



DÍOSPÓIREACHTAÍ PARLAIMINTE  
PARLIAMENTARY DEBATES

**DÁIL ÉIREANN**

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

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# DÁIL ÉIREANN

*Déardaoin, 14 Samhain 2013*

*Thursday, 14 November 2013*

Chuaigh an Leas-Cheann Comhairle i gceannas ar 9.30 a.m.

*Paidir.*

*Prayer.*

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## Ceisteanna - Questions

### Priority Questions

#### Single Payment Scheme Payments

1. **Deputy Éamon Ó Cuív** asked the Minister for Agriculture, Food and the Marine the number of farmers who have received letters regarding over-claims under the single farm payment scheme and other schemes for 2013 due to the EU ordered review of all claims for the past five years; the number of cases examined to date; the number of cases still to be examined; the amount of money being sought back from farmers to date for previous years; the number of 2013 payments held up pending the review of claimed area; and if he will make a statement on the matter. [48460/13]

**Deputy Éamon Ó Cuív:** Many farmers are receiving letters from the Minister looking for payments back over five years. Many are wondering whether those letters will drop in the post some day. Some of them are for hectarages of 0.01, 0.02 or 0.03 hectares. This is a matter of great concern and the penalties in some cases are disproportionate. I mentioned a case to the Minister which involved an equivalent penalty of €12,000 per hectare. We need to see the end of this matter.

**Minister for Agriculture, Food and the Marine (Deputy Simon Coveney):** The Deputy will be fully aware of the importance of payments made under the single payment scheme, the disadvantaged areas scheme and other direct payment schemes to the annual income of farmers. To date, my Department has paid €582 million in advance payments to more than 115,143 farmers under the 2013 single payment scheme since payments commenced on 16 October. Some 84,800 farmers have received just under €180 million under the 2013 disadvantaged areas scheme. Payments continue to issue under both schemes as cases become clear and eligible

for payment. I reassure farmers that no payments are held up due to the ongoing LPIS review.

Department officials met the Commission in July of this year about possible disallowances and, in response, my Department is reviewing all land parcels claimed. This means in effect a review of all 950,000 land parcels. This is a mammoth task but my Department is making every effort to ensure it will be completed in a manner that satisfies the Commission and avoids significant disallowances for Ireland. As a result of this phase of this review, any payments made to farmers in respect of claimed areas which were found to be ineligible must be reimbursed. That is for 2013. No decisions have yet been made in respect of retrospection and there is no detail regarding that in the letters that have gone out to farmers. The review of the 950,000 parcels contained in the LPIS database is well advanced at this stage, with more than half the parcels reviewed, and it is on target to be finalised in time to allow a comprehensive response to the Commission which is required by 15 December.

To date, 19,418 over-claim letters have issued to farmers, together with maps of the land parcels in question. It should be borne in mind that for 75% of farmers, the over-claim will have no impact on payment as many farmers declare more land than payment entitlements, and a further 18% of farmers have a minimal payment reduction. The average over-claim is less than €90 or just over €300 for those applicants with a reduction and penalty. These figures are based on 2013 payments only.

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

In the letters issued to date there is considerable detail and maps to advise of the particular over-claims. Farmers are also informed of the appeals process should they disagree with my Department's findings. The appeals process I have introduced is robust and comprehensive. In the first instance, applicants are entitled to have their case reviewed by submitting their appeal on the form provided by my Department. If they are not satisfied with the outcome of the review, they can appeal their case to the independently chaired land eligibility appeals committee, details of which I announced recently. This committee will consist of an independent chairman and appeals officers from the agriculture appeals office.

**Deputy Éamon Ó Cuív:** The Minister said that no farmer had received a letter detailing a fine. I have two comments to make. I can produce-----

**Deputy Simon Coveney:** They are not fines.

**Deputy Éamon Ó Cuív:** It is a disallowance or a penalty or whatever one wants to call it.

**Deputy Simon Coveney:** It is not a penalty. It is a reimbursement of money that should not have been paid out. The Deputy should not heighten an already difficult situation for many farmers.

**Deputy Éamon Ó Cuív:** I know I have only one minute but I am entitled to ask the question without interruption. The second thing is that when farmers get the letters at the moment, there is a general sheet outlining the penalty regime, but they are not told specifically what the penalty is in their case. Can the Minister tell me why this is the case?

Why is it that at the end of October, despite the guff about all the money the Minister has spent, the Department is €96 million behind profile in spend? In other words, €96 million that the Minister had programmed to send to farmers has not yet been paid. Can he explain the rea-

son for this €96 million underspend by his Department at the end of October against what was expected at the beginning of the year? It is outrageous.

**Deputy Simon Coveney:** It is not outrageous and I will explain why. On the initial question, this is not penalties for farmers. It is about reimbursement of money that was drawn down on land that was ineligible for payments. We are legally required to collect that money. Unfortunately, we have had, and we continue to have, many corrections in the mapping system which is the basis for farmers' claims of their payments. Let us be very clear about what happens if we do not do this. We know what will happen because the Commission has imposed fines on other countries that have not responded satisfactorily to this. The Commission calculates the level of overpayment, multiplies that figure by five and applies that disallowance or fine to Ireland. Much bigger and more politically influential countries in Europe have had massive fines imposed on them, such as the UK, France and Italy. I am seeking to avoid that eventuality because it will mean we would have to take that disallowance from the budget we have to spend on farms.

On the €96 million-----

**An Leas-Cheann Comhairle:** I must be fair to both sides, Minister. You must conclude. I am in a very sticky position.

**Deputy Simon Coveney:** The Deputy knows well what the answer is about the €96 million. That money will be spent before the end of the year.

**An Leas-Cheann Comhairle:** I will come back to the Minister after the Deputy asks a supplementary question.

**Deputy Éamon Ó Cuív:** Perhaps the Minister will explain something. There is a disallowance due to errors that were made, minor errors in many cases, in the last four or five years. Some of these are as small as 0.01%, 0.02% and 0.03%, but when small farms are involved there is a disproportionate penalty.

**Deputy Simon Coveney:** There is no penalty involved.

**Deputy Éamon Ó Cuív:** Why are the farmers bearing the brunt of this mess? Second, can the Minister explain why there is €100 million in the coffers of the Department which should be in farmers' pockets to allow them to pay the people to whom they owe money?

**Deputy Simon Coveney:** I will respond to the second question because the Deputy is deliberately trying to cause trouble. He understands exactly what the situation is in the Department, having previously been a Minister. A huge portion of our payments are made in the last third of the year. This year, the date for the budget was brought forward significantly, but we will spend the Department's allocation for the full 12 months that was made in last year's Estimates for this year. There was a €96 million underspend at the time of the budget, but that money will be spent.

**Deputy Éamon Ó Cuív:** The underspend is at the end of the month of September. The Minister is holding money back.

**Deputy Simon Coveney:** The Deputy should let me answer the question. He knows the answer but he is trying to be deliberately mischievous.

**Deputy Éamon Ó Cuív:** I am not. I am being factual.

**Deputy Simon Coveney:** The Deputy should judge my Department on whether it has an underspend at the end of the year. We are budgeting for the year and there will not be a significant underspend at the end of it.

## Trade Agreements

2. **Deputy Martin Ferris** asked the Minister for Agriculture, Food and the Marine the health information Canadian beef and pork producers will be obliged to provide before their exports will be allowed onto the Irish market. [48506/13]

**Deputy Martin Ferris:** The Canada-European Union Free Trade Agreement, CETA, was welcomed by the Canadian establishment and particularly by the Canadian Prime Minister. It means the removal of all tariffs from much Canadian produce on the EU market. What will this mean for Irish industry, particularly farming? I recollect that when John Bryan was chairman of the Irish Farmers' Association, IFA, livestock committee he fought tooth and nail against Brazilian imports and he fought that campaign mainly on health and safety grounds. Last year the second largest beef producer in Canada-----

**An Leas-Cheann Comhairle:** The Deputy just has 30 seconds to introduce the question. He will have an opportunity to speak again.

**Deputy Martin Ferris:** What will it mean for Ireland?

**Deputy Simon Coveney:** Under the EU-Canada trade agreement initialled last month by President Barroso and the Canadian Prime Minister, Canada was awarded a tariff rate quota for beef of 50,000 tonnes carcase weight equivalent. This equates to a quota of 39,000 tonnes of boneless beef. The quota is split between fresh and chilled beef comprising 31,000 tonnes, plus the existing 4,000 tonnes quota as part of the hormones agreement, and frozen beef comprising 15,000 tonnes. As regards pigmeat, Canada was awarded a quota of 75,000 tonnes.

The agreement has yet to be endorsed by the EU Council of Ministers and the European Parliament. Moreover, certain matters, including details of the management of tariff rate quotas, have still to be finalised. However, under EU veterinary legislation the principle of equivalence will apply. This means that all imports of beef and pigmeat into the EU must be produced to standards equivalent to those applicable in the EU and in plants that are approved by the EU Commission. The regime is monitored by the EU Food and Veterinary Office.

There was concern about the EU-Canada agreement. Ireland has been very involved in this at a very high political level in the European Union. What Canada was seeking initially was a far higher beef quota access to the European Union that did not have the restrictions of chilled or fresh and frozen, so the deal that has been struck is much better than what was sought at the outset. It is also important to note that Canada does not have a beef industry of any scale that produces hormone free beef, which is the beef that will have to come into the European Union because of the restrictions in the Union. The assessment made by Teagasc is that Canada simply does not have the capacity to sell large volumes of hormone free beef into the European market and will not have it in the next three to four years. This might become an issue in terms of increased amounts of Canadian beef coming into the EU, but it will not happen immediately.

Also, of course, we have opportunities in terms of significantly increased dairy access into the Canadian market from the European Union.

The deal could have been much worse and Ireland was very much involved in limiting the damage in that respect.

**Deputy Martin Ferris:** The Minister will be aware that the second largest beef producer in Canada, XL Foods Inc., had its operation closed down due to an E.coli outbreak. A \$10 million court case was brought by people who became ill due to the outbreak. The plant owners have claimed that the Canadian Food Inspection Agency's testing practices at the time were not stringent enough to protect consumers from the E.coli contamination. Can the Minister give an assurance that the same stringent regulations that apply to European produce will apply to Canadian produce?

**Deputy Simon Coveney:** Yes, in so far as I can, but I rely on the European Food Safety Authority at European level to do that. I doubt that we will not see Canadian beef coming into the Irish market, but Canadian beef might come into other markets in the European Union where we currently sell beef so it will undoubtedly be competition. However, I do not believe this will happen overnight, and there are increased opportunities for the European and Irish dairy industries to sell increased volume of product into Canada.

One of the other concerns about this is that it might set a precedent for the EU-US trade discussions on beef and, indeed, EU-Mercosur discussions on a bilateral trade agreement. We have made it very clear that what has been done with Canada was designed for the EU-Canadian relationship and should not be used as a precedent for other trade deals.

Again, this could have been a good deal worse. Canada sought far more access than what it got. While what we have now is of course a concern for the industry over the next five to ten years, it is manageable.

**Deputy Martin Ferris:** As the Minister said, the concern is that it opens the door and once the door is opened, where does it end? The concern for Irish producers is whether they can compete, given the traceability and stringent measures that are applicable here, with countries over which the EU has no control and which do not have a very good track record.

**Deputy Simon Coveney:** On the control issue, we will insist on veterinary equivalence. That means beef produced in Canada will have to be produced under the same conditions we have here. There will be limitations on hormone use and other practices regarding welfare and so forth and there will have to be an inspection scheme that reassures European consumers that this is the case. This will apply to other parts of the world as well.

Clearly, the Irish beef industry can compete. The week before last, I returned from the Gulf states where we are starting to sell more beef again. There was a time when Ireland supplied Saudi Arabia with between 30% and 40% of its entire beef consumption. Ireland has proven its capacity to compete in the beef industry both outside and inside the EU because we provide a competitively priced, very high-quality premium product. In fact, Irish beef has improved down the years and we now have a better product than we have ever had. We can compete, but we need to monitor the situation closely.

There is access for Canadian beef already, but it is limited to approximately 4,000 tonnes of hormone-free beef. If the Canadians want to access the European market in a more significant



way, they will need to build a hormone-free beef industry in Canada, which many people claim may never happen, given that it is a different type of beef production.

### **Electricity Transmission Network**

3. **Deputy Mattie McGrath** asked the Minister for Agriculture, Food and the Marine if there has been any risk-benefit analysis carried out regarding the impact that the EirGrid grid link project will have on the agricultural economy of south Tipperary; if his attention has been drawn to the fact that south Tipperary has a thriving beef and dairy industry with major companies having long established businesses there; and if he will make a statement on the matter. [48462/13]

**Deputy Mattie McGrath:** I asked this question because there could be implications if we do not do a cost-benefit analysis and impact assessment of the damage that will be done to agriculture in south Tipperary and elsewhere by this ruinous project, which serves big business and will not do what it is supposed to, namely, maintain our energy supplies. I plead with the Minister. His colleague, the Minister of State, met a select group last Monday night, kept his head down and said that the project would go ahead and that the Government could not stop it. I am depending on the Minister. I believed that the Minister of State, Deputy Tom Hayes, would look after south Tipperary, but unfortunately he will not.

**Deputy Tom Hayes:** Misquoting again.

**Deputy Simon Coveney:** I will not rise to the bait to create some kind of political-----

**Deputy Mattie McGrath:** Freagair an cheist. There is no bait.

**Deputy Simon Coveney:** First of all, this question should really have been directed to the Minister for Communications, Energy and Natural Resources.

**Deputy Mattie McGrath:** He will not answer.

**Deputy Simon Coveney:** Grid 25 represents a more than €3 billion investment programme to develop and upgrade the electricity transmission network across the country. Of course this will involve a network crossing rural areas. We already have a considerable electricity network crossing farmland all over the country without any significant negative consequence of which I am aware. Perhaps the Deputy can provide evidence to suggest that there is. We already have two 410 kV lines crossing the midlands from Moneypoint to Dublin. The vast majority of that journey is farmland, but I am unaware of any disastrous consequence from that.

There is an obligation on EirGrid to do a proper job, including all of the assessments that are necessary to reassure people and to pick the right route, but it is not for me as the Minister for Agriculture, Food and the Marine to dictate to EirGrid how it should do that. It has a statutory obligation to do it properly. We are in the middle of a public consultation process in that regard and people are having their say. They are vocal and concerned about this matter.

**Deputy Mattie McGrath:** As the Minister should be.

**Deputy Simon Coveney:** We need to provide sufficient information and supporting evidence to reassure people, but I do not accept that putting electricity infrastructure around the

country, thereby improving our grid, a move from which everyone will benefit in terms of energy prices, as this is not just a question of big and small business-----

**Deputy Mattie McGrath:** Of course it is.

**Deputy Simon Coveney:** It is a question of putting a modern electricity infrastructure across the country so that we can do what we must in terms of renewables and move electricity around the country. We need to do this properly, which is EirGrid's statutory obligation.

**Deputy Mattie McGrath:** I acknowledge that the Minister attended to answer these questions. I tabled questions to the Minister for Communications, Energy and Natural Resources, Deputy Rabbitte, but they were ruled out of order because he claimed that he had no responsibility for EirGrid. He can appear on every radio show, including the local station of the Minister of State and me yesterday, as its spokesperson, but he will not answer to the House. Accountability is gone out the window. The Government complained about this when it was in opposition.

The Minister of State and many of his colleagues were bussed down to Coolmore Stud some time ago, but I have deliberately not mentioned the equine industry or the massive effect that overhead cables will have on it. It is large enough to fight for itself. I am sure that the busload of backbenchers who travelled with the Minister of State will be able to fight for it. I am representing the ordinary people. EirGrid has stated that it would prefer cereals to be grown under these cables, not livestock.

The Minister knows the importance of agriculture. His duty is to spend the money that Deputy Ó Cuív claimed he did not spend. However, his duty seems to be to claim that this is not his responsibility, but that of the other Minister, Deputy Rabbitte. He referred to energy security. I accept that is important, but we cannot devastate the rich farmlands of south Tipperary and we cannot allow big business to plunder south Tipperary. We kept Cromwell out of south Tipperary and we will keep EirGrid out as well. If the Minister will not do it, we will have to do it ourselves. The Minister of State, Deputy Tom Hayes, will unfortunately not do it, but the Minister should.

**Deputy Simon Coveney:** This is not about big and small business.

**Deputy Mattie McGrath:** It is.

**Deputy Simon Coveney:** This is about trying to put modern infrastructure in place-----

**Deputy Mattie McGrath:** Lies and damned lies.

**Deputy Simon Coveney:** -----that everyone will benefit from in terms of more affordable electricity and a more efficient mechanism for transporting energy around the country. It will also allow us to put new types of energy generation in place in parts of the country. We are in the middle of a process, but the Deputy is suggesting that I-----

**Deputy Mattie McGrath:** Protect agriculture.

**Deputy Simon Coveney:** -----get involved in that process. We have a State-owned company, EirGrid, the responsibility of which is to roll out infrastructure across the country. As part of that, it is going through a legal process involving planning applications and public consultation. This process will take its course. EirGrid is obliged to put infrastructure in place in a way that



is responsible, takes account of best international practice and reassures the public that it is safe.

**Deputy Mattie McGrath:** I am not suggesting that the Minister should do anything. I am demanding that he, as the Minister responsible for agriculture with his colleague, stand up and protect rural Ireland and farmers from something that will have consequences for generations. The Minister did not mention Food Harvest 2020, but we in south Tipperary and the Golden Vale play a major part in that. It must be defended. I demand that the Minister step up to the plate as the line Minister, with the Minister of State, who I wish no ill, and tell EirGrid that these lines can go around. The Minister knows this better than anyone. He is a man who likes a bit of sailing. In our case - it is not much good for the rest of the country - they could easily go around the seashore to Wexford from Cork, where they start. They cannot in other cases. However, EirGrid does not want to do this. It can be and has been done elsewhere. I do not want the Minister to become a spokesperson for EirGrid. The Minister, Deputy Rabbitte, is its mouthpiece. Unfortunately, he will not answer questions in the Dáil, but he will go on every airwave, including "Morning Ireland" this morning, to rubbish them. Every Government Member opposed the north-south line while in opposition and promised that, when they got into government, they would shred that plan and put everything underground or else nothing would happen.

**Deputy Simon Coveney:** When I was in opposition, I was involved in this debate. We did not promise to put everything underground.

**Deputy Mattie McGrath:** The Minister's colleagues up and down the country did.

**Deputy Simon Coveney:** They did not, actually.

**Deputy Mattie McGrath:** I was at public meetings in the north east where-----

**Deputy Simon Coveney:** I have met the North East Pylon Pressure, NEPP, group a number of times. Many good people are involved in it. I was involved in long hearings at committee level that examined the different technologies, potential alternative solutions and the costs involved. This is not an easy issue to resolve. Anyone who pretends it is, that we could put everything underground and that there would be no problem for anyone, is being misleading.

**Deputy Mattie McGrath:** The sea has not been examined.

**Deputy Simon Coveney:** There is a difference between a direct current line and an alternating current line, which is what the grid must be. If one takes electricity from A to B without needing to take any power from that infrastructure between those two points, one can use a direct current line. It is much easier to put direct current lines underground. We do it all of the time. Alternating current, which is what the grid needs to be, poses a more complex problem. The Deputy should know this. We are in the process of trying to roll out that grid while reassuring the public. EirGrid has an obligation to do so to the best of its ability. It is in the middle of that process.

**Deputy Mattie McGrath:** The Minister has made a nice new appointment of a CEO.

### **Common Agricultural Policy Reform**

4. **Deputy Éamon Ó Cuív** asked the Minister for Agriculture, Food and the Marine the position regarding his consideration of the Common Agricultural Policy programme for Ireland

2014-20; the level of co-funding being proposed for Pillar 2; and if he will make a statement on the matter. [48461/13]

**Deputy Éamon Ó Cuív:** Many people are anxious about the Common Agricultural Policy, CAP. As the Minister knows, most of the decisions will be made nationally. There is already significant concern about the 18% cut in Pillar 2 payments in real terms, taking inflation into account, but concern is also growing that the Government will not match European money on a 50:50 basis with Exchequer funding. Will the Minister allay farmers' fears and state clearly that there will be 50:50 co-funding of Pillar 2 payments under the new CAP?

*10 o'clock*

**Deputy Simon Coveney:** We are in a process and, before the end of the year, as I have said repeatedly, we will provide full clarity concerning the Pillar 1 and Pillar 2 payments. Pillar 1 is more straightforward and I have outlined my views on it many times. Some issues need to be decided upon, including whether we introduce a level of coupling, whether to transfer money between pillars, and the levels of support for young farmers.

The Deputy is right to say Pillar 2 is more complex. That is because I know how much money I have to spend on Pillar 1 and it is just a matter of deciding how to distribute that between farmers. On Pillar 2, however, I do not yet know how much money I will have to spend. Some €313 million comes from the EU each year, but I do not know what level of co-funding we will add to that to make up the full rural development fund. I will have to get a Government decision on that but it has not yet been taken.

This assumption that it is the norm to have 50:50 co-funding for rural development is not true. Even in Deputy Ó Cuív's time in government when we had loads of money to spend, we did not provide 50:50 co-funding. Let us be realistic therefore. Even in the good times in Ireland we were not providing 50:50 co-funding for rural development in terms of the average spend on such development over the past seven years.

I am trying to maximise the funding for rural development programmes and the rural economy generally. I will do that as effectively and proactively as I can. I will be talking to my Government colleagues to try to secure the maximum level of funding, but we need to design a rural development programme that reflects the ambitions and challenges of Irish agriculture for the next seven years. I assure the Deputy that I will not be designing a rural development programme which is simply to draw down all the EU money and minimise the Exchequer contribution. I will try to maximise the financial contribution and the effect of the programme that it will fund over the next seven years. The Deputy will see the actual numbers before the end of the year.

**Deputy Éamon Ó Cuív:** I have the figures for the previous programme in front of me. Effectively, it was just under €2.5 billion from Europe and just over €2.3 billion from the Exchequer, so it was a 53:47 split. Can the Minister confirm he will match that in percentage terms and stop trying to obfuscate? People are concerned that, under the environmental programme in particular, the payment could be much more skewed than that. Will the Minister confirm that the Exchequer funding will be at least 45%? Why not make the decision now? Why put it off? He has to work on a multi-annual framework in any event.

Will the Minister confirm that the second payment of the single farm payment this year

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under the new multi-annual financial framework will be reduced by just under 5% due to the new MFF? Will the Minister confirm there will be a cap on payments per hectare in the single payment? Will he explain the position on variable greening versus flat greening? What justification can he give concerning his preference for variable greening?

**Deputy Simon Coveney:** I am not sure how long I have to answer these questions. The Deputy has asked four or five questions that require detailed answers. Let me start with the last one.

**An Leas-Cheann Comhairle:** I have to obey Standing Orders.

**Deputy Simon Coveney:** We have had the debate on variable versus flat rate greening. My view on this, for which I campaigned at European level, is that a country should have the option for what is called variable greening. In my view, that will ensure all farmers will have the same incentive to implement the greening requirements.

**Deputy Éamon Ó Cuív:** What? Can the Minister repeat that?

**An Leas-Cheann Comhairle:** Please allow the Minister to reply.

**Deputy Simon Coveney:** It is not the first time the Deputy has heard it.

**Deputy Éamon Ó Cuív:** Is the Minister saying the incentive is the same regardless of whether one is paying €150 or €400?

**Deputy Simon Coveney:** It is the same percentage incentive.

**Deputy Éamon Ó Cuív:** The Minister did not say that the first time. What is the percentage?

**An Leas-Cheann Comhairle:** Deputy Ó Cuív will have another chance to speak.

**Deputy Simon Coveney:** If the Deputy wants to keep talking we will run out of time, but if he wants to listen to the answer I will give it to him.

**Deputy Éamon Ó Cuív:** What is the percentage?

**An Leas-Cheann Comhairle:** I will call Deputy Ó Cuív again.

**Deputy Tom Hayes:** That is six questions.

**Deputy Simon Coveney:** The European Commission refers to what is called a 30:30 greening obligation on farmers. That means that 30% of Pillar 2 moneys will be guaranteed to be spent on environmental schemes, and 30% of a farmer's payment will be withheld unless he or she passes the greening criteria. If somebody is on €400 or €500 per hectare versus someone on €150 per hectare, one needs the incentive for the person on a higher payment to ensure they implement the greening criteria. We have tried to simplify this for farmers whereby 30% of their payment will be withheld unless they pass the greening criteria. That is what I mean when I say that the incentive must be the same. Otherwise people on higher payments will not have the same incentive to abide by the greening criteria. I do not think that would be a sensible policy perspective.

**Deputy Éamon Ó Cuív:** I take it that the Minister will not give any more information

on Pillar 2 funding. He is getting a lot of trouble from his colleague, the Minister for Public Expenditure and Reform. Can the Minister confirm that the second payment under the single farm payment this year will face a 5% cut due to amendments in the MFF? Perhaps he can tell farmers whether that is correct.

**Deputy Simon Coveney:** Farmers know the consequences of the MFF, as we have been very upfront and transparent about it. The Deputy is repeating negative messages to try to upset people. The MFF negotiations were a significant success. We limited the reductions in direct payments to about 3%. Two years ago, people were talking about reductions of 30%, so the Taoiseach did a great job in protecting Common Agricultural Policy money and forming alliances with other countries, particularly France, to limit the losses. There is some loss, however, and farmers know that. We have been open and transparent about it. I cannot give figures on Pillar 2.

**Deputy Éamon Ó Cuív:** Is there a 5% cut?

**Deputy Simon Coveney:** I cannot give figures on Pillar 2 because we have not yet decided on that. It is not my decision alone. It is my decision along with the Minister for Finance, the Minister for Public Expenditure and Reform and their Departments. We need to put expenditure in place for the next three years and I need an expenditure commitment for the next seven years. I assure the Deputy that I will be fighting hard, as I always do, for agriculture, farmers and the agrifood business to ensure we put as much public money as we can into those areas, both from Europe and the Exchequer. As the economy starts to grow, I want to ensure we can increase funding for a sector that is giving far more than it is taking from the economy. Until those decisions are finalised, I cannot give the Deputy a figure.

## **Sugar Industry**

5. **Deputy Martin Ferris** asked the Minister for Agriculture, Food and the Marine the position regarding restarting the beet industry as a result of the proposed end of the beet quota in 2017; and if he will make a statement on the matter. [48507/13]

**Deputy Martin Ferris:** We in Sinn Féin, and many others, totally opposed the closure of the sugar beet industry. It should never have been privatised but should have remained in public ownership. That industry served rural Ireland very well. Sugar beet should have been retained as a rotation crop for corn and wheat producers. There are encouraging signs at the moment, so can the Minister provide an update on whether a private consultancy is at an advanced stage in trying to bring this industry back into the country?

**Deputy Simon Coveney:** No one would be happier than me to see the sugar industry back in Ireland again. I have delivered many tractor-loads of sugar beet into what was a viable and profitable beet factory in Mallow. I have produced beet and have a reasonable understanding of that industry. Along with many others, I was sceptical and critical of how that industry ended in Ireland. I do not believe the question of whether the business was privatised at the time would have made a difference. The Government at the time made the decision to end the sugar industry in Ireland, which I am sure Deputy Ó Cuív knows all about. This Government, through me, has provided the opportunity for this industry to re-emerge. We fought hard for the abolition of sugar quotas and it is now up to the industry to put together a proposition around rebuilding a sugar, probably linked with ethanol, plant in the future and to make the numbers

in that regard add up.

I have met with two different consortia on this issue, both of whom are, in my view, very credible. I have remained in contact with one of them. There are very good people involved, including people like Mick Hoey from Country Crest and others, who are giving great leadership in this area. This is a significant commercial proposition. It will cost between €250 million and €350 million to build a significant processing plant of the scale required to compete in the European sugar processing area. I hope it can happen. The Government will be as supportive as it can be. However, I will not subsidise an industry only to find in the future I cannot further subsidise it and it collapses. This industry must be able to stand on its own two feet. I believe it has a fighting chance. There are great people involved in trying to make it happen. I hope it will happen. Time is on their side because sugar quotas remain in place until 2017. There is a great deal of credible work going on to make this happen.

**Deputy Martin Ferris:** I welcome that people are attempting to make this happen. It would appear from the Minister's reply that those attempts are credible and that the project is being advanced. The Minister mentioned that the State would not provide financial support. I ask that if some support is required to get it over the line the Minister would reconsider that decision. I am not suggesting that this will be necessary. The re-establishment of that industry in the country from an agricultural and job creation point of view is important. When the industry collapsed many jobs were lost in Carlow and Mallow. I was in this House when political assurances were given that the Mallow plant would remain open. However, it closed within 12 months.

**Deputy Simon Coveney:** People should not underestimate just how positive a sugar industry is for agriculture. It is a great crop and a cash crop for farmers that is not reliant on payments and subsidies. If we can rebuild this industry, we should do it. My understanding is that approximately half if not two thirds of the hectareage of sugar beet that was grown when we had a sugar industry is still grown in Ireland. Farmers like to grow it. They use it as a sweetener and feed source for livestock. Farmers are good at and like growing this crop. The issue is whether the level of investment will be able to provide a return that is commercially viable and bankable and whether we can put together a consortium that can make this happen. It is a huge investment.

The arms of the State are available in the normal way in terms of support, including Enterprise Ireland and so on. Ultimately, this needs to be a commercial proposition so that farmers know that if they start producing sugar beet for a sugar or ethanol industry it will be a lasting industry. Financially, the commercial proposition must stand on its own two feet. I will be as supportive as I can be.

**An Leas-Cheann Comhairle:** We will move on now to Other Questions.

**Deputy Simon Coveney:** On a point of information, a Cabinet meeting has been called this morning, which I have to attend for approximately 15 or 20 minutes. My colleague, the Minister of State, Deputy Tom Hayes, will deal with some of the questions while I am away. I will return for the remainder of oral questions, if possible. I appreciate the understanding of Members in this regard.



## **Other Questions**

### **Beef Imports**

6. **Deputy Thomas Pringle** asked the Minister for Agriculture, Food and the Marine when he expects the announcement by the United States Department of Agriculture's Animal and Plant Health Inspection Service on the importation of beef to take full effect; if he will outline the veterinary requirements that are to be completed; and if he will make a statement on the matter. [48350/13]

**Deputy Thomas Pringle:** I welcome the announcement that the US Department of Agriculture has published the regulation that will allow for the re-importation of beef into the US. When does the Minister expect the export of beef to commence, what veterinary requirements are currently being examined in this regard by the Department of Agriculture, Food and the Marine and what impact might these have on production?

**Minister of State at the Department of Agriculture, Food and the Marine (Deputy Tom Hayes):** The Deputy will be aware that the United States Department of Agriculture lifted the BSE rule on 1 November 2013. This ban on the importation of beef from the European Union had been in place since 1997 and its ending was one of the Minister's priorities during his visit to the US last year, where he pushed the matter with US Department of Agriculture Secretary of State Tom Vilsack and in meetings with Senators.

The publication of the new regulation is a critical first step in accessing the US market and the Department has been preparing for the event for some time, with officials working to address specific veterinary requirements demanded by the US. Last week, a senior Department official visited Washington and held high level meetings with USDA officials, with a view to advancing the various technical requirements to ensure commencement of the trade at the earliest possible date.

It is important to stress that there are a number of stages to be completed before trade can commence. The first step is the completion by Ireland of a self-reporting tool, SRT, which was issued by the United States Department of Agriculture's Food Safety and Inspection Service, FSIS. This document, which runs to over 150 pages is a questionnaire for completion by the central competent authority, CCA, which in Ireland's case is the Department of Agriculture, Food and the Marine. It is, in effect, the FSIS tool used for assessing equivalence of foreign inspection systems. These criteria reflect the current policy application of the US import regulations and cover government oversight, statutory authority and food safety regulations, sanitation, hazard analysis and critical control point systems, HACCP, chemical residues and microbiological testing programmes. I am pleased to say that Ireland has now completed this stage of the operation and the document has been submitted to the US authorities. However, no product can be exported to the US until the USDA completes its analysis of the SRT and finalises the relevant certification arrangements for Ireland.

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

The opening of this sought-after market provides further evidence of the Government's ongoing work to grow and develop the beef industry in accordance with the Food Harvest 2020 strategy. I am confident that this market will grow strongly as US consumers realise the superi-



or quality of Irish grass fed beef and the Irish meat industry. Bord Bia is well placed to develop this niche market in the near future. It is important now that all interested parties work together to complete the various requirements to allow the trade to commence at the earliest opportunity.

**Deputy Thomas Pringle:** I thank the Minister of State for his reply. It is good to see that progress is continuing. Is an estimate available of the potential gain for farmers and the agribusiness here of beef exports to the US market?

**Deputy Tom Hayes:** While no estimate is available, I believe the potential gain is quite good. Irish beef is a unique brand. Last week, I, along with representatives of SuperValu and Teagasc, visited the agricultural institute in Grange which is engaged in a great deal of work in regard to consumer identification of beef. When all of the work in this area has been accumulated we will see how special Irish beef is. When consumers worldwide realise just how special our beef product is, we will see an increase in our exports in this area. We have been already exporting to Germany for a number of years. It is a good market for us. We can market our beef on the European stage. There is great potential in this regard, particularly in terms of the proposals contained in Food Harvest 2020.

The fact that a suckler scheme was put in place under the recent budget will encourage more farmers to get involved in the beef business and produce better quality stock.

## Trade Agreements

7. **Deputy Thomas Pringle** asked the Minister for Agriculture, Food and the Marine his views on the current trade negotiations between the USA and EU and the possible industrialisation of agricultural production. [48349/13]

**Deputy Thomas Pringle:** This question relates to the trade negotiations recently commenced between the USA and EU on the opening up of trade agreements and the control by three companies of the vast majority of seed production in the world. It seems that these trade negotiations are opening up the potential for the further industrialisation and consolidation of the entire agrifood sector and all business. What is the view of the Minister and his departmental officials on this and how do they see it developing?

**Deputy Tom Hayes:** The objectives of the negotiations with the United States for a transatlantic trade and investment partnership are to eliminate tariffs, to solve existing regulatory barriers and to work to avoid the imposition of regulatory barriers in the future.

As regards market access, the US is a key market for Ireland in the agrifood sector. It is the fourth most important country destination for our exports after the United Kingdom, France and Germany. Irish exports of agrifood and beverages to the US were valued at €518 million in 2012, having grown from €406 million in 2010 to €478 million in 2011, a 28% rise in two years. We imported €192 million in agricultural products from US in 2012, comprising mainly animal foodstuffs at €99 million, food preparations valued at €28 million, live animals valued at €15 million, fruit and vegetables at €13 million and beverages, including wine, at €11.6 million. In this context, the opening of trade negotiations provides significant opportunities for the Irish agrifood sector to increase its access to the US market. There are also advantages to be gained in terms of possible reductions in tariffs on the products we import.

The negotiations will also facilitate the elimination of a series of regulatory barriers and irritants to current trade. These include the system employed by the US for management of import licences in the dairy sector and the dairy import assessment charge applied by the US to imports of dairy products from the EU.

Of course Ireland also has defensive interests. I will be monitoring the negotiations closely to ensure that, for example, any additional market access granted to the US does not impact on sectors which are sensitive for Ireland, notably the beef sector.

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

On 4 November, I welcomed the decision by the United States Department of Agriculture to lift the “BSE Rule”, which was announced on 1 November 2013. This ban on the importation of beef from the European Union had been in place since 1997 and its ending was one of my priorities when I visited the US last year where I pushed the matter strongly with US Department of Agriculture Secretary of State Tom Vilsack and in meetings with US Senators.

The publication of the new regulation is a critical first step in accessing the US market and my Department has been preparing for the event for some time with officials working to address specific veterinary requirements demanded by the US. Last week one of my Department’s senior officials visited Washington and held high level meetings with USDA officials with a view to advancing the various technical requirements to ensure commencement of the trade at the earliest possible date.

As regards the impact of an EU-US agreement on the broader EU, I do not believe there is a risk that it will lead to the industrialisation of EU agricultural production. The EU model of agriculture, based on family farms, is still very much at the core of EU agricultural policy. This was again reaffirmed by the Commissioner and EU Council of Agriculture Ministers at the informal meeting of agriculture Ministers in Vilnius at the beginning of September.

**Deputy Thomas Pringle:** I thank the Minister of State. There is no doubt that the agreement will provide some short-term gains in opening up further export opportunities for the Irish agrifood business. The Minister of State mentioned in his reply that there are structures in the negotiations about dealing with regulatory problems and barriers to trade. Part of these negotiations is a secret committee that will review issues and allow for dispute resolution to take place outside of the normal procedures within a member state, including courts and so on. That will lead to the further consolidation of the agrifood business and all businesses, will lead to decisions being made in secret and so countries will not be able to participate or have a role in defending, which is a very worrying situation. When we see the seed industry being consolidated into a small number of hands, we could see this expanding into the wider agrifood business as well. There should be a departmental view on this in respect of the negotiations.

**Deputy Tom Hayes:** The Department will monitor this on an ongoing basis. Our exports are certainly a priority. We rely so much on agriculture and the food industry for jobs. I accept the Deputy’s point that we need to monitor this on an ongoing basis, and I certainly will take that message back as clearly as I can.

**Deputy Mick Wallace:** The purpose of this agreement is to remove the regulatory differences between the US and Europe. The Minister of State is saying that he and his Department will monitor the situation, but if this agreement comes into effect, they will not have the power to be doing much monitoring of it. They will be watching things happen and they will not

have much control over them. It is pretty frightening to see what this agreement could amount to, and it will give big business a right to sue governments which have the audacity to defend their citizens in many ways. This is a really dangerous agreement and there will be a panel of corporate lawyers in a position to overrule parliament and destroy our legal protections. That is being done through a mechanism called investor-state dispute settlement. It has already been used in other parts of the world, and it completely undermines and kills regulations that protect people and the planet.

