ireland to live and work abroad. My niece has just been home for five weeks with her new baby before returning to Australia. She has made the decision to make her life in that country. It is important to note that people leave for a variety of reasons. Some of our recent emigrants are the young, educated people of whom we hear so much. Others are less well educated and were forced to leave because they cannot find work at home. There are also older people leaving behind families and mortgages. The vast majority of emigrants - 70%, according to the EMIGRE study - are in their 20s, almost half of whom left full-time employment in Ireland to live and work elsewhere. In other words, there are some significant differences between the types of people who are leaving now and those who left in the past. The EMIGRE study indicates that some 70% of those who leave keep in touch with events in Ireland by reading an online Irish newspaper. More than 90% of them are maintaining contact with friends and family at home, whether through Skype, Viber or Facebook, the latter being the most popular. Clearly, recent emigrants are eager to keep in touch with what is happening at home. The study also found that 40% of respondents would like to return to Ireland, with 82% saying they are likely to do so if the economy improves.

Does the Government intend to use the detailed data from the EMIGRE study to inform its policy response to emigration? We know the numbers leaving are large and growing, but there are no definitive statistics in this regard. We must adopt the most comprehensive approach possible in terms of analysing who is leaving, where they are coming from and why they have opted to move abroad. The economy is recovering and growth rates are slowly rising. The live register figures from last week show a decrease and are expected to reduce further in the coming months. Ireland has turned a corner. We owe it to those people who have left our shores, in many cases because they felt they had little choice but to do so, to create a policy response that will facilitate them returning as the economic situation continues to improve.

Minister of State at the Department of the Taoiseach (Deputy Paul Kehoe): As the Minister of State whose remit includes the Central Statistics Office, I thank the Deputy for raising this important issue. Emigration, particularly by young people, is an issue of concern to many families across the country. The most recent population and migration estimates were published by the CSO on 29 August. The figures include estimates of immigration and emigration for the 12 months to mid-April of this year. The results show that the numbers leaving increased to 89,000 from 87,000 the previous year. Immigration also increased over this period from 53,000 to 56,000. These combined changes resulted in a total net outward migration of 33,000, which shows a slight decline from the figure of 34,000 in the previous year.

The principal source of information on emigration and immigration is the quarterly national household survey. That survey is used to provide information on the flow of migrants by sex, age group, origin and destination, and nationality. Given the underlying seasonality and variability of all migration flows, the CSO does not publish these estimates on a sub-annual basis, such as every quarter or six months. In addition, the provision of data at a more detailed level, such as emigration by county, is not possible due to measurement issues associated with sub-populations in sample surveys of this nature.

However, the CSO is continuously improving the scope of information in this area. Recent improvements include the publication of data on the nationality of emigrants, estimates of the total population by nationality, and more detailed breakdowns of emigration and immigration by country of destination and origin. For example, in its most recent release the CSO published,

for the first time, figures on emigration to Australia and Canada as individual destinations. The data show that in 2013, some 15,000 people moved to Australia, while 5,000 moved to Canada. Britain continues to be the principal destination for emigrants from Ireland, with 21,900 moving there in 2013. It is interesting to note that 5,000 people moved from Australia to Ireland in 2013, while some 10,000 moved here from the United Kingdom. There is clearly an ongoing movement of people both in and out of Ireland to these destinations.

The CSO also publishes annual figures on migration by age group. The 2013 data show that the peak age group for people emigrating was between 25 to 44, with 41,000, or 46%, of all emigrants in this category. That cohort is followed by those aged 15 to 24, who made up 35,000, or 40% of the total. The CSO does not produce data on age group broken down by nationality as the sample survey does not support that level of detail.

While people emigrate for a number of reasons, the desire to find meaningful work and opportunity is a prominent one. The Government is acutely aware of the scourge of youth unemployment and is prioritising policy responses accordingly. The overarching strategy for tackling unemployment, including among our young people, is to ensure we have the best environment for a strong economic recovery. This includes, for example, the Action Plan for Jobs which improves enterprise supports, competitiveness, innovation and productivity. This is leading to many new job opportunities. In addition, we have strengthened programmes and services to assist jobseekers and keep them close to the labour market. For example, the Youthreach programme provides 6,000 places to train people aged between 15 and 20.

During Ireland's successful Presidency of the European Union, the so-called youth guarantee was agreed stating that member states should ensure that all young people under the age of 25 receive a good quality offer of employment, continued education, an apprenticeship or a traineeship within four months of becoming unemployed or leaving formal education. The development of the Ireland's plan is being led by the Department of Social Protection with the support of other relevant Departments, with input from the OECD. The Government has put in place a range of targeted responses for our unemployed young people, and we are determined to make improvements where necessary and these are under way.

Deputy John Lyons: I thank the Minister of State for his detailed response. I agree with him that the Government is doing a great deal to combat unemployment, particularly youth unemployment. The revised pathways to work strategy for 2013 contains 50 measures, two of the most significant of which focus on youth unemployment through the delivery of the youth guarantee nationally and the development of social clauses in capital spending contracts, which would entail giving jobs to people out of work. I am very much aware of the work being done by the Government to ensure opportunities are created for people to remain in the State but, according to the EMIGRE study, 47% of those who have emigrated left full-time employment. We must ask ourselves what are the other reasons people are leaving. More important, given we have strong statistics, are there ways the Government, perhaps through the CSO, which is our best arm for analysis data, which it does well, can improve data gathering to ensure we have the best picture of the people leaving the country?

Based on gathering the most evidence we can, we could best inform policy for the future. If we want Ireland to continue to grow, we will need to ensure opportunities are created for some emigrants to return. For example, a one-stop-shop website that Irish people could visit while aboard could be an innovative response. It could advertise jobs and so on. I do not wish to be prescriptive because I do not have all the answers. The emigrant study needs to be used to help

inform future policy around how we deal with people who have left our shores and who wish to come home, given that more than 80% of emigrants said that if the economy improved, the likelihood of them deciding to come home would increase.

I thank the Minister of State for his time and I hope his Department will take this proposal on board, particularly in the context of the comprehensive EMIGRE study, which is based on qualitative and quantitative data research over the past year.

Deputy Paul Kehoe: I appreciate the Deputy's comments on what the Government is doing to combat the scourge of youth unemployment. It is a problem and no Government will come up with a remedy overnight. However, we have introduced a number of stimulus packages in our budgets and I understand the Minister for Finance will include a stimulus package in budget 2014 to address the scourge of emigration and youth unemployment. We are winning the battle in this regard as we have concentrated on it. The Taoiseach will next year concentrate on jobs and job creation. We have to focus on this to prevent the high rate of emigration, particularly among young people.

The Deputy is correct that a significant number of young emigrants are leaving full-time jobs. Perhaps this is because of a desire for a better lifestyle or better weather but there is a range of reasons they are doing so. For example, two of my constituents emigrated to Australia in the past month. They both left full-time jobs in a pharmaceutical company and transferred to a sister company in Australia.

The CSO is always looking for ways to improve the way it gathers information. I represented the Government in Australia on St. Patrick's Day this year. It is a worthwhile exercise for all Ministers to go abroad and network with their counterparts in different parliaments and so on. I launched an Irish networking website in Perth. People can log in to find out about what is happening at home, job opportunities, stimulus packages and so on and also they are informed about what they need to do when they travel to Australia and about various helplines. This is an important site to make sure we look after our young people when they emigrate and to fill them in on what is happening back home as well. This will give them an opportunity to apply for jobs.

I thank the Deputy for raising this important issue. I compliment the CSO on the great work it does. As Minister for State with responsibility for the agency, I always encourage Ministers to use CSO data, which is readily available, as they develop Government policy.

Teacher Training Provision

Deputy Timmy Dooley: The criteria for entry to the professional diploma in mathematics for teachers, a course which is contracted to a number of universities to provide, excludes teachers who are not under contract. Many full qualified teachers are unable to find work due to the changes in the pupil-teacher ratio regime in recent years. They are highly qualified and skilled and ready to take up a job when it becomes available. The Department of Education and Skills will be well aware that the student cohort is increasing as a result of population growth and jobs will become available in the not too distant future even if the current pupil-teacher ratio is retained. It is unfair that teachers who are not in full-time employment are being refused entry to this course. It would be wise during a period of unemployment for teachers to use the opportunity to upskill and be in a position to take on a more enhanced role as soon as a position

becomes available.

I can understand why places on the diploma course would be offered to those in full-time employment, thereby, increasing the impact on the student population but, in the same way the Government has examined ways of providing various schemes, including JobBridge, for other unemployed individuals, it would be right to broaden access to this course by amending the criteria in order that highly qualified individuals with teaching skills in mathematics would be facilitated during the period they are unemployed and be in a position to take on a more enhanced role when jobs become available. This is not only about considering the concerns of teachers because it is important that as the demand for mathematics increases, we have the most highly skilled people available to take pupils to the next level. There has been a reversal in the move away from science subjects and mathematics again this year. That is important in the quest to produce skilled graduates for the economy enabling us to retain and assist large IT companies to maintain their bases here. They provide a significant return to the economy through the provision of jobs, the generation of taxes etc.

4 o'clock

I appeal to the Minister to consider broadening the entry criteria for the professional diploma in mathematics for teachers, to get rid of the exclusion for those teachers who are not under contract and to provide the funding necessary, or whatever it takes, to include those who want to make a difference and want to utilise their time out of work to improve their skills. It is not only about them, because the phenomenal benefits that such skills improvement will have on the broader economy can assist in our economic recovery.

Minister of State at the Department of Arts, Heritage and the Gaeltacht (Deputy Dinny McGinley): I am speaking on behalf of the Minister for Education and Skills, who is unavoidably absent. I thank the Deputy for raising this matter, which is one in which I have a personal interest, having taught mathematics for some time in a former career.

As no doubt this House will be aware, the teaching and learning of mathematics, including the level of qualification of teachers of mathematics in Irish classrooms, has been subject to much scrutiny in recent years. For example, research from a number of sources has indicated that there is a cohort of post-primary teachers of mathematics who do not have mathematics to degree level.

