



DÍOSPÓIREACHTAÍ PARLAIMINTE  
PARLIAMENTARY DEBATES

**DÁIL ÉIREANN**

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

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# DÁIL ÉIREANN

*Dé Céadaoin, 15 Eanáir 2014*

*Wednesday, 15 January 2014*

Chuaigh an Leas-Cheann Comhairle i gceannas ar 2.30 p.m.

*Paidir.*

*Prayer.*

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## Ceisteanna - Questions

### Priority Questions

#### Northern Ireland Issues

1. **Deputy Brendan Smith** asked the Tánaiste and Minister for Foreign Affairs and Trade the next steps to be taken to secure agreement among the panel of parties in the Northern Ireland Executive on the Haass proposals; and if he will make a statement on the matter. [1505/14]

2. **Deputy Seán Crowe** asked the Tánaiste and Minister for Foreign Affairs and Trade if he will provide an assessment of the Haass proposals; and the actions his Department intends to take to deal with the issues of flags and emblems, the past and parading in the context of the Good Friday Agreement. [1502/14]

3. **Deputy Maureen O'Sullivan** asked the Tánaiste and Minister for Foreign Affairs and Trade the reason behind the failure of the recent Northern Ireland talks; the extent of the role the Irish Government played in the talks; the positive aspects that came as a result of the Irish Government's involvement; if any progress can be attributed to Ireland's role in the talks; where the progress is on the issue of flags and parades, including legacy issues; and the extent to which the prisoner issue and revoking of licences was addressed. [1504/14]

**Deputy Brendan Smith:** This is a very important issue and I compliment Ambassador Richard Haass and Dr. Meghan O'Sullivan on their work with the five parties in Northern Ireland. It is extremely regrettable that the two Unionist parties have not agreed to the proposals put forward. I am of the view that those proposals are good and important and can be built upon. I hope the Tánaiste will be in a position to provide assurance to the effect that the Government will take a hands-on approach in respect of the efforts to try to reach an agreement on

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these very important issues. There is an urgency with regard to this matter, particularly in view of the tension, conflict and violence we all witnessed in 2013.

**Tánaiste and Minister for Foreign Affairs and Trade (Deputy Eamon Gilmore):** I propose to take Questions Nos. 1 to 3, inclusive, together.

As Deputies are aware, the panel of parties talks on parades, flags and contending with the past, under the chairmanship of Dr. Richard Haass and the vice chairmanship of Dr. Meghan O'Sullivan, concluded in the early hours of New Year's Eve. I commend Dr. Haass and Dr. O'Sullivan on the energy, commitment and vision they brought to their work. The panel of parties talks arose on foot of an initiative by First Minister Peter Robinson and Deputy First Minister Martin McGuinness last May, when they established a working group of representatives from each of the five Northern Ireland Executive parties to examine the contentious issues of flags, parades and the past. The establishment of the working group formed part of the Executive's Together: Building a United Community strategy aimed at improving community relations and continuing Northern Ireland's journey towards a more united and reconciled society. Dr. Haass and Dr. O'Sullivan started work in September 2013 with the objective of concluding agreement by the end of last year. They undertook an ambitious programme of work, including an extensive process of consultation with wider society between September and November, which proved particularly valuable. Following four earlier rounds of discussions, the talks entered an intensive political phase in the run-up to Christmas and between Christmas and the new year. Dr. Haass and Dr. O'Sullivan circulated a number of draft texts to the parties, with a seventh and final version submitted to the five parties in the early hours of New Year's Eve.

I will briefly outline to the House the main provisions of the final Haass-O'Sullivan proposals. On parades, the proposals recognise parading as an important cultural and historical tradition for many in Northern Ireland which enjoys protection under European and international human rights law. They also note the wide variety of other rights potentially affected by parades and other events and call for a new consensus based on rights, responsibilities and relationships. The proposals provide for devolution of responsibility for parades to the Northern Ireland Executive which would require legislation at Westminster and in the Northern Ireland Assembly. Such legislation would establish two new bodies which would take over responsibilities currently held by the Parades Commission.

An office for parades, select commemorations and related protests would have responsibility for receiving event notifications and promoting dialogue and mediation among event organisers and local communities. An authority for public events adjudication would in some cases set conditions on the relatively small number of events which prove contentious. Determinations would be made by a seven-member panel led by a legally-qualified person. Affected parties could pursue an internal review and judicial review. A new code of conduct would be enshrined in legislation by the Northern Ireland Assembly.