Citizens and communities affected by these decisions will have no legal standing, and this will be an erosion of democracy. It could have huge implications for agriculture here.

**Deputy Tom Hayes:** I take the point the Deputy is making, but we have some very good companies here in Ireland, such as Kerry Group and Dairygold, which are also very big and well able to fight their own corner. We have to look at the overall context of what Ireland is doing and what is best for Ireland. I certainly believe that no stone will be left unturned in any negotiations or agreement which might affect food businesses, whether they are big or small. I am confident that any negotiations will be done for the benefit of this country.

### **Milk Quota Cessation**

8. **Deputy Éamon Ó Cuív** asked the Minister for Agriculture, Food and the Marine if any analysis or research has been carried out on the effect the ending of milk quotas will have on other sectors of agriculture such as suckler cow production; if the short and long-term consequences of this decision on the market for dairy products has been researched; the results of the research in question on both issues; and if he will make a statement on the matter. [48238/13]

**Deputy Éamon Ó Cuív:** There are two parts to my question. There has been a very significant drop in the number of suckler cows since 2009, at about 17%. Has any research been carried out on the effect of the removal of milk quotas on the suckler cow herd if people move from beef into dairying? The second part of the question relates to the effect on dairying of this transition period. What research has been done to work out the effect on dairying following the removal of quotas in 2015?

**Deputy Tom Hayes:** The ending of the milk quota regime in April 2015 represents an exceptional opportunity for the Irish dairy sector to avail of the expanding markets that are developing around the world for dairy products. Ireland strongly supported the decision in 2008 to abolish milk quotas on the basis that quotas were widely regarded by both the Irish dairy sector and market analysts as a brake on the potential of the sector to respond positively to market opportunities. However, as I have stated on many occasions previously, I do not want any post-quota expansion to occur at the expense of our valuable and long-standing beef suckler herd.

The ending of the quota regime, which has existed for 34 years, is such a significant policy change that it will obviously have an impact on other agricultural enterprises and on markets in the dairy sector. Analysts have been examining the effects of this policy change from many different angles, both from an EU perspective and an Irish perspective. The analytical reports of most significance to the Deputy's question are in an EU study titled Prospects for Agricultural Markets and Income in the EU 2012-2022, and in reports based on Teagasc's FAPRI-Ireland model.

Since the abolition of the EU milk quota system was agreed in the 2008 CAP health check, the increases in milk quota and the ultimate abolition of the milk quota in 2015 have been a part of the baseline set of assumptions of FAPRI-Ireland analyses carried out by Teagasc. In all such analyses, the cross-sectoral impacts of policy changes are examined. Some recent reference papers based on the FAPRI-Ireland model are available from Teagasc.

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

Teagasc's FAPRI-Ireland modelling anticipates that, while an increase in the number of dairy cows could create some extra competition for grassland, most of the surplus dairy calves produced will go into the beef production chain. While it could be argued that the extra competition for grassland could have some negative impact on suckler cow numbers, much of the anticipated growth in milk production is likely to come from higher milk yields, which would have no consequences for competition for land.

I am confident, nevertheless, that in overall terms both the beef sector and the suckler cow sector will not be hugely disadvantaged by the additional focus which Ireland is placing on milk production after the abolition of milk quotas, but will in fact enhance the sectors. To demonstrate this confidence and also to assist the beef sector, I have ensured that some €40 million will be available in 2014 for the sector, which is made up of €23 million for a new beef genomic scheme, €10 million for the beef data programme, €5 million for the BTAP, and €2 million to meet outstanding payments under the suckler welfare scheme.

In relation to the effect on markets for dairy products, the Deputy will be aware of the recently published EU Commission report on how markets are evolving as the ending of milk quotas approaches. It found that medium and long-term prospects for the dairy sector are favourable due to the continuing expansion of world demand. Global population and economic growth and an increasing preference for dairy products are expected to be the main drivers, fuelling EU exports and sustaining commodity prices.

Ireland is well placed to respond to this increased worldwide demand for dairy products and this is reflected in the fact that the value of Irish exports to emerging dairy consuming regions in the Middle East and North Africa, the rest of Africa and Asia jumped by almost 90% or €330 million to reach €710 million in the period 2006 to 2012. I am working with industry to raise the profile of the Irish dairy sector, and the Irish agrifood sector generally, in international markets. On this note I recently returned from a very successful trade mission to the Gulf states where there was a number of launches by Irish dairy companies marking an expanded presence in the region. The visit also saw the opening of an office by Bord Bia in Dubai to assist Irish companies in the region. I also visited the United States last week for discussions around initiatives in the dairy sector in addition to significant trade missions which I led to China and the US in the last year.

In summary, I am confident that the significant investment under way in both the dairy and beef sectors do not place these sectors in competition with each other but rather are complementary and will contribute to a flourishing agrifood sector as envisaged in the Food Harvest 2020 strategy.

**Deputy Éamon Ó Cuív:** That was an absolute model of how not to answer the question. Can the Minister of State simply tell me what are the conclusions from all of these studies on the likely effect on the suckler herd and the beef industry in Ireland? Has the Government and

the Minister made a case to Europe, in view of the fact that we are already over the quota this year on milk production, that there should be a dramatic reduction in the superlevy fine for 2013, 2014 and 2015? It is ridiculous that there is a 28 cent fine on over-production of milk that will last from the present regime right up until 1 April 2015, all fool's day. Then, suddenly there will be nothing. Would it not be far better if the superlevy was dramatically reduced for this production year and even further reduced in the following production year? Then, obviously, it would be zero the year following that. There are two parts to my question. The Minister of State might be able to answer them.

**Deputy Tom Hayes:** Which answer will Deputy Ó Cuív listen to, because he did not listen to what I said first time around? I will give Deputy Ó Cuív my analysis of what is going to happen from the heart. Deputy Ó Cuív did not listen to what I said earlier.

**Deputy Éamon Ó Cuív:** I did.

**Deputy Tom Hayes:** He did not even understand what I said because if he did he would have listened to it.

We are on the threshold of something big in respect of milk expansion and the dairy sector. Throughout the country, from Cork to Cavan, dairy farmers are keen to get into milk production. Deputy Ó Cuív is right to say this is at the cost of beef but in the budget we secured money for a suckler cow premium and I believe that has secured a great deal.

When some of Deputy Ó Cuív's people were trying to suggest yesterday that cattle prices were falling at marts I was able to quote from some of the daily newspapers how in Sixmilebridge, although those involved were affected by the collapse of an exporting company, cattle prices are actually rising. Furthermore, there is a responsibility on the meat factories to keep prices at a high level to ensure basic profitability. I further note, because Deputy Ó Cuív is listening for a change, that there will not be a dramatic fall in numbers because now with the suckler scheme in place farmers are far more content than they have been in the past.

**An Leas-Cheann Comhairle:** Several Deputies want to speak. If we are to make progress and time is up we only have time for one supplementary question and one answer. Deputies are waiting to ask questions.

**Deputy Éamon Ó Cuív:** The Minister of State said I was not listening, but I was listening carefully to what he said. Basically, he quoted various reports but gave no facts. The Minister of State also said there was a great future in this area but he has not explained what the analysis suggests about the likely drop in the suckler herd.

Of course there is a great future for dairying, subject to certain concerns I have, when we get rid of milk quotas. I welcome the end of milk quotas but it needs to be planned. What is the Government going to do at European level about the superlevy in 2013-14 and 2014-15? Will the Government get it reduced or not?

**Deputy Tom Hayes:** How does Deputy Ó Cuív know there will be a superlevy?

**Deputy Éamon Ó Cuív:** Will the Government ensure that no farmer is left hanging for payments because of the collapse of the meat exporting company?

**Deputy Tom Hayes:** I answered that yesterday and I can forward the detail to Deputy Ó Cuív. I am confident of the prospects because of the good work being done in the background,



particularly with the Irish Co-operative Organisation Society. A representative from the ICOS stated on “Morning Ireland” that no one should or would be left without payment and that this was the society’s hope and intention. A receivership process is in place and when it is finalised I hope the primary producers, in particular, the marts and everyone who is owed money will be paid. I am not in a position to say how much money is available but certainly the receivership process has to be gone through.

### **Commonage Division**

9. **Deputy Seán Kyne** asked the Minister for Agriculture, Food and the Marine the number and name, in tabular form, of each commonage inspected in County Galway in 2013; the pre-inspection digitised area of each; and the pre-inspection and post-inspection reference area, that is, forage area, of each. [48145/13]

**Deputy Seán Kyne:** I asked that the Minister would provide in tabular form the names and townlands of each commonage inspected in County Galway in 2013; the pre-inspection digitised area of each and the pre- and post-inspection reference area, that is, the forage area. I am concerned about inconsistencies in forage values of commonage throughout the county and perhaps the country and I await the figures.

**Deputy Tom Hayes:** The Deputy will be aware that in excess of €1.7 billion is paid annually to farmers in Ireland under the various area-based schemes including the single farm payment and disadvantaged areas scheme. Payments under these schemes may be made only in respect of eligible land and applicants under the scheme are obliged annually to declare the land parcels available to them. Details of the eligible area of the land parcels are recorded on the Department’s land parcel identification system. Details of the use and area claimed for each of the 1 million parcels on the LPIS system are registered and continually monitored by our Department.

Commonage lands form an important part of the farming enterprises of many farmers, particularly along the west coast. They also form an important part of the local environment from the point of view of biodiversity, wildlife, amenities and economic returns like tourism. Over 16,000 farmers claim in excess of 300,000 hectares of commonage as part of their land to draw down direct payments administered by the Department.

As part of the eligibility verification process, eligibility checks, including checks on commonages, must be carried out on at least 5% of applications. These checks are carried out to verify that the actual area claimed in the application form corresponds to the area farmed by the farmer and to ensure that any ineligible land or features are not included for aid purposes. In respect of each hectare declared, the eligible land excludes any area under roads, paths, buildings, farmyards, woods, scrub, rivers, streams, ponds, lakes, sand, areas of bare rock, boglands unfit for grazing, sand pits, areas used for quarrying, inaccessible areas and areas used as sports fields, golf courses and pitch and putt courses. The list is endless. Furthermore, there must be evidence of sufficient agricultural activity being conducted throughout the parcel. Unused or fenced-off parts of a parcel may be ineligible.

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

Commonages inspected in 2013 are made up of those declared by farmers and are selected



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as part of the risk assessment process operated by the Department. In total, 83 commonage parcels in Galway were selected for inspection and the work on these inspections is ongoing. I will, however, forward directly to the Deputy the requested details of the commonage parcels where the inspection has been completed.

<b>Townland</b>	<b>Digitised Area (Pre-inspection)</b>	<b>Reference Area (Pre-Inspection)</b>	<b>Digitised Area (Post-inspection)</b>	<b>Reference Area (Post Inspection)</b>
KNOCKAVALLY	14.58	14.41	14.58	14.27
LECKNAVARNNA	19.4	15.46	19.4	15.46
CLOONNACARTAN	0.17	0.17	0.25	0
CLOONNACARTAN	1.96	1.96	2.47	2.42
CLOONNACARTAN	0.68	0.68	0.74	0.71
TONLEGEE	10.04	9.54	10.04	9.54
KEERAUNBEG	8.38	6.55	8.38	6.55
KEERAUNBEG	15.14	13.12	15.14	13.12
KEERAUNBEG	3.75	3.1	3.75	3.1
BALLYNAHOWN NORTH	18.4	17.48	18.4	17.48
INVERAN	6.09	6.03	6.09	6.03
KNOCKAUNRANNY	13.95	2.79	13.95	0
KNOCKAUNRANNY	9.36	8.03	9.21	0
KNOCKAUNRANNY	7.57	7.29	7.57	0
DERREENMEEL	10.52	10.52	10.52	0
LARRAGAN	6.54	6.54	6.54	4.06
LISHEENANORAN	8.67	7	8.4	7.79
GARDENHAM OR GARRYMORE	6.55	6.55	6.55	6.55
CAHERGAL	9.44	2.19	9.44	3.1
CAHERGAL	2.1	0.84	2.1	0.84
CAHERGAL	0.95	0.95	0.95	0.84
Cloontooa	1.76	1.32	1.7	1.37
Cloontooa	19.89	4.93	19.57	6.89
Cloontooa	4.77	2.82	4.62	4.53
Cloontooa	8.43	3.37	8.41	7.98
Cloontooa	10.33	2.71	10.32	4.42
Cloontooa	2.91	1.76	2.91	1.96
Cloontooa	8.54	0.78	8.57	0
CORLISKEA	5.82	2.46	5.82	2.71
CORLISKEA	11.68	8.74	11.54	9.04
BALLYBOGGAN	2.95	2.83	2.95	2.83
KILLACLOGHER	17.94	7.14	17.94	7.14
ABBERT DEMESNE	4.6	4.21	4.6	4.21
DERREW	4.42	4.42	4.29	0.9
AGGARD MORE	2.17	2.11	2.17	2.11
CAHERALOGGY WEST	2.08	1.93	2.24	2.12
CARRIGEEN EAST	16.6	16.43	16.6	16.43
CARRIGEEN WEST	13.87	13.35	13.87	13.35

Townland	Digitised Area (Pre-inspection)	Reference Area (Pre-Inspection)	Digitised Area (Post-inspection)	Reference Area (Post Inspection)
GARRAUN	4.27	3.84	4.27	3.84
RAHASANE	9.54	9.54	9.54	9.54
BALLYNAGRAN	3.78	3.59	3.52	3.39
CAHERADINE	15.36	14.71	15.36	14.71
CAHERFURVAUS	2.95	2.48	2.95	2.48
CARHEENADI- VEANE	4.95	4.71	4.95	4.71
CARHEENADI- VEANE	1.36	1.23	1.36	1.23
FAHYMACTIBBOT	0.74	0.51	0.74	0.57
KILLEENEEN BEG	8.74	8.35	8.92	7.68
RINN	10.05	9.37	10.05	9.37
RINN	7.08	6.85	7.08	6.85
SHANBALLY	14.57	12.54	14.57	12.54
TOOREEN NORTH	17.92	14.79	17.6	15.89
TOOREEN SOUTH	3.09	2.48	3.09	2.94
TARRAMUD	2.54	1.75	2.54	1.78

**Deputy Seán Kyne:** I thank the Minister of State for the reply. I am not blaming him because he has simply been given the information, but where is the tabular form with the commonages? Has it been provided? My direct question was to ask the Minister to provide in tabular form each commonage and the pre- and post-inspection details.

I have spoken to the Minister for Agriculture, Food and the Marine, Deputy Coveney, previously, during the CAP negotiations, with regard to the coefficient and I expressed my concern about the downgrading of commonage forage areas *vis-à-vis* other lands. He has assured me, and I accept his bona fides, that commonage areas will be treated equally to other areas. However, I am concerned about certain cases. Certain cases have been highlighted in Galway and the Minister has received a communication from the European Parliament Committee on Petitions with regard to the downgrading of the Keelderry commonage in south Galway. I am concerned about Keelderry but also about the implications of these inspections on commonage throughout the country. That is the reason I requested the information in tabular form. It has not been provided, which is disappointing. I appreciate the Minister of State may not be familiar with the matter because I was dealing with the Minister, Deputy Coveney, on this issue, but I would appreciate receipt of the information I asked for in tabular form.

**Deputy Tom Hayes:** I will refer the matter to the officials. Deputy Kyne referred to Keelderry commonage. I understand Deputy Kyne has been in communication with the Minister in this regard. A review process is in place and Deputy Kyne will be notified and given the exact details. I understand that process is in place and I trust Deputy Kyne will be happy with the situation at that stage.

**An Leas-Cheann Comhairle:** Question No. 10 in the name of Deputy Pringle is next. Deputy Pringle is not present so we will go on to Question No. 11.

*Question No. 10 replied to with Written Answers.*

## **Aquaculture Development**

11. **Deputy Mick Wallace** asked the Minister for Agriculture, Food and the Marine in view of the fact that there are serious delays in the assessment of suitable sites for oyster farming, his views on whether it would be a good investment on the part of the State to invest more resources in this area; and if he will make a statement on the matter. [48211/13]

**Deputy Mick Wallace:** The Special Bannow Bay Shellfish company in Wexford has applied for a licence for oyster farming in Bannow Bay and Waterford estuary. The company applied in 2010. We are only six weeks away from 2014. It seems crazy and I do not understand how things could be so slow. If there is a lack of staff to deal with the delay, would it not make sense to hire more people to deal with the issue?

**Deputy Tom Hayes:** The majority of areas for which these oyster licences are sought are designated special areas of conservation or special protection areas under the EU birds directive.

In 2007 the European Court of Justice declared in case No. C418/04 that by failing to take all measures necessary to comply with Article 6.3 of the EU habitats directive in respect of the authorisation of aquaculture programmes, Ireland had failed to fulfil its obligations under the directive. As most aquaculture activity takes place in Natura 2000 areas, it is necessary to undertake an appropriate assessment of the effects of aquaculture activity on these areas before any new licences can be issued or any existing licences can be renewed.

In the negotiations to address the European Court of Justice, ECJ, judgment a process was agreed with the European Commission. This process includes the following steps, namely, data collection in 91 bays and estuaries, detailed analysis of the raw data collected, setting of conservation objectives by the National Parks and Wildlife Service, NPWS, in respect of each site, carrying out appropriate assessments by the Marine Institute of aquaculture or fishery activities against the detailed conservation objectives set and determination of licences or fisheries on the basis of the appropriate assessment and other relevant factors

Conservation objectives have been set for a significant number of bays. The appropriate assessments are being carried out by the Marine Institute on behalf of the Department and to date five bays have been assessed, namely, Castlemaine, Dundalk, Roaringwater, Lough Swilly and Donegal. It is expected that successful completion of the appropriate assessment process will facilitate significant licence determinations. In the region of 40 aquaculture licences have issued this year in respect of Castlemaine. The licensing process in Roaringwater Bay is at an advanced stage, with applications at the public and statutory consultation phase.

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

As outlined, my Department has been working closely with the Marine Institute, Bord Iascaigh Mhara, BIM, and the NPWS to achieve full compliance through a multi-annual work programme. A key factor of this work programme is the identification of prioritised bays, based on the number of aquaculture sites, the ready availability of scientific data and other factors. The prioritised list of bays is kept under continual review by my Department to facilitate the use of scientific and other resources on a flexible basis across the full range of bays, if deemed necessary. The appropriate assessment process represents a significant financial, administrative and scientific investment by the State. The issue of resources is kept under continual review having

regard to the importance my Department attached to this issue.

**Deputy Mick Wallace:** The appropriate assessment process is moving at a snail's pace, which simply makes no sense. Production and employment are being held up. These people could take on additional staff were they to get permission, and four years is a long time to be waiting. I understand this is a complicated process but I also believe the Marine Institute has carried out its assessment work. People are waiting for the Department of Arts, Heritage and the Gaeltacht to set the conservation objectives. Apparently, the next step is to go to the Department of Agriculture, Food and the Marine. A major problem in this regard is that while many people are involved in this process, no one is driving it. Can the Department of Agriculture, Food and the Marine take a more active position on this process and drive it? It is frustrating for people who are trying to make the industry work and create local employment. All they are getting is bureaucracy by the bucketful and no solutions.

**Deputy Tom Hayes:** The Deputy's points are exceptionally well made and Members encounter this issue daily in different areas. I have sympathy with what the Deputy has said. I note that while this area is not within my brief, as the Minister, Deputy Coveney, normally deals with this aspect, I will talk to him on this matter to ascertain what can be done to alleviate the frustrations. If jobs are at stake or can be created, this is something the Government will be behind and will wish to help and support. If, as the Deputy has observed, this backlog is moving at a snail's pace, I certainly will talk to the Minister and someone will revert to the Deputy today.

### **Aquaculture Licences Applications**

12. **Deputy Mick Wallace** asked the Minister for Agriculture, Food and the Marine the position regarding the assessment of Waterford Estuary and Bannow Bay as suitable sites for oyster farming; if he is willing to meet with a person (details supplied) to discuss this matter further; and if he will make a statement on the matter. [48210/13]

**An Leas-Cheann Comhairle:** I call Deputy Wallace to introduce the question. He certainly should play the lottery.

**Deputy Mick Wallace:** Does the Leas-Cheann Comhairle think so? I would, except the lottery is a tax on the poor and I do not agree with it.

**An Leas-Cheann Comhairle:** Point taken.

**Deputy Mick Wallace:** This question pertains to a particular individual, Tomas Ffrench, with whom I have been dealing in Wexford. It has been a year since I asked the Minister, Deputy Coveney, whether he would consider meeting this man simply to hear his concerns. It does a Minister no harm to be in contact with people who work at the grass roots. The Minister has stated he is busy and I do not doubt he is a very busy and effective Minister. It is disappointing, none the less, that one year later, the Minister has not seen fit to meet this man. One can learn something from everyone one meets.

**Deputy Tom Hayes:** The bays referred to by the Deputy are designated as special areas of conservation under the European Union habitats directive or special protection areas under the EU birds directive or both. All applications in Natura 2000 areas are required to be appro-

propriately assessed for the purpose of environmental compliance with the EU birds and habitats directives. The assessment process of aquaculture applications is being dealt with bay by bay. This process includes a detailed data collection in 91 bays or estuaries, detailed analysis of raw data collected, the setting of conservation objectives by the National Parks and Wildlife Service in respect of each site, the carrying out of appropriate assessments of each licence application or fishery plan against the detailed conservation objectives set, and a determination of licences and fisheries on the basis of the appropriate assessment and other relevant factors. Conservation objectives have been set by the NPWS for a significant number of bays, including Waterford Estuary and Bannow Bay. The appropriate assessments are being carried out by the Marine Institute on behalf of the Department and, to date, five bays have been assessed, namely, Castlemaine, Dundalk, Roaringwater, Lough Swilly and Donegal.

As outlined, the Department has been working closely with the Marine Institute, BIM and the NPWS to achieve full compliance with the birds and habitats directives through a multi-annual work programme. A key feature of this work is the identification of prioritised bays, based on the number of aquaculture sites, the ready availability of scientific data and other factors. The prioritised list of bays is kept under continuous review by my Department to facilitate the use of scientific and other resources on a flexible basis across the full range of bays, if deemed necessary. This approach is consistent with the maintenance of a prioritised list, which includes Bannow Bay and Waterford Estuary. It is hoped, therefore, that the appropriate assessments for these bays will be completed during 2014, subject to the ready availability of scientific data and other factors. Addressing the issue of aquaculture licensing in Natura 2000 areas is a key priority for my Department, and the Deputy can be assured that every effort is being made to expedite the completion of the overall process having regard to all the complexities involved. My Department's officials are available to meet the individual referred to by the Deputy to discuss the matter, if this is considered helpful.

**Deputy Mick Wallace:** I am glad to hear the departmental officials will meet him. This guy has been farming oysters since 1993, has been exporting them to France for 17 years, and they are considered to be among the highest quality oysters available on the market. Not alone is this man giving employment, he is involved in the export trade and is enhancing Ireland's reputation in this industry abroad. I believe he has been treated unfairly over a long period and I certainly will convey to him that the Department is prepared to meet him. The Minister of State might let me know when that meeting can be facilitated.

**Deputy Tom Hayes:** That meeting should be allowed to go ahead. The Department will contact the Deputy to set a date and time for it to be held, obviously as soon as possible.

**Deputy Mick Wallace:** I thank the Minister of State.

*Written Answers follow Adjournment.*

### **Local Government Bill 2013: Second Stage (Resumed)**

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

**Deputy John McGuinness:** In the course of last night's debate, Members were referring

to “community”, which is part and policy of local government, what it stands for and the need to be all-inclusive in that regard. One need only take the message from the GAA on all-Ireland day and witness the type of community spirit that exists in that organisation and how it flourishes. One should note it is represented from Croke Park right down to every single parish in the country, which is true democracy and a true reflection of the input of people into an organisation. This is the type of volunteerism and enthusiasm one should try to harness in the context of local government.

Instead, however, with this Bill the Government is moving in the opposite direction. It is moving away from community and is closing the county enterprise boards. In addition, it is closing a number of councils and is removing people’s direct access to their public representatives. Moreover, both Government parties, Fine Gael and the Labour Party, have closed the different voices that were beginning to emerge and have banished them to the backbenches, where they have very little time to contribute to debates. That is the Government’s view of democracy. The Government tried to close down the Seanad in the referendum, which was another attempt to remove a structure within our democracy and to grab power for central Government. This Bill does nothing but move power to central Government. That is all it does. In the course of the Seanad campaign the Government argued that member states across Europe had only one house of parliament and that there was no need for our Seanad. However, the Government failed to tell the people that in all other countries that it cited, particularly France, they have a democratic process and structure that takes the power right down into local communities where real decisions are made. Comparing the position of county councils now and that of how they will be, the one problem they all have is funding and they have a structure that makes them connected with their community but the Government is taking all of that away. It is reducing the number of politicians and on one side it is reducing the cost, but how better off will democracy and local communities be? I do not believe they will be better off. This Bill does nothing to reflect what is happening across Europe, what people are demanding in terms of their politicians and the representations that are required by them locally.

The issue that is being debated up and down the country is that of pylons. The Minister, Deputy Hogan, said the pylons will go ahead. That was said in the last few days in the middle of a process-----

**Deputy Tom Hayes:** I do not think he said that.

**Deputy John McGuinness:** The Minister of State, Deputy Tom Hayes, should ask Sue Nunn.

**Deputy Tom Hayes:** I know the Deputy is friendly with her.

**Deputy John McGuinness:** She has it well recorded. It was said that the process will go ahead. How can it be an independent process when the Minister who is responsible for local government and An Bord Pleanála say that it will go ahead at a time when the ESB-----

**Deputy Tom Hayes:** Fianna Fáil made that decision.

**Deputy John McGuinness:** No-----

**Deputy Tom Hayes:** Fianna Fáil made that decision.

**An Leas-Cheann Comhairle:** Minister of State, please allow the Deputy to continue.



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**Deputy John McGuinness:** I will tell the Minister of State what has happened. The Minister of State does not listen to the people. That is what is wrong with him.

**Deputy Tom Hayes:** Fianna Fáil made the decision for it to go ahead-----

**Deputy John McGuinness:** The Minister of State is becoming as institutionalised and as arrogant as the rest of them.

**Deputy Tom Hayes:** -----and the Deputy is not prepared to accept that.

**Deputy John McGuinness:** The Minister of State has to accept that people up and down this country are stating clearly-----

**Deputy Tom Hayes:** That is on the record. The decision was made.

**An Leas-Cheann Comhairle:** Minister of State, Deputy McGuinness has a short time remaining.

**Deputy John McGuinness:** -----that they want the independent process to be just that - independent.

**Deputy Tom Hayes:** The Deputy knows that well because he was a Minister of State in the previous Government

**Deputy John McGuinness:** That is what the Government needs to ensure happens. A decision might have been made in the last Government but the decision was that there should be an independent process and that is not the case.

**Deputy Tom Hayes:** It made that decision and now the Deputy is-----

**An Leas-Cheann Comhairle:** Deputy McGuinness has the floor.

**Deputy John McGuinness:** A decision might have been made in the last Government but the decision was-----

**Deputy Tom Hayes:** With all due respect, the Deputy should tell the truth for a change.

**Deputy John McGuinness:** -----that there should be an independent process and that is not the case.

**Deputy Tom Hayes:** Fianna Fáil made the decision and it foisted it on the people.

**Deputy John McGuinness:** Furthermore, the company that is essential to it is not giving out the information that the communities are demanding, and that is all they are asking. They are asking that their voices be heard. The Government is not willing to let that happen, just as it put some of its members over here on the backbenches because it would not listen to them either. That is how arrogant it is. In terms of what is happening with regard to electricity and pylons, an awful lot of them have been taken down, particularly in urban centres and in the construction of ring roads-----

**Deputy Tom Hayes:** When the Deputy's party made the decision to go ahead with this why did it not think of that?

**Deputy John McGuinness:** -----and the cable has been put under ground.

**Deputy Tom Hayes:** When it made the decision-----

**An Leas-Cheann Comhairle:** Minister of State, please.

**Deputy John McGuinness:** As arrogant as the Minister of State is, he is entering into a process where he is refusing to listen to the people. He is attempting to talk me down in this House where I have a right to speak and a right to my opinion.

**Deputy Tom Hayes:** No, the Deputy has to tell truths. He should tell truths in this House.

**Deputy John McGuinness:** I am telling the truth-----

**Deputy Tom Hayes:** The Deputy does not tell truths. He is a bluffer and that is what he is at.

**Deputy John McGuinness:** -----but the Minister of State and his colleagues do not like the truth over there. They are used to twisting and turning it-----

**Deputy Tom Hayes:** The Deputy does not like what I am telling him either.

**An Leas-Cheann Comhairle:** Let us have respect.

**Deputy John McGuinness:** -----and putting it out into the public domain. They are failing to get that message across and that is why the public is outraged with what they are attempting to do in regard to this issue. They are a disgrace. They should listen to the public.

**Deputy Tom Hayes:** We are listening to the public but the Deputy is not telling the truth.

**Deputy John McGuinness:** I hope that very soon they might have their say. All they are asking is a proper consultation process, proper information to be delivered to them, a forum to achieve that and an understanding that there is mixture of pylon and undergrounding needed to ensure that people's health and the local communities are protected.

**Deputy Tom Hayes:** We have not problem with that.

**Deputy John McGuinness:** That is absolutely what is needed and that is what the Government should stand over and that is what it should insist that EirGrid and that company absolutely deliver. For once, please listen to the public.

The other issue I wish to raise is the reference to reform in the Bill. All that is being done here is that instead of blowing away a few cobwebs from a system that was not perfect, the Minister has decided to huff and puff and blow the system down and take large chunks of democracy with it and ignore the public but he fails to take on the basic question of accountability and transparency that I have put to him and others in this House. Why is it that there are two separate audit systems in this country? Why is it that local government has an audit system, which is not fit for purpose in my opinion, and that the Comptroller and Auditor General has no authority to follow the money or how it is spent in regard to the projects that are delivered by local government with little or no accountability? When was the last time we heard a debate in this House on the spend in local government on foot of an audit from the auditors of local government? Never, I would suggest. Very few value for money reports and audits have been done and in terms of their exposure in the public arena and the questioning of country managers, it simply does not happen. The Secretary General of the Department of Public Expenditure and Reform has suggested that there is room for greater transparency and a greater co-operation

between the auditors and the Comptroller and Auditor General.

If we consider what happened in Poolbeg and the cost of rectifying the problems in dumps, it was the Comptroller and Auditor General who highlighted the very poor spend and the very poor value for money achieved, not the auditors, yet the Minister has chosen to ignore completely that aspect of local government. He has not addressed it in spite of the fact that reports have been given to the Department and others to support the notion that there be one all powerful Comptroller and Auditor General who would deal with every item of money spent by the Government that it collects in taxes. Millions of euro are being allocated to local government but that money is not properly audited in terms of the Comptroller and Auditor General because he is not allowed to do that.

I ask the Minister in the context of this Bill not to be afraid of the real reform that is needed and not to be afraid of the vested interests that are there and to bring about a situation where it can be accommodated in this Bill that the Comptroller and Auditor General and the Committee of Public Accounts can oversee the spend of public money. There are existing projects on which up to €5 million of taxpayers' money has been spent, yet they are unfinished and there is no attempt by the Government to examine those projects and determine how best the taxpayers' money can be protected. It is easy to toss around the name of a mayor or a cathaoirleach, to burn our history and forget about it and our heritage and past, to walk away from communities and pretend that they are being represented. However, let us look at what is happening with the county manager. He or she will be given a fancy new title and a lot of power and the members will find it more difficult in this process being proposed by the Minister to get the voice of communities heard because it will be officialdom that will dictate the agenda of county councils throughout this country.

As for the commission and the approval given to it by the Minister to redraw the constituencies in the way that it did, it has cut towns and cities, cut up counties, and mixed urban with rural to an extent that I do not know how public representatives, when elected in these areas, will have the ability or the time to represent the huge geographical areas that they are being given. However, there is no cut down on the side of the officials. They are looked after and given fancy new titles.

*11 o'clock*

There will be as many of them after this so-called reform as there was before it. The easy targets are the politicians and the people. The more difficult targets in terms of audit or administration, are the officials and they and their powers have not been tampered with at all.

I will deal briefly with valuation and rates. The new valuation being undertaken with the amalgamation of city and rural areas will mean that business rates - it may be some time after the enactment of the Bill and after a process - will increase dramatically. That is the evidence now being brought forward by the Valuation Office. A Bill to allow ratepayers to make a self-assessment revaluation needs to be brought in immediately and could be accommodated in this Bill. The one single expense which a company or a business cannot adjust is what they have to pay to the county councils for a service that is itself of questionable value. I question the system by which that rate is struck and by which the ratepayers are being forced to pay. Promises were made that the rates and the structure of rates would be looked at but that promise is being back-tracked, day in and day out, similar to the money that was to go from the property tax to the local government to ensure that the various projects and schemes could go ahead, which is

another broken promise.

The Government cannot keep on doing this and changing the system, taking power or representation away from people, without there being consequences. The consequence in this case is that not only will it break down the familiar local government democratic structure but it will break the backs of communities and those who volunteer to keep their communities alive and well represented and in place. Yet there is no recognition of that in this Bill. All the people on the other side of the House have changed their opinion since opposition and they have moved down the road with the departmental officials to deliver a local government Bill that will be easier for them. They will no longer have the nuisance of a public representative hanging around them watching out for what is best for his or her local community. There will be less democracy. It seems to be the intent of this Government to remove democracy in every way, shape or form from the system, to remove the rights of people to be represented right down to parish level. That is a disgrace because along with taking it away, the Government is also disconnecting and burning the bridges between our history, our heritage and local government as we know it, with no regard for the representations being made by its own councillors and by single individual local authorities. It is steam-rolling the process through this House as it has done with many pieces of legislation.

**Acting Chairman (Deputy Peter Mathews):** Deputy Ciara Conway is sharing time with Deputies Joanna Tuffy and Dominic Hannigan.

**Deputy David Stanton:** With the permission of the House I will take Deputy Hannigan's slot.

**Acting Chairman (Deputy Peter Mathews):** Is that agreed? Agreed.

**Deputy Ciara Conway:** The Bill will have significant consequences for the constituency I represent as it is an area which will be one of the first to be amalgamated, along with the Minister of State, Deputy Tom Hayes' constituency in the amalgamation of Tipperary South with Tipperary North. Those of us whose constituencies are undergoing such significant changes hope that this will be the kind of change that will ensure services can be delivered more effectively and more efficiently for our constituents.

The establishment of local enterprise offices, LEOs, within the local authority, is to be welcomed. The one-stop-shop approach is a positive development because local businesses or those looking to create local employment often encounter high levels of bureaucratic red tape. I have an issue with regard to the change in the Leader programme and partnerships which are to be brought under the remit of the local authority. There are ongoing difficulties with some community workers who work on these programmes. I ask the Minister of State to ask the Minister, Deputy Hogan, to engage with these workers in an effort to find a solution. The people who work in the partnerships and in the Leader programmes all around the country are delivering innovative community-based services. The only way to ensure a successful reform and amalgamation process is by talking to people. I ask the Minister of State to ask the Minister to engage with SIPTU and with these workers during the amalgamation process.

Waterford city and county councils are due to amalgamate and we will suffer the loss of three town councils, Lismore Town Council, Dungarvan Town Council - to which I was elected in 2009 - and Tramore Town Council. It is regrettable that the town councils are to be lost considering we are looking for ways in which to engage local people with their communities.

There is no better way than by the establishment and the maintenance of town councils. Local communities are proud of their town councils. No one has come to me to express delight that town councils are being done away with. The Minister is establishing community councils as a means of engaging with local groups and communities but one would ask why not leave the town councils in place. Rural communities in particular may feel more disconnected from the bigger urban areas and town councils served a real purpose in providing a bridge between such areas. They have a long history of delivering for their local communities.

I hope that the amalgamated Waterford county and city councils will continue the sterling work of both bodies. I refer in particular to the development of tourism. Bord Fáilte has invested nearly three quarters of last year's capital budget in the beautiful medieval museum in the Viking Triangle. I hope we will be able to continue that work to establish Waterford city and county as a prime tourism destination. The constituency of Waterford has had its difficulties but we are fighting back and tourism will be a key aspect. I encourage Waterford city and county councils to continue their sterling work on tourism and to continue to fight to attract more local and international investment into the constituency in order to create employment.

**Deputy David Stanton:** I would have liked to have spoken at greater length but I do not wish to delay the legislation. A number of issues arise. I was reading about the history of Youghal. It is notable that Youghal received its charter in 1209. There has been a mayor in Youghal since 1209 and this rich tradition is invaluable. The history of Youghal is mind blowing. Walter Raleigh lived in Myrtle Grove, Youghal, and he brought tobacco and potatoes to Ireland. The Clock Gate was built in 1777 and it was used to hang people. There is a great deal going on in the town. I am sad that this history and tradition will come to an end. I ask Members to consider what we mean by leadership in a locality. Often in towns and cities in the US and Europe, the mayor is the leader and focal point. He or she has a responsibility and authority to make things happen and to lead the people. Last year the mayor of Cobh visited New York and attended a number of functions and because he was wearing the chain, he represented the people of the town. I am sad that this might be lost. Perhaps there are ways and means to prevent this tradition being lost completely. Will the Minister and officials examine whether there is a way to preserve this tradition, which has been unbroken in Youghal since 1209? Youghal had its charter before Dublin, which received its charter in 1229, and Belfast which received its charter in 1613. We must move carefully to see what we can do.