The report of the Project Maths implementation support group was published in June 2010. This group was an industry-education partnership set up under the auspices of the Department of Education and Skills to advise on Project Maths. The group recommended that postgraduate courses be provided for current teachers of mathematics who do not hold an appropriate qualification. The professional diploma in mathematics for teaching is designed to address this recommendation. In 2012, following a tendering process, a consortium comprising the Centre for Excellence in Mathematics Education in the University of Limerick and the National University of Ireland, Galway, was awarded the contract to develop this programme.

The course is a part-time two-year university-accredited professional diploma at Level 8 on the National Framework of Qualifications. It is a blended learning programme based on local delivery for the face-to-face elements as well as online modules. It is available to teachers nationwide free of charge, with specific provision for teachers in Irish-medium schools, which, incidentally, I welcome. Funding of almost €3.3 million has been made available to date for

this programme. The course began in September 2012 with 323 teachers, who are now about to embark on their second year of this programme of study. This September, 302 teachers commenced the course as the second intake.

As regards eligibility, an applicant must meet the following criteria: proof of registration with the Teaching Council; confirmation that the applicant is teaching in a recognised post-primary school; confirmation in writing from the principal of his or her school confirming that the teacher is currently teaching mathematics and will continue to do so for the foreseeable future; and a declaration that the applicant's existing qualifications are not sufficient to meet Teaching Council criteria for the purposes of teaching of mathematics at post-primary level. The criteria reflect the aim of the programme to improve the skills of those teachers who are currently in our classrooms teaching mathematics, but who are out of field.

All aspects of the programme are subject to regular review by a monitoring group comprising representatives of the Department of Education and Skills and the contractor. Policy in this important area will also be informed by the work of the Inspectorate. In addition, Deputy Sherlock, Minister of State at the Department of Education and Skills, has visited the University of Limerick and met some of the teacher participants. He was struck by their dedication and enthusiasm for teaching mathematics. Participation in this demanding course reflects their professional attitude to professional development and improving practice and standards in their classrooms, and they are to be commended on this.

Deputy Timmy Dooley: I thank the Minister of State for an overview of the programme. While I welcome his comments, unfortunately, they show no intent to review the criteria.

He identified the eligibility criteria that applicants must meet. However, I return to what I stated in my opening comments, that those teachers are out of field - in other words, out of employment. They are not under contract in the classroom because of the unavailability of work for them. They are qualified to teach mathematics but they do not have a full-time job, not by choice but because of the situation in which they find themselves.

I appeal to the Minister to review the criteria to give special consideration to those teachers who are not in contract, whose qualifications are not sufficient to meet the Teaching Council's criteria - that can be established - and who intend to teach mathematics as soon as a job becomes available, and put them in a position in which they will use the period of time in which they are out of work to improve their skills. This would, in the first instance, improve their chances of getting a job but, more importantly, would put them in a position of being able to teach mathematics at an advanced level to the cohort of students that is coming through the schools. This would improve the capability of the education system, with a consequent positive impact on economic activity and our ability to attract the kind of foreign investment that is dependent on the skill sets of graduates, and ensure that we are ready to meet the changing and dynamic nature of the demands of that foreign investment.

Deputy Dinny McGinley: The fact that the current cohort of more than 600 teachers are participating in the course reflects the commitment of current post-primary teachers of mathematics to upgrade their skills to recognised levels. The fact that the Government has allocated €3.3 million towards the scheme is an indication of its commitment to the teaching of mathematics and the upgrading of standards, if I can put it that way.

In view of the financial difficulties in which we find ourselves, and while it is worthy that

those who are not yet teaching should have the opportunity, priority should be given to teachers who are already in the field - in the classroom - and that is where our priorities lie. It does not negate the Deputy's view that others want to do it, but as a former teacher my opinion is that priority, in view of the shortcomings we have, must be given to those who are already in the classrooms. I and the Minister welcome the fact that more than 600 people have agreed to participate in this upgrading of their skills, but what the Deputy has said will be borne in mind.

Residential Institutions Statutory Fund Board

Deputy Richard Boyd Barrett: The Ryan report shocked the nation. At the time of the setting up of the Residential Institutions Statutory Fund in May 2012, the Minister for Education and Skills, Deputy Quinn, said it was right that the State apologise to those whose childhoods were stolen and who, in many instances, could not live full lives as adults and citizens. He talked about the State's failure of the children who were victims of institutional abuse, stated that their childhoods had been stolen and spoke of the pain and abuse they had suffered, and promised that the Residential Institutions Statutory Fund would be available to help them rebuild their lives, particularly in the areas of counselling, health, personal social services and educational services. During the summer I was contacted by a constituent who has asked me to say she is happy for her name to be mentioned in the House. Her name is Eithne Doyle; she is in her 60s and from Dún Laoghaire. She spent six or seven years in a Magdalen institution and described her treatment there as appalling. She was young. She suffered from dyslexia, yet she was ridiculed as a dunce, as being no good. She was never given support or nurtured. She described how her confidence as a human being was crushed and her self-esteem stolen from her. She eventually left school at the age of 14 years after the trauma she had suffered there. She went to Britain at the age of 19. Things did not go well for her in England, although she had two children there. She returned with them to Ireland in 1988. She was homeless for 13 months, living in bed and breakfast accommodation and hostels. She was forced to walk the streets with her children for ten or 12 hours a day because they were thrown out of the hostel. During that period her daughter, Yasmin, was unwell and she did not know what was wrong with her. When she was finally housed, her daughter died nine months later of a brain tumour. She thought she was unwell because of their living conditions and could not properly identify how unwell she was because they were homeless. This is a person who has suffered terribly and she puts it all down to her period in the residential institution.

After all these tragic circumstances, Eithne has since tried to rebuild her life, re-educate herself and regain the confidence and self-esteem that was stolen from her. She was delighted when the residential redress board was set up and she was awarded compensation. She was particularly delighted at the commitment which was reiterated by the Minister, Deputy Quinn, last year, that support for education would be provided. She has returned to education and attended courses in social studies. This year she began a further education course in Sallynoggin on social advocacy. She contacted the statutory residential institutions board believing she would be entitled to financial support from it only to discover that no applications were being taken. She is furious, upset and angry that after everything that has happened to her, after the State's acknowledgement of its complicity in her treatment and the promises of support to help her to rebuild her life, that support is not available when she needs it to re-educate herself, rebuild her life and I hope find employment. I suspect Eithne's tragic situation and life is repeated in many other instances. She wants to know whether that fund will be opened and whether applications will be accepted. She wants to know if that support will be provided for her and people like her

in order that she can begin to rebuild her life as the Government promised she would be able to do.

Deputy Dinny McGinley: I thank the Deputy for raising the matter. He will appreciate that I am not in a position to comment on a specific case, but I will outline the general position on behalf of the Minister who is unavoidably absent.

The Education Finance Board was financed by the specific €12.7 million contribution provided by the religious congregations under the 2002 indemnity agreement. It was dissolved with effect from 29 March 2013. The newly established Residential Institutions Statutory Fund has taken over its remaining functions and will use the less than €30,000 remaining to meet the outstanding commitments of the EFB. Eligibility under the EFB was confined to former residents and their relatives of those institutions that were scheduled under the Residential Institutions Redress Act 2002.

The Magdalen laundries did not come within the scope of the redress scheme. However, provision was made to entitle those girls who were sent from a scheduled institution to a laundry and who were abused while resident in it. Therefore, only those Magdalen survivors who were also residents of scheduled institutions under the redress scheme could apply for assistance from the EFB. While the numbers of such women are not known, the McAleese report found that 7.8% of the known routes of entry were referrals from the industrial and reformatory schools.

The Residential Institutions Statutory Fund has been established to oversee the use of the cash contributions of up to €110 million pledged by the religious congregations to support the needs of survivors of institutional child abuse. Supports in areas such as mental health services, health and personal social services, education and housing services will be available from the board. Since its establishment in March, the board has been working on the arrangements to be put in place for the operation of the fund, with a particular focus on developing its understanding of the range of needs of survivors through consultation both in Ireland and the United Kingdom with survivor groups and individual survivors. In addition, the practical arrangements for recruiting staff and establishing an office are being progressed.

The Residential Institutions Statutory Fund has to determine and publish the approved services under section 8 of the Act and the criteria by reference to which it will make decisions on applications. Conscious of the needs of the former residents, many of whom are elderly and infirm, the Minister for Education and Skills is anxious that the fund will be operational as quickly as possible. However, the Deputy will appreciate that the fund must determine its services and criteria at the outset.

Those eligible to apply to the new fund are the estimated 15,000 former residents who have received awards from the Residential Institutions Redress Board or equivalent court awards and settlements. Only those Magdalen survivors who also received awards under the redress scheme or equivalent court awards will be eligible.

On the question of the Magdalen survivors generally, the Government has approved the implementation of a cash lump sum payment scheme as recommended by Mr. Justice Quirke. An interdepartmental group was tasked with giving further detailed consideration to the steps necessary to implement the other recommendations. I understand the Minister for Justice and Equality, Deputy Shatter, expects to receive the group's report shortly and will then bring the

matter back before the Government for final decision.

Deputy Richard Boyd Barrett: I may have caused some confusion in my contribution. The institution in this case had a Magdalen laundry run by sisters, but the person to whom I refer was in one of the residential institutions. The Magdalen scheme is separate.

On the substantive point, having passed a Bill in July 2012 in which the State acknowledged its obligation to the victims of institutional abuse and the need to provide services for them such as education, health, counselling and so on and the board having been set up in March this year, after all that time we are still talking about staffing and administrative problems and there is, in fact, no scheme for the victims. The Minister himself described it as one of the darkest, most shameful chapters in the history of the State. He has acknowledged that many of the people involved are elderly. If the scheme is to mean anything, they need support now. I have described one person's situation, but I suspect there are many more. A total of 15,000 may be eligible for the scheme and after all this time and given the tragic circumstances of their lives, we are still talking about administrative problems. They want the scheme to be opened. The Minister should be here to tell the House when it will be open for applications. What Eithne and others in the same position would like is a commitment that when it is opened, any support they need will be backdated to when they first sought it. Eithne is now starting her course. She is dependent on social welfare payments and has a daughter to support. As she suffers from dyslexia, she needs a computer and other things to help her to proceed with this course. She does not have them because she does not have the support that she was promised by the Government and the State. I ask the Minister of State to give a specific timeline for when applications will be accepted and indicate whether they will be backdated to provide support for these survivors of abuse and to whom the State has acknowledged it has an obligation.