Discussion on flags and emblems proved the most difficult. There was no agreed approach reached on the flying of flags on official buildings or the unofficial display of flags and emblems in public spaces. It was recognised by the panel of parties that these issues are closely linked to larger debates about sovereignty, identity and related matters which they judged to be beyond the remit of the talks. The proposals provide for a commission on identity, culture and tradition to hold public discussions on those issues throughout Northern Ireland. The commission's remit would not be limited to flags and emblems and would include consultations on Irish and other languages, including Ulster Scots; a Bill of Rights; gender; public holidays, possibly including

a day of remembrance or reflection; and memorabilia and other items in public buildings. The commission, which would comprise of MLAs and non-political members, would report within 18 months. The First Minister and Deputy First Minister would bring any recommendations of the commission receiving broad support to the Northern Ireland Executive for further action.

During the period of the talks substantial progress was made on agreeing an approach to dealing with the legacy of the past. The final proposals make special provision for victims and survivors, affirming that their individual choices should be paramount wherever possible. The proposals welcome the ongoing review of the Victims and Survivors Service and pledged to promptly consider recommended reforms, including the establishment of a comprehensive mental trauma service. The proposals establish an historical investigations unit, HIU, with the full investigative powers of the PSNI, to take over the Troubles-related deaths cases at present within the remit of the Historical Enquiries Team, HET, and the historical unit of the Police Ombudsman of Northern Ireland, PONI. The proposals provide that where the evidence warrants, the HIU could refer cases to the Public Prosecution Service. The HIU would consider remaining HET cases in chronological order and in extreme cases of old age or illness, cases could be brought forward out of sequence. Once the HIU has completed reviews of all outstanding HET and PONI cases, it would consider requests for further review of cases previously examined by the HET or PONI. Should resources permit, it would also consider requests for reviews of cases involving serious injury but not death.

The proposals call for an independent commission for information retrieval, ICIR, to enable victims and survivors to seek and privately receive information about conflict-related events. The ICIR would not provide amnesty for those who come forward with information about the conflict. It would provide those coming forward with limited immunity, also known as inadmissibility, for statements given to the ICIR. The information provided to the ICIR could not be used in court but prosecution would still be possible, based on evidence obtained through other means. The ICIR would also use information it recovers, as well as public records and interviews it conducts independently, to assess the presence of certain patterns or themes involving paramilitary organisations or governments in conflict-related cases. It would also report on the degree of co-operation with this process by governments and paramilitary organisations. The proposals call for public statements of acknowledgment by those involved in the conflict, encouraging them to take responsibility for what they have done and to express remorse for the pain they have caused. Under the proposals, the Executive would pledge to facilitate the collection of individual narratives of the conflict and to establish an archive for their preservation. As Deputies are aware, the Government, in common with the British Government, was not directly involved in the talks process. The Government has, however, provided ongoing support and encouragement to the political parties throughout the process, working closely with the British Government. I take this opportunity to acknowledge the close engagement of the US Administration throughout this process and to place the Government's appreciation on the record of the House.

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

Throughout the talks, I have made clear the Government's view to all participants and stakeholders that there is now a unique opportunity to make further progress towards advancing reconciliation and the creation of a truly reconciled and prosperous society in Northern Ireland. That remains the Government's view and we will continue our engagement with the Northern Ireland political parties and the British Government to that end. While acknowledging that the issues to be addressed in the talks are difficult and contentious, the Government encouraged the

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parties to be ambitious in their approach and to engage actively with the process. I welcome that very significant progress was made within the talks process over a short period on a number of the most difficult issues that face society in Northern Ireland. The priority now should be to safeguard and give practical effect to what has been achieved. I welcome that the five political parties in the Executive have been meeting to discuss the next steps and that they are working together with the common goal of reaching a final agreement as soon as possible.

I wish to send a clear message of support from this House to the five Northern Ireland Executive parties as they continue the vital task which they have set in train. The Government, along with the British Government, will play its role in partnership with the Northern Ireland parties to the full as they complete their work on an agreement. It is in all our shared interests to see Northern Ireland make further progress towards reconciliation in line with the vision of the Good Friday Agreement. Our support and our work in this regard continue unabated.

**Deputy Brendan Smith:** I thank the Tánaiste for his detailed reply. He outlined the substantial progress that has been made. I take this opportunity to compliment the SDLP and Sinn Féin parties for their positive approach to the negotiations. Unfortunately, the two Unionist parties have rejected the proposals put forward by Ambassador Dr. Haass and Dr. O'Sullivan. It is hoped that the proposed talks will change that attitude. I also recognise the important work of the Alliance Party.

The last day we had oral questions I expressed an opinion, which unfortunately turned out to be correct, that it would be very difficult to reach an agreement without the hands on and direct involvement of the two sovereign Governments. We all know the Downing Street Declaration, the Good Friday Agreement of 1998 and the St. Andrews Agreement were driven by the two Governments, working with the parties in Northern Ireland. Will the Tánaiste reconsider the position of the Government and, indeed, of the British Government and have our State directly represented by Government in these negotiations? Has the Tánaiste had any direct contact with Ambassador Haass or Dr. O'Sullivan since they went back to the United States?