County Cork is large and it has eight municipal districts, although they do not have any authority. A number of these districts have more people living in them than some of our smaller counties. For instance, Fermoy district has more people than County Leitrim. The west Cork district has eight seats and it is extraordinarily long. It extends from the peninsulas almost as far as Kinsale. Where will the centre of leadership be in this districts? What powers will the new committees have? Will there be a mayor in each district? Where will the staff be located? It must be borne in mind that they have local knowledge, which they have built up over many years. It must be clarified how they will be organised given their concern about their future. They know the people, houses, streets, roads and so forth in their areas and they work well within them.

Deputy Conway pointed out community councils will be established. Carrigaline, Glanmire and Ballincollig are large towns that do not have local councils but they are working well. I acknowledge what the Minister is trying to do by establishing districts with a critical mass of people. There are rural areas in the hinterland of towns which are represented currently by county councillors rather than town councillors. I would like the smaller districts to be cohe-



sive, thereby making leadership clearer.

Where will the responsibility for budgets lie? The members can have a discussion with the new chief executive officer but they will not have control of their own budgets or the ability to raise money locally. The property tax is linked to this. It is important that there should be clarity. If somebody pays the local property tax, he or she should know what he or she is getting in return. This legislation presents an opportunity for major reform of the local authority system and to inform people how the property tax is being collected and how it is being spent.

Debate adjourned.

### **Business of Dáil**

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

That, notwithstanding anything in Standing Orders, the proceedings on No. 21 shall be interrupted at 11.30 a.m. to allow statements from the Taoiseach and the Tánaiste and statements in reply from the main spokespersons for Fianna Fáil, Sinn Féin and the Technical Group, who shall be called upon in that order but who shall not exceed five minutes in each case and the Order shall resume at 12.15 p.m. with Leaders' Questions and the Order of Business.

**Deputy Micheál Martin:** I oppose the motion in terms of the timing involved. It is a very shambolic way of treating Parliament regarding this important issue. We have no objection to facilitating a statement from the Government on the issue at hand, although we have been seeking over the past number of weeks a fuller debate on the issues relating to the exit strategy from the troika programme. To come in at 11.15 a.m. and propose a change to the order to provide for a debate in 15 minutes of a half hour duration with five minutes each without any time for consideration of the issues and without any knowledge of what the Government statement will contain is not acceptable in the context of the Government's relationship with the Dáil. It is typical and follows a pattern regarding how the Government treats the Dáil. There cannot be a more fundamental or important issue than this but the Opposition has not been apprised or consulted, good, bad or indifferent. The Government has summoned the Dáil to tell Members it will amend the schedule in 15 minutes and give a number of them five minutes each with nobody else getting an opportunity to speak on this. It is disgraceful and wrong.

We had a great deal of debate over the past month or six weeks in the context of the referendum on Dáil reform. I attended a Constitutional Convention meeting last night to observe what was going on. There were many interested citizens discussing the role of Government and Parliament and so on. I ask the Chief Whip to bear my comments in mind and to change the order.

**Deputy Paudie Coffey:** There was no consultation when the troika came in. The Deputy denied they were coming.

**An Leas-Cheann Comhairle:** Please allow the Deputy to conclude.

**Deputy Micheál Martin:** There was wider debate on the issues.



**Deputy Patrick O'Donovan:** There was in the media.

**Deputy Micheál Martin:** Sorry, I am entitled to speak without interruption. The Deputies opposite want to suppress speech. That is their attitude.

**Deputy Paudie Coffey:** Fianna Fáil was in denial.

**Deputy Patrick O'Donovan:** What about Fianna Fáil Ministers outside Dublin Castle?

**Deputy Micheál Martin:** Deputy O'Donovan does not run the Dáil.

Will the Chief Whip agree to resume proceedings at 12 noon to give Members reasonable time to prepare for the debate in an informed manner? It is almost 11.20 a.m. and he has proposed that we return to the House in ten minutes to debate something about which we have not been apprised. The Cabinet has met and, therefore, the Taoiseach and the Tánaiste clearly have an idea. Otherwise, this is just a PR stunt from the Government. That is fair enough if that is what it wants to do. However, we want to be constructive. Why not amend the proposal to suspend the House now until 12 noon when the Taoiseach can come to the House and we will follow the same sequence the Chief Whip outlined with a commitment to a full debate subsequently at an agreed time?

**Deputy Martin Ferris:** This is a terrible way to do business. In ten minutes, an announcement will be made with five minutes allocated to Opposition parties to respond without even knowing what is the announcement. It is disgraceful and the Government is treating the House with contempt given it can come in here and do this without accountability. It is a bad way to do business and it sets a bad example. This undermines the credibility of the House.

**Deputy Barry Cowen:** Other Members wish to make a point of order.

**Deputy Timmy Dooley:** On a point of order-----

**An Leas-Cheann Comhairle:** I call the Minister of State. Only party leaders can contribute.

**Deputy Paul Kehoe:** Can I be helpful to the Opposition? The Taoiseach and the Tánaiste want to make a statement. The Cabinet meeting finished at 11 a.m. They will come straight to the Chamber to inform the people of the decision made by Cabinet. The Order of Business will be taken directly after Leaders' Questions. I assure Members that whatever request they may put forward will be dealt with accordingly.

**Deputy Micheál Martin:** Obviously, the Government has made a decision. We have no difficulty in facilitating the Government in making a statement to the House but can it not start at 12 p.m.? It is now 11.20 a.m. and we have had absolutely no notice of this.

*(Interruptions).*

**Deputy Micheál Martin:** I am trying to be reasonable, constructive and to give the outside world some sense that this House and Parliament matter. I am simply asking that we start at 12 p.m. instead of 11.30 a.m., which is reasonable so that people can make an informed contribution to whatever announcement is made.

**Deputy Barry Cowen:** That is fair.

*(Interruptions).*

**Deputy Barry Cowen:** The Chief Whip is happy with that. Are the Members opposite happy with it?

**Deputy Timmy Dooley:** On a point of order-----

**An Leas-Cheann Comhairle:** I hope it is in order.

**Deputy Timmy Dooley:** Will the Chief Whip outline what the change in the order actually is? Will he inform us of what his intention is? Will the Taoiseach and the Tánaiste come to the House to make their statements followed by at least half an hour for reflection so that the leaders of the parties have time to absorb what is stated? Can we get clarity on that?

**Deputy Paul Kehoe:** The Taoiseach and the Tánaiste will come to the House for brief statements, which will finish within 20 minutes. Leaders' Question will be taken at 12.15 p.m.

**Deputy Micheál Martin:** That is not what I am proposing.

**Deputy Paul Kehoe:** If a request is put forward by the Opposition, it will be dealt with on the Order of Business.

**Deputy Micheál Martin:** The Chief Whip gave the impression that he wanted to-----

**An Leas-Cheann Comhairle:** Is the question agreed to?

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

Question put:

<i>The Dáil divided: Tá, 77; Níl, 41.</i>	
<i>Tá</i>	<i>Níl</i>
<i>Bannon, James.</i>	<i>Adams, Gerry.</i>
<i>Breen, Pat.</i>	<i>Boyd Barrett, Richard.</i>
<i>Burton, Joan.</i>	<i>Browne, John.</i>
<i>Butler, Ray.</i>	<i>Calleary, Dara.</i>
<i>Buttimer, Jerry.</i>	<i>Collins, Niall.</i>
<i>Byrne, Catherine.</i>	<i>Colreavy, Michael.</i>
<i>Byrne, Eric.</i>	<i>Cowen, Barry.</i>
<i>Cannon, Ciarán.</i>	<i>Daly, Clare.</i>
<i>Carey, Joe.</i>	<i>Doherty, Pearse.</i>
<i>Coffey, Paudie.</i>	<i>Donnelly, Stephen S.</i>
<i>Collins, Áine.</i>	<i>Dooley, Timmy.</i>
<i>Conaghan, Michael.</i>	<i>Ellis, Dessie.</i>
<i>Conlan, Seán.</i>	<i>Ferris, Martin.</i>
<i>Connaughton, Paul J.</i>	<i>Flanagan, Luke 'Ming'.</i>
<i>Conway, Ciara.</i>	<i>Fleming, Tom.</i>
<i>Coonan, Noel.</i>	<i>Halligan, John.</i>
<i>Corcoran Kennedy, Marcella.</i>	<i>Healy, Seamus.</i>

<i>Coveney, Simon.</i>	<i>Healy-Rae, Michael.</i>
<i>Creed, Michael.</i>	<i>Kelleher, Billy.</i>
<i>Daly, Jim.</i>	<i>Kitt, Michael P.</i>
<i>Deasy, John.</i>	<i>Lowry, Michael.</i>
<i>Deenihan, Jimmy.</i>	<i>McGrath, Finian.</i>
<i>Deering, Pat.</i>	<i>McGrath, Mattie.</i>
<i>Doherty, Regina.</i>	<i>McGuinness, John.</i>
<i>Donohoe, Paschal.</i>	<i>McLellan, Sandra.</i>
<i>Dowds, Robert.</i>	<i>Martin, Micheál.</i>
<i>Doyle, Andrew.</i>	<i>Mathews, Peter.</i>
<i>Durkan, Bernard J.</i>	<i>Moynihan, Michael.</i>
<i>English, Damien.</i>	<i>Murphy, Catherine.</i>
<i>Fitzgerald, Frances.</i>	<i>Ó Caoláin, Caoimhghín.</i>
<i>Fitzpatrick, Peter.</i>	<i>Ó Cuív, Éamon.</i>
<i>Flanagan, Charles.</i>	<i>Ó Fearghail, Seán.</i>
<i>Griffin, Brendan.</i>	<i>Ó Snodaigh, Aengus.</i>
<i>Hannigan, Dominic.</i>	<i>O'Dea, Willie.</i>
<i>Harrington, Noel.</i>	<i>Pringle, Thomas.</i>
<i>Harris, Simon.</i>	<i>Ross, Shane.</i>
<i>Hayes, Brian.</i>	<i>Shortall, Róisín.</i>
<i>Hayes, Tom.</i>	<i>Stanley, Brian.</i>
<i>Heydon, Martin.</i>	<i>Timmins, Billy.</i>
<i>Hogan, Phil.</i>	<i>Tóibín, Peadar.</i>
<i>Howlin, Brendan.</i>	<i>Wallace, Mick.</i>
<i>Humphreys, Heather.</i>	
<i>Humphreys, Kevin.</i>	
<i>Keating, Derek.</i>	
<i>Kehoe, Paul.</i>	
<i>Kenny, Seán.</i>	
<i>Kyne, Seán.</i>	
<i>Lawlor, Anthony.</i>	
<i>Lynch, Ciarán.</i>	
<i>Lynch, Kathleen.</i>	
<i>McCarthy, Michael.</i>	
<i>McEntee, Helen.</i>	
<i>McHugh, Joe.</i>	
<i>McNamara, Michael.</i>	
<i>Maloney, Eamonn.</i>	
<i>Mitchell, Olivia.</i>	
<i>Mitchell O'Connor, Mary.</i>	
<i>Mulherin, Michelle.</i>	
<i>Murphy, Eoghan.</i>	
<i>Nash, Gerald.</i>	

<i>Neville, Dan.</i>	
<i>Nolan, Derek.</i>	
<i>O'Donovan, Patrick.</i>	
<i>O'Mahony, John.</i>	
<i>O'Sullivan, Jan.</i>	
<i>Perry, John.</i>	
<i>Phelan, Ann.</i>	
<i>Quinn, Ruairí.</i>	
<i>Rabbitte, Pat.</i>	
<i>Reilly, James.</i>	
<i>Ring, Michael.</i>	
<i>Ryan, Brendan.</i>	
<i>Shatter, Alan.</i>	
<i>Stagg, Emmet.</i>	
<i>Stanton, David.</i>	
<i>Tuffy, Joanna.</i>	
<i>Walsh, Brian.</i>	

Tellers: Tá, Deputies Emmet Stagg and Paul Kehoe; Níl, Deputies Michael Moynihan and Seán Ó Fearghail.

Question declared.

### **EU-IMF Programme: Statements**

**An Ceann Comhairle:** We will proceed with statements in accordance with the agreed arrangements. I call the Taoiseach, who has five minutes.

**The Taoiseach:** I wish as a matter of courtesy to inform Dáil Éireann of the outcome of a Government meeting this morning. The Government has decided that Ireland will exit the EU-IMF assistance programme on 15 December next without the need to pre-arrange a new precautionary credit line from our EU and IMF partners. This is the right decision for Ireland and now is the right time to take this decision. This is the latest in a series of steps to return Ireland to normal economic, budgetary and funding conditions. Like most other sovereign eurozone countries, from 2014 we will be in a position to fund ourselves normally on the markets. The Minister for Finance, Deputy Noonan, is travelling to Brussels to convey this decision to our partners at a Eurogroup meeting this afternoon.

In preparing for this decision, the Minister for Finance and I along with other Ministers have engaged intensively with international institutions and our European and international partners on Ireland's exit strategy, and all have indicated to us that we will continue to receive their strong support whatever our decision. In that context, I have spoken on a number of occasions to Chancellor Merkel. She confirmed this was a decision for Ireland to make, and whatever

the decision we made, the Chancellor was open to finding ways for Ireland and Germany to work more closely together to find ways to reinforce Ireland's economic recovery by improving funding mechanisms for the real economy, including access to finance for Irish small and medium-sized enterprises. The German Government has asked KfW, the German development bank, to work with the German and Irish authorities swiftly in order to deliver on this initiative at the earliest possible date.

We will exit the bailout in a strong position. This Government has been preparing for a return to normal market funding in 2014 for three years and the NTMA has built up a cash reserve of more than €20 billion. Growth has returned as our economy regains its competitiveness. Exports have grown to all-time highs and our balance of payments is in a strong surplus. We are creating 3,000 jobs a month and the numbers on the live register have reduced for 16 consecutive months to below 400,000 for the first time in four years. Our budget strategy is on track, and the Government deficit is now falling rapidly. Public debt will start to fall next year relative to the size of the economy.

As with all eurozone countries that have ratified the fiscal stability treaty and that are pursuing responsible economic policies, Ireland is eligible for access to the €500 billion funding backstop provided by the European Stability Mechanism. The very existence of this backstop for all eurozone countries has contributed significantly to improved investor confidence in Ireland and the eurozone as a whole. Confidence in Ireland has improved considerably in recent months and interest rates on Irish Government bonds are now at highly affordable levels. We still have a long way to travel, but clearly are now moving in the right direction.

Neither today's decision, nor the exit from the bailout in December, means the end of difficult economic decisions. There are still demanding times ahead. It does not mean any windfall of cash. It will not mean that our economic and financial challenges are over.

Alongside the bailout exit in December, we will publish a new medium-term economic strategy to set out a new sustainable economic pathway back to prosperity for the country. This will include a recommitment to bringing Government borrowing down to sustainable levels during the remainder of this Government's term of office. It will be an economic plan based on enterprise, not speculation. Never again will our country's fortunes be sacrificed to speculation, greed and short-term gain. Despite the economic challenges that people will continue to face in their daily lives, we will set out a path to a brighter economic future for our people - a path from mass unemployment to full employment and from involuntary emigration to the return of the many thousands of our people who have had to leave to find work. I thank the people for their diligence and commitment.

Nobody should doubt the Government's commitment to finish the job we started when we took office. Today is just the latest step on that ongoing journey. While it is a significant step, it is also just another step towards our ultimate objective of getting Ireland working again.

**Tánaiste and Minister for Foreign Affairs and Trade (Deputy Eamon Gilmore):** The effect of today's decision by the Government is that Ireland will now exit the EU-IMF bailout programme on 15 December without applying for a precautionary programme. This is an important decision on our country's road to recovery. It is an important milestone, and now is the right time to make this decision and take this step. The market conditions are now in our favour with Ireland holding more than €20 billion in cash reserves and bond yields at historically low levels. The public finances are now under control with the budget targeting a small primary

surplus for next year. Investors now have increased confidence in Ireland. The ESM has been established. Domestic and international economic conditions are improving and international confidence in Ireland has improved significantly in recent times.

We all recall the shock and sense of grief that was felt when Ireland had to go into a bailout at the end of 2010. Since the Government was elected in 2011, we have worked to exit the bailout and to get our economy to recover. Today's decision is an important milestone along that road. We are in a position to make this decision today because of the actions we have taken over the past two and a half years: the renegotiation of key terms of the bailout programme, including the reduction in the interest rates; resolving the Anglo Irish Bank promissory note; getting the deficit down and putting our public finances in order; concentrating on jobs and economic growth so that we are now creating 3,000 jobs per month; and restoring our country's international reputation so we can attract the investment we need to create jobs.

Today's decision to exit the bailout without a precautionary programme restores us to a normal place among the eurozone countries. We will no longer be a programme country, but a normal member of the eurozone subject to the normal conditions of euro membership and continuing to work our way to full economic recovery.

We still have a distance to travel to get our country to grow at an even faster pace, to attract even more investment, to boost confidence further in the domestic economy and to create even more jobs, especially for the young.

Today's decision is historic, important and welcome, but there will be no celebration until our economic fortunes are fully recovered and until economic recovery is fully experienced in people's daily lives. The Government will continue its determined and consistent work to that end. Today's decision and our exit from the bailout would never have been achieved without the patience and endurance of the people, who have suffered from the crisis and who have, deep down, understood there is no easy route to recovery. Today's outcome could not have been reached without the courage and support of those Members of the Oireachtas who continued to have the courage to support the difficult decisions the Government has had to make.

**Deputies:** Hear, hear.

**Deputy Eamon Gilmore:** When we put our country first, we will get our country to recover. The Government will continue its patient and determined work to bring that about.

**Deputy Micheál Martin:** At the outset, the Taoiseach said he was making his statement as a matter of courtesy to the Dáil. I suggest to him that the Dáil deserves more than a courtesy.

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

**Deputy Micheál Martin:** It deserves the fundamental presentation of a case justifying the Government decision-----

**A Deputy:** It is more than Deputy Martin did.

**Deputy Micheál Martin:** -----not to seek a backstop and not to seek a precautionary credit line. That is the very least the Dáil deserves today. I respectfully say-----

**Deputy Robert Dowds:** The Deputy is a disgrace.



**An Ceann Comhairle:** Quiet.

**Deputy Robert Dowds:** Deputy Martin and his party dragged our country into the dirt.

**Deputy Micheál Martin:** Is this democracy here? Are you going to allow-----

**An Ceann Comhairle:** Quiet, please.

**Deputy Robert Dowds:** Deputy Martin and his party dragged our country into the dirt.

**An Ceann Comhairle:** I ask Deputy Dowds to settle down, please.

**Deputy Micheál Martin:** Last week we had a debate in advance of an EU Council meeting.

**Deputy Robert Dowds:** Deputy Martin and his party dragged our country into the dirt. How dare he.

**An Ceann Comhairle:** Deputy Dowds, I will not ask you again.

**Deputy Timmy Dooley:** Will someone get oxygen for the little man over there?

**Deputy Micheál Martin:** I suggested to the Taoiseach at the time that it was a good opportunity to present the case, the pros and the cons of whether we should have a precautionary credit line, but he refused to do so. That has been characteristic of the Government's position on this key issue, which deserves far more than the Dáil is getting today. A total of €53 billion is needed over the next three years, €35 billion of which is for maturing debt and €18 billion for the Exchequer to maintain public services. The Taoiseach and the Tánaiste spoke about the implementation of the programme but the bottom line is that the Government voted against 70% of the proposals contained in that programme. Every member of the Government condemned the programme but they are now slapping themselves on the back for implementing it with such aplomb.

**Deputy Simon Coveney:** We changed it.

**Deputy Micheál Martin:** There was no need for this politically stage-managed event because we know that as a result of the decision taken by the European Union General Affairs Council last month, the actual date for ending the oversight arrangement of the bailout programme has been delayed until next February. What the Cabinet has agreed today is not to seek any new programme. It has not negotiated any exit or backstop agreement. That is the decision the Government has taken.

**Deputy Paschal Donohoe:** The Deputy is wrong. His facts are wrong.

**Deputy Micheál Martin:** Throughout this programme the Government has never acknowledged the fact that it condemned it before the election and voted against 70% of its measures. Many economic analysts and other people have advised-----

*(Interruptions).*

**An Ceann Comhairle:** Would the Deputy please stop speaking for a moment? Members should show the same courtesy they showed to the Taoiseach and the Tánaiste to all future speakers and allow them speak without interruption. They can have debates afterwards.

**Deputy Emmet Stagg:** We are being provoked by this rubbish.

**An Ceann Comhairle:** An order has been made in this House that each speaker gets five minutes to speak. I mean five minutes uninterrupted.

**Deputy James Bannon:** Someone sent in the wrong script to Deputy Martin.

**Deputy Micheál Martin:** It is clear that Government Deputies do not cherish parliamentary democracy in this House any more. This is an important issue for the country. The Government has put political strategy above what is right for the country.

**Deputy Ciara Conway:** Fianna Fáil did not pay any heed to it either.

**Deputy Paschal Donohoe:** I cannot believe Deputy Martin is saying that.

**Deputy Micheál Martin:** Not a single piece of paper has been presented to anybody as to the merits or demerits of the decision not to seek a backstop arrangement, not from the Minister for Finance, the Taoiseach or the Tánaiste. No figures have been produced about how much we would save in interest payments if this conditional funding were available.

**Deputy Anthony Lawlor:** The troika was coming in.

**Deputy Micheál Martin:** The only direct and proven impact of having conditional credit would be to reduce the risk of lending to Ireland and therefore the cost of that funding.

**Deputy Michael Creed:** Terms and conditions would apply.

**Deputy Micheál Martin:** That is the key point that should inform the decision as to whether we want a backstop. It is clear the IMF and the ECB would have preferred that the country seek such a backstop arrangement. The ESM and the precautionary credit line system and approach is to support countries whose finances are becoming economically sound. It is not a sign of weakness, it is to seek maximum security for the State. There are headwinds out there. As the former deputy chief executive of the IMF said, it is not that we might crash into somebody but somebody else might crash into us. It is fundamentally an insurance policy for the benefit of the people and the country. That is the issue. Let us not dress it up in any political high drama.

There was a Cabinet meeting on Tuesday when the Government could easily have made the decision instead of having a hurriedly arranged meeting today, and a hurriedly arranged meeting of the Dáil and the presentation of the issues.

**Deputy Paschal Donohoe:** The Deputy is laughing himself as he says that.

**Deputy Tom Hayes:** The Deputy is laughing.

**Deputy Micheál Martin:** That is fair enough. The Government is entitled to do that. The key point is that serious issues remain across the eurozone. We know that. Mario Draghi did not reduce interest rates last week for nothing. He did it out of deep concern about deflation across the eurozone. Greece is raising its head again, as the Government well knows, and may seek further assistance. Italy and France are not out of the woods as we know, and neither is Spain.

**Deputy Paschal Donohoe:** What woods?

**Deputy Mattie McGrath:** The woods the Government is wandering in.

**Deputy James Bannon:** Deputy Martin is in no place today, God help him.

**Deputy Micheál Martin:** Those issues are important to the overall context of the market in which we will be borrowing. There are also the stress tests to come, which may necessitate some form of recapitalisation. That is important because that could - and I hope it does not - undermine our capacity to borrow. I accept we have an expensive backstop in the €25 billion that the National Treasury Management Agency, NTMA, has borrowed, with significant costs attached of between €700 million and €800 million per annum.

**Deputy Paschal Donohoe:** That is not borrowed. That is a cash reserve.

**Deputy Billy Kelleher:** The Government had to borrow it.

**Deputy Paschal Donohoe:** We had it.

**Deputy Micheál Martin:** The rates are favourable at the moment and in the immediate 12 months there may not be an issue. In the aftermath of 2014, many analysts say there could be difficulties, not just for us but for Europe. It would have made sense to take out an insurance policy which would have been to the benefit of the people and the country.

**Deputy Emmet Stagg:** We know the insurance we need.

**Deputy Alan Shatter:** That is like the burglar giving advice on house insurance.

**An Ceann Comhairle:** We may have lost our sovereignty for a while but we have not lost democracy and that means we are in a parliament where people are entitled to express all views. Please allow people to make their statements uninterrupted. Even though Deputies may not like the content, they should please keep their mouths shut.

**Deputy Finian McGrath:** Especially the Government backbenchers and Ministers.

**Deputy Gerry Adams:** I hope the Government listened to the Ceann Comhairle when he said we had lost our sovereignty. Yesterday, the Minister for Finance told the Oireachtas Joint Committee on Finance, Public Expenditure and Reform that Ireland's decision on a precautionary credit line was not on the Eurogroup's agenda. This morning it is. An emergency Cabinet meeting was called. This Dáil was called at very short notice.

**Minister for Public Expenditure and Reform Deputy Brendan Howlin:** The Dáil was in session.

**Deputy Gerry Adams:** Once again this Government has been bounced into a decision with no strategic planning or overview. The banks are in crisis. We stumble from crisis to crisis and the Government's position is totally and absolutely clueless.

**Minister of State at the Department of the Taoiseach Deputy Paul Kehoe:** Deputy Adams would know all about that.

**Deputy Gerry Adams:** Sinn Féin has consistently called on the Government not to take the conditional precautionary credit line because we believe that would be akin to a second bailout-----

**Minister for Communications, Energy and Natural Resources Deputy Pat Rabbitte:** What is Deputy Adams complaining about?

**Deputy Gerry Adams:** -----so it is a good thing that it appears to be taking the Sinn Féin position.

*(Interruptions).*

**An Ceann Comhairle:** If Members want the sitting suspended I will suspend it. I will suspend the sitting if people continuously interrupt the speaker. I am serious.

**Deputy Micheál Martin:** The trouble is over there, on the Government side.

**An Ceann Comhairle:** I am addressing everybody. Deputy Adams may proceed without interruption. I am serious in what I said about suspending the House.

**Deputy Gerry Adams:** Part of the problem of this Government of the Labour Party and Fine Gael is that they will not listen to dissenting voices.

**An Ceann Comhairle:** Please proceed, Deputy Adams.

**Deputy Gerry Adams:** I am proceeding. Let us be clear, the troika may be leaving but the troika mindset remains. Fine Gael and the Labour Party have blamed the troika for all sorts of decisions the Government has taken in direct breach of its electoral mandate. It has brought in many austerity measures that were not recommended by the troika. It has taxed and cut the most vulnerable in society. Next year, regardless of whether the troika is here, the Government will take another €2 billion from the economy in water charges, taxes and cuts to health, education and other vital services. What will this mean to citizens who are suffering under its policy?

It is also subject to the fiscal treaty which the Government and Fianna Fáil pushed people to support. For many years to come we will be forced to keep deficits low to reduce the unsustainable debt burden inflicted on us as a people by the Government's austerity policies. It has done nothing to relieve the citizens of the odious banking debt.

An féidir leis an Taoiseach éisteacht liom, lena thoil? The Taoiseach shouted 17 months ago at a Euro summit that a game-changer had been achieved, that there had been a seismic shift, that the European Stability Mechanism would reduce banking debt and separate banking debt from sovereign debt, that this would be done retrospectively and that the citizens would get back the money they gave.

*12 o'clock*

Why has this not happened? The Government has not even put it on the agenda at subsequent meetings.

Sinn Féin is glad that we are not taking a second bailout but there is an awful lot of work to be done if we are genuinely going to regain economic sovereignty and it will not be done under this Government. This Government should go. This Government has led us from calamity to calamity. It will be only be done by a Government that understands that you have to be fair in terms of how you move forward. You have to try to treat people on the basis of equality and you have to make deficit adjustments that are fair and growth-friendly. An economy cannot be cut but must be stimulated and jobs must be created if recovery is to be sustainable. A Government needs to appreciate that the banking debt is a noose around the citizens of this State. This Government does not do this. It has been bounced once again into leaving this programme - another decision taken by others that the Government did not perceive. The way this Dáil was

brought together this morning is proof positive of that. Let us be very clear. The Government will continue to saddle people with desperately obnoxious austerity policies for the rest of its term. It continues to decimate, emasculate and destroy public services, guarantees and workers' conditions and to push more and more people off the island and across the world. Those of us who remain here - working families - are pushed into poverty. Labour or Fine Gael have nothing to applaud themselves for this morning.

**An Ceann Comhairle:** I call Deputy Donnelly. I understand he wants to share time with Deputy Ross but, unfortunately, the order does not make allowance for that unless the House agrees to it. Is that agreed? Agreed. The Deputies have two and a half minutes each.

**Deputy Stephen S. Donnelly:** This is a bittersweet moment for the Irish people. At the start of the crisis, we had very low national debt, very high employment, very low emigration and no negative equity or mortgage crisis. Five years later, we have heartbreaking unemployment, particularly for young people. An entire generation has been financially destroyed. We have very high emigration - the highest level ever - that is continuing to rise this year. The losses of professional investors around the world have been shouldered by the Irish people. Billions of euro of Irish people's money has been paid out in windfall profits to speculative investors over the past number of years. Unfortunately, we are the toast of financial centres all over the world because we have made an awful lot of speculative investors very wealthy over the past number of years.

Today is a bittersweet moment. I am glad the troika is gone. I think we are all glad the troika is gone, particularly the ECB and the European Commission because it is those two institutions that led the charge on the Irish people picking up the tab for international financial losses. It turns out that the IMF actually spoke in our favour over time. I am glad the troika is gone and that it will not be telling us how to run our country according to an outdated economic outlook.

I support the Taoiseach's decision not to avail of a precautionary credit line. As the Tánaiste said, there is about €30 billion in the bank. I believe we must roll over about €7 billion in national debt and, of course, we will have a deficit somewhere between €8 billion and €9 billion. It looks like we have about twice the cash that we would conceivably need for next year. I think the Taoiseach has made the right decision. The next thing he must do is get retrospective recapitalisation from the ESM because we cannot continue to ask the Irish people and children not yet born to continue to pay for the mistakes made by the financial sector over the past number of years. I know there is a lot of effort going into this but it must be achieved.

**Deputy Shane Ross:** I recognise that this is a very important decision made by the Government but I regret that it has been reduced to the level of political bravado, the fact that the Dáil has been called at such short notice and that there is no proper debate on this. The Taoiseach's speech was missing something, which means that neither I nor anybody else in this House can judge properly whether this is the right or wrong decision. What were the terms that were offered to the Government for this particular credit line? We met the troika as a group and it spelt out quite clearly that the terms were going to be very punitive indeed. If one takes this, which is, after all, just an overdraft, there is a heavy price to be paid initially for getting that overdraft. What was due to this House was not an announcement about how well the economy and Government were doing but the merits of the decision the Government has taken today. How much would this have cost? Would it have cost nothing? What was the interest rate? What was the length of repayments? What was the deal? We got no details of that so we cannot judge. The Dáil is being treated with a certain amount of contempt by being asked to support this in a



vacuum when the Government is aware of the terms that were on offer.

It is not a historic day in terms of any great changes which are to happen in Government policy because a movement from the hands of the troika straight into the hands of the bond markets will mean that we are subject to exactly the same, if not greater, discipline than we were subject to before. The bond markets will require as much austerity as the Government has been imposing at the whim of the troika.

*(Interruptions).*

**An Ceann Comhairle:** Will Members please stay quiet or else leave the Chamber?

**Deputy Shane Ross:** To present this, as the Tánaiste did, as an historic day is not an honest opinion. We are not restoring our sovereignty today. We are not regaining our sovereignty. We are being treated to a political theatre by the Government which is a camouflage. One can tell the people today that there will be a change in policy but there will not be one. Austerity will continue. The imposition of other measures will continue. The one thing that was missing from the Taoiseach's speech was any mention of the banks - the important element of our economy. We had no mention of the ESM or paying back legacy debt with ESM funds. We have achieved nothing today that we could not have achieved otherwise.

*Sitting suspended at 12.07 p.m. and resumed at 12.15 p.m.*

### **Leaders' Questions**

**Deputy Micheál Martin:** Prior to the Cabinet meeting this morning, the significant issue of the day was the extraordinary and gigantic criminal offence that has occurred and which concerns, we are told, up to 1.1 million people. It is probably the largest ever offence in terms of affecting so many people in the State. The hacking into the personal financial data of so many people is a very worrying development. Credit card details have patently been compromised and some banks have confirmed that not only was the information hacked into by criminals but also that fraudulent transactions have occurred as a result. To date, we do not have a strong sense of the scale of this from the Data Protection Commissioner. The office is doing its best and its website indicates that up to 376,000 people on the systems of Loyaltybuild had their credit card details stolen and the financial details of 150,000 clients have potentially been compromised. It has added to that information in more recent times and this morning there was worse news.

Who is in charge of this in the Government? If one looks at the various government websites, there is an extraordinary absence of any sense of somebody being in charge of this key area. The silence of the Minister for Justice and Equality on this has been deafening but he would say that child abuse on the Internet has been his Department's primary concern in the context of cybercrime. The Minister for Communications, Energy and Natural Resources is not taking possession of the ball in respect of this issue. The Minister, Deputy Rabbitte, has said that consumers who lost money as a result of the hacking are entitled to get their money back. Can the Tánaiste confirm that the Government is taking steps, with the companies and banks involved, to ensure that consumers will get their money back? What steps will the Government

take to ensure that people's personal and financial details are absolutely secure? The Government is encouraging people to do all their transactions online. What has happened over the last few days and what has been revealed, and I believe more will be revealed as I do not think the full scale of this has yet been articulated in public, will shatter people's confidence in online banking transactions.

Banking crime is nothing new, but what we are now witnessing is faceless criminals who need not resort to armed robberies anymore but who can rob hundreds of thousands of people by breaching data and hacking into various systems. It is urgent that the Government indicates it has a grip on this issue.

**The Tánaiste:** We are all aware, as Deputy Martin said, that a data breach has occurred at a company called Loyaltybuild, a company that processes transactions in respect of loyalty schemes on behalf of other companies. Given the seriousness of the breach, the Office of the Data Protection Commissioner sent in an inspection team to investigate the breach. The commissioner has received a preliminary report on the findings of the inspection team. The inspection team confirmed the extent of the breach in which the full card details of more than 376,000 customers were taken, of which in the region of 80,000 were Irish customers. Over 70,000 were SuperValu Getaway customers and over 8,000 were Axa Leisure Breaks customers. The details of an additional 150,000 clients were potentially compromised. The inspection team also confirmed that the names, addresses, telephone numbers and e-mail addresses of 1.12 million clients were also taken. It is not yet known how many of the 150,000 clients or the 1.12 million clients are Irish customers. The initial indications are that these breaches were an external criminal act.

The Office of the Data Protection Commissioner will assess fully the findings of the inspection and has already made a number of recommendations to Loyaltybuild. A follow-up inspection will also be carried out. An Garda Síochána is also investigating the matter. The important message at this stage is that the customers affected be vigilant in respect of their accounts, particularly regarding any transaction since the end of October of this year, and to report any suspicious transaction to their card companies. Clients should also be vigilant in respect of suspicious communications of any kind that they receive. Once we have the report from the Office of the Data Protection Commissioner and the Minister for Justice and Equality is reported to by the Garda Commissioner, we will take whatever steps are necessary.

**Deputy Micheál Martin:** I thank the Tánaiste for his reply, but I am somewhat disappointed that I do not detect a sense of urgency about this issue from the Government and political leaders. The Tánaiste read from the website of the Office of the Data Protection Commissioner. Addresses, telephone numbers and e-mail addresses of 1.12 million clients have been breached. This is a massive criminal conspiracy and, even in itself, it has profound consequences for people doing business online, particularly when offering their credit card details. The Government should form a task force or group between the Ministers concerned. I do not know which Minister will take the lead on the wider issue of cybercrime, but one must take possession of it and the Government should lead. I am not just referring to the specifics of this case, but to the wider issue. In 2009, some 119 breaches were reported to the Data Protection Commissioner. In 2012, the figure was 1,522, showing the extraordinary increase in such breaches.

This particular case is very worrying. If possible, will the Tánaiste or relevant Ministers ascertain the scale of this breach? Are the companies concerned telling us everything that they should? Is there full transparency in what consumers should be told? Has an analysis of what

occurred been done so that future breaches can be prevented? This fundamental issue will have a considerable impact for business and people and, with the greatest of respect, we need a more coherent Government response than has been evident to date.

**The Tánaiste:** Let me be absolutely clear - the unauthorised accessing of people's credit card details, e-mail addresses, contact details and so on is a criminal act, and there are two ways in which we investigate those. One is via the Data Protection Commissioner, who has specific responsibility in respect of data, who has already carried out one inspection and who is now carrying out a follow-up inspection. Second, the investigation of criminal activity is a matter for the Garda Síochána. It is carrying out an investigation of it.

I want to assure the Deputy that the Government takes the issue very seriously and very urgently. There are a number of Government Departments that have responsibility in terms of getting the reports from the Garda Síochána, the Data Protection Commissioner and follow-up activity in respect of this. In response to the Deputy's question, I would take responsibility to co-ordinate the responses from the different Government Ministers so that there is, as he says, a whole-of-Government response to what is a very serious issue that has arisen in respect of credit card fraud.

**Deputy Caoimhghín Ó Caoláin:** As the Tánaiste is aware, today, 14 November, marks, as it has every year since 1991, World Diabetes Day, a day to raise public awareness of diabetes and of the escalating health threat that this condition now poses. I want to commend the work of the International Diabetes Federation, its Irish association, Diabetes Ireland, and all of those in our health service who care for patients with diabetes and the devastating chronic complications often associated with it, including diabetic cardiomyopathy, diabetic nephropathy, diabetic retinopathy and diabetic foot.

In the absence of a register of people who have diabetes, we cannot be entirely sure of how many people in Ireland live with diabetes. In 2012, the International Diabetes Federation estimated that there were approximately 192,000 people with diabetes in Ireland and that, by 2030, there would be in excess of 278,000 people with the condition in this State. Spending on diabetes was estimated at some 8% of total health spending. Make no mistake about it, by any measure this is a very serious issue.