Deputy Dinny McGinley: I am sure the Deputy will acknowledge, as the House and some of those who were victims of abuse in the laundries did, the commitment of the Government to redress what has happened. I have been in this House for well over 30 years and it was an historic occasion for me to hear the Taoiseach of the country stand up just beside where I am now and apologise to those people, many of whom were in the Gallery with other representatives. After many years of the issue being postponed and put on the long finger, this Government came forward and owned up to what was done, providing redress to the people who were unfortunately abused.

The institutions are being established and funding is being made available. The Minister for Education and Skills is anxious that the residential institutions statutory fund be put into operation at the earliest opportunity, and to date contributions of €71 million have been lodged in a special investment account in the National Treasury Management Agency. The Minister is continuing to pursue the realisation of the remaining cash contribution pledge by the religious congregations, so every effort is being made in this regard. Although it took a long time, elements are being put in place correctly and criteria must be established. We are working on this matter continuously and I assure the Deputy and House that there will be no undue delay in implementation. The commitment has been given to this House, the country as a whole and to the victims by the Taoiseach.

Deputy Richard Boyd Barrett: Will the Government provide a date?

Local Authority Staff Issues

Deputy Eric Byrne: I thank the Minister for his presence. What we seek is contained in the matter submitted for debate, which is “the need for an ongoing engagement between local development company workers and the Department of the Environment, Community and Local Government to address issues and concerns raised by the proposed alignment of local government”. That is very straightforward and all I seek from the Minister is a commitment that the coalface workers at community development level will be incorporated into the debate as equal participants to those who are currently debating the future alignment.

This is a very important sector. For example, approximately 7,500 people are engaged in the Tús programme, and the Leader and local development programme have 2,600 people. In other words, approximately 10,000 people are engaged in the sector. The people who work alongside these people - who conceive, prepare and supervise the programmes - are not party to the debate on alignment. We know the local area partnership boards have managers who are aligned to the Irish Local Development Network, ILDN, group, and they have representation, which is only correct. I seek a commitment that the socioeconomic committees, for example, will have an implementation group incorporating the voice and influence of workers who feel rather vulnerable because of a move away from the past and local development boards being subsumed by local area boards. Local authorities will subsume those bodies again.

The workers are feeling rather vulnerable because they do not know what the future holds, so will the Minister guarantee that the worker’s voice will be given equal status in the implementation group?

Deputy Joan Collins: Following from Deputy Byrne’s comments, the alignment process is a different scenario, and we are not really here to debate the merits or otherwise of that. We are demanding that the workers’ voices be heard because they have continuously tried to contact the Minister: union members met representatives of the Department on 24 September to try to get meaningful negotiations rather than just being told what is to happen.

The uncertainty for these workers created by the process has made it difficult for them. In some local authorities, there has already been movement on the alignment process, with workers in local development companies asked to work with the local authorities to map work; they are refusing to work with the local authorities. I support such action as these people need to know what the future holds. These people have worked for up to 20 years in this area, which is at the coal face of communities. They deal on a daily basis with the matters affecting communities in the likes of Crumlin, Bluebell and the canal area. They know what is happening and they should be involved in negotiations on what the future holds for the alignment process.

How would the Minister feel if the Taoiseach was to create a new Department that could include parts of the Department of the Environment, Community and Local Government but that excluded the Minister?

Deputy Phil Hogan: He probably does that on a regular basis.

Deputy Joan Collins: We know the Minister is not legally obliged to speak to workers but he should do so. There are 50 local development companies and there is much work in the area. As a broad church of Deputies, we appeal to the Minister, and I know many of the Minister’s party members have signed the petition for the Minister to respect the workers.

Minister for the Environment, Community and Local Government (Deputy Phil Hogan): I thank Deputies Byrne and Collins for raising the matter and allowing me to clarify some of the issues. Last October, the Government approved a new programme for effective local government entitled Putting People First, which included recommendations by an expert alignment steering group for enhancing alignment between local government and local communities. The steering group made a number of recommendations aimed at improving co-ordination across the range of local publicly-funded programmes, achieving greater efficiency and effectiveness in the delivery of those programmes and, most importantly, improving the delivery of services to the people we all represent, the citizens and communities. I established a working group to assist and advise my Department on the implementation of the recommendations, and this working group comprises representatives of the City and County Managers Association, the Irish Local Development Network and Pobal. It is supported in its work by my Department.

As well as the ongoing work of this group, both I and my Department have had engagements with representatives of the local development and community and voluntary sectors regarding alignment and other issues of common interest. I am glad Deputy Collins acknowledged that my officials met representatives of the worker trade unions recently to discuss a number of issues at my request. I will not meet representatives of every local community group around the country as I have representatives to do so. I know the Deputy is not advocating that. The Irish Local Development Network is the representative body for the 50 local development companies throughout the country and has three places on the working group. It is the responsibility of these representatives to consult with their nominating body, the staff in the local development companies and other relevant stakeholders, as necessary, as part of this process.

I remind the Deputies that the local development companies are private independent companies with their own boards of management. I am trying to change this to ensure the local development companies and the workers can be in a better position to deliver those services in future; this is in the face of declining public funds and support through European Union programmes. My Department has no role in the internal operations of the companies and, accordingly, does not have a role in staff or employment matters. These issues are primarily a matter for the board of each company, as the employer, to manage.

The strengths of the local development companies in service planning and delivery were recognised in the final report of the alignment steering group and it is envisaged that they will have a continuing role in this regard. We will get better outcomes and value for money by better collaboration, which is why I am establishing local community development committees in each local authority area. These committees will provide a broader-based collaboration than we have had to date, and it is not good enough for people to operate in isolation, either in local government or in the community. We want to bring these people together to achieve greater benefit for the people we are trying to serve, the citizens.

My vision is for a more integrated approach to local development, with local development bodies operating in a complimentary and collaborative approach with a reformed local government system. These new arrangements will place local development structures on a more sustainable footing, eliminate unnecessary duplication and achieve better value for money. In the context of the tightening budgetary position, it is particularly important that we operate as efficiently as possible to ensure the continued delivery of quality front-line services to the community. An alignment will not drive cuts to programme funding; rather, it will help sustain local community development services through more efficient, effective and joined-up structures. It will give local authorities, as the democratically elected level of government closest to the

people, a greater role in the planning, oversight and governance of local development funding.

I will ensure the community and voluntary sector and the people the Deputies referred to will have full engagement in the process once we have completed the round with the working group. This will take place very shortly. The working group will come to its conclusions in the next two or three weeks and then I can report back to the Deputies on the next stage of the process, to assure workers we will continue to have a very strong community and local government partnership approach to the delivery of services to the people.

Deputy Eric Byrne: I welcome the contribution of the Minister. However, he has not satisfied me as to our demands. They are not really private-----

Deputy Phil Hogan: They are private.

Deputy Eric Byrne: Perhaps, in law, they are but they are basically community-led projects. The worry I have is that the Minister is deferring to the companies and has given the ILDN the negotiation rights on behalf of the workers of the partnerships. Let us call spade a spade. On the ground, at the coalface of poverty, alienation and hardship, people at community level know how to tap into this and to provide the programmes to assist people in development. If they are excluded, it becomes a bureaucratic structure. I must ask if the Minister believes in social partnership. The trade union movement and SIPTU are part of the social partnership structure. Why would the Minister want to exclude the union representing the body of men and women of the community and voluntary sector in the structures?

Deputy Joan Collins: Exactly. Why would the Minister want to exclude a union representing the workers at the coalface? From talking to workers on the ground, I know managers do not have a hand-to-hand approach in the communities. They see them once or twice a year when they call in to see how operations are working. The union representation, SIPTU, should not be locked out of these negotiations. It is not good enough for the Minister to refer to the situation in three weeks time, when much negotiation has already been done and the workers have not been involved in it. Already, local authorities are going to the community development workers and saying that they must work hand-in-hand with local authorities to map out the work they do. That should not be done before the workers have an opportunity to be part of negotiations rather than being told what is happening. The Minister should support the workers and I expect him, as Minister, to do so.

Deputy Phil Hogan: To clarify, the working group is not about union negotiations between workers and a private company employer. The working group is about the structures that will be put in place to deliver for the people and the communities. That is what I am interested in. What is the best way of ensuring we have robust structures to deliver best for the people? The union negotiations with workers in these community companies involve private companies. My officials met SIPTU recently this and brought it up to date on these matters. In a couple of weeks time, we will know the structures and we will have further discussions with unions. I am surprised that Deputy Joan Collins, who has strong views about public versus private companies, is not supporting me on this occasion in respect of these private companies. I want public companies accountable to the democratically elected people in local government and to work together to deliver for the people she wants to represent.

Ceisteanna - Questions

Priority Questions

Budget 2014 Issues

1. **Deputy Michael McGrath** asked the Minister for Finance the approximate adjustment required to achieve a deficit of below 5.1% in 2014; his views on whether the recent GDP figures which show a continued weak domestic economy support the case for a moderation of the planned adjustment in budget 2014; and if he will make a statement on the matter. [41626/13]

Minister for Finance (Deputy Michael Noonan): The deficit target of 5.1% of GDP to which the Deputy refers is the maximum general government deficit in 2014 which the Government is required to deliver under the excessive deficit procedure in the Stability and Growth Pact. This is part of an agreed consolidation path which Ireland will follow in order to return the public finances to sustainability. The European Commission, the International Monetary Fund, the European Central Bank and most economic commentators have acknowledged that Ireland has met all of its targets to date and that substantial progress has been made in setting the public finances and the economy back on the road to good health.

However, while it is right to recognise progress, it should be remembered that, regardless of commitments we have made to our international partners, these deficits represent the annual shortfall between what the State collects in revenue and what it spends. Every year in which there is a deficit the Government must borrow money, adding to the quantum of outstanding debt. This borrowing attracts additional interest and in turn this adds to the national debt. Interest payments divert scarce resources from areas where they are badly needed. It must be evident to everyone that this situation cannot persist in the longer term and that every effort must be made to alleviate this burden on the Irish people. This is the primary reason the Government is taking action to close the deficit but in such a way that seeks to find a balance between the need to tackle the deficit and the need to promote growth in the economy.