**Deputy Eamon Gilmore:** There has been hands on involvement by the Government in these talks. From the very moment Dr. Haass and Dr. O'Sullivan were appointed, we were in contact with them. I met them before they commenced their work and on a number of occasions while they were doing their work. Over the Christmas to new year period when the talks were in their intensive stage, I was in regular telephone contact with Dr. Haass, leaders of political parties and with the Secretary of State for Northern Ireland. I spoke with Dr. Haass directly following the completion of his work. We are in continuing contact with him and with his team. I met the Secretary of State for Northern Ireland on the morning of New Year's Eve following the completion of the talks. I met her since then and I expect to meet her tomorrow evening. I met the First Minister and the Deputy First Minister last Friday. The Irish and British Governments are committed to working together very closely. The Government supports the proposals that have emerged from the talks and would like to see them implemented. We will continue to work to advance progress on these issues.

**Deputy Seán Crowe:** Dr. Haass made it clear that the proposals he put together were part of a package. I think the proposals were the seventh draft and they reflected many long hours of hard work and compromise. Does the Tánaiste accept that the final proposals and documents were all about compromise and mutual agreement and were not partisan? I do not think they reflect any one party's view of how to resolve the situation but were collective. Dr. Haass pointed out that the negotiations have now concluded and parties need to respond and move to

implementation. The Good Friday Agreement and the ancillary agreements provide the context to address parades, identities and the past. Does the Tánaiste accept that non-implementation means that these issues will continue to bog down not only political moves forward, but also the overall peace process itself? As Deputy Smith said, a number of parties have agreed to them, including Sinn Féin, the Alliance Party and the SDLP.

The Tánaiste said he was in touch with Dr. Haass and so on but the optics were wrong in this regard. Some commentators almost suggested that a sort of ambiguous role was being taken by the two Governments and that they were actually hard-hearted in regard to their involvement and were stepping back. Does the Tánaiste agree the optics in that regard possibly did not help the situation?

**Deputy Eamon Gilmore:** I do not agree with that portrayal of it. I think that is inaccurate. The Irish Government was directly involved in this process. The Deputy must remember this process was initiated in Northern Ireland. This proposal was made by the First Minister and the Deputy First Minister, involving all the five political parties in the Northern Ireland Executive. The parties in Northern Ireland, the First Minister and the Deputy First Minister invited Dr. Haass and Dr. O'Sullivan to chair these talks. It was always intended that these would be talks between the parties in Northern Ireland. The role of the two Governments on this occasion was to provide support to that, which we did by keeping in regular contact. Over the Christmas to new year period, I was in contact with the Secretary of State for Northern Ireland almost on a daily basis. I was in Northern Ireland - in Belfast - on 30 and 31 December when the talks closed. I was in very close contact with Dr. Haass and the party leaders. The Secretary of State and I have met since then. We have spoken about the responsibilities of the two Governments as co-guarantors of the agreement, one of which is to provide continuing support. The day after the outcome of the talks became known, I described the failure to reach agreement as a step not yet taken rather than a step back. I still take that view. I will continue to work with the Secretary of State and the parties in the hope that the additional step will be taken.

**Deputy Maureen O'Sullivan:** It must have been extremely frustrating and disappointing for Dr. Haass and Dr. O'Sullivan that all the toing and froing, the journeys across the Atlantic and the issuing of various drafts did not come to fruition. There was no resolution in the form of an agreement that could be accepted by all sides. We know that the flags, parades and legacy issues are very serious. As long as the prisoner issue, which we have discussed previously, is not resolved, prisoners in the North will face injustice and peace will be threatened. As the Tánaiste knows, a group from the Dáil has been visiting republican and loyalist prisoners in the North. It is obvious that there are issues in this regard. When licences are revoked without reasons being given, people are left on remand for three or four years and draconian conditions are proposed when releases are being considered. It does not contribute to the process we are discussing. This aspect of the matter must also be addressed.

**Deputy Eamon Gilmore:** As the Deputy has acknowledged, the prisoners issue was not directly involved in the recent talks. She is aware I have raised a number of these issues with the Secretary of State and the Minister of Justice in Northern Ireland. As she knows, some of these cases are at different stages in various court and review processes. Obviously, we have to be mindful of where they are in the court situation. It must be said that we have seen some very worrying activity in recent months. I am sure everybody in this House will roundly condemn attempts to place bombs or engage in activity of that kind. The attacks on PSNI officers, for example, have no place in our society and have no support of any kind. Dr. Haass and Dr. O'Sullivan made significant progress. Their comprehensive document covers some issues that

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have been contentious and difficult for a long period. We need to press forward with that now. As I have said, I am in contact with the Secretary of State. Since the break and over the new year period, I have spoken to the leaders of all the political parties in Northern Ireland. I intend to continue that dialogue. We are in continuing contact with the Haass-O'Sullivan team. We are also in contact with the US Administration, which has been very helpful throughout this process.