As my party's health spokesperson, I have welcomed progress made in the area of diabetes prevention and management. I welcomed the establishment of the expert advisory group in 2008 and the national diabetes working group in 2010. The national clinical programme for diabetes and the integrated care programme provide a model for the realisation of significant improvements and it must be acknowledged that progress is being made, but there is clear evidence that these services are both underfunded and under-resourced. We have neither a national register nor a national plan. If one cannot measure, one cannot manage. We have no screening programme for diabetic retinopathy. We have no national programme for diabetic foot care. When will there be a recognition that we are on the cusp of a serious public health crisis in terms of diabetes and when will we see an appropriate response from the Department, the HSE and this Government?

**The Tánaiste:** I thank Deputy Ó Caoláin for raising this issue, as today is World Diabetes Day. This Government is committed to early intervention and care for people suffering from chronic illnesses such as diabetes. Specifically, our reform programme is focusing on delivering more treatment of chronic illnesses in primary care settings where it is more cost effective

and more convenient for patients.

The HSE's national clinical programme, which includes the care of children and adolescents with diabetes, was established in May 2010. The purpose of the programme is to define the way that diabetic clinical services should be delivered, resourced and measured. There is strong clinical leadership in the development of the programme, which has as its central aim the saving of the lives, eyes and limbs of patients with diabetes. The objectives of the national diabetes programme are, among others, to develop a national retinopathy screening programme, to develop a foot care screening and treatment service to prevent diabetic foot ulceration and lower limb amputation, and to develop an integrated care programme for all patients with diabetes.

A care package for diabetic children involving the provision of insulin pumps for children under five has been developed. Under-fives are the initial priority. Five regional centres for the provision of pumps are in place - three in Dublin and one each in Cork and the Limerick-Galway region. The aim of this model of care is simply to improve access to insulin pumps. This model is progressing. For example, 50 children in Cork are on such insulin pump therapy, and the next step is to expand pump therapy to all children.

Last March, the National Cancer Screening Service commenced diabetic retinopathy screening. This will offer free, regular diabetic retinopathy screening to children from age 12 and to adults. Some 30% of eligible patients will be called for screening this year and the remaining 70% next year. A quality assurance framework has been developed and a central database of the eligible population has also been developed. Systematic retinopathy screening on a population basis is clinically effective in identifying treatable eye disease, and is cost effective. The national cancer screening service now has a national register for diabetes, which is a key requirement before screening can commence.

A national foot care model is being developed and good progress has been made. Most of the posts for diabetes nurse specialists, as part of an integrated care package for patients, have now been filled. Work is continuing in this regard in order to improve services available across the health system for this chronic disease. It is also important to focus on prevention of chronic diseases, which is a core plank of the Government's public health strategy, particularly in tackling obesity.

The special action group on obesity was established by the Minister for Health, Deputy Reilly, as part of Healthy Ireland - a Framework for Improving Health and Well-being. The Healthy Ireland strategy is based on a whole of society approach to health and well-being, which will be delivered. The special action group on obesity will meet regularly with the Minister for Health to progress the prevention agenda. The group is concentrating on a range of measures, including calorie posting in restaurants, healthy eating guidelines including the food pyramid, a sugar sweetened drinks' tax, marketing of food and drink to children, screening and monitoring vending machines in schools, and a collectivity plan.

**Deputy Caoimhghín Ó Caoláin:** I thank the Tánaiste for his reply. I wish to advise him and the House that the theme of this year's World Diabetes Day is education and prevention. That is why I have chosen to make this matter my choice for Leaders' Questions. It is hugely important that we give a lead from this House in this regard.

In 2008, the national retinopathy screening committee developed a framework for a national screening service, which has been approved by the HSE with the endorsement of the Irish Col-

lege of Ophthalmologists and patient groups. The report stressed the effectiveness of early detection through a population-based screening programme which will seek to identify all diagnosed people with diabetes and offer them annual screening followed by treatment as necessary.

Last year, we were promised 17 integrated care diabetes nurse specialists and 16 podiatrists to support the phased roll out of the programme. Today, however, many of these posts remain unfilled. Given the urgent need involved, when will all these positions be filled? When will we have a full roll-out of a national screening programme for diabetic retinopathy?

**The Tánaiste:** The national cancer screening service commenced the diabetic retinopathy screening programme last March. The objective is that 30% of eligible patients will be called for screening in the current year, while the remaining 70% will be called next year.

As regards the diabetic nurse specialists to which Deputy Ó Caoláin referred, my information is that most of the posts - as part of the integrated care package for patients - have been filled. Work is continuing in order to improve the services available for this chronic disease across the health system.

I thank Deputy Ó Caoláin for raising the issue because today is World Diabetes Day. It is appropriate that we should focus on this matter. A plan is in place to deal with this issue, which is a growing problem. It is a major problem for the health service. There is an approach as to how to deal with it and progress is being made on implementing that approach. I assure the House that the Minister for Health is absolutely committed to continuing with that work. I am sure he will be happy to report either directly to the House or to the Committee on Health and Children on the progress that he is making in this regard.

It is appropriate that this matter is being raised on World Diabetes Day but, given its seriousness, we should return to it. We all understand that it is a growing problem which we will debate again collectively either in this Chamber or at the Committee on Health and Children.

**Deputy Joan Collins:** I wish to refer to the case of six year old Faris Heeney, whose family is in the Visitors Gallery today. I salute their recent attempt to raise this matter. The Tánaiste will be well aware of the case. Faris was abducted and taken to Egypt four years ago, against his will. His uncle was subsequently jailed for his abduction. Over the past four years, the family have repeatedly sought assistance from various Ministers of this Government and the previous Government.

Most recently, the family had their first official meeting with the Minister for Children and Youth Affairs, Deputy Fitzgerald. The Minister explained that the Minister for Justice and Equality had written to his counterpart in Egypt seeking a bilateral agreement, which the family has been calling for. The Minister for Children and Youth Affairs said she would keep the family informed and would send them a letter from the Minister for Justice and Equality, Deputy Shatter, to his Egyptian counterpart. However, the family has not received any information over the last two weeks.

Four years is a long time for this family to have to wait for the State, which is well aware that Egypt is not part of the Hague Convention, to take this action. They welcome it but are disappointed and frustrated. There has been a complete lack of urgency on the part of the State in dealing with this case. It is not good enough to discuss or raise the issue internationally. Can the Tánaiste guarantee that this issue will be pursued with urgency and that the necessary steps will be taken to bring Faris back to his family in Ireland?



**The Tánaiste:** Yes, I can give the Deputy that assurance. I am taking a personal interest in this serious and sad case. That is why, last Monday, I telephoned the Egyptian Minister for Foreign Affairs to discuss this case. I also discussed the continued detention of members of the Halawa family, which arose from the protests in Egypt in August. I spoke directly with the Egyptian Minister for Foreign Affairs, Mr. Fahmi, about this sad case. I urged him and the Egyptian Government to look very seriously at this case and to see what could be done to facilitate the return of Faris to his mother. I explained to the Minister, Mr. Fahmi, that Ferris's mother and her family are distraught at how the child was taken out of this country and how difficult it has been for them since then. I told Mr. Fahmi that there was widespread public concern in this country that a child could be removed from this jurisdiction. The public find it difficult to understand why this child has not been returned to the care of his mother.

I advised Mr. Fahmi that the child's uncle, who had taken part in the abduction, had been convicted for his role in that abduction and is currently serving a six-year prison sentence in Portlaoise prison. I advised the Egyptian Minister that I had previously raised this case on two other occasions with his predecessors, and that I am most anxious that a solution be found as a matter of urgency.

The Minister, Mr. Fahmi, undertook to have the case reviewed. I agreed that our embassy in Cairo will stay in touch with him and his department to provide him with whatever further details he may need concerning the case, as well as any information that might be of assistance.

Separately, as Deputy Joan Collins mentioned, the Minister for Justice and Equality, Deputy Shatter, has written to the Egyptian Minister for Justice proposing that we should consider signing an agreement to facilitate the return of children who have been abducted. I strongly support that action and my Department will assist in every possible way in the negotiation of any such agreement.

The Garda is also continuing to pursue the case through Interpol. My own Department has been providing consular assistance to the family since August 2009, and will continue to do so.

We are taking this case very seriously. The Minister for Children and Youth Affairs, Deputy Fitzgerald, met with the Heeney family on 4 November and I understand that she has agreed to respond to them on some of the issues that were raised during that meeting. This is a serious and difficult case for the family concerned. I intend to continue to take a personal interest in pursuing it with the Egyptian authorities.

**Deputy Joan Collins:** I thank the Tánaiste for his reply. While he says that things have moved on a bit, it is still not enough for this family and other families affected by situations in countries that are not party to the Hague Convention, including Egypt, Japan and so on. Surely the Government and this State has a responsibility to put in place protocols and systems to assist these families. The Tánaiste said that the family has been contacted by the consular service. A one-line letter from the Department is not good enough. A call to the family to say the matter will be raised by the Minister at the international convention with no follow-up in that regard is not good enough for this family. Four years on, this is not good enough for this or other families.

The Egyptian authorities are well aware of this issue. The family has met six times in the past four years with the Egyptian ambassador in Ireland. On the last occasion, they met with the Egyptian ambassador he told them to take legal action in Egypt. This is not good enough.

The Government needs to look at what instruments it can use to put pressure on the countries concerned to sign up to the Hague Convention or put in place bilateral agreements in respect of children who are abducted. It is possible to impose diplomatic and trade sanctions on countries which fail to provide for the safe return of children who have been illegally kidnapped from their countries. A serious approach to this issue must be taken. I want a commitment from the Tánaiste that Ireland, with other countries, will seek to have the sanctions I have mentioned imposed on Egypt if it fails to sign up to a bilateral agreement.

Four years, two weeks or a further three months is too long. This issue must be seriously addressed from now on.

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

**The Tánaiste:** The issue is being seriously addressed. The problem is that the international framework for dealing with abduction cases is the Hague Convention to which, unfortunately, Egypt is not a party. As such, we have to operate bilaterally with Egypt on the issue. As I said, I have previously raised this case with Egyptian Ministers for Foreign Affairs, as did my predecessor, Deputy Martin.

The Deputy will be aware that there have been many changes in the political environment in Egypt. I felt it would be best to talk directly to the new Minister for Foreign Affairs, who has only relatively recently been appointed, requesting that he take a direct interest in this case. The Minister, Deputy Shatter, has also written to this counterpart requesting that, in the absence of Egypt signing up to the Hague Convention, a bilateral arrangement be put in place between Ireland and Egypt in relation to child abduction. As the Deputy knows, the wheels in terms of dealing with issues internationally, move very slowly. I understand that the child's mother and family want the child returned as soon as possible. I know they have travelled to Egypt and that those visits were not successful in terms of getting the child returned.

The Government will continue to do everything it possibly can. As I said earlier, I spoke to the Egyptian Minister for Foreign Affairs on Monday and will be following up with him on the matter and will keep the family informed.

### **Order of Business**

**The Tánaiste:** It is proposed to take No. 10, motion re proposed approval for a Council Decision on the signature of the Agreement between Canada and the European Union on the transfer and processing of Passenger Name Record data, back from committee; No. 11, motion re proposed approval for a Council Decision on the conclusion of the Agreement between Canada and the European Union on the transfer and processing of Passenger Name Record data, back from committee; No. 17, motion re proposed approval by Dáil Éireann of the terms of the Arms Trade Treaty, back from committee; and No. 21, Local Government Bill 2013 - Second Stage (resumed).

It is proposed, notwithstanding anything in Standing Orders, that the Dáil shall sit later than 5.30 p.m. today and business shall be adjourned on the conclusion of Topical Issues; Nos. 10, 11 and 17 shall be decided without debate; any division on the resumed Second Stage of No. 21

shall be taken immediately after the Order of Business on Tuesday, 19 November 2013; and the proceedings thereon, which if not previously concluded, shall adjourn at 7 p.m. and the Order shall resume thereafter with Topical Issues.

**An Ceann Comhairle:** There are three proposals to put to the House. Is the proposal for the late sitting agreed to? Agreed. Is the proposal for dealing with Nos. 10, 11 and 17 agreed to? Agreed. Is the proposal for dealing with No. 21 agreed to? Agreed.

I call Deputy Martin on the Order of Business.

**Deputy Micheál Martin:** It is now 12.45 p.m. and we are only now agreeing the Order of Business, which is indicative of the type of situation we are in in this great era of radical Dáil reform.

**Deputy Paul Kehoe:** We have done a great deal of work today already.

**Deputy Micheál Martin:** We have done very little work yet today. The last episode may have been good public relations but not substantive work in terms of the key issues.

On proposed legislation, the programme for Government contains a number of commitments in relation to primary care, including legislative commitments. The programme for Government commits specifically to the introduction of legislation to provide for access by people on the long-term illness scheme to a medical card. The Government committed in the recent budget to the allocation of medical cards to children under five years of age. However, there are many young children above the age of five years across this country who urgently need medical cards and have had them withdrawn. I am speaking in this regard of children with Ehlers Danos syndrome and Down's syndrome and others with chronic multiple conditions who need medical cards. When is the Health (General Practitioner Medical Service) Bill 2013 due and can it be amended to provide that young chronically sick children and teenagers are accommodated in any extension of the medical card eligibility criteria? One needs only to read the website of the Jack and Jill Foundation to learn of the degree to which parents have to fight for medical cards. When will the legislation to underpin the extension of medical card eligibility be introduced?

The Tánaiste might also indicate when the Health Insurance (Amendment) Bill to provide revised equalisation credits for 2014 and some technical amendments to the health insurance Acts, which is on the C list, will be introduced. Surely, if it is to be in place in advance of 2014, we can expect it will be taken in the House before the end of this session. When will the Licensing of Health Care Facilities Bill, which is to provide for a mandatory system of licensing for public and private health care facilities, be published?

**The Tánaiste:** The Health (General Practitioner Medical Service) Bill deals with the extension of publicly funded GP services without fees. The heads of the Bill are currently being prepared. It is expected that the Bill will be published this session. I acknowledge there is an issue in relation to medical card availability to people with chronic and long-term illnesses, which is being looked at by the Minister.

The Health Insurance (Amendment) Bill was published today and it is expected to come before the House next week. The draft heads of the licensing of health care facilities Bill are being developed, and it is not possible to indicate at this stage when that Bill will be published.

**Deputy Caoimhghín Ó Caoláin:** When will the health information Bill be published? This

Bill is intended to provide a framework for better governance of health information and initiatives, and the unacceptable delay in publishing the Bill has been criticised not only by me and others in here, but also by the troika. Information management improvements have the potential to deliver significant savings on our overall health expenditure.

The second issue I wish to raise under promised legislation relates to Deputy Martin's choice for Leaders' Questions this morning on the incredible level of theft of financial and personal details from more than 1.5 million of our citizens. I am talking about the criminal justice (cyber-crime) Bill. This Bill is supposed to enable ratification of the Council of Europe Convention on Cybercrime and the transposition of the EU framework decision on attacks against information systems. This Bill is of great importance and I hope, following his earlier response to Deputy Martin, that the Tánaiste would take on board the fact that there is legislation in the pipeline which can also help to address this insidious crime. It is a straightforward issue; it merely ratifies something that has already emanated from Europe.

**The Tánaiste:** There are two health Bills involved in the Deputy's first question. The health identifiers Bill was a troika commitment and it is expected to be published before the end of the year. The health information Bill is to provide the legislative framework for better governance of health information and initiatives, including data matching and health information resources for use in the health service. The Minister will bring forward a revised general scheme, in view of policy developments. I am not in a position to say when the Bill will be published, but the Minister will be bringing forward a general scheme.

I do not have a date for the publication of the cybercrime Bill. That Bill enables the ratification of the Council of Europe Convention on Cybercrime, and the transposition of the EU framework decision on attacks against information systems. I will convey the views of Deputy Ó Caoláin and Deputy Martin on this to the Minister for Justice and Equality.

**Deputy Brian Stanley:** On 1 January, Irish Water will take over all the assets of local authorities in respect of water services, including all pipes and treatment plants. The water services Bill has not been brought before the Dáil yet, even though it was promised for this term. I told Ministers last year that the metering programme would not move at the projected pace. It is moving at a snail's pace and the Tánaiste can check the figures on that. When will we see that Bill? It is the biggest reform of water services since the foundation of the State but the legislation is not in place. Local authority officials are concerned. They certainly have raised it with me and I am sure the Tánaiste is hearing the same thing. Workers in the local authorities are concerned and local public representatives of all parties are also concerned about what is happening.

**The Tánaiste:** The water services Bill is due to be published this session. We hope to have it by the end of November, but the intention is to have it this session. The transfer of the water services and infrastructure from the local authorities to Irish Water represents a major reform of our water services. Much discussion has gone on between the Department, local authorities and Irish Water on protocols and other arrangements. As we saw in Dublin in recent weeks, there is a need to modernise the way in which we deliver water to the public to ensure that adequate resources are invested in it in future. This change is a major undertaking and there is quite a lot of work going on with it.

**Deputy Thomas P. Broughan:** A Cheann Chomhairle, my first question is to you as well as to the Tánaiste. Why did the group known as "Others" not get an opportunity to speak fol-

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lowing the recent announcement about the troika? We have questions to ask about the German bank, KfW, and the role it will play in our country.

I noticed Deputy Dowds, my friend and colleague from Clondalkin, rightly getting upset with Fianna Fáil for the way they wrecked our country-----

**An Ceann Comhairle:** We are not discussing that on the Order of Business.

**Deputy Thomas P. Broughan:** -----but the Tánaiste will remember that in September 2008, Fianna Fáil, Fine Gael, Sinn Féin and the Independents waltzed us into the debacle from which we are now trying to emerge. It is very important to put that on the record when the Taoiseach comes in here. The Minister for Finance knew the reality, just like I did and just like Deputy Rabbitte did.

**An Ceann Comhairle:** Deputy, please. What promised legislation-----

**Deputy Thomas P. Broughan:** Why did the social democratic Members not get a chance to speak on this? When will we have a proper debate about the terms of this bailout exit?

**An Ceann Comhairle:** Deputy, I ask for your co-operation.

**Deputy Paul Kehoe:** Deputy Mathews is no social democrat, I can tell that to the Deputy.

**Deputy Thomas P. Broughan:** He is a lot more social democratic than Deputy Kehoe.

I would also like to ask the Tánaiste about the Health (Amendment) Bill 2013, following a letter I received this morning from Dr. Mel McEvoy in Donnycarney. His letter asked me why an 84 year old is losing her medical card and why she is living in terror because she has a son with a disability who needs care.

**An Ceann Comhairle:** I think you have had your fair say.

**Deputy Thomas P. Broughan:** She feels that she has so many additional costs. Why is the Tánaiste standing over these savage cutbacks in health? Why is it necessary for Dr. McEvoy to write to me, Deputy Ó Ríordáin, Deputy Kenny, Deputy Flanagan, and Deputy Finian McGrath, as he will confirm?

**An Ceann Comhairle:** You are being very unfair to the Chair.

**Deputy Finian McGrath:** I sorted that one out. It is alright.

**Deputy Thomas P. Broughan:** We did not get a chance to raise this earlier. Deputy Mathews wanted to speak. I wanted to speak. We were effectively gagged.

**An Ceann Comhairle:** You are welcome to discuss the Standing Orders with me whenever you wish.

**The Tánaiste:** In respect of the business this morning-----

**An Ceann Comhairle:** We will not go there.

**The Tánaiste:** He asked about-----

**An Ceann Comhairle:** He may have asked, but he does not have to get an answer, because



it is not in order on the Order of Business. It is noted.

**The Tánaiste:** We intend to have time next week for a debate when the Minister for Finance has finished providing information to the Eurogroup. There will be a debate in the House then and arrangements can be made with the Whip.

If Deputy Sean Kenny or Deputy Ó Ríordáin give me the information the Deputy says they have got about an individual case, I will be happy to look into it.

**Deputy Thomas P. Broughan:** The Tánaiste knows about it now.

**Deputy Dessie Ellis:** Alcohol is being delivered to homes and premises across the country, and money is being exchanged on the spot and at the doors. We are told that money or credit cards can only be accepted on a licensed premises. When will the sale of alcohol Bill be published, which will deal with the sale and consumption of alcohol? Can the Tánaiste also clarify that this practice is breaking the law? Will the recently announced minimum pricing on alcohol be dealt with in this Bill?

**The Tánaiste:** There are two Bills involved, the public health (alcohol) Bill and the sale of alcohol Bill. It is intended to make progress on both next year.

**Deputy Barry Cowen:** The Tánaiste stated that the water services (No. 2) Bill will be brought before the House in the next few weeks. Will that contain all the legislation required in order to give effect to the policy that the Government has initiated to introduce water charges next year? Will it give details of service level agreements?

*1 o'clock*

Will it, as Deputy Stanley said, have within its detail the relevant legislation to give effect to the transfer of assets?

**An Ceann Comhairle:** I am afraid we cannot discuss the Bill on the Order of Business.

**Deputy Barry Cowen:** In other words, will this be the only Bill necessary for the policy to be brought to bear?

**An Ceann Comhairle:** You mentioned there were two Bills.

**The Tánaiste:** A couple of Bills have already been passed. The Water Services (Amendment) Bill 2012 was enacted in February 2012. The Water Services Act 2013 was enacted on 20 March 2013. The heads of the water services Bill have been approved by Government. It will provide Irish Water with the following necessary powers: to deliver water services, including through service level agreements with local authorities; to define the relationship between Irish Water, local authorities and the economic and environmental regulators; to set the legal basis for domestic water charges; to extend the water regulatory powers of the Commission for Energy Regulation; and to provide for related matters. As I have stated, it will be in this session.

**Deputy Barry Cowen:** What about the transfer of assets?

**An Ceann Comhairle:** You will have to table a parliamentary question on that. I call Deputy McGrath.

**Deputy Barry Cowen:** The Bill will not include it. Is that the case? The Government will



not be selling it. Is that the position?

**An Ceann Comhairle:** My colleague, Deputy McGrath, wishes to make his case.

**Deputy Finian McGrath:** I wish to raise two matters of legislation. Is the Tánaiste aware that coming up to 2014 there is a major plan in the Clontarf area to celebrate or commemorate the Battle of Clontarf 1,000 years ago?

**An Ceann Comhairle:** You have two minutes left.

**Deputy Finian McGrath:** This is relevant for small businesses. Under the heritage (amendment) Bill, will the Tánaiste indicate whether he will support the local 2014 group in respect of funding? There are many ideas relating to the arts, it will be historic and it will be good for tourism, small businesses and the country.

**An Ceann Comhairle:** I feel a parliamentary question coming on.

**Deputy Finian McGrath:** I know that the Minister of State, Deputy Brian Hayes, being an ex-Clontarf man, will be very supportive at Cabinet level and within the Government. The group needs a few bob to kick-start the project.

My second question relates to the Dublin Docklands Development Authority Bill. Will the Tánaiste give a commitment in the House today that the Government will not allow Dublin Port Company to fill in the 52 acres of Dublin Bay?

**An Ceann Comhairle:** We will deal with all of that another time but not on the Order of Business.

**The Tánaiste:** The heritage (amendment) Bill will give effect to actions arising from the Government reform programme and will be in 2014.

The heads of the Dublin Docklands Development Authority dissolution Bill are in preparation and will be published in 2014.

**Deputy Seán Ó Feargháil:** I wish to raise two matters. The Government has not exactly distinguished itself in matters relating to climate change and the environment but it has promised a geothermal Bill to regulate and licence that sector. Has this been considered by Cabinet? When will it be brought before the House?

We made reference to the crisis in the Philippines on Tuesday. Today, we heard a call for additional funding to be made available to combat the crisis there. Will the Tánaiste outline the position on the deployment of a rapid response corps to the area to give practical assistance to the people of the Philippines? It defeats the purpose of having a rapid response corps if at this point in the crisis it has not been deployed.

**The Tánaiste:** The draft heads of the climate action and low carbon development Bill were referred to the joint committee on 26 February.

The geothermal Bill is down for late next year. It will provide a legislative framework for the vesting, licensing and regulation of the development of geothermal energy.

We are working closely with the United Nations agencies and non-governmental organisations in respect of the Philippines. We will respond to them and with them as we see the situa-

tion unfold. We have already sent money, equipment and emergency materials.

**Deputy Seamus Kirk:** I wish to ask the Tánaiste about the Narrow Water bridge project. Apprehension is growing in County Louth about whether it will go ahead. It is a vital project. The whole peace dividend is at stake and it would be a major symbolic development if we could get it moving. The other issue is that if it does not proceed then a significant tranche of money from the Special EU Programmes Body may not be utilised, a serious matter at a time when we need all the resources we can to regenerate the economy.

**An Ceann Comhairle:** I am afraid we are stretching the Order of Business, but if the Tánaiste feels obliged to respond, that is fine.

**The Tánaiste:** The issue that has arisen in respect of the Narrow Water bridge is the value-for-money assessment. The proposal did not meet the assessment requirements. We discussed it at the North-South Ministerial Council last week and the Taoiseach and I discussed it with the Northern Ireland First Minister and Deputy First Minister. The Government and the Northern Ireland Executive support the project. We need to get some technical work done relating to how the project can be progressed. Clearly, we have no wish to lose the money that would otherwise have gone into the project. There is a certain timescale involved and the money will probably have to be reallocated. However, the Government and the Northern Ireland Executive continue to support the Narrow Water bridge project and we will get the necessary technical work done and then see how it can be progressed.

**Deputy James Bannon:** A quality transport system is key to driving economic growth and development. It is important for connectivity to European and global markets. The completion of the M4 motorway is important too because there is a bottleneck through the midlands.

This is a historic day since we are back in control of our purse strings. When will the road transport Bill come before the House? Proper transport links to the midlands are important to the midlands and central to economic development there. Will the Tánaiste give an update on when road transport Bill and road traffic Bill will come before the House?

**An Ceann Comhairle:** We will find out that now.

**The Tánaiste:** Responses received from the consultation process with stakeholders on the road transport Bill are currently being examined and the Bill is expected to be published next year.

### **EU Council Decisions on Passenger Data: Motions**

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

That Dáil Éireann approves the exercise by the State of the option or discretion under Protocol No. 21 on the position of the United Kingdom and Ireland in respect of the area of freedom, security and justice annexed to the Treaty on European Union and to the Treaty on the Functioning of the European Union, to take part in the adoption and application of the following proposed measure:

14 November 2013

Proposal for a Council Decision on the signature of the Agreement between Canada and the European Union on the transfer and processing of Passenger Name Record data, a copy of which was laid before Dáil Éireann on 6 August 2013.”

Question put and agreed to.

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

That Dáil Éireann approves the exercise by the State of the option or discretion under Protocol No. 21 on the position of the United Kingdom and Ireland in respect of the area of freedom, security and justice annexed to the Treaty on European Union and to the Treaty on the Functioning of the European Union, to take part in the adoption and application of the following proposed measure:

Proposal for a Council Decision on the conclusion of the Agreement between Canada and the European Union on the transfer and processing of Passenger Name Record data, a copy of which was laid before Dáil Éireann on 6 August 2013.”

Question put and agreed to.

### **Arms Trade Treaty: Motion**

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

That Dáil Éireann approves the terms of the Arms Trade Treaty, done at New York on 3 June 2013, a copy of which was laid before Dáil Éireann on 10 October 2013.”

Question put and agreed to.

### **Topical Issue Matters**

**An Ceann 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 Michael McNamara - the Lough Derg water extraction plan; (2) Deputy Peadar Tóibín - the need to legislate for the placing of all 400 kV cables underground; (3) Deputy Paudie Coffey - the need for meaningful engagement by EirGrid with communities regarding the proposed GridLink routes; (4) Deputy Catherine Byrne - the options considered to reduce smoking in pregnancy; (5) Deputy Martin Heydon - the need for meaningful engagement by EirGrid with the communities who have real concerns about the proposed GridLink routes; (6) Deputy Thomas P. Broughan - the health services and supports available to children and adults suffering with Ehlers Danlos syndrome; (7) Deputy Catherine Murphy - the difficulties caused by insufficient rent supplement caps; (8) Deputy Pat Deering - the need for meaningful engagement by EirGrid with the communities who have real concerns regarding the proposed GridLink routes; (9) Deputy Clare Daly - the impact of Grid25 on communities; (10) Deputy

Mick Wallace - to discuss the EirGrid plan to erect large pylons to carry power lines through different parts of Ireland; and (11) Deputy Áine Collins - the need to provide personal assistants to children with serious disabilities for the preschool year.

The matters raised by Deputies Catherine Byrne, Áine Collins, Thomas P. Broughan and Catherine Murphy have been selected for discussion.

### **Local Government Bill 2013: Second Stage (Resumed)**

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

**Deputy Joanna Tuffy:** I am glad the Minister is present because, in the first instance, I wish to ask a question of him. On 30 October 2013, the Congress of Local and Regional Authorities of the Council of Europe issued a report on local democracy in Ireland. While the congress report welcomed commitments and some progress made in the area since it had last drawn up a report in 2001, it noted that constitutional protection of local government is rather weak, that local governments only manage a modest amount of public affairs and that the administrative supervision of their activities behind the central level remains high. The report also drew attention to the highly limited powers of local authorities to levy taxes or set rates within the limits of the law. In another point of relevance to this legislation, the report also “recommended to the Irish authorities that they revise their legislation in order to ensure that the subsidiarity principle is better enshrined and protected in the law”. The report also made a recommendation that the Irish authorities should “sign and ratify the Additional Protocol to the European Charter of Local Self-Government on the right to participate in the affairs of a local authority”.

In respect of that report, I have to hand correspondence from Westport Town Council, which made a submission to the congress. It was highlighting to members the contents of that report from the Council of Europe. In its letter, however, the town council stated that the chair of the monitoring committee of the Congress of Local and Regional Authorities of the Council of Europe had specifically asked the Government not to pass the legislation until adequate consultations had taken place with the local authorities.

If the Minister intends to respond in the course of the Second Stage debate, I would appreciate it were he to address this point. First, what is his response to the calls from the Council of Europe that the legislation be revised? Second, how does he respond to the call of the chair of the aforementioned monitoring committee that the Government should not pass the legislation until adequate consultation has taken place with local authorities?

As I noted, Westport Town Council is one of a number of town councils that has made submissions to the Council of Europe. Moreover, I understand the Association of Municipal Authorities of Ireland, AMAI, also has done so, in which it has been constructively critical. It is not as though the association is entirely critical of the Bill but it has criticisms of it. I noticed a paper given recently by Dr. Aodh Quinlivan to the AMAI, in which he pointed out there is much evidence on the efficiency and autonomy of town councils, that is, they are the most efficient and autonomous units of Irish local government at present. I accept the point that there was an inequality in this regard, as town councils only cover approximately 15% of the population. Consequently, there was a need for reform to provide a unit of government equivalent to the

town council throughout the rest of the country. While I accept the municipal district is a step in this direction, that unit is a lot weaker than the town council with regard to its powers pertaining to money in particular. For example, in an article published recently in *The Irish Times*, Willie Callaghan, who is president of the Association of Municipal Authorities of Ireland, stated that town councils currently have the power to determine local charges, such as commercial rates or parking fees, and to decide how these moneys should be spent within their towns. This power is being taken away. Consequently, we are losing something by the abolition with regard to the extent of the town councils' powers.

Another point is that while I welcome the idea of municipal districts and welcome the provision under the reforms of additional councillors for the Dublin area, I am greatly disappointed that municipal districts will not apply in Dublin. I simply cannot see the logic of that. If the idea is to bring in a unit of local government that would apply across the board and across the nation, it should also apply in Dublin. I do not see any argument against that proposition and am sure it would work. I represent a Dublin constituency that includes the towns of Lucan and Clondalkin and, as Dublin has towns and villages, the concept of the municipal district could apply just as easily to Dublin. I do not understand this decision and note that Dublin is not really getting anything new in respect of structural reforms under this legislation.

As for the main point I wish to make to the Minister, Members were provided with a very good paper by the Oireachtas Library and Research Service, which deals with the Government's proposals on local government. One issue examined is the size, structure and level of representation of Ireland compared with other countries and the point is made that a body of opinion exists, with which I agree, to the effect that size is a good indicator of citizens' access to representation and the responsiveness of local government to the population. Ireland is greatly under-represented and the entire argument about representation in Ireland is completely wrong-footed and misinformed. I refer to the supposition that Ireland has too many politicians. In fact, Ireland is not over-represented at national level and is greatly under-represented at local level. It has very few regional governments, although I would not argue for them as I believe the levels in Ireland that are important are national and local government level. After the next local government elections when the number of councillors will have been cut from 1,650 to 950, Sweden will have 20 times more elected representatives than Ireland, even though it only has twice the population. In other words, following the next local elections, Sweden will be 20 times more represented than Ireland at local government level. While Sweden has devolved more powers at local government level, the point pertains to the size, where there is a huge difference. Similarly, the Taoiseach made a big thing about comparing Ireland with Finland and Sweden and so on during the Seanad referendum campaign. After the next local elections, when cuts have been made to the number of councillors, Finland will have ten times the number of local elected representatives per head of population than Ireland and, as the Minister will be aware, Finland has a population of similar size to Ireland.

I will turn to the information provided by the Oireachtas Library and Research Service. If one goes by average population of local authorities and average ratio of councillor per head of population, Ireland's current councillor per head of population ratio is 1:5,196, whereas in France, the ratio is 1:120. Ireland simply does not compare, and with the exception of Britain, one simply cannot compare Ireland with any other country, as it is so under-represented at local government level. Incidentally, Ireland is set to become less represented than Britain after the reforms of the Minister take effect. Even when taking into account the municipal districts, Ireland still will be greatly under-represented after the reforms because at that stage, one will



be talking about a ratio of councillors to population of 1:4,212. That is not per head of population. That is when one goes down to the local authority unit. If one compares local authorities in other countries and the average ratio of local authorities and population, Ireland will still be greatly under-represented when compared with other countries in the European Union. In fact, we are about to become the least represented country at local government level.

Moreover, size is important because what is important at local government level is not simply the powers that local government wields. The actual closeness of the people to the representatives is very important. If people wonder what is the reason constituents contact Deputies about local issues, it is because they are so under-represented at local government level by councillors. The obvious thing is that if one has an issue, one will go to one's local representative and if that is the Deputy down the road and there is no councillor in the vicinity, one will approach the Deputy.

The main criticism I have of the Bill in terms of reforms - it is more the reforms than the Bill that are at stake here - is that we will be left too under-represented at local government level to have a proper system of local government. That is a mistake by the Minister. I believe it is something we will regret down the line. I welcome the municipal districts in the sense that such units will be in place throughout the country with the exception of Dublin, of which I am critical, but the municipal districts will not have anything near the power the town councils have had. There are no real reforms in terms of the power of the manager. They will only be rubber-stamping the appointment of the new chief executive. A decision will be made and all they will be able to do is to rubber-stamp it or not to do so but they will not be able to amend or change a proposal regarding the appointment of a chief executive. There are no profound reforms in the Bill and the reforms provided for are welcome up to a point but I believe we will regret the cutting of the number of councillors.

**Deputy Martin Ferris:** There is no doubt that our system of local government needed overhauling and we would not argue otherwise. Local government is one of the most important of any type of democracy and if it was properly reformed it would have a good deal to offer. Successive Governments have talked about the need for reform and then used that concept to cut the heart and soul out of the system. There has been a cynical, snide suggestion that town and county councillors were made up of elected representatives of the Ballymagash variety but that is an insult to the men and women who have given tremendous service in their lifetime to represent the people, some of them having done so for many years. They do not deserve such commentary.

This is not to say that Sinn Féin does not agree that reform is needed, but that reform should not involve further centralisation as that would be a step backwards and result in a cut in funding to local authorities. The continued trend of the erosion of the powers of council in planning, housing, transport, roads, waste management and water has to stop. It does not have to be that way. Unelected county managers cannot have power and be unaccountable to those elected by the local people, but that is what is happening. I assume the Minister served on a council at one stage. Many of the powers held by county managers go against the grain of what local communities require. There was a time when such posts were filled by local people with a commitment to their area and while a high standard of professionalism is to be welcomed, the parachuting of powerful unelected county managers from one place to another, taking decisions divorced from the democratic process, must be challenged. Local authorities must be accountable to the public for their actions. Local services must represent best value for money and be accessible to those who need them. Planning is an area for local involvement and accountability to local



people.

An integrated and holistic approach to planning by people who know an area intimately and know the history of its infrastructure and the needs of its people is clearly in the interests of citizens. Decades of bad planning decisions have had a devastating effect on parts of this State. I remember visiting Carlow, which is in the Minister's constituency, a few years ago when it was flooded. We had to travel on a tractor and trailer to get through parts of it. Parts of the area outside Newbridge were also flooded. That was all due to irresponsible decisions and bad planning by planners and so forth.

Far from localising and democratising the process, there is now an attempt to further distant it from elected councillors. This is not the proper way to go about it. Provision in respect of planning needs to be adequately resourced to meet the needs of those applying for planning and the requirements in respect of policies and laws. Many complaints by the public go uninvestigated because there are not enough local authority personnel to process them. The public service embargo needs to be lifted to allow local authorities to employ a sufficient number of officers. One can see where local authorities are understaffed across the spectrum throughout the country. That has a knock-on effect in terms of roads, drains and the waste collection in areas where there is still such a public service.

In recent years we have seen the effects of a combination of bad planning decisions and global warming which has caused flooding in places where it was unheard-of for generations. Planning decisions have been made which are not even in line with the councils' own climate change policies. The old section 140 - I know it was abused in my own country - gave power to councillors on planning decisions and consideration should be given to reinstating that. Responsibility comes with good elected councillors doing their job, and the vast majority of councillors do that.