Last April in the stability programme update, I set out, on a purely technical basis, that consolidation of €3.1 billion would result in a general government deficit of 4.3% of GDP in 2014. That estimate was based on the latest available data at the time. Since then, we have received more up to date information, most recently the quarterly national accounts from the Central Statistics Office and the end of September Exchequer returns published yesterday. My officials are currently analysing these data for incorporation into the budgetary forecasts. The work is well under way and I will not be drawn into speculation on the composition of the budget at this time. However, the Deputy may rest assured that budget 2014 will include the required combination of revenue raising and expenditure reduction measures to ensure that Ireland continues on the road to repairing its public finances while providing an environment suitable to allow economic recovery to continue. This will be done in such a way as to spread the burden as equitably as possible.

Additional information not given on the floor of the House

Turning to your question on recent economic data, while activity in the domestic economy

remains at muted levels, I think it is fair to say there is growing evidence of stabilisation in recent months. Personal consumption increased by 0.7% in seasonally-adjusted terms in the second quarter, and more high frequency data point to further growth in the third quarter. Core retail sales, excluding motor trade, have increased in year-on-year terms in each of the past four months. While the impact of the new motor registration regime impacted on headline retail sales in the first half of the year, strong growth in car sales in July and August was reflected in a 3.7% increase in the July-August headline retail sales when compared with the same period in 2012.

Recent labour market developments should also support more robust personal consumption in the second half of the year. Employment has now increased in seasonally adjusted terms in each of the last four quarters, with employment increasing by 1.8 % in year-on-year terms in the second quarter, representing an additional 33,800 jobs over the year. The Government is under no illusions about the importance of a recovery in the domestic economy to sustain the impressive momentum in the labour market of late and will continue to support the domestic economy where fiscal space allows.

Deputy Michael McGrath: I thank the Minister for his response. There were two parts to the question I tabled, the first of which is an attempt to establish the nominal adjustment required in the budget on 15 October to deliver a deficit of 5.1%. As the Minister indicated, we are still going by the April stability programme update numbers. Given that the Minister now has the quarter 2 economic data and the end of September Exchequer returns, can the Minister confirm the adjustment required to achieve a deficit of 5.1%? I am not asking the Minister what adjustment he will propose.

The second part of the question concerns the moderation of the adjustment. There is a strong case for a modest moderation of the adjustment. I am not suggesting an adjustment of a few hundred million euro would make an enormous difference to the overall economy but it could make a significant difference to those affected by cuts in social protection, health, education and other areas. I am particularly concerned by the spending side. Spending cuts between €1.8 billion and €2 billion are deep and will hurt people severely. The Minister will take that into account but perhaps he can come back on the issue of what adjustment would deliver a deficit of 5.1% based on the current available data.

Deputy Michael Noonan: I do not have the figure yet because my officials are still crunching the numbers. In April, the technical exercise showed that an adjustment of €3.1 billion brings us down to 4.3%. The situation deteriorated after that, when the CSO revised downwards the GDP estimate for 2012. The denominator became smaller so the arithmetic drove the deficit up. There was low growth in the first quarter but then it improved in the second quarter data. The revenue figures published yesterday are consistent with that third quarter growth. We are working our way through it. A consolidation of €3.1 billion would get one below 5.1%. I saw a letter I received from Deputy McGrath just before I came to the Chamber. I will see what I can do to provide him with some kind of ready reckoner to make it easier for him to make the adjustments when he hears what we announce in the budget. I will provide the same data to other Opposition spokespersons.

Deputy Michael McGrath: I thank the Minister. That would be very helpful in order to allow us to finalise our own proposals which we will submit to the Minister in the coming days. There are a lot of moving parts and without access to such critical information we would have to take a guess at what level of adjustment is required to achieve the different deficit levels.

The Minister indicated yesterday that he would consider an adjustment of somewhat less than €3.1 billion. Is he minded to bring in an adjustment that delivers the 5.1% or is he minded to send a strong signal to the markets by aiming for a deficit below 5.1%? What factors is the Minister taking into account in setting the overall adjustment figure? How important is it to come in below 5.1%, or on 5.1%, and to what extent will he be driven by the composition of the budget? The most important issue is the composition from a tax side and from an expenditure side and the impact the specific individual measures will have on people who rely on essential public services and those who are paying taxes.

Deputy Michael Noonan: The target we must achieve is at least 5.1% to be operating in accordance with the programme. For reasons of market sentiment it is probably important to beat the target. At present, without having the full data available to me, I hope to bring in a deficit in the high fours. I think that would be sufficient to give the kind of market confidence we need on exiting. They will also be looking at what is implicit in the programme, namely, that we run a primary surplus in 2014. I hope that if one strips out interest rate payments we will get our deficit either into balance or just on the plus side so that we would have a primary surplus because that would be a very strong signal as well.

While there are targets implicit in the level of consolidation, it is more of a means to an end than a target. The targets are the deficit percentage and the primary surplus. I hope we will achieve both but there is final number crunching to be done before I could be certain of that and then there is the composition of the consolidation, as Deputy McGrath pointed out, in terms of what expenditure cutbacks and tax increases will be put in place and the magnitude of both when combined.

Mortgage Arrears Proposals

2. **Deputy Pearse Doherty** asked the Minister for Finance the action he will take to ensure those struggling with mortgage repayments will be offered genuinely sustainable arrangements that do not threaten the family home; that the banks do not rely on repossession or a legal process that could end in repossession as the main method of meeting the quarter four 2013 target of 15% and the quarter one 2014 target of 25% for concluded arrangements; and his views on the report by Grant Thornton Debt Solutions that many people in debt will not benefit from new insolvency regimes. [41673/13]

(Deputy Michael Noonan): As the Deputy is aware, last March the Central Bank set specific performance targets for the six main banks, requiring them to propose sustainable solutions: to 20% of their mortgage customers who are in arrears of over 90 days by end June; to 30% by the end of September and; to 50% by the end of this year.

The Central Bank also recently announced that it has agreed further mortgage arrears resolution targets with the troika. In that regard, the main banks will now be required to propose solutions to 70% of their mortgage arrears customers by the end of the first quarter in 2014. Even more importantly, given that the primary objective is to put agreed and durable solutions in place, the first targets were also set for concluded agreements and these require these banks to have concluded arrangements with 15% of their arrears customers by the end of December 2013 and 25% by the end of March next year. This initiative should see more long-term restructured arrangements put in place.

The strong view of the Government is that, in respect of co-operating borrowers under the mortgage arrears resolution Process, MARP, repossession of a person's home should only be considered as a last resort. The policy measures adopted by Government make that quite clear. The code of conduct on mortgage arrears places an onus on the banks, in respect of a co-operating borrower, to explore all the options for an alternative repayment arrangement to address a mortgage difficulty before any legal action is considered and any proposal to a co-operating borrower by a bank under the mortgage arrears resolution targets, or MART process, will have to comply with the code of conduct.

The Central Bank's MART document sets out three modes of generating a sustainable solution. The preferred solution is an arrangement where payments are re-established on the original, or an agreed revised schedule. The second mode is where the borrower opts for a personal insolvency arrangement. The final option is where an arrangement could not be reached or is not appropriate, ultimately involving surrender or repossession of the property. As the Deputy is aware, in his appearance at the Joint Committee on Finance, Public Expenditure and Reform, the Governor of the Central Bank acknowledged that more than 60% of the end of June proposals by the relevant banks involved the final option. The Governor also informed the committee that the Central Bank has commenced the audit of the banks' returns on the end of June target and the Central Bank will have initial results of the audit in November. This will ensure that the mortgage modifications proposed by the lenders are in fact sustainable.

Additional information not given on the floor of the House

Regretfully, it must be accepted that not all mortgages, due to the individual circumstances, can be made sustainable. There will sometimes be circumstances where the person will have to lose ownership of the home. Indeed, in such cases this may be in the best overall long term interests of all parties. The Central Bank does not expect that repossession will be the lender's preferred solution to mortgage difficulties and in most cases engagement by the borrower will make the legal course unnecessary. However, in circumstances where the borrower does not engage with a lender to address a mortgage difficulty and, subject to fully complying with the code of conduct on mortgage arrears, then there may be no other option for the lender but to commence legal proceedings.

The Keane report clearly stated that without an effective insolvency system the mortgage arrears problem will not be solved. The Insolvency Service of Ireland began accepting applications on 9 September 2013 and while work has commenced on the initial cases, it is too early to make any specific determination on the numbers of individuals that may avail of the different options. There is, of course, a range of options available for the first time such as a debt relief notice, a debt settlement arrangement, personal insolvency arrangement and ultimately the fundamentally reformed bankruptcy arrangements which are more in line with international norms. The detailed operation of the insolvency service and the Personal Insolvency Act is a matter, however, for my colleague the Minister for Justice and Equality.

Deputy Pearse Doherty: We had a debate during the previous two days in the House on mortgage distress as a result of the Bill introduced by Deputy Joan Collins. The question is specific. We ventilated in this Chamber and at committee level how the banks have used 14,720 legal letters to meet the targets that were originally set down for mortgage holders who will be offered long-term solutions. We know that is wrong. The Minister said it is not allowed or should not be included as part of reaching the targets but it appears the Governor of the Central Bank will allow those letters to be used. We will wait for the audits to be carried out before

making a determination on that. The question relates to the real targets - the concluded arrangements - and the targets that have been belatedly announced, that are nonetheless welcome, of 15% in quarter four and 25% at the end of quarter one 2014.

An Leas-Cheann Comhairle: Could the Deputy ask a question, please?

Deputy Pearse Doherty: Will the banks be able to meet those targets by repossessing homes and when does a concluded arrangement take place if it is in the repossession category?

Deputy Michael Noonan: The targets will be verified by the bank by means of audit. As I understand it, whatever arrangement is put in place will have to be operating successfully for six months before it will be signed off by the bank. It is not enough to say the deal has been done, but that the deal has been done and the person with the impaired mortgage has paid on the new schedule for six months. That would be the definition of success.

Some repossessions take place all the time. To date, most have been by voluntary surrender because sometimes it suits people to surrender their home voluntarily and give up. It is the Government's policy that if at all possible people should remain in their own home. That is why in the Keane report there are a number of options, including split mortgages and the effective take-over of houses by local authorities where the status of the resident changes from owner-occupier to tenant but they still remain in the family home. It will be up to the Central Bank to audit the returns and decide what it regards as a sustainable solution.