In the Minister's 200 page Bill, nowhere do the words "councillor" and "power" appear in the same sentence. It has nothing to do with local government. It is an attempt I argue to centralise power in the Custom House and disempower councillors.

Part 6 contains provisions relating to the alignment of the local and community development sector with local government. The Bill provides for the establishment of local community development committees as committees of the local authority in each local government area. The local community development committees are to prepare five-year plans for their respective areas and they are to be piloted in ten areas, including Limerick. The Bill provides for staffing of these committees made up of various local interests and members of the local authority among others.

With regard to Leader companies, I think everybody has been in touch with their respective area. Their staff, the trade unions and the community are all concerned about local authorities having powers to decide how funding is allocated instead of the Leader companies. This represents a more centralised, streamed-down form of local authorities and they have the power to determine that. The Leader companies have recognised interested internationally as representing best practice. I understand all Members have been lobbied by the people who work with Leader companies.

There is a concern that Leader companies will lose their independence which has been an essential ingredient of our success. It seems that at best the Leader companies will have service

level agreements with the local community development companies or even worse. Will we have a situation where Leader companies will have to tender in competition with the private sector? That is a major concern.

Those of us who came through the political chain from town council to county council, and some of us ended up here, see the value of the work that local authorities at town council level can do in their respective communities. Sinn Féin had a councillor in Listowel, Tony Curtin, who passed away earlier in the year. He was nearly 80 years old. The Minister for Arts, Heritage and the Gaeltacht, Deputy Jimmy Deenihan, would have known him personally and he would have been related to him. When I attended his funeral in Listowel I met a great number of people who spoke of the work he did for his community. I heard of the personal connection he had with people in the more deprived areas in the housing estates and so forth and the work he did on their behalf was recognised across the political divide in those areas. He left an outstanding legacy in term of his work ethic, honesty and integrity. I could say the same about most of the councillors I know. Taking away their power and the loss of the local connection where people have been on first name terms with local councillors is a step backwards. It is a step that will erode the democracy that was there and which has served us well.

In terms of local democracy, the connection between local councillor and local communities, people knowing councillors on first name terms and knowing their problems, good councillors in most areas have done the right thing. Good councillors have always been re-elected because of their work ethic and what they have done for their areas.

Sinn Féin has argued consistently that there was a need for reform but this type of slash and cut is certainly not reform. It is taking power away from local communities in local areas and centralising it more and more. That cannot be a step in the right direction. It is a negative step and it will not help people access their needs and entitlements. Waste management services are managed by local authorities but this may be taken from them in most areas. The local authorities ran a waiver system which was of assistance to old age pensioners and those in need. It was a fantastic affordable service which has been privatised and as a consequence people who live in the most vulnerable and disadvantaged areas and elderly people who depended on the waiver, have nothing. It means the people who most need the services are not in a position to pay or else they are cutting back on food and heating expenditure or some other necessity in order to meet the payments. Privatisation has not worked and when it was introduced the enticement was that the service level would remain as was and at an affordable rate. However, it has gone the other way. That reasonableness and affordability has gone. In all areas where services have been privatised, costs have risen. Isolated areas which formerly had local authority collections are now deemed to be unviable and the collections have been discontinued. This is an example of what happens when power is taken away from local democracies.

**Deputy James Bannon:** I wish to share my time with Deputies Mitchell O'Connor, Neville and Walsh.

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

**Deputy James Bannon:** I welcome this opportunity to speak on Second Stage of the Local Government Bill 2013. This is an historic day for Ireland and her people as we exit the bailout programme. This Bill is the most radical reform of local government in over a century and it provides for a major change to the functions of local authorities, structures, funding and governance to ensure that local councils deliver better services for citizens.

In October 2012 the Government published the action programme entitled Putting People First which outlined a range of reforms of local government which will be implemented under the four categories of reform of the structures; reform of funding accountability and governance arrangements; local government involvement in economic development and job creation - job creation is badly needed and I have thought for a long time that local authorities should have a major role in this area; and reforms to ensure efficiency in service delivery. There is often duplication and waste in services and the Bill will streamline the provision of services.

The purpose of the Bill is to give legislative effect to proposals set out in Putting People First. This legislation boils down to the policy issue of addressing weaknesses in local government. The Local Government Act 2001, defines county and city as the primary units of local government and the cornerstone of the fresh local democratic system. There was a view on this side of the House that local authorities are well positioned to boost economic recovery in their respective communities. This Government has established local enterprise offices within county councils to provide a resource for small business-owners looking to establish or expand enterprises at local level. I have always recommended emphatically that the fullest range of local services should be assigned to the county councils as they are ideally placed for further devolution of functions from central Government.

The functions are more restricted than in most democratic states in Europe and the world. The structures have failed to keep pace with the changing needs of communities. Councils have very few revenue-raising powers which curtails their responsibility and powers. I served on a council for 18 to 19 years. Councillors represent the voice of the people. They are elected by the people to serve and to implement the will of the people in their respective areas or counties. Their aim is to keep the best interest of the community at heart by making cost-effective and environmentally sound decisions.

One of the main provisions in the Bill is to reduce the number of local authorities from 114 to 31 with a reduction in the number of elected councillors from 1,627 to 949. This is the downside of this legislation. For example, the midlands and the west will lose out because they will have less clout and fewer representatives. For example, there will be a reduction in the number of councillors in Longford from 39 to 18 and in Westmeath from 41 to 20. I would be concerned that this also reduces the voice of local people, leaving them unable to avail of the one-to-one service that a local councillor would provide. The capacity of the county council as the primary unit of local government is the cornerstone of Irish local democracy. Longford and Westmeath county councils are part of this essential framework which will give form and substance to our reformed local government.

The strength and independence of local government can be judged by the extent to which it is independently funded, rather than relying on transfers from central government. Local government in Ireland has been historically weak in this respect. Councils in the west and midlands have a very low rates base and they will be at a disadvantage. I ask the Minister to address this problem. Dublin has a high rates base compared to Longford or Leitrim which derive only a small amount of their income from rates. This issue needs to be addressed.

**Deputy Dan Neville:** I welcome the opportunity to contribute to this debate. This Bill will provide the first comprehensive reform of local government in over a century. The Bill provides for change to local authority functions, structures, funding, performance and governance. It will modernise and review the delivery of local services. This is an important change from the point of view of economic and community development. Local government in other

European countries plays a key role in economic development and this Bill will allow for local authorities in Ireland to do the same. Community development is a small section of the work of local authorities as currently constituted. This work will be enhanced and will allow for a varied level of community involvement and experience. Over the years, power has been removed from local authorities to various unelected bodies. They are sincere and they do good work but they are not accountable to the people. They are not judged by the electorate and because of that the trust and status of local government has been reduced and the abolition of responsibility for raising its own finances had a severe effect on the powers and decision-making of councils. Many councils were allowed to pass the buck to central government regarding decisions made in the thrust of debate within them. Control became more centralised but this will change and enable electors to better judge the performance of councillors. An evaluation should be carried out on the operation of the new structures in three or four years because there will be snags and improvements can be made.

I welcome the amalgamation of Limerick city and county councils into a single local authority. I commend the people who organised that, especially the chairman, Denis Brosnan, who brought his highly skilled experience in many fields to bear on the decision. It was a comprehensive decision to bring two large local authorities together but there will be better synergy and it will be to the benefit of the city and the county. It will also address the long-standing debate about the expansion of the city and the oversight of its environs, which up to now came under the remit in the county council. Limerick city will be the capital of the county and there is concern that the funding for services in peripheral areas might be sucked into the city for regeneration. It must be ensured the new unified authority does not interfere with services in the county. There will not be individual budgets for both the city and the county and while everyone wants the city to develop and expand, there is a concern that this should not happen at the expense of any part of the county.

**Deputy Michael Creed:** I congratulate the Minister on bringing forward this substantial Bill. We have a strong record of local administration but not a strong record of local government. The legislation contains a number of welcome provisions but I am concerned about others. It is a good start given it is the first time in a long period that an effort has been made to substantially examine local government legislation.

I would like to deal with three issues - the replacement of town councils by municipal districts; section 31, which deals with rates liability on vacant properties; and the role envisaged for local authorities in rural development via Leader and partnership groups. Ireland is a small country with finite resources. We have concluded a deal with Europe regarding rural development funding via the next tranche of structural funding and the amount is lower than was previously the case. The challenge is to make sure the maximum funding is available to front-line applicants rather than lose funding in administration. It is inevitable, therefore, that there will be fewer groups if we want to maximise the funds available to applicants to drive local economies, create jobs, etc. There has to be a realistic acknowledgement of that fact.

One of the weaknesses in the current regime is the lack of interaction between these groups and local authorities and public accountability. They are not subject to freedom of information legislation, for example, something that has been exercising Members in recent days. Substantial public funds are expended by these bodies and, therefore, administrative costs need to be examined. While we need to acknowledge what has been achieved by these groups, the Government needs to point that out less funds are available and resources are finite and administrative overheads need to be reduced. Perhaps heads need to be knocked together. There should

be fewer bodies and they should come under the aegis of local authorities. That should not threaten anybody. Local authorities are locally accountable and how we achieve the end game rather than the objective is what is important.

I refer to the abolition of town councils. I am fortunate to represent a town, which has a council with a long and distinguished track record of service. I am reminded of the John Donne poem which opens with the lines:

No man is an island

Entire of itself,

The flaw in the construction of town councils is they were set up as if they could operate independently of their hinterland. As the bell tolls for them, one wonders whether what is to be put in place is the correct structure to replace them. The term “municipal districts” should be dropped from the legislation. We should refer to town and district councils which encompass towns and their natural hinterland. In many respects, the constructs that are being put in place are not ideal. Some are good but many are bad. For example, the Beara Peninsula is enormous and is centred around Castletownbere. It should have a town and district council of its own. The municipal district envisaged for my area encompasses Macroom, a market town, and its hinterland, and Blarney, which has a strong identity as a tourism destination but which also has a strong commuter connection with Cork city. It is probably out of place in that district. However, the legislation is a start and we will need to revisit the municipal district structure. I prefer town and districts and areas are homogenous, unlike many of the proposed districts. I acknowledge the role played by town councillors of all parties and none who have given tremendous service but it is important that towns are connected to their natural hinterland. That is what the Government is trying to achieve but it may not have succeeded entirely.

Economic recovery has been patchy and section 31 proposes to extend the 50% burden on all vacant properties, which is unfortunate. I ask the Minister to examine this again because rural Ireland will be penalised by this. He should not be prescriptive in this regard. It should be left to local authorities to determine. Will the Minister urgently reconsider that section, which should be deleted?

**Deputy Regina Doherty:** I am grateful for the opportunity to contribute to the debate. Over the coming months, there will be a gradual transfer of powers from the town councils in County Meath to the management at county hall. This follows the recent publication of the Bill, which will create 31 single tier local authorities in Ireland from the current 114 councils. I had the privilege a number of years before I was elected to the House of attending a meeting at which the Minister for the Environment, Community and Local Government, who was then an opposition spokesperson, laid out his plans for local government reform if he was lucky enough to be appointed to the office. I am privileged to be in the House as he seeks to enact those plans, which will have a positive effect on our communities.

A range of outdated legacy rank and status issues inherited from the 19th century system will be addressed following decades of false political promises of reform by successive Governments, mostly led by Fianna Fáil, and I am proud the Minister has the opportunity to introduce such fundamental institutional change. Good governance can be linked directly to the transparency and accountability that operates within a society. It is marked by broad support for good administrative structures and public confidence in social justice. The State wandered far



from those ideals and its defining attributes became a lack of accountability, excessive secrecy and probably undue control. An opportunity to address those failings has now arisen and we are taking it.

Apart from giving effect to major structural reorganisation, the most important provisions in the Bill are the changes being made to local authority governance. The Bill will see the rebalancing of powers between the executive and the elected council, bringing with it much greater powers to elected council members to direct policy. Going forward, the councils will oversee implementation and actively review actions of local authority management. Councillors will have power over the appointment of the new chief executive position, which will replace the old county manager role. In addition, the expansion of the role of SPCs is really welcome, given that I spent years on one, as is the establishment of a national oversight and audit commission.

In my own county of Meath, the county council will now have 40 members elected to it, reflecting the population size and growth over the past number of years. I very much welcome that finally the population size is being recognised. I also very much look forward to when our funding recognises the population growth we have experienced in Meath over the past ten to 15 years because it has not done so in recent years. When one compares *per capita* funding with that in other counties with lower population sizes, one sees they get the same amount of funding. I look forward to that issue being addressed.

The provision in section 18 ensures the continuity of policy from what will soon be dissolved town councils to the county councils but I have a small issue in regard to the deficits that will be carried over from town councils to the newly formed county council structures. My county has three town councils which will be abolished next May. Each of them carries quite considerable deficits which will obviously hinder and place a millstone around the neck of the new council elected next May in terms of the activities in those areas. Will that be taken into consideration?

I wish to go back to what reformed local government will look like. It will enhance economic, social and community development in our counties. It will deliver efficient and really good value services, which we need in our communities. It will represent our citizens and communities in a way that is effective, very transparent and more accountable, with our elected councils providing strong leadership and not, as sometimes happened in the past, hiding behind the manager or claiming to have no powers. The Bill vests real, new and substantial powers in our elected county councillors, which is really welcome.

The reforms are long overdue. There needs to be greater scrutiny in the way local authorities are managed. This is not true of all counties but a culture of the inside track and who one knows was very prevalent in some counties. It was extremely corrosive not only for the political system, but for the communities it served and I am very glad that will be removed. It is particularly destructive in a community and a society where innovation and entrepreneurship is vital.

The changes offer an opportunity to start afresh and forge new local governments to serve the community. The whole point of local government reform is to ensure that our local councils deliver better services to their citizens. For too long, local government has been by-passed by quangos. I want councils to do more for citizens and for local communities but I accept that first local government must regain public trust and this Bill genuinely lays the foundations for that happen.



**Deputy John Browne:** I welcome the opportunity to speak on the Local Government Bill 2013. I do not believe much thought or effort went into the drawing up the new boundaries for local government, or that there was much independence in the process. For example, Taghmon in County Wexford is approximately 8 km from Wexford town but it is now being put in with the local authority area of New Ross, which is at least 25 to 30 km away. It has nothing in common with the New Ross constituency. Much of the redrawing of the boundaries had a political dimension to it. With the eight seaters and ten seaters, the Minister was trying to ensure the seats of Fine Gael and Labour Party councillors would be protected. Obviously, there was not too much independence attached to the drawing up of the boundaries by the commission.

**Deputy Jan O'Sullivan:** That is a very serious accusation.

**Deputy John Browne:** In the early 2000s, we had Better Local Government initiated by one of our own Ministers, Noel Dempsey, and continued by the Minister for Public Expenditure and Reform, Deputy Howlin. We had county managers and directors of services and total bureaucratic control of the councils was initiated at that time. I always believed that the county secretary, the county manager and the county engineer approach was far better because at least there was someone with responsibility in the council to whom one could go. In latter years when one contacted or wrote to the county manager about an issue, he would refer it to the director of services who would refer it to the area engineer who would refer it to the district engineer. No one accepted responsibility. I hope that whatever changes come about, we will see some changes in that area and that someone in the local authority accepts responsibility at the top in respect of representations made.

I refer to the abolition of town councils. I served on Enniscorthy Town Council for many years and I always believed this was where democracy was closest to the citizens. Now town councils will be abolished and will be replaced by municipal districts. There is no explanation as to how a municipal district will operate. Will it have a chairman? Will it have a specified budget or will it be dependent on the amount of money handed down from county council level? I agree with Deputy Creed that municipal districts do not fit in here and that we should go back to a town and district council. If we had Enniscorthy town and district council, Wexford town and district council and New Ross district council, it would sound better as we would be including the town in the name. The Minister should consider that suggestion which did not come from this side of the House but from Deputy Creed and others on his side. It would be far better if the town was included in the name.

In my area, there will be an eight seater. If I was a betting man - sometimes I have a flutter on the old horses - I would bet that we will have three people elected from the town and five from the rural area in the local elections next May. I will not predict who they will be but I think that is what the line-up will be. I fear that when it comes to divvying up the spoils at a municipal authority meeting, the towns will lose out because certain rural councillors will be more inclined to spread the money into the rural areas. There will be a deficit in terms of democracy for the towns. That is an area the Minister needs to look at before he finalises the Bill.

*2 o'clock*

NAMA seems to operate like the third secret of Fatima. What role will NAMA play in local authorities in the future? It seems to hold the aces when it comes to the housing programme for local authorities. There is no reference to NAMA in the Bill. We have been told by the Minister and others that there are 4,000 houses available through NAMA but the slowness of decision-

making in NAMA is a concern in local authorities and among local authority members. We had the farcical situation in Enniscorthy where Enniscorthy Urban Council bought houses from a contractor who went into NAMA. It had such difficulty dealing with NAMA that the urban council walked away. It did not conclude the deal with NAMA in respect of the 13 houses because of the bureaucracy and red tape and lack of co-operation. How will the Minister speed up decision-making in NAMA?

I believe he should be able to come into the House and name the specific areas in each county where houses are available through NAMA. Perhaps the local representatives, the council officials and the NAMA officials might work together in such circumstances to ensure the houses in question are allocated to the councils as quickly as possible. I read somewhere that some local authorities have rejected NAMA houses. I find that amazing, considering the number of people who are on the housing list in every local authority area.

There is concern among councillors and officials that Irish Water seems to be operating in a secretive way. Nobody can get answers on where Irish Water will fit in at local authority level in the future. Will the people who are currently employed in the water sections of local authorities remain with those authorities? Will they transfer to Irish Water eventually? Someone said it will take 15 years to transfer them to Irish Water. There is concern in this regard. Irish Water is installing meters, digging trenches and causing water leaks and ESB problems in Wexford town at the moment. People are asking me whether Irish Water or the client for whom the water meter is being installed will ultimately pay for the meter. That issue needs to be cleared up.

I understand that local Leader programme companies are to be based in the local authorities. The Minister has told me that while they will be based in the local authorities, they will not actually form part of those authorities. He has said that those who are employed on Leader programmes will not become local authority workers - they will remain on contract. Maybe the Minister might clear that up as well.

There are some good points and some not so good points in the Bill. I do not think it will ultimately take power away from the bureaucrats and the county managers and give it to the citizens and the local representatives who will be elected next May. The post of manager will be replaced by the post of chief executive. That sounds good, but I am concerned they will have more powers than the county managers already have. I feel that many county managers act like they are infallible. They are certainly not in tune with the views and ideals of many elected representatives. Now that they are to be called chief executives, will they have much more power than they have had previously? God knows they have had enough power up to now without giving them any further powers.

I would like to mention another aspect of this matter that always concerns the general public. Our salaries and expenses are in the public domain. We might know what a county manager's basic pay is, but we do not know what increases or expenses he or she gets. All of that should be available to the public. The salaries of county managers, like those of Deputies and Ministers in this House, are funded by those who pay rates and taxes.

The Minister initially said that 80% of the receipts from the local property tax would go to local authorities. He seems to have rowed back on that more recently. He is now saying that councillors will have the power to increase or decrease the property tax in the future. This concerns me greatly because in the past, councillors around the country increased rates more often than not when they were short of a few bob. I would say it happened 99% of the time. If

the county manager says when the budget is being considered next year that the local authority has a shortfall of €20 million, €30 million or €50 million, it is likely that he or she will propose an increase in the local property tax rate. Judging by the record of councillors in the past, when they went along with the views of county managers more often than not, the proposed increase will be sanctioned in such circumstances. I would be concerned about giving them these powers because, as I have said, they usually go in the wrong direction and increase the rates.

I think this Bill needs to be amended. I hope the Minister will accept amendments to some areas of it on Committee Stage. I support Deputy Creed's suggestion that the Minister should call these bodies "town and district councils" rather than "municipal districts". I think the word "town" needs to be used. I think "Enniscorthy town and district council" sounds much better than "Enniscorthy municipal authority".

**Deputy Patrick O'Donovan:** I would like to share time with Deputy Mitchell.

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

**Deputy Patrick O'Donovan:** I welcome the opportunity to speak on this legislation. I acknowledge the presence of the Minister of State with responsibility for housing, who comes from the same county as me. The Minister of State, Deputy Jan O'Sullivan, and I probably know more than most Deputies about the need for local government reform in Limerick. Over the years, we have witnessed the absolute and total failure to take seriously the challenges faced by local authorities around the country. Typically, the possibility of a boundary extension was proposed as a soft answer by those considering how to solve Limerick's problems. When I was a member of Limerick County Council, I often said that the extension of the Limerick city boundary might solve the city's problem but would create a problem for the county.

I was pleased that the Government took the bull by the horns when it came into office and insisted that the two Limerick local authorities should come together. I think this unification will be good for people and businesses in Limerick. It will help to attract inward investment into the city and county. The unifying of the two authorities is being replicated in Tipperary and Waterford and there may be opportunities to do it elsewhere. If I have a concern about this process, it is that I feel it is essential that two local authorities should not be unified at the expense of one authority or the other. As one of the first people to propose the establishment of a single Limerick authority, I often use the expression "whether you are from Mountcollins or from Corbally, you are no less Limerick". The new local authority must spread its emphasis evenly.

I suggest that after this Bill is implemented, the Joint Committee on Environment, Culture and the Gaeltacht should be required to examine on a yearly basis the effectiveness of these local government reforms. In that context, perhaps I could propose that a reference to "local government" be included in the name of the committee. The previous speaker referred to the Better Local Government initiative that was introduced by his party. To my mind, that initiative resulted in bigger local government rather than better local government. When I spent over seven years as a member of a local authority, I found it frustrating to participate in a strategic policy committee or corporate policy group that met infrequently and did not really have a major say. A far more robust system of scrutiny is needed, perhaps involving engagement at Oireachtas committee level. I suggest that the elected representatives and the new chief executives could be invited to come before Oireachtas committees to explain some of their decisions on how to spend taxpayers' money.

Like previous speakers, I am concerned about the impact that the reduction in the number of local authorities and the unifying of local authorities will have on commercial rates. People like the Minister of State who are familiar with rate payers in Limerick city will be aware that they have paid very high rates over the years. There is a concern that when authorities are subjected to this unifying mechanism, there might be a temptation to increase the lower rate rather than reduce the higher rate. It has to be spelled out clearly that such an approach cannot be countenanced by the Government. This mechanism cannot be used as an excuse to shove up rates in towns, villages and city suburbs throughout the country that are to be included in newly incorporated local authorities.

Local authority members are at a disadvantage at the moment. Many Deputies have been members of local authorities in the past. When a new local area plan or county development plan comes before a council, it comes with the advice of the manager. There is never a mechanism within the council for councillors to procure their own advice. A mechanism should be inserted into the legislation to provide that when corporate policy groups are established, a certain amount of money is ring-fenced on an annual basis for advice to be given to such groups. Perhaps we could provide for that mechanism to kick in when two thirds of the members of that group agree to seek legal, financial or other advice from an external expert. Such an independent assessment could be compared to what might be on offer from the executive. We need to empower our local authority members not only to do the work they do every day, many of them very effectively, but we also need to empower them to challenge the *status quo*, which will need adequate financial resources.

I have often heard it said in this House that the Government is making great strides to make local government more attractive for women and young people. However, there is an elephant in the room. I was a local authority member and I know it is not a job that can be done easily by someone working in the private sector or in a job where getting time off to attend meetings is difficult. The legislation should provide that local authority meetings be held at a time that suits local authority members and not the staff. In many rural areas local authority meetings are held at 11 a.m. It is not easy for a PAYE worker, a young parent at home, a teacher or a farmer to get time off to attend a local authority meeting in what is not a full-time job and one that is not remunerated properly. I mean that sincerely. I do not believe local authority members are paid properly for the job they do.

The Department, in conjunction with the County and City Managers Association, needs to examine the expectation that it is to be a part-time job with whole-time hours. It needs to insist that local authority members are facilitated in having meetings at times outside the normal working day. We are reducing the number of councils and local authority members and expecting them to cover even bigger areas. As the Minister of State will know, in our part of the world we have new electoral areas in Kilmallock, Newcastle West and Rathkeale that are gigantic. They are bigger than most Dáil constituencies. To be fair to those people, we need mechanisms in place to accommodate them properly if we are to prevent what we are seeing now, which is very good young local authority members announcing they will not stand in the next local election because it is conflicting with their jobs. They cannot get time off and their employers are rightly complaining.

Some people may be concerned about the abolition of town councils. I am from a town of nearly 8,500 people. We do not have a town council. It was abolished in the 1950s and formally went off the Statute Book in the 1990s. Our experience is much the same as what is proposed in the Bill in that the local electoral area committee essentially became the town

council for Newcastle West. It also became the town council for places such as Abbeyfeale, Dromcollogher, Rathkeale and Ardagh along with other small towns and villages. There is not massive fear. If one were to ask any businessperson, ratepayer or person on the street if they are concerned about the abolition of town councils, they would say they are not, once they know the services will not be reduced and the rates will not increase. Those are the two things that concern people.

I agree with Deputy Browne on the Freedom of Information Act requests made to Oireachtas Members and local authority members. That information should be made available for directors of service and the new chief executives being introduced. Everybody in the public service should be able to account for the money spent on himself or herself regardless of whether they are elected. They should have nothing to be afraid of in publishing their expenses.

There seems to be a constant need for local area plans and local development plans. I know the Minister of State has a particular interest in this given her responsibility for planning. The cost associated with renewing these development plans is something we will need to consider from a legislative point of view. We are recruiting oodles of consultants to renew plans at a time when the building industry has stagnated. I would much prefer to see the existing plans, if the elected members wish, being extended for periods of time and then be approved by the Minister if he sees fit. The renewal of these plans on a every five years is a massive drain on local authority resources at a time when they do not have the money.

I acknowledge the work local authority members do and I particularly acknowledge the role played by the party leaders within local authorities. I was one. I welcome that party leaders will be part of the corporate policy group. For too long the corporate policy group was sacrosanct, and while the chair of a strategic policy committee might get to sit on it, a group leader, who was ultimately responsible for the local authority, did not get a look in at all.

Regarding shared services, Limerick has a population of 190,000. We will have a single library service, a single environment service, a single housing service, etc. The four counties with the smallest populations that adjoin each other have a combined population of less than Limerick. While each of them will have its own county manager, we need to consider increased levels of shared services. For argument's sake, do we need individual librarians, chief fire officers, and directors of services for environment, housing and sanitary services, each of whom is drawing a salary of in excess of €100,000, in each local authority covering populations of 40,000, 50,000 or 60,000? I do not believe we do. There might be an opportunity for increased roles for senior executive engineers.

I believe the Bill represents a step in the right direction and is long overdue. I wish those standing for election in May well because it is a very difficult thing for anyone to do. Ultimately they will be the final decision makers as to whether this legislation is good. I encourage the Minister and the Department to engage actively with the Oireachtas to ensure that if changes are required, the Government will be willing to take them on board.

**Deputy Olivia Mitchell:** For as long as I have been involved in politics we have been talking about political reform, and recently I have heard people talk about so-called real political reform. I believe this Bill is genuinely reforming from a structural and administrative perspective and from a functional perspective. Local authority members are getting more powers, which will challenge them but will forge a real connection between those who are elected and the citizens they serve. Too often in the past when we reformed local government, it was all



about structures, including changes to boundaries, numbers of local authority members and so on. As a result over the years, local government has failed to deliver on its full potential.

I am a former local authority member, as many of us are. I still firmly believe that it is at local level that genuine quality-of-life changes can be achieved. The lack of reserved functions and financial dependence on central government has meant that local government has been a creature of central government in many ways, implementing policies dictated by Government to a level dictated by the finances available to it.

I agree with the previous speaker that it is to the credit of local authorities and good managers over the years that we have achieved so much. It is only when one goes abroad and sees other local authorities at work that we really appreciate the services we get from our local authorities and their members. It is not always true that the far-off hills are greener. No one - least of all the elected local authority members - believes things could not be done better or that local government could not be more efficient and responsive to the citizens it serves. I believe the Bill will go a long way to achieving that and will certainly improve on the present situation.

While there has been some upset at the abolition of town councils, they were no longer appropriate either geographically or functionally and could not play the role originally envisaged for them. Their replacement with municipal districts will result in towns getting a more effective and efficient service, and achieve enhanced priority in the overall county council setting.

I have a quibble with one structural change which I believe is superfluous and unnecessarily expensive - the increase in the number of local authority members in Dublin. While I appreciate the intention is to achieve equity in the ratio of local authority members to population as between Dublin and other parts of the country, I do not believe it is necessary. Despite having much bigger populations, the Dublin local authorities areas are geographically much smaller and are very homogeneous, which often does not apply in counties elsewhere in the country where there is a mix of towns, cities and villages. They have a greater diversity of issues to deal with, quite apart from having geographically bigger areas.

Nevertheless I accept that the greatly reduced number of structures and the overall reduction in representation is to be welcomed. It will reduce costs and will achieve more focused representation for the people being served.

I am pleased about the greater economic roles that local authorities are to have for the areas they serve. The dissolution of the city and county enterprise boards and their amalgamation into the local authority is the right thing to do. The councils will now have their own local economic plans, local community development committees and one-stop shops. Local authorities are far better informed about local conditions and they should be able not only to give the services in but to shape the economic life of the areas that they serve. We will see how it works out but it has the potential to give better service.

The Minister, Deputy Hogan, said that he had great hopes for the local property tax adding that under the new regime elected members will have an important role in determining the appropriate level of the tax with discretion to increase or decrease the rate by up to 15%. That is incorrect. We are told councillors will have the power to vary the amount but they certainly will not have the power to determine the appropriate level of the tax. The level of the tax is and always will be, under this system, determined solely by the property market. That has always been the basis of my complaint about the tax and I want to reiterate that.



In every other country in the world the level of local property tax is determined by the cost of local services and within the area big properties pay more than small ones but our system completely ignores the cost of local services such that in some counties the take from the local property tax would be only a minute percentage of the cost of local services whereas in Dublin it will be a great deal more. In my own local authority the level of property tax at an estimated €52 million - if it is like last year and it will be - is almost exactly twice the cost of services, twice what the council got from the local government fund. This results in Dublin households, and similarly those in other cities, not only paying more than anywhere else but paying more than is necessary. To mollify the Dublin citizens the promise was made that 80% of what was collected would be kept and spent locally and that from 2015 councils could vary the charge up or down by 15%. It is very disappointing to hear now that the 80% will not be introduced in 2014. Perhaps the intention is to introduce it in 2015 but it does raise questions about the long-term intention and if the power to vary charges will ever really exist because councils cannot vary what they do not get in the first place.

Varying the tax by 15% is only meaningful to councils if they also determine the overall level of tax. Already the value of houses in Dublin has risen by 12.5%. By the time people revalue their properties in 2016, if the current trend continues their value could be to 40% higher than it is now. For Dubliners this tax will always be onerous and unfair if we continue to calculate it as we do. Citizens might, however, feel slightly less aggrieved if the 80% promise were kept, if most of the money they were paying was being kept to be spent locally. That promise has to be kept because not only will it encourage accountability of councils and councillors to their citizens but the ability to vary the tax depends on getting the money in first place.

I understand it is the intention that the local government fund will be more or less what it was last year although people have paid huge sums to the Government in property tax on the assumption that they were getting it back. Varying the tax really matters in Dublin. It does not matter in some counties. Deputy Brown was worried that councillors would put it up willy-nilly if they were short of a few bob but putting up the tax in some counties by 15% would be so negligible that it would not be worth doing. It certainly will not bother the citizens because many citizens in many council areas will pay only €90 a year. To vary that by 15% will make a difference of only €13.50, which will not be of any consequence, but it matters in Dublin. If somebody pays €900 in property tax the ability to vary and reduce that by 15% really does matter. It also matters to the local authority if it wants to increase or decrease its revenue by 15%. It would be a significant sum of money.

We have made a promise and it is vital that we keep it, to keep faith with the citizens but also to show that the Minister placed a high value on forging the connection between the people who pay the taxes and the people who deliver the service. That is the essence of good local government. If this deal is to deliver what the Minister hopes it is important that at the Cabinet table he makes the point that the 80% promise must be kept.

**Deputy Seamus Healy:** I welcome the opportunity to speak on the Local Government Bill 2013. This Bill purports to be about putting people first and informing local government and local democracy. It is nothing like that, it is about the destruction of local democracy. Local democracy is about the provision of local services to facilitate access for people to those services and indeed to public representatives. The principle of subsidiarity suggests very strongly that local services should be provided as close as possible to the people that they serve. This Bill and the policy being pursued by this Government goes in the opposite direction. It is the story that big is supposed to be better, that centralisation is better, but we know that bigger is

not better and neither is centralisation. The delivery of local services to people should be done at the lowest level possible, town level, across the country.

This Bill proposes to abolish 80 town councils and reduces the number of councillors by a third. We will now have the lowest number of councillors per head of population in any EU or OECD country. We will have abolished town and borough councils which have a long tradition and history. My own county, Tipperary, is particularly badly affected as seven local authorities will be abolished, Clonmel Borough Council, Carrick-on-Suir, Cashel, Tipperary, Templemore, Nenagh and Thurles town councils. North and South Tipperary county councils will be amalgamated. It is a tragedy to abolish a borough council in my hometown of Clonmel which led the fight against Cromwell and was the only town to defeat him, in 1648, led by the Mayor of the day, Mayor White and supported by Hugh Dubh O'Neill from Ulster. The town and its council have many traditions and a long history. It is wrong to abolish town and borough councils because they represent our past and if we do not know where we came from we will hardly know where to go in the future.

The policy being pursued by the Government includes the reduction of council powers, as in the case of water services. It also reduces funding to local authorities. Over recent years €500 million has been taken out of the funding of local authorities. That started in 2011 with a 9% reduction, another 9% in 2012 and further reductions in 2013 and 2014, starving local authorities of funds and income to provide services.

**Deputy Phil Hogan:** What reduction was there in 2013?

**Deputy Seamus Healy:** We in Clonmel defeated Cromwell and sometimes it is easier to defeat an external enemy than an internal one like the Minister. We defeated Cromwell and it has taken a Minister like the Minister for the Environment, Community and Local Government to abolish a borough council with huge history and traditions. The Minister has taken €500 million out of local authority funding over the past number of years and heaped unfair taxes on local people. He has imposed the local property tax on ordinary people across this country, a tax the leader of Fine Gael said was morally wrong, unfair and unjust. To add insult to injury, he now tells us he will not even give local authorities the full property tax. He will not honour the 80% reduction and will reduce funding to local authorities. Of course, the big lie we were told in the debate on the local property tax was that we would get additional services. Everybody across this country now knows that this is simply untrue. There are no new services. In fact, we have seen a stripping away of funding, a stripping away of staff by way of the moratorium and a stripping away of powers. It is no wonder that services are suffering badly.

I am delighted the Minister is here. I want to send out the message loud and clear that this Government has brought into law a provision that every local authority house must pay the local property tax. Kites are being flown by local authorities around the country which say they are going to increase rents for local authority dwellings. I can tell the Minister that this will be fought across this country. Local authority tenants are entitled to proper services and their rents should not be increased for the local property tax. This is something that local authorities, communities and tenants' organisations will fight and defeat.

What happened to the RAPID programme over the past number of years, which was in place for local communities and estates which were completely bypassed and never even had a sniff of the Celtic tiger and which were getting some little support from the programme, is a disgrace. The RAPID programme is now no more. Those communities which suffered through the Celtic

tiger years are being made to suffer even more by the reduction in this programme and the fact it has been completely undermined by the withdrawal of funding. An associated withdrawal of funding from youth work around this country is another aspect of this. Both RAPID and youth work were working well and helping local communities, particularly young people. Not only has the RAPID programme been completely undermined, there has been a reduction in funding for youth services.

Housing is a service that has traditionally been provided by local authorities. It is a policy of which the Labour Party was always proud. Indeed, it was entitled to be proud of it. The Labour Party in the past always built local authority houses for people who could not provide housing from their own resources. We now have 112,000 families on local authority housing waiting lists. These are huge numbers. People are waiting for many years for a house simply because there is no house building programme. A very small amount of money has been put aside this year for house building but this is simply a drop in the ocean. It is not enough and the sooner local authorities are allowed and funded to build houses in the future, the better it will be. I ask the Minister to extend immediately the local authority house building programme. It would also have the knock-on effect of providing employment to local people who have lost out due to the recession, particularly in the building industry. It would save money on the social welfare front as well so it is a programme that would be beneficial not just to local authority tenants looking for a house but for employment in the future.

**Deputy Robert Dowds:** I appreciate the Minister's presence in the Chamber. Local government reform is something I feel very strongly about, having served on a council for almost 12 years. It was always a matter of great frustration that so much power was in the hands of unelected people. There are some positives in this Bill. There are some things that could be improved on but it is really important that we put local government at the centre of political reform. To the greatest extent possible, local decisions should be made locally and, therefore, local politicians need power to effect these changes. For that reason, I supported the introduction of the local property tax because giving local authorities their own funding is one way to give them power.

It is really important that we get 80% of property tax delivered locally as soon as possible. I would like this to happen at the beginning of this coming year because this is what people expect. I broadly agree with the earlier remarks of Deputy Olivia Mitchell about the property tax issue because as it is currently constituted, it definitely weighs far more heavily on people in Dublin than elsewhere. If there is spare money available, it would be useful if we could use some of that money in Dublin to, for example, pay for waste collection. That would help to mitigate the blow to people's pockets and would also bring local government closer to people's front doors, which is where it should always be.

The Minister is probably the biggest man in the Dáil but he should be very careful with his officials in the Department. There are several major enemies of local government in this country and one of them is the Department itself because it would be handier for it if as many decisions as possible were made centrally. The Minister should never allow them to get him in a headlock. I know he would be the hardest person to get in a headlock but they would beat him in terms of numbers if not size and strength. I ask the Minister to consider making it statutory that any face-to-face interaction between councils and the Department include elected members and not just unelected officials. I was always very conscious of the fact that many major decisions for local authorities in the Dublin area were made with no elected people present. I urge the Minister to consider that point. The mayor or chairperson of a council is an obvious person

to have at such meetings, but it would not necessarily have to be just that person.

The second big enemy of good local government is the county managerial system. The Bill goes some way towards downgrading it and I am aware from conversations with the Minister that he is very keen to transfer more power to the elected members, but changing the name to “chief executive” alone does not change much. I see some advance in the Minister’s proposals in terms of them having to provide additional advice to members. In theory, councillors have been asked to approve new appointees, but in practice they have had little or no say. I hope that as a result of these changes elected representatives will have a greater say on who should be chosen. It is worth considering having elected members included on interview boards for major posts in councils. I also believe the Minister should have a veto power where political favouritism is shown. Senior staff in county councils are presenting *faits accompli* to councillors, especially in the case of Part 8 proposals. Councillors, through committees, should have a say in what is being proposed, obviously with professional advice being given by staff.

The third enemy of good local government is councillors who do not wish to exercise authority but simply wish to use the council chamber as a place to bellyache rather than make decisions. Many councillors would step up to the plate if given real power. Given that there is such disillusion with politics at present and that so many politicians start their careers in the local electoral system, if people saw councillors exercising real authority I believe more good candidates would be likely to present themselves for election and people would be more likely to approach them about local issues rather than their local Deputies. This is an important issue at present because there is some evidence to suggest that, across the parties, it is harder to get good candidates to run in council elections. As it is the main route towards national politics, it is really important that we have the best people going forward for election to local authorities.

Having made those criticisms, I wish to acknowledge and applaud the very positive and productive work being done by great numbers of local officials, managers and elected councillors. I can give an example of where I have seen this. In my local council, the combined effort of the council and a forward-looking manager succeeded in setting up a very effective business park which has encouraged some major industries into the Dublin area. That could not have been done without foresight because it required having a long-term view and ensuring there was sufficient energy and water available. At their best, councils can behave in that way and it is important to acknowledge that. There are many jobs in south Dublin, particularly in Grange Castle Business Park, because of good foresight on the part of councils and an active county manager.

Part of the reform of local government must include alignment between local authorities and other areas of local service to the community. For example, policing districts should, as a rule, not straddle local authority boundaries. The same should be true of education and training board areas. If we ever return to the health boards system, they should similarly be aligned with county boundaries.

The issue of town councils versus municipal districts is mainly one for people outside the Dublin area. There is an argument for scrapping town councils, but we ought to tread carefully. Many towns and cities, and the Minister’s native city of Kilkenny is a good example, have a very venerable history and have long established institutions. I understand what the Minister is moving towards in that regard and I broadly welcome it, but in the case of Kilkenny, for example, the map shows that the proposal for the Kilkenny city area would divide it into two different electoral areas. It would be better if the local election wards were coterminous with

the city as it would be easier for the people representing that area to do so effectively, rather than having them straddle two areas. I would also like to know what type of powers municipal districts will have. Presumably they will be augmented in some way with what area committees currently do, but they depend entirely on decisions being made centrally. I look forward to the Minister's comments on that issue.

With regard to local community development committees, the change towards business support units is welcome. However, we must ensure they make a positive contribution towards the development of jobs. As I indicated with regard to my local council, councils can have a major impact, particularly if they are in economic powerhouse counties such as Dublin or Cork. In the case of more remote areas, there is still a role for councils. Obviously they must think in terms of different scales but in the area of tourism, for example, they could do a great deal to promote their county and help to develop that industry. That is one example but they can do that in other areas as well.

We must examine the issue of commercial rates, for two reasons. The first is that they are so important for the functioning of local authorities. In my local council, for example, at least 50% of the funding comes from commercial rates. They are extremely important. I realise this will not always be the case as the extent of commercial development will vary in counties. The second reason is that infrequent valuations can lead to a situation where rates levels can be inappropriate due to either an economic downturn or an upturn. This might be covered in the valuation legislation that is proposed, but it is important that valuations are carried out on a reasonably frequent basis. If we are moving towards a self-assessment process, as appears to be the case, that is good from the point of view that people can re-assess their situation quite frequently. If that happens, however, it is important to have checks. There must be an inspectorate to check 10% or so of the decisions on a fairly regular basis. Deputy Deasy has spoken about this, but there is also a strong case for phasing in the changes so that whether the commercial rate is being increased or decreased, it is done in stages rather than in a single big jump. I understand the Minister is open to an amendment in that area.

With regard to regional assemblies, I served on the Southern and Eastern Regional Assembly in Waterford at one time. I love Waterford as a city but the value of going there was more for my liking of the area than for what happened at the assembly. The assemblies should either be scrapped or given real powers, as I discovered that the council had got its hands on a bit of money to pay for what I had gone there to achieve. I am glad it got the money, but I had nothing to do in the delegation.

The issue of a directly elected mayor for the Dublin area has been a hot potato. I am interested in the plebiscite idea but, having considered the issue, I do not agree with the suggestion of a directly elected mayor. Some of my party colleagues disagree with me. It is worth having a mayor for the greater Dublin area who is elected by councillors from the four Dublin authorities, albeit for possibly longer than one year, as that period does not allow much time. There is a case for a person to be elected for the full five-year term. I fear that, if a mayor was directly elected by the people, a celebrity candidate without much knowledge or understanding of how local government works might get elected, leading to quite a bit of conflict between the mayor and the elected councillors. I am glad that there will be a vote on the issue in order that the public might at least be able to make a decision. A long-term mayor for the greater Dublin area is a worthwhile suggestion, but the conflict between elected councillors and mayors would be an issue. Deputies may have read the contribution to a newspaper approximately two weeks ago by a directly elected Labour Party mayor in the Manchester area. He drew attention to this issue.



We must tread carefully, although it would be useful to have a figure of power for several years in the greater Dublin area. In one sense, I am arguing for someone to be elected in the same way as the Taoiseach. He was elected from his constituency of Mayo, but it was the Members of this Chamber who elected him as Taoiseach, not the population in general.

We must strengthen local democracy. The Bill contains important measures that move in that direction, but a great deal more work is to be done. It is difficult to do everything in one go.

**Deputy Peter Mathews:** For a moment following the previous speaker's contribution, I got a mental image of Hulk Hogan of the WWE television series. I wondered whether the Minister was on leave from that series. On a more serious note, I welcome the Minister.

**Deputy Phil Hogan:** Good.

**Deputy Peter Mathews:** Deputy Dowds is strong on weights and measures. The Minister is the tallest, strongest man in the Dáil. I hope he has a long and happy holding of that honour.

**Deputy Phil Hogan:** Deputy Dowds is a great person.

**Deputy Peter Mathews:** The Custom House was where the Minister launched this Bill, remarking that it had been 122 years since our system of local government had been introduced. That is a long time, and the Minister is to be commended on undertaking a root and branch examination of the system. I admit that my reading of the situation obtaining across the country is probably cursory compared with his own, but some features that have been examined by others stand out. Generally speaking, the country is under-represented in a democratic sense compared with other countries. Perhaps this could be highlighted in terms of the important engineering aspect of what is afoot.

The Bill, which features 65 sections in ten Parts and five Schedules, is a comprehensive piece of work. To digest what it is all about, perhaps we could have the main parameters or pitch markings set out in an easy-to-understand form, showing what the democratic pluses and minuses are in headline bullet points, the number of town councils to be dissolved, the reduction in head count, etc. This is what one would do with a war planning map, with one's divisions of tanks and troops.

The thrust of what is being done is commendable. With this Bill, we intend to build a better, stronger, more efficient, "more responsive and more accountable system of local government where the voices of all citizens are heard and the needs of our communities are addressed". Let us use a template to measure outcomes against these aspirations. When we measure, we can get a handle on things and make adjustments. We can let more water in or out. I am not referring to water meters, but the Minister knows what I am saying with that analogy.

To pick up on Deputy O'Donovan's comments, it is worth mentioning in the course of this discussion that the majority of councillors, be they town or county councillors, do a big day's work without being particularly well paid. Savings of €45 million were mentioned in the commentary on the Bill. It is an attractive headline figure for discussion, but let us go down to the troops, the men and women serving on the councils. The public deserves to know the hours they invest. That figure could be in one column, the average number of days councillors work for citizens could be in another and their remuneration could be in a third, with a large asterisk pointing out that it is all part-time and that it can work against their promotion prospects in other walks of life. This needs to be recognised in the debate.

My next comment follows on from the Taoiseach's statement at 11.30 a.m. today on how the country will progress without a formal standby line of credit following the completion of the disbursement part of the troika programme. The public does not understand what exiting the bailout means. In truthful and everyday understandable words, exiting means that we will finish drawing down over a period of three years loans that were given by a combination of three lenders to cover the shortfall in our national income *vis-à-vis* our national expenditure as we tried to achieve economies and efficiencies in that expenditure and maintain revenues or, in certain cases, increase them.

The wisdom of moving forward without a formal standby arrangement does not meet the requirement of the day, but that is a different debate and I will not distract the participants in today's discussion with that idea.

*3 o'clock*

I want to flag it because there was a temptation, which became a reality, for the Government parties to say that income tax was not touched in the recent budget. Technically that statement is correct because the headline rates did not change at any level. However, the realities of life for every citizen - and more particularly for those at the lower end of the income scale and in the middle and lower-middle levels - concerning indirect taxation were very noticeable. I will explain how that is the case. The income of the average citizen or family will be more than spent because borrowings have risen in order to meet expenditure. Their net income after tax, which is the stated headline figure for income tax, will be spent on the following main areas: one third on mortgages; and half of gross earnings on light, heat, food, transport and medical expenses, including health insurance. Those expenses have risen by more than 15% in one year. The local property tax is in that bracket also.

If the expenditure of an average household has increased by at least 15% in a year, in the absence of inflation that amounts to an increase in taxation on gross income of about 7.5% or 8%. That is a mathematical fact. That is the sort of pressure that households at the lower, middle and lower-middle income levels are experiencing. That is the truth of it, which is why indigenous national income has stalled and is unlikely to rise in the foreseeable future. At the same time, such households have suffocating legacy debts. Everything is interrelated in a nation's debt experience, including household debt, SME corporate debt and Government debt, which is referred to as the national debt. I am afraid that our international creditors, including the ECB and euro system creditors, do not want to acknowledge that level of stress and burden on this country.

Only a few weeks ago, the Minister for Finance was presenting the 2014 budget, which was constrained by the rigorous demands of the troika. At the same time, the German finance minister, Wolfgang Schäuble, said that it was not on the agenda to consider what is referred to euphemistically as retrospective bank recapitalisation because everything in Ireland was fine and fiscal consolidation was progressing well. That is not true, however, because it is not fine. Every second day I meet people who are hugely distressed. Their distress is caused by a situation that is not being addressed properly by their creditor banks.

Given the inter-relatedness of things, our banks in turn are in debt to the euro system, even including the survivor banks, AIB and Bank of Ireland. They are indebted to the euro system in two ways - through moneys they borrowed from the Central Bank of Ireland and moneys borrowed from the European Central Bank, mainly to redeem historically large tranches of bonds

that were due for redemption. They were redeemed to the bondholders at the time, not to the original bond investors. The bondholders were speculators because they had bought bonds in the hope of making profits, which they did. The Irish people are now paying the price, half of which - some €28 billion - is in the form of long-dated bonds of up to 40 years, replacing promissory notes that were of a shorter maturity.

One of the measures we were forced to introduce as a result of the lending programme was a local property tax. That brings me back to today's discussion. The Government has promised that in Dublin, Cork, Galway and other cities 80% of the local property tax collected will be directed to local authorities in the areas where the tax is applied. Local property valuations tend to be much higher in cities than in rural areas. That plan is not necessarily happening, however, because there is foot-dragging on that promise, which is not right.

After 2015, local authorities - under new arrangements envisaged by this Bill - will have the ability to raise local property taxes by up to 15% or to lower them, but that is unlikely. Government Deputies Olivia Mitchell and Robert Dowds have made these points already.

As regards local authority representation, the main concerns are about council services and rates that businesses must pay. More recently, concerns have been raised about property tax because of the promise to dedicate 80% of that collection to fund local authority services. The aspiration for the Bill is to build a better, stronger, more efficient, responsive and accountable local government system in which all citizens' voices will be heard and community needs will be addressed. In order to check that those aspirations and objectives are delivered - and to measure the outcomes - we should have a report card, to use the Taoiseach's analogy, or a template. In that way we could have an annual or bi-annual score for the efforts and outcomes involved.

The Oireachtas Library's digest does excellent work and has published charts of representation in other countries and in Ireland.

We are at the top of the league table in terms of our having the greatest number of citizens per local authority member. Another aspect of the Bill in headline terms is the appointment of chief executives of authorities, which appointments will be made through the Public Appointments Service and ratified by members. It is important these positions of responsibility are not captured by Government. From my reading of the Bill in regard to the structures to be introduced, there will continue to be a strong link between Government and the proposed chief executives. In my view, that link is too strong. Counter-balancing that, the establishment of the national oversight auditing committee is a welcome aspect of the proposed structure.

The interface between local area plans and local enterprise boards should be continually encouraged, improved and strengthened. Business and family communities within areas need to be participants in the efforts of such boards and committees. They need to feel that their inputs are taken on board and, equally, that the committees and boards accept their observations, criticisms and suggestions. It is important the communications channels both ways are realistic and accessible.

I would like the following points to linger in the minds of everybody present. While in the context of the framing of the recent budget and Finance Bill, the headline rates of income tax were not touched, the indirect expenditure of households, including light, heat, transport, including bus and train fares, gas, the local property tax and the claw-back of relief on VHI premiums, account for 50% of household incomes. All of these costs have increased by a mini-

mum of 15% in one year, notwithstanding that the consumer price index is low. While this is not called income tax it, is a tax on the income on which families have to live. We cannot sneak those extra burdens on families while their incomes are depressed, jobs continue to be lost and young people are emigrating. This is smoke and mirrors. It is not true.

**Deputy Seán Conlan:** I wish to share time with Deputies Simon Harris and Joe O'Reilly.

**Acting Chairman (Deputy Terence Flanagan):** Is that agreed? Agreed.

**Deputy Seán Conlan:** The Bill before the House today has the potential to revolutionise how we deliver local government in a way that addresses the acknowledged weaknesses of the current system of local democracy. Local government in Ireland has evolved from an era when transport and communication presented difficulties to a population struggling with establishing a fragile and fledgling economy in a Republic which was asserting its independence on the international stage. Of necessity, democratic representation had to be local and accessible and the model which has served us well for so long was tailored to the needs of those to whom it was accountable. People interacted with local government face to face because it was the only option available to them at the time. The system reflected the needs of those it served. Recognising the enormous changes which have occurred in relation to communications and transport, we need to modify this system to reflect the needs of the people it serves. We live in a world where interaction is conducted using mobile telephones and the Internet, where transport is readily available and where local politicians are easily accessible without the need for meetings. It is only rational that these factors be recognised in developing a model of local government to address the changing circumstances of those it serves.

In recognition of these factors this Bill proposes to introduce a system of local government which provides greater democratic equality and does so in a way which recognises recent development of certain urban or metropolitan areas while at the same time delivering local government to rural areas in a way that is sustainable, cost effective and addresses the need for greater efficiency and cost reduction in the deliverance of government. It addresses the anomaly whereby 14% of the population have 46% of the representation. It reduces the number of local councillors from 1,627 to 949 while at the same time providing a system more streamlined and focused on the needs of the local communities it serves.

Similarly, the issues being presented are reflective of a changing and growing economy. We need to develop a model of local government that has the capacity to address these issues by providing the infrastructure, services and conditions conducive to encouraging the development of local enterprise and employment. The delivery of a sustainable local economy, capable of providing for the needs of the community, is the single most important factor in creating the engine that will propel us, as a nation, towards a properly developed economy with the capacity to provide housing, employment, medical services, education and all the necessities at a local level vital to ensure a vibrant local economy. It is vital that as a nation we keep pace with the needs of our people and remain conscious of the rapid development of the international economies and business models which have such a significant impact on an open economy such as ours. We must develop a system of local government that has the capacity to address the issues arising and has the flexibility to interact with communities and deliver a programme of change which places them in a position to benefit through planned development.

The Bill, way of the provisions of sections 40 and 49(a), provides for the statutory establishment of a strategic policy committee on economic development and a local community devel-

opment committee, both of which will have specific functions to plan and deliver economic and social development at community level and will have the authority to request the attendance of public authorities at meetings should they be deemed necessary. This places local politicians in the driving seat to deliver improved community services and conditions and provides an opportunity to grow and develop rural enterprise and community spirit. This is an opportunity to focus more intently on local development and concentrate on measures aimed at reversing the outflow of the young, intelligent and educated members of our society to foreign economies where their enthusiasm and abilities are being utilised towards developing other economies. It also provides us with the tools to recognise the potential of local resources and develop them in such a way as to maintain and revive local communities and stem the exodus to centres of larger population. The Bill provides for the introduction of a framework of accountability which introduces an audit system and regulates ethics in public office, financial matters and the delivery of services. These are essential instruments in providing for the future decentralisation of government in so far as the new institutions are equipped with the prerequisite checks and balances necessary for their development into sustainable and efficient centres of local power. The creation of regional assemblies will serve to provide a platform for greater co-operation between areas of mutual ambition and need and will facilitate the delivery of joint ventures mutually beneficial to local requirements.

I was proud to be elected a town councillor for Ballybay in 2009. It is a great honour to be elected by one's neighbours and friends to represent one's town. In debating this Bill, which will change forever the system of local government with which we were brought up, it is incumbent on me to pay tribute to the many local government politicians of all political creeds who worked selflessly over many years with little and very often no remuneration to provide a system of local government that served us well at the time. The model of local government provided for in this legislation has the capacity to address the many and varied complex issues arising and deliver local environments in which our people can create wealth and generate local centres of employment and sustainable growth which will provide a resolution to the many social problems facing our communities. Community prosperity is the key to the creation of a just society. In providing the tools whereby local communities can work together towards self development, we are laying the foundations for a better society.

This legislation may prove to be the solution to the many inadequacies of our current local government system. In introducing this legislation the Minister, Deputy Hogan, has given local government the power to achieve power. He served for many years on a local authority himself and knows well the strengths and weaknesses of the current system. He has done this nation a great service in providing a framework equipped with the proper facilities, structures and demographics on which we can build a local government model capable of accepting and exercising decentralised power and financial authority when the time is right. He has created the model, laid the foundations and created the fabric of the structure. It only remains, when the system is functional and proven to be so, to equip it with the financial resources and authority to deliver a dynamic boost to how local governance and development across a range of disciplines is delivered and, in doing so, reignite the capacity of Ireland to deliver for itself on a local level.

It is important the voluntary community sector works hand in hand with the local authorities to deliver services for the benefit of all communities. Therefore, reform of local government should not be to the benefit of one sector rather than another but should be so that both sectors can work hand in hand to deliver better services.

**Deputy Simon Harris:** I welcome the opportunity to speak on the Local Government Bill



2013. I commend the Minister on getting the Bill to this Stage. There has been agreement across the political divide for many years that local government needed to be reformed. We all hear from our constituents. We know it ourselves as practising politicians. We hear it from our colleagues who serve on local authorities. We can debate reform until the cows come home, but at some point we have to act. This Bill takes the most radical reform of local government in many years and makes an honest and admirable effort to improve structures at local government level.

I welcome in particular a couple of elements of the Bill. First, I welcome the appointment of chief executives rather than county managers. When I was elected to Wicklow County Council in 2009, like many other councillors I thought I would come in and change the world. Councillors do their best for their constituents but they are in a structure where they have to go cap in hand to unelected officials at local level to try to get things done. Many of those unelected officials are very competent and diligent people. However, politicians seek a democratic mandate from their community to represent them, and the community holds those politicians to account for actions at a local level. They often do not realise the little influence that councillors can wield at times compared with council officials. It is important that we try to redress that balance in this Bill in order that the power is vested with the people elected at community level every five years, and the officials work in a professional and competent way with them. The balance of power must be tipped in favour of those democratically elected by their communities.

The establishment of the position of chief executive rather than county manager is a step both in symbolism and in action towards giving more power and more responsibilities to elected members. Chief executives will have a number of statutory obligations towards elected members which the county manager does not currently possess. Elected members of any given council will also have to approve, by more than 50% of their votes, the appointment of the person nominated to be chief executive. I welcome that, which is a step in the right direction. People can say all they wish about politicians, including councillors, but at the end of the day, these are people who ask their community for a mandate to serve them. It is very important we do everything we possibly can to ensure there are structures in place which allow them to have meaningful influence on their communities and their counties.

I also welcome the establishment of local enterprise offices. We cannot have a situation where enterprise and business development in a community is siphoned off to an agency on one side. Many county development boards and county enterprise boards have done great work and many fine people have served on them, but we need local enterprise and business solutions to be at the centre of a functioning local government system. All the answers to this country's economic challenges cannot come from the IDA, Enterprise Ireland, or from the Department of Jobs, Enterprise and Innovation. Many of the solutions are coming from communities across Ireland. When councils make decisions about a range of issues, we need enterprise and business considerations to be at the heart of those decisions. By having local enterprise offices in the local authorities, working side by side with the other directorates in local authorities, we will put business and local enterprise at the heart of local authority decision-making. That is to be welcomed. We need to look at as many opportunities as possible to involve in these local enterprise offices local business people and local people in the community who have innovative ideas on how to create local employment. I would be interested in discussing that further with the Minister.

While I am not a Dublin-based Deputy - I live in the commuter belt - the plans for a plebiscite for a directly elected mayor of Dublin are a welcome development. I will respect the

decision of the people of Dublin, and I commend the Minister on putting this question to them. We need a strong, directly elected chief executive with a mandate to get things done. If the plebiscite is passed and that system beds down, the Minister should be ambitious and should look at the possibility of having directly elected mayors or chief executives of other councils. Why can the people of Wicklow not elect somebody directly if the people of Dublin can? That should be kept under review as the process evolves in Dublin.

The plans to establish a national oversight and audit commission are very welcome. I serve on the Committee of Public Accounts and there has been cross-party criticism about the lack of scrutiny applied to how funds are spent at local level. Funds at national level are well scrutinised. This does not mean they are not wasted at times, but people are brought before the committee and are held to account for how they spend money across different Departments and agencies. When money leaves central government and goes to local authorities, however, there is not that same level of transparency. The national oversight and audit commission is very welcome. The establishment of audit committees at local level is very welcome, but I ask the Minister to explore how this commission could be linked with the Committee on Public Accounts and the Office of the Comptroller and Auditor General. Perhaps the report of the audit commission could come before the Committee of Public Accounts, but given that much of this money is collected centrally and given out from various central sources, it would be important that there would be a roll-out at national level to scrutinise that.

I would like to express one concern about the age profile of the councillors we are going to attract. If somebody wishes to be a councillor in Wicklow, he or she must be able to attend meetings on a Monday afternoon at 2 o'clock. I know two individuals - one wanted to contest an election for Fianna Fáil and one for Fine Gael - who are unable to contest elections. They are both fine town councillors but they cannot contest the county council election because they have careers. With no disrespect to any demographic, we cannot have a situation where people must be retired, independently wealthy or self-employed to serve on local authorities. We must look at how we are going to provide for people who do not want to be full-time politicians because they have other careers. They have skill sets, talents and ideas they wish to bring to local government. We must look at how they can play a role as well.

**Deputy Joe O'Reilly:** It merits saying that Deputy Hogan will go down as a radical and reforming Minister. Outside of this Bill, he will be remembered for, and future historians will recognise the extraordinary importance of, the gender quotas for elections that he introduced. They will radically transform politics over time. This Bill is borne out of last year's Putting People First document. It is an excellent Bill in many respects. As my time is short, I will cite specific aspects of it. Before I do that, I echo the remarks of my constituency colleague, Deputy Conlon, in complimenting the generations of people who have served on local government at all levels. Three generations of some families have committed themselves to it. We had a lovely function honouring former chairpersons of our local authority in Cavan recently, initiated by Councillor Paddy O'Reilly. It was an excellent function where we recognised families who had given their entire existence to local government for generations. That was very worthwhile.

Part 6 provides for the establishment of local community development committees. That will be important as they will replace the county development boards but will be able to improve strategic planning and community development programmes and will work with the new enterprise boards to co-ordinate economic development. That is very important. The new bodies will include the new chief executives, members of the local authorities, people from the sporting and cultural worlds, public and private interests, etc. That is a worthwhile develop-

ment and it offers great potential.

Part 7 complements the proposal and enhances the policy-making role of the councils in the economic area. This is important and vital as well because people know the local needs and the sectors that need an emphasis. Much can be done in tourism and many cultural initiatives can be advanced at local level. I am proud of some of the work we have been able to do in our area recently and that can be developed further.

It is worthy of mention in the context of the power of local government that the Bill gives 20 additional new reserved functions to councillors. This cannot be in any way ignored and it cannot be suggested that it is not a significant aspect. There is an amendment to section 66 of the principal Act whereby the local authority can take measures to promote the interests of the local community across cultural, environmental and economic areas and that is a crucial aspect as well.

No organisation or administration can operate without transparency and accountability. In this context, the new sections 126A to 126L to the principal Act establishing a new national oversight and audit commission are important. The new section 126C will ensure that the use of State funds will be scrutinised. The new commission will scrutinise financial performance and value for money and it will issue reports on an annual basis. This will allow the public to see the performance of councils and in itself that will be an incentive to get the right results. The fact that these will be published and that the audits take place will in itself prevent waste. The body will be completely independent and autonomous and that is critical for the future development of local democracy and local power. Under the new section 126G to the principal Act, the commission will prepare and circulate reports on the activities of the local authorities and that is critical. I echo the Minister's comments. He stated: "It is only through this comprehensive form of measurement that we will be able to demonstrate that we have real reforms that citizens can see and benefit from."

Section 53 deals with the drawing up of budgets at municipal and county level. It places a requirement on the new chief executive to provide the elected members with a draft form of a local authority budget, giving them the opportunity to amend and include provisions they believe to be important. That is an important development. The budgetary process is where the action is and where councillors need more input, and the legislation attempts to realise this aspect. It will also offer an opportunity to establish a community fund and adopt a scheme for annual contributions by occupiers of dwellings towards particular community initiatives. If a particular local authority wishes to carry out an initiative in an area, it can look to local contributions to assist in this regard.

This goes back to the hackneyed expression from the American War of Independence about there being no taxation without representation. I will come to the property tax presently but we cannot really have effective local government unless there is a direct link with taxation and the local councillors. It is important that they make decisions in this area. If they do not, then they are not effective or powerful and not really accountable. There can be no real democratic input unless there is an effort in this area and that is to be welcomed.

Section 53 deals with the property tax and its collection at local level. After 2015, local authorities can make an adjustment of 15% upward or downward on the amount of property tax levied. The money will be paid and it will ultimately replace the local government fund. There must be an equalisation fund for obvious reasons because of demographics and the size of cer-

tain counties. We cannot simply keep all property tax collected in Cork there and discriminate against Leitrim, which does not have the potential to collect the same volume. There must be an equalisation dimension.

In the context of equalisation, collecting the tax and spreading it around, I would go even further than the maximum amount of 15%, if we could achieve it over time, and at some stage I would like to see councillors striking the rate as they did in the past. They should decide the amount of property tax and decide how it is spent. Then they should be obliged to go back to the electorate, outline that they raised the tax, collected a given amount and, as a result, did certain things in the community. This would ensure the collection of the tax, the output from it and accountability would be all tied up. That part of the Bill should be expanded further. All in all, the Bill will enhance the power of councillors, which is critical, and enhance the connectivity between councillors and those who elect them, which is important as well.

**Deputy Mick Wallace:** Ireland currently operates under an almost totally centralised system of governance. Despite the language used in the Bill to give the impression that the Government would like to move away from this profoundly anti-democratic situation, the Bill does nothing of the sort. The phrase “local authority” is bandied about throughout the Bill but it is a contradiction in terms because there is next to nothing in the Bill that confers any meaningful authority on the system of local government in Ireland. If we had real local authority, the people might have a voice when it comes to things that happen in their areas and communities. However, we do not have that at the moment. People are upset about things that are happening locally.

I come from a rural background and it is shocking how so many villages and townlands have deteriorated due to Government policy. I am referring to central government policy, not local government policy, because local government does not really have a say in the matter. Small schools are under pressure and the closure of Garda stations and post offices continues. People in certain areas of the country are looking at huge pylons being erected closer to houses than they would like. These are seen as a potential challenge to their health. Do these people have a say in what is happening? Can they talk to their local councillor, who might represent them at local authority level? No, they cannot, because he has no power. The local councillor has a say in the five-year development plan but that is all. He does not have a position of responsibility within the local authority.

Local authorities are run from central government. Central government appoints the managers. Now we are going to change the name to “chief executive”. This is probably fitting because “chief executive officer” is a term more associated with the private sector. Given that there is such an undermining of local authorities at the moment, one could be forgiven for suspecting that in the long term the project could be to privatise what is left of any form of local administration. I use that term because there is no local authority, only a local administration governed by central authority in Dublin.

It would be wonderful if people could have a voice because then we might have something that resembles democracy. However, our democracy today is not like that. We may take the view that it is great to have elections. It is wonderful. Every five years people can vote for whoever they like or whoever happens to appear on the ballot paper. Is that as far as democracy goes? Really, that is about it. People seem to have no other say in how their communities are run between elections every five years. That is not my concept of democracy. Democracy should mean that people actually have a say in how things are organised, that is, things which

affect them directly and which affect their children and communities. The Minister for the Environment, Community and Local Government, Deputy Hogan, said with a straight face that this will be an improvement. Fair play to him, because that takes doing. I am familiar with the way in which a certain village in Italy works, where there is a local authority and it has a say in education and in health. It controls local health and local education, still controls the refuse and makes sure the roads are cleared of snow in the winter. It organises all kinds of facilities and community projects for the old people and looks after the young people by taking care of all the sports grounds in the area of whatever type they may be. It is real local authority; it is community. People who can discern a return in services for the taxes they pay feel a bit better about paying tax. However, when all one's money disappears into a central fund and one has no idea where it goes, it is very hard to feel the same way about it. The democratic deficit in the form of a lack of real local authority in Ireland is one of the biggest problems facing Irish society.

**Deputy Luke 'Ming' Flanagan:** Hear, hear.

**Deputy Mick Wallace:** Ireland signed up to the European Charter of Local Self-Government in November 1997 and ratified it in May 2002. The first monitoring visit by the Council of Europe was performed in 2001 and then again in October 2012. The recent draft report, *Local Democracy in Ireland*, which still is not generally available in the public domain for some strange reason, makes for illuminating reading. Its authors make extensive reference to and perform a critical dismantling of the much hyped Action Programme for Effective Local Government to which this Bill is to give legislative effect. After an exploration of the proposed action programme, the report found that many of the recommendations made in 2001 are still valid. It states:

Local authorities in Ireland still cannot be said to “regulate and manage a substantial share of public affairs”; the principle of subsidiarity is still not a primary concern in the allocation of public responsibilities. Local authorities' discretion is still highly circumscribed through the use of statutory instruments and regulations to supplement laws, and the need to secure sanctions and prior approvals from national government for many activities. Consultation of local authorities over new legislation or financial decisions is not systematic. Local authorities are not provided with adequate or sufficiently diversified resources which are commensurate with the responsibilities of local government. Specific or earmarked grants still make up a significant proportion of central government transfers.

The report went on to perform an analysis of the situation of local democracy in Ireland, in light of the European Charter of Local Self-Government on an article by article basis and, without fail, found that Ireland does not live up to the conditions of the charter, even with the amendments to the principal Act that are proposed in this Bill.

With this Bill, the Minister promises Members the sun, moon, and stars in terms of the betterment of participatory local democracy in Ireland, but all he provides them with is empty bombast and misinformation as to what really is the purpose of this Bill. The Minister promises this Bill will provide a comprehensive, modern system of municipal governance with appropriate financial arrangements, a wider provision for devolution of functions from central level to local government and a strengthening of governance and oversight arrangements and powers of elected councils. This is hard to take, as it is abundantly clear that the Bill will deliver on none of these promises. Moreover, they are meaningless as long as local government continues to have relatively few functions, especially in comparison with our European neighbours. This fact has been highlighted repeatedly by Dr. Proinnsias Breathnach, who has observed that in



European countries, everyday services such as education, health, police and so on are delivered at local level. In Ireland, by contrast, most of these services are organised at central level and this situation, argues Dr. Breathnach, has a reflexive effect on the kind of politics one gets in this country. He explains:

A lot of TDs see it as their main function to look after local constituents rather than to legislate. This has come home to roost now. The inability of the Government to deal with the current crisis is partly because people in Government are not [at] all up to the job because their main concern is looking after local needs ... If there was a clear separation of national functions and local functions, we would get a different type of person elected to the Dáil.

I would argue that were Ireland to have local councillors with real responsibility who were put into decision-making positions when elected, one also would get a different animal when electing local authority people. These comments are instructive in light of the fact that at the onset of the crisis, central government effectively handed over its decision-making powers to European and international neoliberal financial managers.

Another reason no change will issue from this Bill is that a massive bureaucratic machine has been set up in Dublin and its civil servants are not prepared to start giving up their functions and handing them out to those down in the country. Dr. Breathnach illustrated this situation by pointing out that in the preparation of the action programme, all Departments were requested to identify functions and services they currently performed centrally and which potentially could be devolved to local government. The action programme document records no response to this request from the Departments of Education and Skills, Health, Social Protection, Children and Youth Affairs, Communications, Energy and Natural Resources, Defence and Jobs, Enterprise and Innovation. Imagine that. According to Dr. Breathnach, "To give them their due, the Department of Agriculture, Food & Marine did manage to identify one function capable of being devolved to the local level, the function in question being responsibility for coastal navigation aids". This is mad stuff. In Wexford, responsibility for driving licences has just been moved from the local authority to an office in the centre of town. The local authority does not understand the reason for this because it had the structure, staff, experience and all necessary facilities to carry out this function. Moreover, it had parking spaces available. However, people are now obliged to go into the centre of town to a new office that it was necessary to rent, new staff were hired at additional expense to the State and people cannot get parking because the town centre is clogged and yet this is considered to be a good idea. I do not understand this and people are very disillusioned as to what central government has planned for them in the long term.

I am pretty familiar with Dublin City Council, due to all the work my company did in the city, and a huge undermining of morale in Dublin City Council is under way at present. First, in 2008 and 2009, all the graduates from engineering, architecture and planning, professionals of all sorts, were laid off. Since then, there has been no recruitment because a recruitment embargo is in place. On top of that, the most experienced and best of the staff are leaving because of different structures the Government has put in place and because they are getting out before losing more of their money. Overall, this means one will have staff who are cheaper because anyone who eventually is taken on obviously will be working for less than were the experienced staff. However, were I the new city manager of Dublin City Council, Owen Keegan, I would not be sleeping well at night given the amount of talent that remains at his disposal to run the capital city. This is lunacy and it does not make sense. One of the assistant managers is due to retire very soon but he will not be replaced. Right now, services such as water or waste are all

being run into the roads section. There is actually a suspicion that the Government's long-term plan is the privatisation of local authorities. This is because the Government is undermining them to such an extent that it will make it impossible for the local authorities to function, after which the Government will be in a position to claim that as they cannot function or do the job, it will be necessary to privatise them. This would suit the neoliberal agenda and God knows, the major decisions are not being made in Ireland any more but are being made by people who do not live here.

The Bill does nothing to change the situation whereby a local authority effectively has very little control over its finances or any significant decision-making powers with regard to the most important public services, which are public services the Government increasingly views as commodities up for sale to private corporations. Has the Government forgotten that private companies are legally bound to increase their share price, irrespective of the cost to the people of Ireland? If the Government's programme of privatisation continues, public services will increasingly be provided by those who view profit as more important than people, the environment or quality of service. That is not rocket science. The law demands of publicly owned companies that they maximise their profits. It is illegal for them not to do so. They are not allowed to consider the individual who they are supposed to be serving as a citizen, he or she is considered a commodity or a consumer.

A substantial part of the Bill refers to the strengthening of local government in local economic development but it is impossible to find anything in it that speaks to this. These seem to be a mere reshuffling of functions already performed at a local level; reshuffling is the general impression one gets from the Bill, reshuffling, cutting and pasting, changing the names and saving a few euro for the troika in the process.

There are no surprises here. Successive governments have been faced with the problem of local government and have done nothing about it. They have promised all sorts of improvements and enhanced democracy in order to keep the European Commission at bay, but now it seems this Government has simply decided to throw in the towel. Local government is viewed with such distaste from the Government benches that it is now regarded as simply another target for cuts. One has to appreciate the marketing strategy built into the Bill, namely, that when one is being forced to cut back on the quality of a product, one's best option is to change the packaging and call it by a different name, and then tell everyone lies about how good it is. McDonald's would not better them.

Why would this Government devolve responsibility and authority to local government in any meaningful way? We do not even have responsibility and authority at the level of central government. Ever since our referendum on the fiscal compact treaty in 2012, carried by a dismal 30% of the electorate under dire threats of harsher budget cuts if the people delivered the wrong answer, we have effectively seen our sovereignty complete its migration to Frankfurt, Brussels and Berlin, and for what - a pat on the head and in the words of one German official, the accolade of being "a model bailout student", and what a good student we have been. This Government has not erred from the terms of the troika's memorandum of understanding and we are well on our way with its demands to amalgamate schools, reorganise local government, chop health spending and cut wages, driving them down into the ground.