Deputy Pearse Doherty: I will put the question in a simple way. The Joint Committee on Finance, Public Expenditure and Reform will have the bankers in again after the end of this year and will ask them how they have reached the 15% target of concluded arrangements to the end of this year. If they say to us that 10% of the figure is made up of repossessions of buy-to-let properties and family homes, is that allowable under the targets issued by the Central Bank and the Government in terms of the 15% target for the end of the year and the 25% target in quarter one of 2014? The statement that was made by the Central Bank contains one paragraph. It is important that we know whether it is possible for the banks to factor in repossessions as part, a bulk or the majority of the targets they are being asked to meet in terms of concluded arrangements.

Deputy Michael Noonan: As I and the Taoiseach have stated on a number of occasions, it is a key responsibility of financial institutions to do more to assist those in severe financial difficulties. Letters threatening repossession or legal action could not be considered a sustainable solution under the mortgage arrears targets and should only ever be considered after every possible avenue for a solution has been exhausted. That is the Government's position. The audits will be carried out not by the Government or the Department of Finance but by the Central Bank. They will be presented publicly to the committee of which the Deputy is a member in a transparent manner. He will see exactly what is included and what is not.

Fiscal Policy

3. **Deputy Catherine Murphy** asked the Minister for Finance if the stated goals of his Department include creating a resilient Irish economy founded on sustainable and balanced growth and leading to significant increases in employment numbers; if he shares the concerns of former the IMF head of mission to Ireland that there is a risk we could enter a long-term

hysteresis process; if not, the reason for this; in view of the extent and skill set of long term unemployment, if a risk assessment has been done in his Department on the issue; if so, if he will outline its findings; and if he will make a statement on the matter. [41671/13]

(Deputy Michael Noonan): As stated in my Department's statement of strategy for the period 2011 to 2014, one of our principal goals is to create a resilient Irish economy founded on sustainable and balanced growth and leading to significant increases in employment numbers. I stress that all of the economic policies of the Government, be they on repairing the banking sector or public finances or bringing down the costs of doing business, are designed to get the economy growing at a sufficient pace so that we can reduce the excessively high level of unemployment. The economic crisis has taken a heavy toll on the labour market. In particular, the collapse of the construction sector has had a detrimental impact on employment. I have some concerns that there may be a mismatch between the skills of some of those currently unemployed and the skills demanded in the expanding sectors of the economy. This is why retraining is so important.

As part of the formation of the Action Plan for Jobs 2013, the issue of long-term unemployment was examined in depth and the following schemes have been targeted at the long-term unemployed: the JobsPlus initiative, which supports the long-term unemployed in returning to the workforce; the momentum programme, which provides education and training places to the long-term unemployed; and youth work services, which address the critical issue of youth long-term employment, which accounts for over half of all youth unemployment.

In addition to the Action Plan for Jobs, Pathways to Work 2013, published in July, is a 50-point action plan that focuses on labour market activation. This plan focuses on more regular and ongoing engagement with the unemployed; greater targeting of activation places and opportunities; incentivising both the take-up of opportunities and employers to provide more jobs for people who are unemployed; and reforming institutions to deliver better services to the unemployed.

The Government has prioritised getting people back to work, and the recent labour market figures are very positive in this regard. The Quarterly National Household Survey results for the second quarter of this year showed the strongest job creation since 2008. Encouragingly this growth consisted of both full-time and part-time employment and was broad based across the various sectors of the economy.

Additional information not given on the floor of the House

In addition, the standardised unemployment rate reduced further in September, to 13.3%, which is the lowest level since March 2010, but still unacceptably high. The elevated long-term unemployment rate remains a concern to the Government; however, progress has been made. In the year to the second quarter of 2013, the long-term unemployment rate decreased from 9.2% to 8.1%.

We must now continue to build on the progress made over the past year as there is clearly still lots to do, and I want to assure the Deputy that addressing unemployment remains the main economic priority for the Government. My Department continually monitors developments in the economy, including in the labour market, with a view to providing appropriate advice. It also produces forecasts for the labour market, and the next set of forecasts will be published with the budget.

Deputy Catherine Murphy: If Ireland, with its small, open economy, is to have an export market, the United States and European Union economies must be doing well. Dr. Ashoka Mody said it is not just a case of having prudent fiscal managers since the markets will be looking at us to see if we are sound from an investment perspective. Investors want to know that Ireland is capable of repaying the huge debts with which it is burdened. Dr. Mody, in speaking about long-term unemployment, has put us in the same frame as Japan.

The Minister gave us a list of what the Government is doing. Does he share our concerns? Has he carried out a risk assessment on long-term unemployment? It is a critical factor in terms of the health of the economy.

Deputy Michael Noonan: We have no shortage of advice from some of the celebrity economists attached to some of our business schools or from various people who worked in the IMF over the years. We read all the advice. Sometimes it misses the point and at other times it is accurate. It is true that one of the big problems facing us is long-term unemployment. What has happened since we entered Government is that the live register measure of unemployment has reduced from 15.1% to 13.3%. Despite all the difficulties associated with the programme, we are beginning to make ground. Some 33,000 jobs, net, were created in the past 12 months or so. This is approximately 3,000 jobs per month. However, there is a difficulty and I do not believe labour activation measures alone will solve it. There is a skills mismatch between many people on the live register and the kinds of people industry is looking for. There are approximately 80,000 people with construction industry skills. The next phase of job creation will involve getting people back to work in the construction industry.

Deputy Catherine Murphy: I do not dispute that there has been a net improvement in the number of jobs. Some of the jobs, however, are part-time jobs. Some people who were formerly on the register are not counted as unemployed. They are pushed into taking means-tested welfare payments if there is an employed person in the household. They are actually not counted. This must be factored in when determining the real level of unemployment.

Would the Minister pay particular attention to advice or concerns expressed by a person such as Dr. Mody given his involvement in the original programme and with the IMF?

Deputy Michael Noonan: I would listen to the advice of any world-renowned expert or economist. I read a lot, but much of the advice is contradictory. One must adhere to one's best judgment. It is true that one can argue about the statistical composition of the live register, as the Deputy suggested, but it is not generally known that 90,000 people working part-time, all included, are on the live register. One must make allowances for that also when considering what is going on.

So far, we have made many good judgment calls, in addition to some bad ones. I have explained several times at committee meetings that standing still is not an option. We must take initiatives as a Government to get people back to work. I am fully conscious that one will not get ten out of ten right. Not every initiative works. However, if a high percentage of them work, the system will be working. We are working on creating jobs at present and will continue to do so. We will take advice from the Deputies opposite. I will assess any good idea.

4. **Deputy Michael McGrath** asked the Minister for Finance his views on the operation of the 9% VAT rate; his views on whether it has been successful in supporting jobs in the domestic economy; and if he will make a statement on the matter. [41627/13]

(Deputy Michael Noonan): The 9% reduced VAT rate for tourism-related services was introduced in July 2011 as part of the Government's jobs initiative. The measure was designed to boost tourism and create additional jobs in that sector.

With regard to the economic impact on the tourism sector due to the introduction of the 9% VAT rate, the most recent data available from the CSO on economic growth broken down by sector relate to 2012 and show that there was a year-on-year growth in gross value added for the accommodation and food services sector compared to 2011. Expenditure by overseas travellers to Ireland recorded an increase of 0.6% in 2012 over 2011. In addition, quarter one of 2013 recorded an increase in expenditure of 12% compared with the same period last year. There is a clear impact in terms of employment in the accommodation and food service sector which increased by over 13% between quarter 2 of 2011 and quarter 2 of 2013 – an increase of 15,000 jobs in the sector. For the period May 2013 to July 2013, the number of trips to Ireland increased by 7.6% over the figure for the same period last year. In the period January to July, the number of trips to Ireland increased by 6%.

In line with best international practice, the 9% VAT rate was introduced as a temporary measure and is due to expire at the end of December 2013, at which point it will revert to 13.5%. Retaining the 9% rate would be very costly to the Exchequer and would require an increase in taxation or a reduction in expenditure elsewhere. Any proposal to maintain the 9% VAT rate will be considered in the context of the budget.

5 o'clock

Deputy Michael McGrath: I thank the Minister for his reply. He referred to some of the positive impacts of the lower rate of VAT on the hospitality and tourism sector. It costs around €350 million a year, a very substantial amount of money. That is the gross cost, but I would like to know if the Department has carried out an assessment of the net cost on the Exchequer, in view of the positive impacts to which the Minister referred, in terms of tourism and employment numbers. The net cost is not €350 million and there are various estimates of what it is. It is important, when the Minister is making a decision in the context of the budget, that this information be available.

Second, as the Minister knows, the VAT reduction was part of the jobs initiative which was funded by the pension levy. It was estimated at the time that the Department would take in approximately €1.9 billion. I note that the pension levy, in the last week or so, came in ahead of profile. In 2013 it came in at approximately €512 million, over €40 million more than the Minister had expected to receive. It is clear from the figures provided by the Department of Finance that not all of this money is being spent on the jobs initiative. Somewhere between €200 million and €300 million has not been spent on the measures for which the levy was initially introduced.

Has any decision been made on the 9% VAT rate at this stage? I ask the Minister to give us an indication of the position in that regard.

Deputy Michael Noonan: The 9% VAT rate was a pump-priming exercise and like all pump-priming exercises, one primes the pump, the engine fires and when the engine is going,

one does not need to prime the pump again. We must measure whether the industry can now go without special measures and, like any other sector, pay the VAT rate which applies to it.

On the issue of cost, part of the jobs initiative was that we would abolish the travel tax, provided the airline companies did a deal to bring extra tourists into Ireland. We could not negotiate this and as a consequence, the travel tax receipts have been retained within the system. That accounts for a significant portion of the discrepancy. It is true that the pension levy figure is above the estimate, on the basis of the returns published yesterday. That is because the capital value of pension funds in 2012 rose by 11% or 12%. The Deputy will be aware that the equity market internationally has moved which means that there is now a bigger base. We would recover our money by putting up the VAT rate to something less than 13.5%. The cost was €350 million, but because of the expansion of activity in the sector, we could recover the money by not quite going to 13.5%.