In the words of Susan Watkins, editor of the *New Left Review*, "Elected legislators in the target countries [of the European Financial Stability Facility] have been reduced to clerks". Watkins made a special note in the case of Ireland when she wrote that "Irish TDs have so far

internalized their subaltern status that a debate on designating June 16, Bloomsday, a public holiday, to celebrate the country's 'great literary tradition', was brought to a halt by a ministerial reminder that the Troika's permission would need to be sought first". Could the words of Angela Merkel in November 2012 have been any more to the point when she said, "There is no such thing any more as domestic policy making"? Well Angela would say that. Instead of national sovereignty, or anything resembling a democracy, we have a collection of neoliberal clerks working on behalf of the markets, committed first and foremost to protecting investors, demanding austerity and deficit reduction, with scant regard for the dangers that these policies pose to the economy, society and the environment.

To paraphrase an analysis of the hollowing out of democracy by Nancy Fraser, one of the world's foremost political philosophers, the situation is as follows: with the advent of globalisation, the international discussion that took place from the end of the Second World War up until the 1970s over what should count as a just ordering of social relations within a society has been distorted and to a certain extent disregarded as the goal posts have moved. The social processes shaping our lives now routinely overflow territorial borders. Nations are faced with a new vulnerability to transnational forces – supranational and international organisations, both governmental and non-governmental. Under this new paradigm, people the world over find themselves struggling against despotic local and national authorities, transnational corporate predation and global neoliberalism. The new governance structures of the global economy have vastly strengthened the ability of large corporations and investors to escape the regulatory and taxation powers of territorial states. I can assure the Minister that if the transatlantic trade arrangement comes into place there will be even further erosion of any notion of sovereignty left here.

The Government members came in here today with great ceremony. One would think one was in the House of Lords in London given the way the business was carried out. It was a master stroke in performance but it lacks substance. If anyone is dull enough to think that all of a sudden we will have the decision-making process back in our hands as long as the Government adheres to a neoliberal philosophy, allows itself to be dictated by the concerns of the financial markets and that by rushing from the arms of the troika into the arms of the financial markets we are escaping from something terrible and moving to something wonderful, God help them. The financial markets have no memories and they certainly have no compassion. They could not give a fiddler's about us and will screw us for every penny they can when they can. Just watch.

**Deputy Luke 'Ming' Flanagan:** To add to what Deputy Wallace said, when they are screwing us I can guarantee the Minister that they will not be wearing any protection.

We have fought for centuries to get independence and since we got independence we seem to want to do nothing else but give it back. It is easy to understand why it took us so long to get it in the first place, given that since we have got it we appear not to want it. When the terrible British eventually handed over our country, and I use the word "terrible" because it is all relative in that they do not seem quite that terrible any more, they left us with a system of local government that trusted the people to make decisions and left power in the hands of people the public trusted to give the power to in the first place, but we took that apart bit by bit over the past century until we ended up where we are now. Apparently, the Minister intends to give more power to councillors and all of this will change, but it will not, not in the legislation he is providing here.

At a national level also we were in a huge hurry to give away our sovereignty. We could

not do it quick enough and we have now arrived at a situation where we have completely given our sovereignty away. However, ultimately, sovereignty is not something a country does. Sovereignty begins in the mind of an individual. That is from where it comes. For this country to be sovereign and to give real power to its people, the people themselves must realise that they are sovereign and that, ultimately, their ideas are what should be carried out in this country but, sadly, this legislation moves further away from giving power to people.

The idea that the Minister suggests that this Bill will bring power close to the people is laughable. I do not know if people from the generation of the Minister, Deputy Hogan, ever watched "Sesame Street" but that programme explained quite a few concepts over the years, one of which was the concept of "near" and "far". In "Sesame Street" they tried to explain that to five and six year old children in a very simple way. "Far" is explained by a man looking off into the distance at something that is smaller who then runs off - one can hear his footsteps - far away. "Near" is explained as something that is closer, and he does not have to run that far. I imagine that the Minister, Deputy Hogan, would have a good understanding of that concept and given that he should, I would like him to explain to me how closing down Boyle Town Council and taking the power base out of that town will bring the power closer to the people, because it is putting it further away. Either the Minister, Deputy Hogan, does not believe what he is saying or he needs to watch that episode of "Sesame Street" to understand the difference between "near" and "far". If he did, he would understand that he is putting power further away from people. Instead of having a council in their own town, flawed and all as it is, he has created a situation where it will not be there. That cannot be an improvement.

I cannot find in the Bill the new powers that apparently councillors are going to get. There are no new real powers.

*4 o'clock*

In fact, far from giving real powers, all that has happened is that we have done the equivalent of what they did in Windscale and changed the name to Sellafield. One is still left with the potential disaster on one's doorstep. All we get is a change from county manager to chief executive officer. It is a change in name but it is not a change in reality. It is purely tokenism. Even the Minister himself says that it is just about giving it a nicer name. How is that going to help anyone? Apparently the councillors get to choose the new CEO but if they do not choose, it reverts to the choosing body which will keep choosing and coming back until eventually they are forced to take someone who will decide their fate from then on. No more power will end up with the elected representative.

I do not see what the Minister is afraid of - perhaps I can - but from the point of view of developing the country, I ask what he is afraid of. I would suggest he is afraid that it took his party so long to get back into power - that was one hell of an achievement considering who was in government - that once they got into power, the idea of handing any of it away, regardless of what benefit it would be to the country, was just too difficult for them. Instead, they are consolidating power closer to the centre where they currently have the most power. It is not about what is good for the people, it is about what is good for the Government.

Many people will talk about systems of local government and they will complain that they are this or that and generally say there is something wrong with them. The general population will complain about the system of national government and say there is something wrong with it. It is difficult to get the perfect system but no matter what system is in place, if people do not

participate, it is irrelevant. It is a bit like a person having a Ferrari - something I never want to have nor ever will have - and complaining that it does not work very well even though he is urinating in the petrol tank. The problem is not the system; the problem is what is being put into it.

It is from this that I make this call. Next May, we will have local elections. People can complain all they want about the system of governance we have. No matter how flawed the system the Minister wants to introduce, it is the system that will be there for the people to use. I am calling on people to participate in that system. The Minister for Social Protection, Deputy Burton, is doing her damndest to run people between the ages of 21 and 25 out of the country because, apparently, they are too lazy to get a job, even though there are no jobs. I made a suggestion during my speech on the budget and I will repeat it now. Those people in those age brackets should apply for the more than 900 jobs that are up for grabs next May. They should put their names on the ballot paper and participate. Deputy Simon Harris suggested that it seems to be difficult for younger people to get involved in local government because they need to have two jobs. I am sure that will not put off a lot of people who are unemployed. My suggestion is that the tens of thousands of young people go out and run in the next local elections. It is not that complicated to put one's name on the ballot paper. All that is needed is 15 people to propose one's name and those people must be registered to vote in the electoral area concerned. Alternatively, they could get all of their week's dole - €100 - which is all they get from the Government because apparently young people in that age group need fewer calories. I do not understand how that is decided but that is my only conclusion, that people like to eat less when they are that age. They could get all of their week's money and put it down as a deposit and challenge the political system.

I know in my heart that the only purpose in this country for local councillors is to canvass for Deputies in the run-up to a general election. Each of the Fine Gael and Fianna Fáil councillors will grab about 20 people apiece and go out to beg for people's votes. If young people do what I suggest next May and run for election and if, for example, in Roscommon they took ten out of 18 seats, not only would they get a place and little bit of a say in how local government is run - because councillors do not have a real say - the real achievement would be that come the next general election, they will have potentially up to 200 canvassers who will go out and knock on the doors and say whatever it takes to get people to vote for their sugar daddy who will sort them out at national government level, because that is where the power lies. That is what people need to do.

If they do that, there will also be another benefit. Deputy Harris thinks it is not enough to survive on but it is also worth about €30,000 to each of those individuals. They can work in their local community. They can work on changing things, bit by bit, but the big advantage is that with ten Fianna Fáil councillors or Fine Gael councillors - we do not have any Labour Party people in my area because we were always too smart for that - they would then take €300,000 in resources from these organisations. Then we get to rebalance politics in this country and get real change because that is how we will change things. In the run-up to the next general election, those people who have cut the spokes on the political bicycle wheels can go out and they can work on getting into Dáil Éireann where they can change how local government works because local government does not work in this country and it will not work with the way the Government is trying to change it. We need a system similar to the system in Switzerland and many other countries around Europe where even villages with only 100 people have pretty much all the say over how the money is spent.

My frustration about the way local government is run comes from my experience as a



county councillor and seeing how money was wasted, hand over fist, and how local councillors had pretty much no say in it, although they did have a say in it if they ignored all the waste, but that is not the way it should work. If elected, we should have total say over everything that happens. Why not have confidence in the people who have been elected? At the moment the job of a county councillor is to ignore the waste and hope then to get a few crumbs from the top table as opposed to pointing out the waste, and instead of crumbs from the top table, there will be loaves and cake. That is what is on the table until they munch away at it and waste it.

One of my first experiences as a county councillor was approaching the executive to ask them if they could open our swimming pool all year round. The people of my area went out with shovels and wheelbarrows and dug out a 33 metre pool in the 1940s. Our town has always had an ambition to have the pool open all year round. I did up a plan at the time which showed that for £250,000, we could have opened it all year. I was told during my first week as a councillor that we did not have the money for it. In my second week as a councillor the car park behind the local area office, which is across the road from my office, was dug up and re-tarred at a cost of £110,000. The junction on the Galway road into Castlerea, which had a beautiful peach blossom tree on it, was dug up without asking anyone. They put in a new junction with two car spaces into which two cars did not fit and to this day still do not fit into it. That cost us the guts of another £100,000. A footpath was put down in the town which we did not need because the other footpath was perfect and my local authority, which did not have any money to provide a facility for young people in the town, spent more on three projects that no one asked for, but more to the point, the local elected member did not even know anything about it and was not told about it. Why was it done like that?

I set about trying to change things and asked if we could be informed beforehand and have more say. This did not happen. It was seen as an insult to the executive that a councillor might suggest to them what should be done. We ended up with a car park we did not need - it was grand anyway - and we ended up with a junction that did not work and that looks terrible now in comparison with the way it did. They did not open our swimming pool all year round, last year, as punishment, because people are not meant to point out local authority waste.

They closed it for an extra month during the summer even though the local community proposed a plan to open it longer. We were told, "Sorry, you don't have the proper expertise to run it", even though a member of our committee had a recommendation from the Olympics swimming committee, another member ran three credit unions while another was an expert on child welfare. No council staff member knew anything about swimming pools but officials concluded that they should run it.

There is no power whatsoever at local level and the Government's proposals will not change that. I am not saying that just to have a go at the Government. I was in favour of getting rid of the Seanad and I had no problem with that. Just because the Government parties proposed it, I did not deliberately oppose it. I acknowledged that at least the Government put the Constitutional Convention, flawed and all as it is, in place and it is trying. I am not coming into the House to disagree with what it is planning for the sake of it. I disagree because what the Government is doing will not change anything.

Local government might not be sexiest thing of all and when one starts talking about it, it probably puts people to sleep. It does not sound exciting but it is the most important policy to get right. How we govern ourselves at local level is important and because we are not doing it right, all the energy of local communities is being wasted. Anyone who has tried has given

up and, as a result, communities are falling apart. Every now and again, whether it is in Castlerea, Boyle or Roscommon town, a development committee is set up because there is no local democracy to drive the community forward. People get together as a committee and they are all enthusiastic. They set about raising a few quid, a pittance in comparison to what is spent by the local authority. They try to work with local government but the system works against them and bit by bit they are worn down. That should not be the case. If we had a proper local governance system, instead of abolishing town councils, we would expand their number and instead of getting rid of good value councillors, the Government would get rid of expensive councillors.

For example, instead of having 18 county councillors in Roscommon, which is way too many for a population of 58,000, there should be six, one for each district. They should be paid a decent wage in order that they could do the work full time and they should be given the power to elect the chief executive. This would mean that person would be appointed with the thumbs up from the people. That is where the Minister should put the numbers and the eyes and ears of the community. Instead of closing down Boyle Town Council, he should use the money he saves from getting rid of 12 councillors in Roscommon to set up town councils in Castlerea, Roscommon town, Monksland or Ballaghaderreen and give power back to people locally so that the next time a decision is made to rip up a 40 year old peach blossom tree that looks beautiful and replace it with a junction that does not work, local people would be able to stop that before it proceeded. They would have so much to spend then that rather than dig up the footpath with one crack in it or the junction that works or the car park because they will not get the money again next year if they do not, they could spend it well on the local swimming pool, create seven jobs and make it more attractive for people to come into the town for other services. The next time there is a decision to take up a footpath, it would not be made on the basis of “we have the money and we had better spend it or we will not get it again next year” but on the basis of need. For example, €80,000 could be spent on a youth club or something similar. God love them but the young people might trip on the footpath on the way to it but at least there would be somewhere to go on the footpaths. Under the current system, the footpaths are perfect in Castlerea but there are not many places to go and that is a problem. Instead of building footpaths, which local authorities do over and over again, without any connection to reality, it could concentrate next year on setting up a local market so that people could sell their produce locally as opposed to chasing up those who set one up and working out how to close them down.

The Government’s proposals will not change a jot. The legislation will centralise power even more and Government Members will continue to do favours for people locally, securing votes and keeping power centralised while, at the same time, we are in the Stone Age when it comes to local government. Why do they think they have so much money in Switzerland? Countries that have real local government do well because that is the right way to do things. We will end up broke because it is same old, same old.

**Deputy Seán Kenny:** The Bill gives legislative effect to proposals set out in the action programme for effective local government, which was published this time last year and which outlines an overall vision for local government as the primary vehicle for governance and public service at local level in Ireland. The action programme sets out Government policy on a range of reforms to the local government system, including structures, functions, funding, operational arrangements and governance designed to strengthen local government. The two primary aims of the Bill are to provide for the significant reorganisation of local government structures and the strengthening of governance and accountability in local government, with particular emphasis on rebalancing powers appropriately between the Executive and the elected council.

In addition to the significant structural reforms provided for in the legislation, Parts 7 and 8 and Schedule 3 contain a range of provisions relating to the more efficient and effective governance and management of local authorities. Of particular note is the major rebalancing of powers between the executive and the elected council, with much greater powers granted to the elected council to direct policy, oversee implementation and actively review the actions of local authority management. As a former Dublin city councillor for more than 30 years, I welcome these progressive policy changes.

The elected council will also have a power of decision over appointments to the new chief executive positions, which, under the Bill, will replace the current city and county manager positions. It has been said that city and county managers are the most powerful group of unelected officials in the State. The legislation contains the following specific provisions relating to the management and governance of local authorities - the post of city and county manager will be replaced by a post of chief executive, providing more explicit statutory expression of the duty of the chief executive to assist the formation of policy by the elected council, comply with that policy, support its implementation and account for action in that regard, as well as strengthened provisions for the elected members to oversee the actions of the chief executive in implementing policy decided by the elected council; a provision that will allow the elected members to decide on the appointment as chief executive of the person recommended by the Public Appointments Service on foot of the selection process for the post; other provisions to strengthen local government oversight, including expansion of the role and remit of local authority strategic policy committees, establishment of a national oversight and audit commission, and changes to local authority audit arrangements; and the amendment of section 140 of the Local Government Act 2001, which gives elected members power to direct the manager. The recent European Commission call on Dublin City Council to terminate a contract for client services and public relations at the Poolbeg incinerator in which spending ran over by more than €20 million is apt in the context of this Bill. Section 140 motions will no longer apply to planning functions in line with the recommendation of the Mahon tribunal.

A number of outstanding issues relating to the tribunal are relevant to the Bill. When the Mahon report was discussed in the House last year, the debate did not include the Carrickmines module because of pending court cases at that time. The court case collapsed last summer when the main witness became ill and it would be proper to fully debate the Carrickmines module following the publication of this chapter of the report. The Dáil should have a debate also on the entire Mahon report as a result of the the collapse of the court cases against one sitting and three former Dublin county councillors who were involved in rezonings. Will the Minister arrange that debate?

In regard to the Mahon tribunal report and the making of city and county development plans, councils must guard against creating another property bubble in the future. We are again seeing house prices rise in the Dublin area due to a housing shortage. Care must be taken by planning authorities not to take action which would spawn another property bubble.

Part 10 provides for the arrangements in regard to the holding of a plebiscite to consider future local governance arrangements for the Dublin metropolitan area, including options for the introduction of a directly elected mayor. As a former lord mayor of Dublin, I welcome this initiative. Following a request from the Minister, the Lord Mayor of the City of Dublin shall convene a forum representative of elected members of the four Dublin local authorities to discuss the establishment of an office of a directly elected mayor for the Dublin metropolitan area. Subsequent to its discussions, the forum shall submit a written report, including a draft

resolution containing its deliberations and conclusions, to the Minister. Once the Minister is satisfied with the resolution and the supporting statement, it can be put before each of the Dublin local authorities. The resolution shall provide for the holding of a plebiscite on whether the office of a directly elected lord mayor should be established for the Dublin metropolitan area. The resolution and statement should also include details of the future functions, structures and governance for the Dublin metropolitan area, the changes that would arise in regard to the local authorities and in regard to the functions of other bodies, their relationships with the office of a directly elected mayor, the cost and resource implications, advantages and disadvantages arising and measures to maximise efficiency and accountability and to avoid duplication across the local authorities.

All four Dublin local authorities must adopt the resolution no later than 31 March 2014, on the basis of an absolute majority in each local authority, to enable the plebiscite to go ahead. Where the resolution is adopted, a plebiscite may be held to provide for the establishment of the office of a directly elected lord mayor and other such matters relating to local government in the Dublin area as the Minister considers appropriate. The plebiscite shall be held in tandem with the 2014 local government elections.

This section also provides for the making of regulations setting up the arrangements for holding the plebiscite, including provision of information to the electorate. Section 63 provides that should the plebiscite be passed, the Minister shall, within two years of the date of the plebiscite, submit to both Houses of the Oireachtas a report either setting out a proposal for legislation on the establishment of the office of a directly elected lord mayor or containing a statement of the Minister's reasons for not making a proposal for legislation in that regard. I commend the Bill.

**Deputy Eamonn Maloney:** I welcome the Bill. We inherited a local government system from the British which is, in some ways good, in that there are positive things in it. However, time changes everything and it is progressive that this Minister and his Department have examined the whole nature of local authority and how it operates in this jurisdiction. A wide variety of issues have been highlighted in this comprehensive Bill, which deserve to be scrutinised. When time passes, there is no reason not to change things which do not work properly or belong to another age. That is a good thing, which I support, and I compliment the Minister and his staff.

Some Members were concerned about the reduction in the number of councillors. Given that I am on record during the Seanad referendum campaign as saying there are too many politicians, I have to be consistent, so that remains my position. I was a councillor for 12 years and would say there were too many councillors. I refer to the volume of time wasted on council business. There were 30 or more members present at some meetings with all saying the same thing, although maybe with slight variations, and dealing with matters which could have been dealt with in ten minutes. I witnessed this for 12 years and always thought it was the most backward system which should be scrutinised in terms of its efficiency, so I welcome this provision.

As politicians - I include councillors - we sometimes work against ourselves. From my time as a member of South Dublin County Council, which is the second largest local authority in the country, councillors would always refer to their workload, etc., but I think we should be honest with each other and admit that being a councillor, whether a city councillor or a county councillor, is not a full-time job. Trying to delude ourselves and mislead the public by saying it is a full-time job, that it takes up all of one's time and that one cannot watch "Love/Hate" on

the television because one is a full-time councillor is rubbish. One can push the work into a few days. I worked full-time during the 12 years I was a councillor. I had a real job, as I always liked to say, and one squeezes in the other work. I am sure the Members present did the same. We should be honest when dealing with the public and say that being a member of a local authority is not a full-time job. It would be helpful if we did that.

I refer to one of the pitfalls of our political system, which we inherited, although we did not take all of it on board. I am sure the other Members present are no different from me but 80%, if not more, of one's time is taken up with council business which is so unlike any other parliament. I have only been a Member for a short time but I have never agreed with the proportional representation system. I agree with the British system of single seat constituencies. We should have more constituencies and fewer politicians. If we had single seat constituencies, we would focus on legislation, changing law and improving society. We should not be spending 80% of our time worrying about planting trees, autumn leaves, footpaths and so on. I do not think that is what the electorate intends us to do when they vote for a government.

This is a comprehensive Bill. There is so much in it that one would be here for half of the day if one was to comment on all of the sections. I refer to sections 50 to 65, inclusive, to which my colleague, Deputy Seán Kenny referred, on the plebiscite for the four Dublin local authorities which will take place during the local elections in May. In principle, I have no objection to that and it will be interesting to see the outcome. However, I have heard other Members complain and protest about the abolition of some local authorities, etc. The town in which I live has no problem with councils being abolished because it never had one, despite the fact it is the third largest population centre with 100,000 people living in it. I refer to Tallaght. Not only does it have a greater population than Galway, Kilkenny, Waterford and Limerick cities but in some cases it is twice that of some of the other cities. As I have said, when I was a member of South Dublin County Council in 2003, it adopted a motion seeking city status for Tallaght as the third largest centre of population in the State. The council's policy is that Tallaght should be recognised as a city because that is what it is, in effect. Not only does it have a large population, but it also functions as a city in every way except in name. It has the educational and sporting facilities, such as Institute of Technology, Tallaght, which one would associate with a city. It has a chamber of commerce. It has never been granted city status, however.

It is worth mentioning that historically, there are no Irish cities. I include Dublin in that. In all five cases, they exist as cities because the Vikings decided so, or because they were granted city status by the British monarchy. There is no such thing as an Irish city. When I discussed the question of city status for Tallaght with the Minister, Deputy Hogan, I informed him that we made no progress in this regard when we approached the Ministers who were responsible for local government in previous Administrations. I suggested to him that he would be the first Irish citizen ever to grant city status to any large town in this jurisdiction. As I have indicated, our current cities achieved that status by virtue of the generosity of Queen Victoria and Charles I.

The reality is that Tallaght is a very large urban centre. While I sympathise with those whose local town councils are being abolished under this Bill, I remind them that Tallaght has never had a town or city council. We want to have one. If a plebiscite takes place on foot of this Bill - I have no doubt it will - where will it leave the third largest centre of population in this State? Where will it leave the existing policy of South Dublin County Council as the second largest local authority in this country, which is that Tallaght should be granted city status? Regardless of the outcome of the plebiscite, it is not just a simple matter of the Minister making a decision on the basis of population size. Other factors, some of which I have outlined, also need to be



considered. I reiterate to the Minister of State, Deputy Perry, and particularly to the Minister, Deputy Hogan, that this is the policy of the local authority. We want that to be considered in the period after the plebiscite, if not before.

**Deputy Thomas Pringle:** I would like to share time with Deputy Tom Fleming.

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

**Deputy Thomas Pringle:** Before I discuss the Local Government Bill 2013, I might suggest that Deputy Maloney should read the library service's insight into localism in politics, which was published a couple of years ago and contains interesting information about single-seat constituencies. It reveals that British MPs spend more time working on local issues than Deputies in this House. Given that the survey on which the report is based was conducted in 2002, before this issue came into sharp focus, I would say the figures are more accurate than they would be if the survey had been conducted more recently. I am sure all Deputies would now be very wary of saying they spend much time on local issues, given the public perception of clientelism and parish pump politics. There is a perception in Dublin that Deputies from rural areas are not interested in anything other than the parish pump. It would be worthwhile for Deputy Maloney to read the document in question because it sheds some light on certain figures. I can say that I certainly do not spend 80% of my time dealing with local authority issues.

The Bill before the House does not represent reform. I think its real purpose is to reduce costs in the long run while indirectly increasing the costs that have to be met by people in local council areas. If we were talking about political reform, we would be looking at various models of local authority operation and local representation. There are models of well-formed local government formats in countries across Europe. There are 1,500 people, on average, per local government unit in France. Scandinavian countries like Denmark and Norway have very effective local government systems. The difference is that real powers are given to the local government structures in such countries. In many countries, local authorities have the ability to raise funding at local level. I understand that 30% of taxation in Denmark goes into local authorities, which decide how it should be spent.

That is why I think this Bill has nothing to do with reform. It does not provide any reform. The only reform it provides is going in the wrong direction. I would argue that we should be developing a local government system from the level of the parish, which is the basic unit that makes up this State. Real local representative democracy at parish level should lead into democracy in the new municipal areas, or electoral areas as they are under the existing Local Government Acts. That, in turn, should lead into democracy at local authority level and ultimately democracy at Government level. In such circumstances, some real change and real reform might take place in this State.

One of the big legacies of previous Governments is their failure to make any attempt at real local government reform. Similarly, this Bill will continue the exact same system we have at the moment, whereby the manager has all the power and the councillors are the opposition, in effect. It will not confront the charade I saw in Donegal County Council for 12 years. The largest party - most of the time it was Fianna Fáil - made it look like it was in control of the council. In fact, it was cosying up to the county manager to get its pet projects dealt with. It made it look like it was providing for the smooth running of the council.

The reality is that councillors have no say. County managers direct the policies, the finances

and the total operation of local government. If we really want to reform the limited amount of local government we have in this country, we should bring direct political accountability to local authorities. If we want to bring about real accountability, we should allow the local government system to operate in the same way as the system used in the Dáil - dysfunctional as it is - by allowing those who have a political majority at local authority level to control how local authority areas are run. By allowing local representatives to work in tandem with local authority management, we can replace the charade that exists in every local authority area at present with genuine political accountability. I think that would contribute to bringing about real change and making a real difference.

As part of the local authority reform I am proposing, we should give local authorities the ability to raise funding in their own areas. Perhaps a portion of the national tax take could be made available to them to give them real discretion in spending. Local authorities should be allowed to devise spending policies for the benefit, as they see it, of their counties. Of course there must be oversight and auditing to make sure money is being spent properly and people are being held to account. If local authorities and local politicians are misspending public funding, or failing to direct it towards the areas of greatest need, they must be held to account.

Unfortunately, the real change and real accountability I am advocating is not provided for in this Bill. The change in title from “county manager” to “chief executive” will not make any real difference to the operation of those functions. The Minister is tinkering around the edges. I think the abolition of the town councils is a retrograde step. Given that town councils and, in particular, town commissions do not have any power, I have to question how they have functioned or whether they have functioned at all. If we had real local government reform, those units could have real local powers and be able to deliver local services into their areas. We will not get that under this legislation.

I agree with the proposal in the Bill to abolish section 140 motions as they apply to planning matters. I think that is worthwhile. When I was a member of Donegal County Council, one’s ability to get a section 140 motion, or a section 4 motion as it was known during the first few years of its operation, depended on the level of political sway one enjoyed. A decision on whether a person got planning permission hinged on whether he or she had a friend who was a politician. It was not about whether it was in the interests of the county development. If the same rationale were used for putting forward a section 140 resolution many people in the same circumstances would also have been entitled to them. It makes perfect sense to remove that provision.

The Bill provides that 50% of the rates will be payable on empty buildings. In the current climate that will have a huge impact particularly in Donegal and other rural counties where many of our towns and villages have large numbers of vacant buildings because of the downturn and crisis. Levying 50% of the rate will put them into even more difficulty. It is a backdoor way of raising additional taxes to give extra funding to local authorities. Every cent that will be raised from it will be taken away from national government. That is one impact of the Bill and is a retrograde step.

Overall the legislation is a waste of time because it does not provide any reform or change. It will make no difference to local authorities apart from abolishing the town councils and changing the numbers of elected members - County Donegal will get an extra eight councillors. It will not make any difference to the lives of citizens and will not make a difference to the accountability of local authorities. It will not provide real political accountability whereby

people's votes for local authority members will make a difference to the policy direction of the local authority. The Bill represents a lost opportunity and it is a pity we do not see real reform. The Government's idea of reform has been an attempt to abolish the Seanad and tinkering at the edges with the Dáil while maintaining the Executive's stranglehold over the Dáil. It also intends to maintain the stranglehold central government has on local authorities into the future.

Overall this is a lost opportunity and it is a shame we could not see real reform that would deliver real local government rather than the provisions in the Bill.

**An Leas-Cheann Comhairle:** I call Deputy Mitchell O'Connor, who is sharing with Deputy Conaghan.

**Deputy Mary Mitchell O'Connor:** Local government reform has had a long and thorny history in Ireland. As it stands, the system is not serving its communities adequately. It remains only a reflection of an ambitious system that has not lived up to expectations since it was originally designed. It no longer remains efficient or relevant to modern Ireland and reform of this system is overdue.

Local government must serve its communities. Local knowledge is essential in dealing with local issues. Instead local government has become a cumbersome system making little tangible difference to local communities. As we are all too aware, Ireland can ill afford a bloated local government structure, hamstrung by inefficiency.

As it exists, our local government system has become a shell, limited in revenue raising powers, in accountability and in self-reliance. We have seen a trend whereby the funding and responsibilities of government are being progressively centralised in Dublin. Real power would mean having a meaningful role in local budgets or issues. I welcome a Bill that proposes reforming this system. However, I am disappointed that Dún Laoghaire-Rathdown County Council will get only 65% of its property tax take for 2014. Dún Laoghaire-Rathdown County Council is one of the few councils that is not in debt. I understand that during these difficult economic times, we must all play a part. However, I question why Dún Laoghaire-Rathdown residents must carry more than their share of the economic burden, when other local authorities have overspent and not been as vigilant with their budgets.

I have some concerns over the introduction of a mayor of Dublin. Similar to the position in the UK, a directly elected mayor should be a political figure in her or his own right. This position cannot be merely ceremonial; it must be an effective position. If we introduce a directly elected mayor to Dublin, that person would have to be mindful and sensitive to all the needs of the greater Dublin area. While this mayor would be advised by the four local representatives of Dublin, the office must represent all the diversity Dublin has to offer. The mayor would have a responsibility for all the environs of Dublin from Tallaght to Dún Laoghaire, not just the city proper.

I would be concerned, however, that such a powerful figure could have an ability to override local initiatives. Dún Laoghaire has been making great progress in cruise tourism and promoting an international diaspora centre. Our villages and towns are fighting back having endured a difficult time. I am concerned that the Dún Laoghaire agenda would be sacrificed for the sake of other initiatives for Dublin city centre.

We must be vigilant that each local Dublin area is championed with equal measure. Regard also must be given to the fact that Dún Laoghaire residents would be contributing significant

revenue through high property tax and their voices need to be heard. Our small business associations are supported by Dún Laoghaire-Rathdown County Council. If it continues to retain only 65% of its property tax take, our council and residents will suffer.

We need a local government that can serve its communities. To do this, we need a system that is relevant to the needs of modern Ireland. This cannot be achieved without reforming the system.

**Deputy Michael Conaghan:** A time of proposed change is a good time to reflect in general on the workings of local government, its status, its strengths, its weakness and its place in Irish political culture and life generally.

Of course, understanding the values and merits of local government is not helped by the opinions of some sectors of our society. I refer in particular to certain journalists, certain statutory bodies, such as the ESRI, and some academics who write on the topic of local government. Many individuals in these spheres of life, in trying to understand local government, limit themselves to commenting based on formal documents such as various Local Government Acts that were passed 20, 30 or 40 years ago and reading books on local government. Such an approach to uncovering and discovering what local government is really about has very limited value and is a very poor guide to the operation of local government in practice.

To really understand how local government works and how valuable it is in improving the life of local communities, rather than reading academic reports they would be much better off to study how an effective local authority member operates locally. That would be a much better pursuit for these academics than searching through academic tomes and volumes or various reports that are so detached from the real world in which most people live.

Let us take an imaginary city councillor standing at his or her hall door. As he or she looks up or down his or her street everything he or she sees is within the ambit of local government. The councillor looks at the footpath and checks whether the surfaces are smooth and trip free, at the road and street surfaces to see are they broken or do they have potholes. He or she looks at the trees. Are trees missing or broken? He or she looks at street lighting and checks whether all these things are fit for purpose. If they are not he or she can do something about it, can rectify repair or replace them. Let us say that our imaginary city councillor leaves the front door and walks to the local park. Is the park safe? Is it pleasant? Is it clean? Is there a playground? Are the trees and flower areas being maintained? Are the football pitches grassed and marked? Is there a good enclosed five-a-side pitch? The councillor proceeds to the local shopping area and checks whether the public realm is pleasing to the eye. Is it attractively laid out? Is parking available and accessible?

The local councillor has a key role in providing for and maintaining these significant local community facilities. He or she can go to the local library and see if it is properly stocked with books and all the other facilities that local libraries now provide, or to the swimming pool, or the new arts centre. What makes communities work and what makes places into communities is to a huge extent the outcome of local government. In the case of each and every one of these local services the role of the city council is uppermost and the role of the local councillor working with his or her community and with the local managers is at the centre of that endeavour. The role of the council and the councillor has been critical to the success of more recent community structures such as the local employment services, partnerships and drugs task forces. All of this activity and provision is linked and locked into the role of the council within which councillors

play a critical part, working alongside their managers and liaising with them.

On the question of power and influence I was on Dublin City Council for 20 years. In that time no city manager ever said to me that I did not have the power or the place to make a request for something in my community or to ask for such a thing to be done. I never heard a city or local area manager talk in that kind of language. Not having formally stated power does not come into the question. Influence counts more than power. Influence more than power makes Irish local government work for the councillor and for the community he represents. The managers are on the same mission as the councillors, to uplift and improve communities. That is their common concern. One cannot operate without the other. They have shared objectives. Their one common enemy is lack of money, not identifying who has power or influence or whether one has more power than the other. At a time when we are thinking about change we should reflect on what we already have and see considerable merit in it, rather than condemn it or abandon whole segments of local government provision as it stands.

Debate adjourned.

### **Message from Select Committee**

**An Leas-Cheann Comhairle:** The Select Sub-Committee on Public Expenditure and Reform has completed its consideration of the Freedom of Information Bill 2013 and has made amendments thereto.

### **Local Government Bill 2013: Second Stage (Resumed)**

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

**Minister of State at the Department of Jobs, Enterprise and Innovation (Deputy John Perry):** The matters that have been raised in this debate have been noted and I would like to thank Deputies who made contributions on Second Stage of this Bill and Members generally for their attendance over the course of the debate. It is important that a major legislative provision like this, which is all about strengthening the democratic process, should receive the fullest possible consideration by elected representatives.

Local government reform has been the subject of extensive debate and numerous studies, reports and policy documents over many years from the Green Paper on Local Government, through the local government efficiency review, and in the context of the alignment of community and local development. Following the publication last year of the reform action programme, a specific structured process was put in place to engage the local authority members’ associations in the local government reform implementation process. On behalf of my colleague, the Minister for the Environment, Community and Local Government, Deputy Hogan, I would like to record appreciation for the positive engagement on the part of the members’ associations which has helped to inform the provisions included in the Bill.



I will now address some of the important points raised by Deputies during the course of this debate. It has been suggested that the dissolution of town councils is antidemocratic or in some way takes local government further away from the communities it is supposed to serve. Despite the good work undertaken by some town councils, the 19th century model that some want to hold on to is not a good model of democratic representation, with town councillors accounting for 46% of all councillors but representing only 14% of the population. That 14% has double representation, at both town council and city or county level, while people outside of those areas have no sub-county representation, and this is true even for some very large population centres which have grown up in recent years. This lack of equity in representation is also a feature at county level - as the recent report of the Local Electoral Area Boundary Committee found - with counties like Leitrim having one councillor per 1,445 population, while in some Dublin authorities the figure is one councillor to over 10,000 population. The Bill will reduce these inequities very substantially.

As well as inequitable representation, the existing town and county council system gives rise to much duplication of functions and other distortions. An example of this duplication is that in Tipperary, with a population of just under 160,000 there are nine local authorities involving nine sets of elections, nine annual budgets, nine sets of commercial rates, nine annual audits, nine annual reports, nine corporate plans and nine development plans. These nine authorities also engage in other duplicate political and administrative processes, not least through a network of committees and subsidiary bodies. These will be replaced by a unified local authority structure with five municipal districts all working in harmony for the welfare of the community.

This situation exists to varying degrees across the country, placing unwarranted demands on limited resources. It is clear that the current arrangements cannot continue and, on behalf of this Government, I am grateful for the support of colleagues from all sides of the House on this point. While on the subject of Tipperary, I am glad to report to the House that the Minister has just signed orders to give effect to a single management structure across North and South Tipperary County Councils, with Mr. Joe MacGrath having dual responsibility. This will enable the full integration of management, structures and staff units to proceed in preparation for full merger in mid-2014. The mergers in Limerick, Tipperary and Waterford, which have been proceeding at a practical level, are a key element in the strengthening of local government structures under the Bill.

The Government is also anxious to reassure colleagues like Deputy Stanley that this reform programme is not simply to cut the number of councillors but to strengthen the system. Contrary to some suggestions, it is not sustainable, administratively or financially, to establish new town councils to address gaps in representation.

*5 o'clock*

Not only would this approach exclude rural areas, it would mean hundreds more councillors, more duplication and more administrative overheads while not addressing the fundamental questions of weak functions and even greater dilution of resources. This Bill will introduce a more equitable, representative and accountable system of governance within counties which will bring county council decision making closer to all communities. It will do so with minimal bureaucratic overheads using existing organisational resources, eliminating duplicate processes and integrating administrative functions. To those Deputies who have rightly pointed out the good work done by many town councils, I would say that there is no reason the strengths and qualities of these councils cannot be extended beyond the "town walls", as it were, to embrace

the wider hinterlands of the towns which are linked to them for a range of social, commercial, educational, employment and other purposes.

I am also heartened by the recent support of the Council of Europe for the reform programme. Some people have misleadingly tried to suggest that it criticised the current Bill. Last month, the Congress of Local and Regional Authorities adopted its report on local democracy in Ireland which specifically welcomed the action programme with a clear endorsement of the structural changes at sub-county level. It recommended that the programme be implemented rapidly with a view to addressing weaknesses which it identified and which have been fully acknowledged by the Minister.

One of the main objectives of the reform programme is to address the marginalisation of local government which has built up over time mainly, though not exclusively, under Fianna Fáil-led Governments. This cannot be turned around instantly. Massive devolution cannot happen overnight and it would be unrealistic and counter-productive to give the impression that it could. Rather, this Government is setting out a realistic and progressive pathway to more far-reaching development of local government in Ireland to ensure that it takes its place as the primary vehicle of governance and public service at local level. That said, the Bill will bring about a number of major advances in decentralising power even in the short term. I have already mentioned that the new municipal district system will give effect to the devolution of functions within counties. At a broader level, one of the most negative developments for local government in recent decades was the way in which local development functions were located largely outside of local government. This Bill is reversing that trend of bypassing local government by providing for the alignment of local and community development with local government through the establishment of new local community development committees bringing these functions into a single coherent framework within the local government system. The legislation will also provide for enhancement of the role of local government in economic development both at regional and local authority level. The main provisions for this purpose will be incorporated on Committee Stage and the operation of the new local enterprise offices will be a core element of the local authority economic development role.

However, the greatest long-term significance of the reform programme is that by strengthening and modernising its structures, operations, governance and funding, local government will have the capacity and credibility to take on a much wider role in the future. During its relatively short term, the Fine Gael-led Government in the mid-1990s produced two reports on devolution. Fianna Fáil subsequently enacted a provision to devolve functions but, unfortunately, never used it. This Bill provides for the extension of this existing provision to include functions of State bodies as well as Departments. The Minister has also advised of his intention to put in place an agreement with Government colleagues on arrangements to local government-proof any proposals in respect of new functions or services at local level, which will ensure that local government must be considered the default service provider at local level. This will ensure that future policy decisions adhere to the core vision of the action programme for effective local government.

This Government is also undoing the removal of local financial autonomy by giving local authorities a spread of 30% discretion in local property tax from 2015, the most important boost for local democracy in many decades. This and other reforms will also mean that the new cohort of local authority members to be elected in May 2014 will carry a much greater level of accountability and responsibility. This will pose a challenge but it will also enhance their standing greatly and in turn should cause national politicians to concentrate more on the national

mandate they are primarily elected to deliver on rather than looking over the shoulders of local councillors or indeed spending weekends in local premises listening to local representations.

I know colleagues such as Deputies Ellis and Fleming have raised concerns about the responsibility for the water and road networks being outside of the local government system. As is the case in many other countries, aspects of these functions need greater scale, resources, expertise and regional or national co-ordination. However, local authorities will continue to play a crucial role in these areas at local level. Moreover, an objective of this reform programme is to reposition local government better in the context of these changes by ensuring that functions that are largely local in character are assigned to them giving them the capacity to be the primary vehicle of governance and public service at local level, particularly in terms of leadership of community and economic development.

Some Deputies raised issues about the need to ensure that local authorities remain financially viable into the future. This Government contends that this Bill, in conjunction with other recent legislation, builds a better system for the management and oversight of local authority finances. In the first instance, the budgetary development process at both county and district levels will be much more inclusive - linking budgets and expenditure in a meaningful way at all levels, including at municipal district level. Some Deputies have asked the question - what is financial oversight without adequate funding? - and again we would highlight the value of the local property tax in this regard.

The Bill makes a clearer link between the choices the council makes in terms of financial commitments and the resources available to meet these commitments. Every citizen will now have a much clearer vested interest in the financial well-being of their local authority because they are paying a direct annual tax to fund that local authority. This will help transform local financial decision making by making elected members more accountable to the communities they serve and giving local taxpayers the ultimate oversight role in respect of local authority performance.

The Bill has a number of provisions which strengthen the policy setting, oversight and financial decision-making role of the elected members. Members will have clearer responsibility to set policy and oversee its implementation by the chief executive and staff and there will be clear arrangements for the provision of information and advice to elected members in both the plenary council and other formations like committees. Monthly management reports will be prepared and presented to the elected members on both the delivery of programmes mandated by the members and those arising from the executive functions assigned to the chief executive. These measures are key elements in rebalancing the relationship between the manager, who will be renamed the chief executive, and the elected members. Deputy Clare Daly misses the point when she sees little that is positive in these changes. The new title reflects a meaningful change in the relationship and is very much part of an emphasis on democratic accountability and a move away from the perceived imbalance in the traditional role of the manager.

Elected members will have a stronger legal basis to take greater control of the affairs of their councils and I can assure Deputies Stanley, Barry and McLellan that the Minister is actively working with the representative associations in support of their efforts to merge into one body that can provide greater supports to elected members in their policy-making role and to facilitate their engagement with policy formation at national level. There will be a strengthened corporate policy group or CPG with guaranteed representation by the leaders of the political parties and representation of each municipal district.

Deputy Murphy has suggested that the inclusion of political leaders in the CPG might be anti-democratic, but the Government is satisfied that a broad-based membership, with all main political groupings actively working together to oversee and manage the affairs of the council, will bring useful benefits and a better focus to the deliberations of the council. SPCs will also be empowered to request the attendance of public bodies at their meetings, so as to be better informed in the preparation of policy. These provisions will all be put in place in parallel with the establishment of the new national oversight and audit commission which will bring an added dimension of independent scrutiny to local government performance, without increasing central government control.

On the issue of changes in the provision for refund of commercial rates in the event that a property is unoccupied, rather than the anti-business measure as suggested by some Deputies, the intention is to create a further incentive to bring under-utilised commercial property back into productive use. There might be circumstances where property owners intentionally keep premises vacant rather than lower rent expectations, which impacts normal market forces and disadvantages prospective business occupiers. Vacant properties are also beneficiaries of local authority services such as pavement improvement, street cleaning, street lighting and so forth, so it is only fair and proper that owners of vacant properties should make a contribution, although less than the owners of occupied properties, to the cost of providing these services.

However, the Minister, Deputy Hogan, has indicated that this provision will be considered further to ensure that no unintended negative consequences arise. At present, consideration is being given to the provision of greater local authority discretion on whether to change from the current position, which would enable the authorities to take account of local economic factors.

There have been suggestions that the Bill further delays the establishment of a directly elected mayor of Dublin. Perhaps some Deputies see themselves in the job. The Government is satisfied that it is taking the correct approach to this matter. At the Minister's request, the Lord Mayor of Dublin has convened a special forum of the elected members of the four local authorities to consider the options for the introduction of a directly elected mayor for the Dublin metropolitan area. The Lord Mayor has undertaken, together with the forum, to provide a report to the Minister by the end of the year. The objective of the forum is to provide a basis for the four Dublin authorities to pass a common resolution in time for the local elections next May.

We are fully supportive of the efforts towards the evolution of a political consensus, but the key point is that this Government is not going to prejudge the outcome of those considerations and instead will allow the people of Dublin, who will be directly affected by the change, to take the decision on the establishment of an office, or otherwise, through a plebiscite in 2014. We are equally determined that this decision will be taken on the basis of proper analysis and awareness of all the implications, positive and negative, particularly with regard to local government structures and functions in Dublin and cost.

The Government is greatly encouraged by the interest taken by Deputies in this matter. There will be the opportunity for further engagement with Members on Committee and Report Stages as we work through and finalise the important reforms contained in the Bill. This is an important opportunity for Deputies on all sides to work together to move past the outdated structures and practices of the current system and build a meaningful local government that is more effective and more responsive to the needs of our citizens and communities. While some of the debate has focused on the structures we are removing, the Bill is not about breaking down but about building up local government so it offers meaningful local democracy, provides the

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services that are needed by our communities in an efficient and effective way and is transparent, accountable and fit for purpose in today's Ireland, not the Ireland of 100 or more years ago. Finally, I take this opportunity to thank all the Deputies for their contributions, which will be reflected on as part of our consideration of amendments for later Stages.

Question put.

**An Leas-Cheann Comhairle:** In accordance with the Order of the Dáil today, the division is postponed until immediately after the Order of Business on Tuesday, 19 November 2013.

## Topical Issue Debate

### Tobacco Control Measures

**Deputy Catherine Byrne:** Each morning as I pass the Coombe Women & Infants University Hospital on my way to the Dáil, I see pregnant women standing outside taking a smoke break before they return to their hospital beds. These women are often heavily pregnant and one cannot help but feel concern given the risk to their unborn babies and themselves.

The medical community is in no doubt about the dangers. According to the Irish Cancer Society, "smoking during pregnancy can lead to miscarriage, stillbirth and illness in early infancy". In fact, so sensitive is the unborn baby to the effects of smoke that the Irish Cancer Society says that smoking in the presence of a pregnant woman may also endanger the health of the foetus. Aside from these very serious risks of miscarriage and stillbirth, a recent study shows in stark detail the infection risks associated with smoking during pregnancy. The findings, published on 6 November in the US journal, *Paediatric Infectious Diseases*, show that babies born to mothers who have smoked during pregnancy are at increased risk of developing a wide range of infections. They are 50% more likely to be hospitalised or die as a result of these infections, compared with babies born to mothers who did not smoke during pregnancy.

We must do something to address this problem, but we must first know its extent. The Economic and Social Research Institute, ESRI's, 2012 Perinatal Statistics Report calls for better tracking and recording of smoking during pregnancy in Ireland "given its importance as a risk factor for adverse perinatal outcomes". We simply do not know the extent to which Irish women continue to smoke throughout their pregnancies. It is important that we know the scale of the problem before we begin to address it.

I applaud the Minister for the stance he has taken on the general problem of smoking in this country. The proposed plan to introduce plain packaging is a welcome start. It must be noted, however, that any such initiatives must be brought forward in conjunction with measures to tackle the illegal trade in cigarettes, which is making life very difficult for retailers in this country. Recent figures from the retail industry show that one in four tobacco sales are illegal, according to *ShelfLife*, the retail magazine.

While I welcome the Minister's initiatives on smoking, I ask him to address the particular problem of smoking in pregnancy. In terms of finding solutions, education must be key, not only in the hospitals but also in our schools. For example, the risks of smoking during pregnancy must be outlined as a standard measure during antenatal classes and in other places attended by pregnant women. General practitioners, GPs, midwives and obstetricians must also



receive special training in how to relay this critical information to pregnant women. We must be conscious that to give up smoking is a huge challenge for many people, and it is not made easier by the stresses and strains of the early stages of pregnancy. Young women, in particular, need our understanding and assistance in this matter, not a lecture. We must equip our medical professionals to provide the advice and information in a compassionate way, but also in a way that leaves no doubt as to the dangers of smoking during pregnancy.

**Minister of State at the Department of Health (Deputy Alex White):** I thank the Deputy for raising this important issue. As she is aware, the Minister for Health and our Department have been public in our aims and objectives regarding smoking in Ireland. Last month, he launched Tobacco Free Ireland, which sets an ambitious target of Ireland being tobacco free by 2025. In public health terms, this means having fewer than 5% of people smoking by the year 2025.

Approximately 5,200 Irish people die every year from smoking related diseases. One in every two smokers will die of a tobacco related disease. These diseases are frequently protracted and unpleasant, not to mention distressing to the persons suffering and their families and friends, and all made even more upsetting by the fact that they are preventable. Unfortunately, 22% of our adult population are smokers. It is estimated that between 18% and 21% of Irish women smoke in pregnancy. Most smokers start smoking very young. Research shows that 78% of smokers started smoking before the age of 18 years. It also shows that Irish people start smoking younger than those in any other EU country.

Tobacco Free Ireland sets out the tasks that need to be undertaken to help people to stop smoking and to prevent our children from starting the habit. Currently, smoking cessation services are available nationwide, including the national smokers quitline. Tobacco Free Ireland has a recommendation that the State should target its smoking prevention and cessation interventions at specific groups. Pregnant and post partum women comprise one of those groups. This is important. Research has shown that age and socioeconomic factors are key determinants of smoking in pregnancy. Given this, it is equally important that children and young women, particularly those in lower socio-economic groups, are targeted with prevention interventions.

Tobacco Free Ireland contains a number of measures that, when combined, will go a long way towards denormalising smoking in our society. The denormalisation of smoking and the protection of children are the two key themes in the report. As the Deputy stated, pregnant women who smoke are specifically mentioned in Tobacco Free Ireland as a group requiring targeted interventions. It is the combination of all of the measures in the report that will bring about a significant reduction in the numbers of women who smoke generally and also those who smoke during pregnancy.

Tobacco control measures are working. The number of children and adults smoking is declining. It is the Minister's aim to make a significant further reduction in those. One of the measures that will assist in this is the introduction of standardised packaging for tobacco. Research indicates that standardised packaging can reduce the appeal of tobacco products and increase the effectiveness of health warnings. It also reduces the ability of branded tobacco packaging to mislead people about the harmful effects of smoking. Another measure being undertaken is the development of legislation to prohibit smoking in cars where children are present.

The Irish public has already shown a healthy appetite for and commitment to the introduction of tobacco measures, not least by fully embracing the workplace smoking ban, which was

introduced some years ago. This is despite numerous pessimistic predictions and spurious arguments as to how and why people would not comply. This positive approach gives me confidence that the public will engage and support the Government and the HSE in the important journey ahead.

We all know that smoking in pregnancy is associated with significant health risks to the baby as well as low birth weights and premature births. There is an obligation on all of us as policy-makers, health workers and members of society to take the steps necessary to assist those who smoke during pregnancy in stopping and to prevent future mothers from starting.

**Deputy Catherine Byrne:** I thank the Minister of State for answering in such great detail. It is shocking to see the figure of how many people die yearly from smoking. I am concerned, as I have seen many children smoking on their way home from primary school. The Minister of State has given me some figures with which to work. For example, approximately 21% of pregnant women smoke.

It is a matter of education, which begins at home. If children see their parents smoking while women are pregnant, they will reflect that behaviour as they grow up. The Minister of State is correct in that certain social backgrounds lead to younger smoking, for whatever reasons.

Will the Minister of State consider making a medical intervention such as is found in other European countries, for example, England, where nicotine patches are made freely available to pregnant women as a matter of course? This could be the first step in making a difference in the lives of a mother and her unborn baby. Giving the unborn a chance to survive when a mother smokes would be the legacy of the Minister for Health and the Government.

I thank the Minister of State for his reply and I will revert to him on some of those figures.

**Deputy Alex White:** I will certainly discuss the Deputy's suggestion with the Minister. I thank her again for her insights and for the compelling additional points she has made. The value of Tobacco Free Ireland is that a policy statement and set of actions are in place to give guidance to those policy decisions that need to be made. In a sense, it can be added to in future, as new suggestions, such as those raised by the Deputy and others, can be incorporated into this policy compendium. That can only help us in the objective that we all share.

### **Special Educational Needs Services Provision**

**Deputy Áine Collins:** I thank the Minister of State for attending to discuss this issue, which has been raised in my constituency and in respect of which I am finding it difficult to get clarity. I understand that personal assistance for preschool children is covered by the HSE and usually delivered in communities by service providers. Children are assessed based on their physical needs as opposed to their intellectual needs.

In September, three children in my constituency started preschool at four years of age. One has Down's syndrome and major physical disabilities and another has delayed development and is unable to use a bathroom, needs to be in a play school, etc., but neither can get a personal assistant. A third child has cystic fibrosis and, following a stroke, has no use of one arm. St. Joseph's is our service provider in Charleville and the surrounding area of Cork North-West.

I would not raise a situation in the Chamber lightly. I have been in contact with the HSE

in Cork at all management levels. I have been told that it is for St. Joseph's to perform the assessment and provide care. St. Joseph's has told me that it has been instructed not to provide further personal assistants for preschool children. The HSE has asserted that it has no vehicle to do this.

While I understand the issues facing providers in terms of budget cuts and audits to ensure that they are efficient and making appropriate provisions, this support will be no good to the three children in question next year. They need it now. It is not acceptable that, if they lived in a different part of the country, they would get it.

Despite questions about who has an entitlement, it is clear from my research that physical needs are a factor in these three cases. As such, they are legally entitled to support. However, the State does not seem to be providing it. HSE management claims that this is a matter for the service provider, but the service provider has shown me information to the effect that it was told not to provide support. This is because a personal assistant is not provided where a person has an intellectual disability, only where he or she has a physical disability. The three cases clearly involve physical disabilities. This is frustrating.

We discuss child care and early child intervention a great deal. These are important issues. We should be there before three years of age, never mind four or five years of age. The parents are distraught. Any parent of a child with a disability faces challenges. It is tough enough on those parents without having to fight this bureaucratic battle or to contact me, the HSE and St. Joseph's.

It seems to depend on where one lives. There is no problem in getting this service in some places. In other places, it is a major problem. We do not have a standardised service, so I would like to hear the Minister of State's thoughts on the matter.

**Deputy Alex White:** I thank Deputy Collins for raising this matter, which I am dealing with on behalf of my colleague, the Minister of State, Deputy Kathleen Lynch.

I have no doubt that everyone in the House is aware of the pressures on the health system to maintain services within the parameters of its budget. Notwithstanding these financial pressures, I would like to assure the Deputy at the outset that the Government is fully committed to the ongoing delivery of vital services and supports to children with disabilities to the greatest extent possible within available resources.

In recent years, the health sector has invested significant resources in services for children with disabilities. Within the preschool sector specifically, the Health Service Executive provides some limited grant aid to community preschools, as well as funding some special preschools that cater specifically for preschool children with disabilities. In certain parts of the country, the HSE funds a preschool support service. This service provides a support worker to enable a child to participate and integrate into a preschool setting. The HSE has no statutory obligation to provide this kind of service. There is no standardised scheme in the HSE for funding these preschool support services, which have been developed at local level. One such service supported by the HSE is provided by St. Joseph's Foundation in Charleville, where 23 children are supported to access mainstream preschool. It is important to note that this is not a personal assistant service. Personal assistant services are generally provided to adults with a physical or sensory disability with support needs, who then self-direct their own services.

Significantly, the HSE is also currently engaged in a national programme of reconfiguring

therapy resources for children with disabilities from birth to 18 years. This programme aims to achieve a national unified approach to delivering disability health services, so that there is greater equity of access to services based on need, clearer referral pathways to these services and improved intersectoral collaboration. The nub of the issue the Deputy has raised is the necessity for a standardised system across the country. It is not an area with which I am directly familiar but this matter has arisen in other areas of the health service where there are differential levels of service in various parts of the country. It is perhaps a legacy of the earlier organisation of the health services but it is very frustrating.

The Deputy makes the point eloquently that first, there should be clarity about what services are available and what the entitlements are. It seems that many of the services are not provided statutorily but have grown up over the years based on what people have tried to do locally, albeit in good faith. The Deputy is correct to say that an entitlement to access these services should be standard across the country. I can only agree with her that access should be uniform where possible.

The participation of children with a disability in preschool is a cross-cutting issue involving a number of stakeholders. These include the Department of Children and Youth Affairs, the Department of Health, the Department of Education and Skills, and the HSE. The health, education and children and youth affairs sectors co-operate on a regular basis concerning children's disability issues. To strengthen this co-operation the children, adolescents and young people with complex disabilities unit in the Department of Health, led by a principal officer, has been established. This important development aims to foster greater collaboration between the Department of Health, the Department of Education and Skills, and the Department of Children and Youth Affairs on children's disability issues and to build on the cross-sectoral working arrangements that are in place. A dedicated cross-sectoral team, comprising representatives of the Department of Health, the HSE, the Department of Education and Skills, and the Department of Children and Youth Affairs plays a key role in this regard.

A subgroup of this team has been set up to examine the issues around integration of children with disabilities into mainstream preschool settings, building on previous analysis in this area. Representatives of the various Departments I have mentioned, as well as the HSE and the city and county child care committees, are members of this group which is chaired by the Department of Health. It is envisaged the work of this subgroup will be completed by the end of this year, at which point it will report to the cross-sectoral team.

**Deputy Áine Collins:** I appreciate the Minister of State's comments and I fully understand the budgetary pressures the HSE is under. However, these service providers seem to be getting a lump sum payment, although it should be attached to the services they provide and the number of people concerned. In this case, they were providing the service but were told by the HSE that they should not do so, as it was not covered under the service level agreement. When I asked about this, I was told that they were entitled to the service based on a physical disability but not on an intellectual disability.

In one such case, the HSE originally funded the service through the Irish Wheelchair Association. Then the HSE said the person concerned was more suited to St. Joseph's, even though the HSE knew that St. Joseph's could not do anything for them. Another child has been granted three hours per week through St. Joseph's but the service cannot be provided because they are awaiting Garda clearance on somebody. It is now mid-November but if this delay continues for much longer the school year will be over. It is great that children with disabilities are integrated

into mainstream schools, both for themselves, other children, the social environment and social cohesion. It is not good enough, however, that these three children to whom I referred cannot be supported when a child in a neighbouring constituency can obtain the service.

I fully accept the pressures that the HSE is under and I am also aware of all the constraints on Ministers and Ministers of State. However, the setback for these children at this early stage, due to the lack of a small amount of direction, seems to be enormous. Intervention is needed to try to resolve the issue immediately. I would appreciate the Minister of State's comments in this regard.

**Deputy Alex White:** I am not in a position to add much more to what I have already said. However, I will undertake to raise this matter with the Minister of State, Deputy Kathleen Lynch, at the earliest opportunity. I will certainly have an opportunity to discuss it with her next week. If Deputy Collins reverts to me or directly to the Minister of State, Deputy Kathleen Lynch, we can see how to address the issue concerning the differential in levels of service between various areas, including neighbouring counties. The Deputy is entitled to have this matter addressed and I will do everything I can to ensure that it is dealt with.

### **Rare Diseases Strategy Implementation**

**Deputy Thomas P. Broughan:** Ehlers-Danlos syndrome or EDS is classified in European Union terms as a rare disease because it affects fewer than one in every 5,000 of the population. EDS is mainly thought of as being a genetic disorder but some literature suggests that it can occur spontaneously. It has been termed as the "invisible illness" because while there are no visible symptoms, sufferers may be in great pain and discomfort.

According to information I have received from members of EDS Awareness Ireland, and in a response to a parliamentary question I recently received from the Minister for Health, Deputy James Reilly, it is thought that around 200 people in Ireland are suffering from EDS. In the past, there were ten classifications of the disease but this was revised downwards to six main classifications, namely, hypermobility, classical, vascular, kyphoscoliosis, arthrochalasia and dermatosparaxis.

There is a wide variety of symptoms of EDS depending on the type of the disease but, in the main, it is recognised as a defect in the synthesis of collagen. Some of the main characteristics of EDS symptoms include joint hypermobility whereby sufferers' bones are dislocating constantly; skin extensibility and tissue fragility; chronic early onset debilitating musculoskeletal pain; arterial, intestinal or uterine fragility or rupture; scoliosis at birth; scleral fragility; poor muscle tone; and gum disease. That is a serious range of conditions within this EDS classification. According to the HSE, most EDS sufferers in Ireland fall into the EDS-3 hypermobility group.

I thank the Minister of State for attending the House for this debate. I wish to convey to him the key issues of concern for EDS sufferers and to which EDS Awareness Ireland wants answers. First, there is no specialist clinician to treat EDS sufferers in this State. Many EDS sufferers have been advised to seek treatment in the UK, but when they make an application for such treatment under the HSE's treatment abroad scheme, their applications are being refused. One such application was refused recently for a constituent of mine.



Another serious cause for concern for EDS sufferers is the lack of research undertaken about the disorder and its prevalence. In fact, the HSE has advised me that no research of any kind has been undertaken on the range of EDS illnesses by the Department of Health. In addition, an interdisciplinary approach to EDS is lacking. A key issue concerning EDS is its timely diagnosis and intervention. Children with the disease are not being diagnosed early enough. Again, EDS Awareness Ireland believes that because of this many sufferers face a life of grave illness and serious difficulties. Due to the rarity of the disorder and its varying classifications, diagnosis can take some time. This is exacerbated by the lack of a specialist clinician in Ireland with knowledge of EDS. There was a clinical facility for the treatment of this illness in Tallaght hospital about a decade ago but this was subsequently withdrawn by way of various cutbacks.

The Minister of State will be aware that a European Union Council recommendation on an action in the field of rare diseases provides for the putting in place by EU member states of a framework of obligations in the area of rare diseases by the end of this year. What progress has been made in this regard, which also deeply affects EDS sufferers? Members of EDS Awareness Ireland are anxious that the provisions of the Council recommendation would be put in place. Their primary concern is to improve treatment and supports for sufferers in Ireland. They also request that applications to the treatment abroad scheme to receive treatment in the UK would be dealt with more favourably because of the wealth of experience of some physicians such as Professor Rodney Grahame or Professor Mathias in London. EDS sufferers, who meet regularly in Cork and Dublin, will continue to campaign for more supports and recognition of this very serious disorder. I hope that the Minister of State, despite the straitened times in which we find ourselves and in the spirit of the more hopeful news we heard earlier today, can offer EDS sufferers more hope this evening.

**Deputy Alex White:** I am pleased to have this opportunity to outline the position in relation to the matter raised by Deputy Broughan today.

As outlined by the Deputy, a rare disease is defined in the EU as a disease or disorder affecting fewer than five in 10,000 of the European population. Although each disease is individually rare, there are a great many rare diseases. Collectively, rare diseases affect a large number of people. It has been estimated that European populations have a 6% to 8% lifetime prevalence of having a rare disease. More recent estimates suggest that 2% to 3% of the population at any one time have a rare disease. Rare diseases are significant contributors to a number of population health outcomes in terms of their high associated mortality, morbidity and disability. They are also significant as a cause in sensory, physical and intellectual disabilities as well as in the population health burden of chronic disease.

As also outlined by the Deputy, Ehlers-Danlos syndrome, EDS, is not one condition but a group of several clinically distinct conditions. The vast majority of patients would fall into the EDS category, which has a relatively high prevalence of one in 5,000. Many of these patients attend rheumatology clinics and may often be seen by physiotherapists without needing consultant assessment. I understand from the HSE that inpatient and day care rehabilitation facilities at Our Lady's Hospice and Care Services are available and suitable for adult patients with Ehlers-Danlos syndrome. Children services are available at Our Lady's Hospital for Sick Children, Crumlin. Patients can be referred to these facilities by a general practitioner or medical consultant if they are attending a service in the acute hospital system. Patients outside the Dublin area can also be referred to these units for assessment and treatment if appropriate.

Due to the nature of the syndrome, most patients attend rheumatology clinics and, as stated,

often may be seen by physiotherapists without needing consultant assessment. Patients with more severe forms of EDS attend the rheumatic and musculoskeletal disease unit, RMDU, based at Our Lady's Hospice and Care Services in Harold's Cross for periods of structured multidisciplinary rehabilitation.

I am pleased to have an opportunity today to advise the House that work is well under way on the national plan for rare diseases which, once finalised, will be subsequently published. One of the key elements of the plan relates to centres of expertise. Effectively, it envisages that national centres of expertise in Ireland will participate in European reference networks on rare diseases. Expertise in terms of guidelines, treatment protocols, e-health diagnostic and training tools, will be disseminated through these networks building up the expertise of national clinicians and enabling patients to be treated closer to home. Where necessary these networks will constitute health care pathways along which patients can be referred for treatment abroad.

It is envisaged that a national rare diseases programme would, over time, collate and assist with developing national treatment guidelines, standard operating procedures and care pathways for many rare disorders, in collaboration with the designated reference centres. It would also develop care pathways with European reference centres for those ultra rare disorders in respect of which there may not be sufficient expertise in Ireland.

There is no specific research on the prevalence of any form of Ehlers-Danlos syndrome in Ireland. However, the issue of research into rare diseases such as this will be addressed in the context of the National Plan for Rare Diseases.

**Deputy Thomas P. Broughan:** Is the Minister of State saying that a dedicated clinician will be appointed in Dublin or Cork or, in both cities, to treat sufferers of EDS, which is the nub of the problem for sufferers? I would like to quote from a letter which I received from a wonderful young constituent who is due to sit the leaving certificate examination next year. She says:

I need your help. I am living with Ehlers-Danlos syndrome. It is a genetic condition of my collagen that affects so much of my physical and mental health every day. I wake up afraid of what the day will bring while I deal with hospitalisations, constant pain, medical complications, frustration, fatigue, fear and physical challenges. I am terrified I am living in survival mode.

This would be the typical view of young people who suffer from this terrible condition.

I understand that the EU Council recommendation of 2009 states that the report referred to must be finalised by the end of this year. Will it include a full plan and strategy and will it define rare diseases prevalent in this country? The Minister of State indicated that it is proposed to establish centres of excellence in this country. Will this happen soon? Also, will research be undertaken in Ireland into the prevalence of EDS and its cause and appropriate treatments? What is being done in terms of the development of a database of all EDS sufferers in this country?

I have tabled a series of questions on this matter to the Minister, Deputy Reilly and Minister of State, Deputy White, in respect of which I am still awaiting a reply, in which I have set out many of the concerns I have raised this evening. The Minister of State did not respond to my point about whether the centre of excellence in Tallaght hospital relating to the range of EDS conditions has ceased operation. Sufferers of EDS can become frustrated if required to have an MRI scan because, as there is no stand-up facility, they are required to lie down for the scan and, in particular, by the need to have to travel abroad for treatment. I urge the Minister to address

this situation urgently.

**Deputy Alex White:** The Deputy has been very assiduous in raising this issue. Some of the specific questions raised by him are likely to be only fully addressed in the context of the national plan for rare diseases, on which I have indicated to the House work is well under way. Once finalised, the plan will be published. I do not have any direct involvement in that area but I am aware, because I work in other areas with the officials working on it, that that work is progressing. I am conscious that this work is progressing in the Department.

I had the privilege of opening and addressing a conference on the subject of rare diseases earlier this year. Many of the issues raised by the Deputy were raised at that conference so I have some understanding of them. There are some very committed and strong advocacy groups involved in this area, of which I know the Deputy is aware. He has taken up their case very well this evening and on previous occasions. I am not in a position to address any individual aspects of the plan until such time as it has been finalised and published. This process provides a great opportunity to pull together all of the different priorities which the Deputy rightly says exist, be that in the area of research or the appropriateness of appointing or assigning particular clinicians to this area. All of the aspects of a proper plan, which is clearly needed in this country, will be dealt with in that context. I hope that the plan will be published in the very near future.

### **Rent Supplement Scheme Administration**

**Deputy Catherine Murphy:** I discussed this issue earlier with the Minister for Social Protection as I was aware she would not be here this evening. This issue falls between two Departments, namely, the Departments of Social Protection and the Environment, Community and Local Government in terms of the provision of social housing. It is appropriate that this matter is being responded to by a Minister from the Department of Health because the problems arising are putting a great deal of stress on individuals in particular locations where this issue is presenting as a crisis. I use the word “crisis” advisedly. We are now seeing families being made homeless due to the shortage of houses. There are just under 100,000 individuals or families on the housing waiting list across the country and about €403 million last year was spent allocating rent assistance to 82,000 separate cases. That is intended to be a short-term solution to a longer-term problem. We both know why houses are not being built at the moment. In some locations, the rent caps introduced by the Department of Social Protection are far below the market rents. In my own area, there has been a noticeable increase, even in the last six months, in rents that can be obtained on the open market. Increasingly we are seeing people saying “no rent assistance”. If they do take rent assistance, it is far below what is on offer. People are trying to top it up themselves under the counter. Everybody is doing it, and not just in my area. This is hitting people who are not getting rent assistance, such as people who are trying to pay on a low wage. People who cannot work or who have not got a job can enter a poverty trap in trying to get back to work. I know this is supposed to be resolved with the HAP legislation if that does not produce the problems that I think it might.

I do not want to see large amounts of money going into landlords’ pockets; I want to see a solution to people’s housing problem. The environment committee met with some of the housing associations recently, and if we want to look at a longer term issue, the lack of capacity within the housing associations and the lack of a regulatory process means that we cannot leverage European funds that are not Exchequer funds to build social housing. Even if we could

do so, that will be some time in the future.

The Department of Social Protection officials must meet officials from the Department of the Environment, Community and Local Government as a matter of urgency on the issue of the absolute crisis that we are seeing in locations. I know that local authority officials in Kildare contact the Department of the Environment, Community and Local Government on a weekly basis to tell them about the experiences they are having in not being able to source accommodation through the RAS scheme or through people being unable to get housing themselves, with the rent caps that are in place. There is a real crisis out there.

About 100,000 individuals or families are on the waiting list. It is not the same experience around the country. Six local authority areas account for 43% of the entire waiting list. Three of them are in Dublin - South Dublin, Fingal and Dublin City - two are in Cork and one is in Kildare. Six other local authorities account for 3% of that waiting list, where there is not the same pressure because in the first six areas, house prices have started to bottom out, housing stock is in short supply and rents are starting to rise. The success stories, such as the few thousand people employed on the Intel site in Leixlip, mop up much of the availability of rental accommodation for people who are subject to the rent caps. While that is a good news story on one side, it produces a real crisis on the other side and managing that crisis is the key issue here.

I am looking for a dialogue between officials from the Department of the Environment, Community and Local Government and the Minister for Social Protection on how this can be managed, so that the people we are seeing in crisis at the moment may find some alleviation.

**Deputy Alex White:** I thank the Deputy for raising this issue, which I am dealing with on behalf of the Minister for Social Protection. The purpose of the rent supplement scheme is to provide short-term support to eligible people living in private rented accommodation whose means are insufficient to meet their accommodation costs, and who do not have accommodation available to them from any other source. The overall aim is to provide short-term assistance and not to act as an alternative to the other social housing schemes operated by the Exchequer.

There are currently approximately 81,000 persons in receipt of rent supplement, for which the Government has provided €403 million in 2013. Revised rent limits under the rent supplement scheme have come into force with effect from Monday, 17 June 2013, and will be in place until 31 December 2014. The new rent limits have been determined following an extensive review of the private rental market, based on the most up-to-date data available. The Department currently funds approximately 30% of the private rented sector so it is essential that the rent limits are kept under review. The new rent limits have been set using the 35th percentile, ensuring that sufficient housing is available for recipients of the scheme. There have been increases in the maximum rent limits in Dublin and Galway, while there have been some reductions across a number of rural counties, reflecting the conditions in the rental markets in those counties. Separate to the county limits, higher rent limits have been provided for in the north Kildare and Bray areas. Special provisions are made in exceptional circumstances, including, for example, people with disabilities in specially adapted accommodation or homeless persons. The overall cost of the rent limit review for 2013 is around €7 million, which can be met from within the existing provision for the scheme.

Analysis shows that there are properties available within the maximum rent limits for rent supplement recipients, including in County Kildare. However, the number of rental properties available in north Kildare including Leixlip, Maynooth, Kilcock and Celbridge, is significantly

lower than the numbers available in the rest of the county and, therefore, has an impact on the number of accommodation units available for rent supplement. Latest figures show that there are over 1,000 rent supplement recipients in the north Kildare area, indicating that it is possible to secure accommodation in these locations within the rent limits.

Department officials dealing with rent supplement tenants will continue to ensure that their accommodation needs are met and that the residence is reasonably suited to their residential and other needs. The Department, through its work in the homeless persons unit, provides assistance to people in sourcing the most appropriate accommodation available. In addition, prison and hospital in-reach services are provided to explore accommodation options and, where necessary, liaise with local authorities to identify and source the most appropriate accommodation available for those who are homeless or at risk of homelessness. This ensures that where possible, people are diverted away from homeless services and towards community-based supports. Department officials will continue to monitor the impact of the revised rent limits.

**Deputy Catherine Murphy:** This is by a long way the number one issue about which people come to me at the moment. It has really become a crisis. I probably could have written that response myself. It has been talked about as a short-term support. I know people who are seven and eight years on that support. There are 7,000 people on the waiting list, so one would want to be a 2003 to 2004 applicant to have a chance of the odd house that might come up.

The rent limits were revised on 17 June and they made a little bit of difference, but it is chaos now and we cannot wait until 31 December 2014 for the next review, as outlined in the reply. I am onto the officer for homeless persons on a daily basis. The crisis is really of that order. I know families who have had to take children out of school. I know a family with a number of people with disabilities who are currently in bed and breakfast accommodation, and the homeless officer is dealing with that.

It is all very well to talk about data on averages - we got that earlier this week - but there is somebody living in Leixlip who is indigenous to the area and somebody living in Athy and indigenous to that area. We simply cannot shift a family from one area to the other. There are all sorts of things that go on with a family other than housing.

I do not know anybody of the 1,000 people who are able to secure accommodation in north Kildare who is not topping up. They are using their social welfare payments or their child benefit payments to pay the difference between what is being declared and what they are paying for accommodation.

*6 o'clock*

This is happening to everyone. A person can only live on beans and toast for so long. That is what is happening. These people are turning up at the Money Advice & Budgeting Service, MABS, because something does not get paid.

I acknowledge the work of the homeless officers in the council. They are doing as much as they can in a tough environment. However, when we see the magnitude of the problem, which is turning up as the number one issue consistently, then there really is a problem that needs to be managed in a different way.

**Deputy Alex White:** I do not imagine I have much I can add to the response I have given on behalf of the Minister for Social Protection. Clearly, there is an acute problem, as described



*Dáil Éireann*

by the Deputy. As a Deputy, I am aware of the problem myself. I do not have any particular knowledge or insight other than what I have relayed to the House on behalf of the Minister. I gather the Deputy had an opportunity to raise the matter with the Minister, Deputy Burton, earlier but certainly I will relay to the Minister what has been said by the Deputy this evening. She has put the case clearly and I will ensure the message is relayed to the Minister for Social Protection.

The Dáil adjourned at 6 p.m. until 2 p.m. on Tuesday, 19 November 2013.