Deputy Michael McGrath: The key question is whether the Minister is determined that the income from the pension levy and the cost of the various initiatives under the jobs initiative will total zero and even out. It is very clear, based on the figures provided by the Department, that it is not the case so far, unless a policy decision is taken in another direction. The gap has increased because of the additional revenue from the pension levy which is linked, as the Minister indicated, with some recovery in equity values. It is important that those affected by the pension levy be reassured that every cent of the money has been spent on the jobs initiative. There is a discrepancy, as the Minister has acknowledged, but he will have the opportunity in the budget on 15 October to ensure it is properly accounted for and that decisions taken will ensure all of the money is spent in the appropriate way, on job creation.

Deputy Michael Noonan: There is only a discrepancy if one puts a ring around the jobs initiative back in May 2011 and assumes that the Government never took any other initiative on job creation subsequently. The jobs initiative was rolled into the wider jobs programme under the Minister for Jobs, Enterprise and Innovation, Deputy Richard Bruton. Enormous amounts of money have been spent on job creation measures all across the economy. There is no spare money left in a drawer or a press on Merrion Street. The money is used but -----

Deputy Richard Boyd Barrett: There might be some spare money under Tom McFeely's bath.

Deputy Michael Noonan: Is that in the Deputy's constituency?

Deputy Richard Boyd Barrett: No, I believe it is in the Minister, Deputy Ruairi Quinn's constituency.

Tax Code

5. **Deputy Joan Collins** asked the Minister for Finance his views on whether the tax on maternity benefit is a retrospective tax; and if he will review this tax in Budget 2014. [41737/13]

Deputy Michael Noonan: It is a general principle of taxation that, as far as possible, income from all sources should be subject to taxation. In line with this principle, the majority of social welfare payments are reckonable as income for tax purposes. These include long-term payments such as disablement benefit, the State pension, widows', invalidity and blind pen-

sions, carer's allowance and the one parent family payment, as well as short-term benefits such as job seeker's benefit. Treating these payments as income for tax purposes is essentially a matter of equity.

As a result of maternity benefit payments becoming liable to income tax for all claimants, from 1 July 2013 a number of possible tax outcomes could arise. An individual may pay no income tax on the maternity benefit payment as her tax credits will be sufficient to reduce her tax liability to zero or an individual may pay income tax on some or all of the maternity benefit payment solely at the standard rate. In some cases, an individual may pay income tax at the standard rate on a portion of the maternity benefit and the higher rate on the balance of the maternity benefit payment, while in others an individual may pay income tax on all of the maternity benefit payment at the higher rate.

I am aware that some employers do not pay a top-up payment to their employees while they are on maternity leave. However, in such circumstances many mothers will not be subject to income tax on the maternity benefit payments as their personal credits will ensure no tax arises on the social welfare income. Of course, the extent, if any, to which taxation actually arises in a given case depends on the total level of income of the individual or couple concerned in the relevant tax year or years. Maternity benefit payments will remain exempt from the universal social charge and PRSI. I do not believe taxation of maternity benefit is a retrospective tax for a number of reasons. In budget 2013 I announced that maternity benefit paid by the Department of Social would become taxable from 1 July 2013. The underpinning legislation for this measure was contained in the Finance Act 2013 which was passed by the Oireachtas and signed in to law on 27 March 2013. Maternity benefit payments only became liable to income tax for all claimants from 1 July 2013.

As the Deputy will appreciate, I receive numerous requests for the introduction of new tax reliefs and the extension of existing ones, but I must be mindful of the public finances and the many demands on the Exchequer, given the significant budgetary constraints.

Deputy Joan Collins: I thank the Minister, but his reply is the standard one we have heard since the introduction of this tax on maternity benefit. It is a retrospective tax in that the Minister is taking money from people's pockets when they most need it. If those women still had that money, they would be able to spend it in the economy, buying what they need for their child, but the Minister has just taken it out of the economy. A young woman contacted me recently about this matter. The tax came into force in July and people are only starting to feel the effects of it now. The young woman told me that her wages had dropped from €2,452 to €2,102, which means that €350 is being taken out of her wages every month, or almost €90 per week. Effectively, the maternity benefit payment has been reduced from €260 per week to approximately €170.

The Commission on Taxation has stated maternity benefit should not be taxed and I agree. Why the maternity benefit of women who are expecting children is taxed when the Government will not touch corporation tax is beyond me.

Deputy Michael Noonan: As I said, it is a question of equity. Disablement benefit is taxed, as are State pensions, widows' pensions, invalidity and blind pensions, carer's allowance and the one parent family payment. If one has an income from work and a benefit in excess from social welfare, the general principle is that it is taxed. Maternity benefit was an exception and, in some circumstances, this led to a situation where women on pregnancy leave had a higher

income than if they had stayed at work.

Deputy Joan Collins: The women were pregnant. They had to leave work.

Deputy Michael Noonan: In the times we are in and in trying to fix the mess Fianna Fáil left behind, one is left with bad choices. One is measuring one choice against another. When the Deputy's neighbours do their shopping, they pay VAT and excise. Why should they be the people who carry the burden when other people at work on an extra payment should not pay tax? I know the Deputy has an argument, but there are as many arguments on my side as there are on the Deputy's.

Deputy Richard Boyd Barrett: I do not know about that.

(Interruptions).

Deputy Joan Collins: Taking maternity leave is not a choice but a need. It is about preparing for the birth and, afterwards, adjusting to having a new child. The Minister expected to make €14 million a year by taxing maternity. It is a bad choice and there were no calls for such a tax. It is a cut for a woman who had a child three years ago and will have another this year. The Minister might as well have reduced maternity benefit payments, as it is six of one and half a dozen of another. He should consider reversing this decision in the forthcoming budget. It would be a significant relief for women in receipt of this payment and would mean they could spend money on their children in the economy. This is what maternity benefit was given for in the first place.

Deputy Michael Noonan: We will consider any advice, particularly from elected Members. To be frank about it, it is unlikely I will reverse a decision made just 12 months ago.

Other Questions

Budget 2014 Issues

6. **Deputy Pádraig Mac Lochlainn** asked the Minister for Finance the budget adjustment necessary this year to reach the troika's deficit target of 5.1%; and the level of taxes and expenditure cuts this deficit will require. [41519/13]

(Deputy Michael Noonan): The deficit target of 5.1% of GDP to which the Deputy refers is the maximum general government deficit in 2014 that the Government is required to deliver under the excessive deficit procedure in the Stability and Growth Pact. This is part of an agreed consolidation path that Ireland will follow to restore the public finances to sustainability.

The European Commission, the International Monetary Fund, the European Central Bank and most economic commentators have acknowledged that Ireland has met all of its targets to date and that substantial progress has been made in setting the public finances and the economy back on the road to good health. However, while it is right to recognise progress, it should be remembered that, regardless of commitments we have made to our international partners, these deficits represent the annual shortfall between what the State collects in revenue and what it

spends. Every year in which there is a deficit, the Government must borrow money, adding to the quantum of outstanding debt. This borrowing attracts additional interest and, in turn, this adds to the national debt. Interest payments divert scarce resources from areas where they are badly needed. It must be evident to everyone that this situation cannot persist in the longer term and that every effort must be made to alleviate this burden on the people. This is the primary reason the Government is taking action to close the deficit, but in a way that seeks to find a balance between the need to tackle the deficit and the need to promote growth in the economy.

Last April in the stability programme update, I set out, on a purely technical basis, that consolidation of €3.1 billion would result in a general government deficit of 4.3% of GDP in 2014. That estimate was based on the latest available data at the time. Since then, we have received more up-to-date information, most recently the quarterly national accounts from the Central Statistics Office and the end-of-September Exchequer returns, which were published yesterday. My officials are analysing these data for incorporation into the budgetary forecasts. This work is well under way and I will not be drawn into speculation on the composition of the budget at this time. However, the Deputy may rest assured that budget 2014 will include the required combination of revenue-raising and expenditure-reduction measures to ensure Ireland continues on the road to repairing its public finances while providing an environment suitable to allow economic recovery to continue. This will be done in such a way that the burden is spread as equitably as possible.

Deputy Pearse Doherty: I had not imagined the Minister would divulge the budget's details today. However, I am concerned about what he said about the 5.1% target and that he would target the high fours, trying to bring the deficit into the 4% area. Where is the sense behind that? He said there was a delicate balance between closing the deficit and achieving economic growth. When the Government came into office, the first projection it had for 2013 was 3% growth, but we have not seen that. The Tánaiste said we should just hit the target and not go beyond it. Is it Noonan's way instead of Gilmore's way on the 5.1% target?

Deputy Michael Noonan: It is a fine judgment. The main purpose of this budget is to position us to exit the bailout programme. We are being watched by the international community and the markets. If we just cut it to 5.1% and bring it in as a deficit, there is a risk of drift. These matters are never that precise. As the year goes on one could come out on the wrong side of any storm that blows up. Accordingly, it is prudent to build in a buffer, and that is why I am aiming for the high fours, without being more precise than that.

Based on the figures published yesterday, we are on track to reach the 7.5% deficit target for 2013. Built into that figure are the up-front once-off costs of the promissory note. While we will have a deficit of 7.5% on 31 December 2013, on 1 January 2014 it will be about 6.8%, because those costs fall out. As one works one's way down through it, one makes the consolidation. It is prudent to get into the high fours and deliver a balance or primary surplus. That will convince the markets that they can lend money to us at reasonable interest rates. Accordingly, we would be out of the programme.

Deputy Pearse Doherty: The buffer the Minister talks about is made up of real cuts affecting real people. It is millions of euro of cuts that will cause hardship and pain, as well as additional taxes. I am disappointed that the Minister is going beyond the troika target of 5.1%. We have been led to believe by the Government that the troika is making us go into the high 4% region. The Tánaiste is correct that we should not go beyond that target, because it is counterproductive. The Government's projection of a growth rate of 3% for this year has

not materialised. We are unlikely to see even a 1% growth rate by the end of the year. The levels of austerity are counterproductive. We should meet our targets but in a way that delivers growth. Going beyond the target is a sure recipe for dampening growth and domestic demand while inflicting pain on the people. We need to pay attention to the citizens, to whom we have a responsibility to deliver, not just the markets.

Deputy Richard Boyd Barrett: Some of us believe we should tell the markets to take a hike and not pay the €8 billion in interest on a debt that is mostly not ours. Will he confirm that the figure is €8 billion?

The Minister is hell-bent on going for the 5.1% target, which means either €2.8 billion or €2.9 billion in cuts. Most people do not care about the difference between the two figures because they are going to feel the pain regardless.

When he is framing his budget, will the Minister consider some redistribution of the pain he is planning to inflict by lifting the burden off low- and middle-income families and small and medium-sized enterprises and shifting it to those with wealth and large profits? Will he consider examining the corporate tax rate, wealth taxes or a higher tax rate for those earning over €100,000, measures that up to now he has refused to examine?

Deputy Mick Wallace: The Minister is considering the merits and demerits of changing the 9% VAT rate for the restaurant and hotel industry.

Deputy Michael Noonan: I have answered that question already.

Deputy Mick Wallace: My question might be different. The Minister is conscious of the fact that it has a cost of approximately €360 million. He has probably underestimated the benefits of it. Apart from the fact that the industry was on its knees, it has given much extra work to people, especially those from low-income backgrounds. On the question of where the Minister will get the money, up to €200 million could be picked up from a sugar tax that we still have not introduced here. Given that obesity costs the country more than €1 billion per year and rising, this would involve some joined-up thinking. I do not know how easily this could be done, but online gambling is a rapidly growing industry and I do not see why it should not be taxed.

An Leas-Cheann Comhairle: This is almost like a budget discussion.

Deputy Richard Boyd Barrett: It is a pre-budget consultation.

Deputy Michael McGrath: I wish the Minister well in the next week or ten days because we are being told completely different things by senior Members of the Government. The Tánaiste has been playing a very high-stakes game in recent months, saying there should not be a cent more than is required to get us to a deficit of 5.1%. The Minister has given a different opinion today. That is all in the nature of ongoing political negotiations but, clearly, there is a division within Government. I hope that issue can be resolved at the Economic Management Council, EMC, in the next few days. In principle it is sensible to have some level of a buffer but it depends on what the cash difference is and exactly the make up of those cuts and tax increases. That remains to be seen.

Deputy Michael Noonan: There are many targets in the programme. There are three relevant targets here: the 5.1% deficit, the consolidation target of 3.1%, and the issue of achieving a primary surplus in 2014. We must be conscious of these three targets. I have told the Members

what I am prepared to do. We will try to bring in an equitable budget despite the constraints on us. We have done that, by and large, in the past.

Deputy Richard Boyd Barrett: Will the Minister examine sectors he has not examined before?

Deputy Michael Noonan: There is sugar in many food products, for example, wine.

Deputy Mick Wallace: We should tax the bad wine more and the good wine less. The good wine is good for one; the bad wine is very bad for one.

Deputy Michael Noonan: Is Deputy Wallace declaring an interest?

Deputy Mick Wallace: I am definitely declaring an interest. I hold my hands up.

Deputy Michael Noonan: I know how hard it is to reply to a budget when one has just seen the script. One decimal point on this is approximately €160 million, although Members should not tie me to that. The Deputies opposite can start running their numbers.

Deputy Richard Boyd Barrett: Is that a decimal point on the deficit?

Deputy Michael Noonan: Yes. If the 5.1% goes down one point that is approximately €160 million to €165 million. That might be a useful piece of information for the Deputies when they are attacking me on budget day.

Deputy Pearse Doherty: It might be useful information for the Tánaiste, Deputy Gilmore also.

NAMA Staff Qualifications

7. **Deputy Willie O’Dea** asked the Minister for Finance his views on the concerns expressed by the head of the National Assets Management Agency regarding the scale of staff turnover and the quality and experience of departing staff; and if he will make a statement on the matter. [41471/13]

(Deputy Michael Noonan): I am aware from my discussions with NAMA, and with the NTMA which employs staff assigned to NAMA, of the difficulties being experienced by NAMA in terms of retaining and recruiting appropriately skilled and experienced staff. It is important that NAMA, on behalf of the taxpayer, has the expertise available to it to carry out its commercial mandate with the aim, at minimum, of eliminating the contingent liability of the State arising from its current portfolio and from the portfolio that it may acquire later in the year from the special liquidators to the Irish Bank Resolution Corporation, IBRC.

All NAMA staff are employees of the NTMA and are assigned to NAMA by the NTMA. NAMA advises that 59 staff assigned to NAMA by the NTMA have resigned from the agency since inception. Some 28 members of staff have resigned so far in 2013 and 22 members of staff resigned in 2012, representing a 10% turnover rate in that year. We have entrusted NAMA with the extremely important task of mitigating risks and recovering value for the taxpayer, and so would hope NAMA is able to attract and retain professionals best able to ensure NAMA’s success.

The CEO and chairman of NAMA have recently expressed concern in this regard in light of public pay restrictions, and have highlighted the fact that with the departure of each employee there is a loss of business knowledge, continuity and momentum. Although a certain level of staff turnover is to be expected as the property market recovers, which is arguably positive for the development of asset management expertise across the Irish market, it will continue to prove a challenge to NAMA.

I am satisfied that there are extensive safeguards in place to protect the confidentiality of information held by NTMA employees, including those assigned to NAMA. Employees assigned to NAMA by the NTMA, as is the case with all other NTMA staff, are subject to section 14 of the National Treasury Management Agency Act 1990 which prohibits an employee from disclosing any information obtained while carrying out his or her duties as employees of NTMA. Employees assigned to NAMA are also subject to a prohibition on release of confidential data under sections 99 and 202 of the NAMA Act 2009. NTMA employees, including those assigned to NAMA, are subject to the Official Secrets Act. Contravention of these prohibitions is a criminal offence. These protections do not cease at the point of resignation but apply indefinitely and extend to former employees.

The notice period for NTMA employees assigned to NAMA is typically three months. NTMA contracts for employees assigned to NAMA have a provision entitling NTMA to place the employee on garden leave at any point during the notice period during which time the employee may not work for another employer. Following a review of its policy in respect of notice periods and post-termination restrictions on employment, which was conducted on NTMA's behalf, as employer, by the law firm Matheson, NTMA is implementing a number of changes to its employment contracts, including the introduction of longer notice periods of three to six months, up from one to three months, for middle and senior management employees and garden leave provisions to be included in all new employment contracts.

In addition, a new provision is being added in new employment contracts, where relevant, that restricts departing staff from performing services for a new employer during the first six months following the termination of their employment with NTMA, relating to a transaction or other matter in respect of which they participated directly or substantially in the course of their employment with NTMA and were in possession of confidential information as a result. In respect of NTMA employees assigned to NAMA, this provision has been introduced for all new employees and existing employees as they are promoted. As I pointed out, the three-month notice period and garden leave provisions already apply to NTMA staff assigned to NAMA. Despite the concerns raised I have every confidence that NAMA will continue to meet its bond redemption targets and achieve its overall business plan objectives.

Deputy Michael McGrath: I thank the Minister for his response. We all have a vested interest in NAMA succeeding and performing its functions well. The staff turnover rates in NAMA are very high. I suspect they are disproportionately high at a senior level. Staff appear to feel they can, and they do, attract higher salaries when they leave the agency. I find that remarkable but it seems to be the case. It must be one of the explanations why so many senior people have left the agency in recent times, despite being very well paid. There might be a need for a cooling off period for people who leave senior positions in the agency. The Minister outlines some of the safeguards regarding confidentiality etc. However, many people who have left senior positions in NAMA have seamlessly moved into very senior positions in property investment firms and real estate firms, and property consultancy. I do not suggest any impropriety but there is potential for people to use relationships they have developed and knowledge,

as opposed to information, they have built up during their time in NAMA. The Minister was to examine the issue. Could he update us on that?

Deputy Michael Noonan: The notice period for NTMA employees assigned to NAMA is typically three months. NTMA contracts for employees assigned to NAMA have a provision entitling NTMA to place the employee on garden leave at any point during the notice period during which time the employee may not work for another employer. Following a review of its policy in respect of notice periods and post-termination restrictions on employment, which was conducted on NTMA's behalf by the law firm Matheson, NTMA is implementing a number of changes to its employment contracts, including the introduction of longer notice periods of three to six months, up from one to three months, for middle and senior management employees and garden leave provisions to be included in all new employment contracts.

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Deputy Michael McGrath: My concern is whether NAMA is being used as a training ground for people who then move to the other side of the fence. The Minister has outlined some of the changes that have been identified. Has NAMA implemented those changes and is the Minister satisfied that they are adequate to address the concerns that have been raised?

Deputy Pearse Doherty: The Minister spoke about the NTMA reviewing the contracts and mentioned new employees and those seeking promotion. We are aware that this issue does not just affect NAMA, it also affects employees who have been seconded to the Department of Finance. There are concerns about banks poaching certain people who worked in the banking unit within the Department who may have information. A period of from one to three months is not acceptable, but six months also seems to be quite limited. I believe the Minister wanted to go beyond this in the commitment he gave. Can these provisions not apply to existing staff within the Department who could be seconded, as well as those in the NTMA or NAMA?

Deputy Michael Noonan: This is not cost free because we are effectively paying somebody after he or she has gone and also paying his or her replacement. Therefore, there is a cost issue - we are paying twice for the same set of functions to be carried out. We try to measure it by what is adequate and what provides protection, but I do not want to go beyond this. We have arrangements in place in the Department, but there is significant accrued leave in the Department of Finance because many of the senior people do not even get their holidays. We had an example in the public media of a senior official transferring from the Department of Finance to one of the banks. He went on holidays well before there was any announcement of his job and had worked out a kind of self-imposed gardening period before he made the transfer. He would be subject to the law and the Official Secrets Act also.

With regard to the reasons people are leaving and whether NAMA is a training ground for the property industry, when NAMA was set up, the property industry was banjaxed and many people were looking for jobs. Now that the industry is rising again and there are significant

commercial transactions in Dublin, there are far more opportunities. Therefore, while jobs with NAMA were very attractive three years ago, there may be more attractive jobs in the private sector now.

One last point, one of the big problems for a young person looking for a career is that NAMA is supposed to finish up in 2020. Even if the job is well paid and better paid than jobs in the private sector, a person cannot plan a career in an organisation that is going to terminate. That is one of the big difficulties. As we move through the years towards 2020, we will see more people leaving.

Bank Debt Restructuring

8. **Deputy Charlie McConalogue** asked the Minister for Finance when he expects Permanent TSB to have completed its restructuring phase; the prospects he sees for it contributing to greater competition in the Irish banking sector; and if he will make a statement on the matter. [41463/13]

Deputy Michael Noonan: A way forward for Permanent TSB was agreed with the troika in April 2012 which envisaged it playing an important role in the future of Irish retail banking, being a more focused retail bank bringing an element of competition to the marketplace which has consolidated significantly since 2008. In this regard, Permanent TSB prepared a restructuring plan which the Department of Finance submitted to the European Commission in June 2012. As requested by the Commission, an updated version of the plan was submitted on 15 August 2013 which was broadly in line with the June 2012 plan. Discussions on the plan are ongoing at a technical level involving the Commission, the Department and Permanent TSB.

As I informed Deputy Michael McGrath in response to a parliamentary question, there is no formal deadline in place for the Commission to respond to the updated version of the plan. However, the Deputy may have noted that Permanent TSB, at its interim results presentation on 29 August, stated it was aiming for approval before year end and I have no reason at this point to believe otherwise. The Deputy may also be aware that AIB is in discussions with the Department and the Commission on its restructuring plan and currently expects approval of the plan during the second half of 2013.

While discussions on Permanent TSB's restructuring plan are ongoing with the Commission, Permanent TSB has made significant progress in delivering key elements of the plan in the past year. It continues to work to enhance the value of investments through the continued delivery of the restructuring plan which will, if delivered, provide the State with more options regarding its future structure.

As the Deputy will be aware, the banking sector is extremely concentrated with AIB and Bank of Ireland controlling the vast majority, in particular key products such as mortgages and SME lending. Nevertheless, Permanent TSB has a significant presence in the Irish market, particularly in certain segments such as mortgages and deposits. The Deputy may have observed from Permanent TSB's interim report, published on 29 August, that its gross Irish residential mortgages at the end of June totalled €24.2 billion and that it held €11.6 billion of retail deposits also at the end of June. Permanent TSB also holds UK mortgages via its CHL subsidiary. It holds other assets such as commercial real estate and consumer finance loans and has a sizeable corporate and institutional deposit base.

Additional information not provided on the floor of the House

The Deputy will note that Permanent TSB has returned to the new lending market in a meaningful way this year and has approved €170 million of mortgage loans in the year to date, almost three times the figure for the same period in 2012, thereby contributing to competition in the Irish banking market. I welcome this development which should be of assistance to the wider economy.

The Deputy may also be interested to note that as of 30 June, Permanent TSB's total balance sheet exceeded €30 billion. It would, therefore, meet one of the criteria for entry into the Single Supervisory Mechanism.

Deputy Michael McGrath: Permanent TSB is an important bank and I hope it plays a significant role on the banking landscape in Ireland for a long time to come. I would like to see the European Commission finalise its consideration of the restructuring plan as quickly as possible. The bank is potentially a very good asset for the State. It has brand recognition, a branch network, a customer base and can provide badly needed competition. When we look at its initiative on current account fees, through which it has attracted 30,000 new customers in recent months, we see an example of what can be done. One of its main problems, as with other banks, is that tracker mortgages are acting as a drag on profitability. I have raised this issue previously, but is it still a live issue that is under consideration between the Minister and the European authorities? Are they trying to see whether some funding stream can be identified to ease the pressure on the banks carrying loss-making tracker mortgages?

Deputy Michael Noonan: Some work has been done on tracker mortgages across the banking system. However, as interest rates have reduced and are now at a very low level, the margin of advantage in doing something about tracker mortgages is quite small. With a high interest rate, the kind of initiative about which the Deputy is talking would be of big benefit, but when interest rates are so low, the margin is so narrow that there would be no huge benefit in giving assistance. We will see where that goes.

The Deputy is right in everything he says about Permanent TSB. It is back in the mortgage market and has offered €170 million in mortgages already this year. That is three times what it provided last year. Its balance sheet is now approximately €30 billion, which is one of the criteria required to be met for entry into the Single Supervisory Mechanism. We hope Permanent TSB can continue with its consolidation and provide another competitive option for Irish consumers.

Deputy Michael McGrath: In terms of where Permanent TSB fits into the overall banking strategy, is it the intention of the Minister that Permanent TSB remain within State ownership in the long term or is it intended that the bank will return to profitability and private ownership once much of the work has been done? I am not sure he has stated a preference in that regard, but we know that AIB is readying itself for the disposal of some equity down the road and private investment, which would be good for the bank. What is the Minister's view on Permanent TSB for the long term?

Deputy Pearse Doherty: I agree on the importance of Permanent TSB to the Irish banking market and we await eagerly the Commission's recommendations. I am aware that the bank itself expects a favourable response on the restructuring plan, but this is in the hands of the Commission. At this point there are questions about the restructuring. There are also questions

hanging over Ulster Bank and about how the potential restructuring of that bank may affect its involvement in the market in the future. Is the Minister concerned that two non-pillar banks which are major players in the market have not received approval, one way or another, in terms of restructuring? The Minister mentioned the Single Supervisory Mechanism and three banks will automatically come under it. Does he expect Permanent TSB rather than Ulster Bank to be the third bank?

Deputy Michael Noonan: Ulster Bank is regulated by the Bank of England. In Ireland there is a regulatory function to cover it, but its primary regulator is the Bank of England and we must see what regulatory proposals come through from Mr. Carney and the Chancellor of the Exchequer. We hope it will continue trading and providing credit North and South of the Border because it fulfils a very important function. It has serious problems, as do the banks in this jurisdiction.

The policy of the Government is that the banks will revert to private ownership in due course. The Government has no ambition to hold State banks indefinitely. The question of when portions of, or all of, the banks will be restored to private ownership depends on a pragmatic decision. Obviously, Bank of Ireland seems to be somewhat stronger than the others and only 15% of the ordinary equity in it is held by the State. It is already in private control. We will see; the intention is that if a sale takes place of all or part of the equity in the future, it will be used to reduce the level of debt.

Insurance Compensation Fund

9. **Deputy Billy Kelleher** asked the Minister for Finance the prospects for a reduction in the insurance compensation fund levy; and if he will make a statement on the matter. [41458/13]

Deputy Michael Noonan: The Deputy should note that the insurance compensation fund, ICF, levy being applied to home, motor and commercial insurance operates under the Insurance Act 1964 and came into effect from 1 January 2012. The ICF levy should not be confused with the 3% stamp duty on non-life-insurance premiums introduced in 1982, which is often referred to as an insurance levy. This stamp duty forms a part of general stamp duty receipts and is paid into the Central Fund along with other tax receipts. The ICF operates under the Insurance Act 1964. Its purpose is to protect policy holders in the event of an insurer's becoming insolvent. It is an industry-financed fund. However, because the scheme is not pre-funded, the Act provides for the Exchequer to advance moneys on the recommendation of the Central Bank in circumstances in which insufficient funds have been generated by an industry levy to cover a large demand.

Under section 6 of the Insurance Act 1964, the responsibility for deciding whether the ICF has sufficient funds available to it to at any particular time is a matter for the Central Bank. Where, in the bank's opinion, the state of the fund is such that financial support should be provided for it, it determines an appropriate contribution to be paid to it by each insurer, calculated as a percentage not exceeding 2% of the aggregate of the gross premiums paid to the insurer in respect of policies issued in respect of risks in the State.

In 2010 joint administrators were appointed by the High Court at the request of the Central Bank because of concerns about the solvency position of Quinn Insurance Limited under the Insurance (No. 2) Act 1983. On the basis of its assessment of the funds in the ICF in late 2011 the

Central Bank concluded that a levy should be applied to the industry with effect from 1 January 2012 under section 6 of the Insurance Act 1964. This assessment takes place on an annual basis and the next review is in progress.

I have contacted the Central Bank and it has informed me that, given what is reflected in the report on the ICF, which is published by the Department of Finance on an annual basis, for the year ending 31 December 2012, and without any intention to prejudice pending and future annual reviews, it is not anticipated there will be a change in the levy of 2% in the short to medium term.

Deputy Michael McGrath: As the Minister indicated, every person with a home, motor or commercial insurance policy pays the 2% levy to make up for the losses incurred at Quinn Insurance, which at one stage the joint administrators stated in a worst-case scenario could be up to €1.6 billion. If the final figure comes anywhere close to this the Central Bank reviews will conclude for quite a number of years that the levy will have to be retained at the same rate or perhaps a greater one. I know it is difficult to estimate the final costs associated with Quinn Insurance, given that there is a significant tail effect when it comes to dealing with claims in the insurance business, but it is important that we get as much clarity as possible on what the bill will be. Does the Minister wish to comment on the case I understand is being taken by the joint administrators against the former auditors of Quinn Insurance? Depending on the outcome of the case, it could have an impact on the future levy, which might decrease for policyholders.

Deputy Mick Wallace: Will the Minister clarify that a sugar tax will apply only to products to which sugar is added? In wine it is produced naturally, and the Minister should seriously examine-----

An Leas-Cheann Comhairle: This is very interesting, Deputy.

Deputy Mick Wallace: -----a sugar tax because of the problems it causes.

An Leas-Cheann Comhairle: It is too late on a Thursday to have an argument with Deputy Wallace.

Deputy Pearse Doherty: Without going into the legal case, if there was an outcome that resulted in the scrapping of the legal case and the auditors had to take on the liability of the losses incurred, what would be the intention of the Government with regard to the money generated from the levy heretofore, which would not then be required?

Deputy Michael Noonan: The moneys involved are quite large. To date, a total of €1.118 billion has been drawn down from the ICF by Quinn Insurance administrators. In 2012 €45.5 million was raised by the levy, and a total of €49 million has been raised in the first nine months of 2013. This gives a total shortfall of €1.0235 billion, which is an enormous amount of money. This was against much lower estimates at the beginning of the process.

Written Answers follow Adjournment.

The Dáil adjourned at 5.45 p.m. until 2 p.m. on Tuesday, 8 October 2013.