**Deputy Brendan Smith:** There has never been a breakthrough in Northern Ireland without the direct hands-on involvement of the two sovereign Governments. We note the huge contribution the SDLP has made to the progress that has been achieved over the years. That party's leader, Alasdair McDonnell, said in the British House of Commons this day last week that "the Secretary of State will recall that when the Haass process has been mentioned on previous occasions, I have urged a much greater involvement at an earlier stage by both the British and Irish Governments". The Tánaiste mentioned his participation in this process, including his meetings with the Secretary of State and the parties. He seems to have given some urgency to this issue when it was concluding. I would have thought that when the Northern Executive decided to set up a panel of five parties to address this issue, it would not have been opposed to the two sovereign Governments taking a hands-on approach to dealing with the difficult issues that need to be resolved, as everyone else has said. We need to get away from the violence and thug-gery we witnessed on the streets in Belfast and other urban centres in Northern Ireland in 2013.

**Deputy Seán Crowe:** We know that Unionist leaders have opposed the implementation of this agreement at this time. They are now saying they want negotiations to continue. Does the Tánaiste believe they are serious about coming to agreement or is this more about the illusion of movement on these matters? Would he accept that they may be more concerned about future elections than trying to resolve this situation? Bearing that in mind, what can the Government do? The Tánaiste has said with regard to the British Government that he will look at it and try to kick-start the talks again. Can the Government act independently regarding some of the matters? I am talking about the Good Friday Agreement and the St. Andrews Agreement. There are a number of outstanding matters that need to be implemented, including the bill of rights, for instance.

Can the Government move ahead with legislation to deal with the area of victims and dealing with the past? Would that be a good idea?

**Deputy Maureen O'Sullivan:** I agree with the Tánaiste; the last thing anybody wants is a return to violence and everybody would condemn the use of violence to achieve a political opinion. However, people are entitled to hold a different opinion and that is not a reason for putting them in jail. In engaging with the people in the North, we have seen it is very difficult to identify who exactly is calling the shots as it were. In each of our discussions the decision seems to be that it goes to the Minister for Justice and then it is the Secretary of State. The parole commissioners are supposed to be independent and yet we are told the Judiciary has a role and it does not seem to be independent. It is hard to understand where the buck stops. When the Irish and British Governments were involved it brought another impetus that brought about the Good Friday Agreement. We know that other agreements from that time are not being implemented or adhered to. There are quite a number of issues and the involvement of the Irish Government can only do good.

**Deputy Eamon Gilmore:** Lest there be any doubt about it, the Government is involved. It is not true, as Deputy Smith suggests, that the Government became involved at the end of

this process. At this time last year, along with the Secretary of State for Northern Ireland, Ms Theresa Villiers, MP, I met the First Minister and Deputy First Minister at a time when the flags protest was in a very difficult situation. Considerable progress has been made over the course of the year.

As far as our engagement with the process is concerned, this was initiated in Northern Ireland with five parties involved. Dr. Haass and Professor O'Sullivan were invited to chair these talks by the First Minister and Deputy First Minister. We all have to respect that and work with it. From the time Dr. Haass was appointed, I contacted him by telephone. I met him initially in New York and then subsequently met him here in Dublin. I have maintained regular contact through meeting and by telephone over the course of his work.

The two Governments are the co-guarantors of the Agreement. We are both of one mind that this must succeed. We do not want things slipping back. There are difficult issues that need to be addressed. We are both in contact with the leaders of the political parties and are both in contact with each other. As I have said, I intend to meet the Secretary of State again tomorrow and will discuss the issue further with her. I will continue to remain engaged. I am optimistic that this can be progressed.

To answer Deputy Crowe's question, I believe that all of the parties in Northern Ireland want to see this succeed. Clearly different parties have certain issues and there are compromises, as the Deputy rightly says, that have been reflected in the Agreement. However, I believe that all political parties in Northern Ireland want this to succeed and the two Governments want it to succeed.

### **Foreign Conflicts**

4. **Deputy Brendan Smith** asked the Tánaiste and Minister for Foreign Affairs and Trade if his attention has been drawn to the current number of Irish persons in Syria; if he will provide an update on Irish Aid's provision of humanitarian assistance to that country and adjoining regions; if he has raised at the EU Foreign Affairs Council the need to have an urgent and effective response to assist in the refugee crisis there; and if he will make a statement on the matter. [1506/14]

**Deputy Brendan Smith:** This crisis in Syria has continued for almost three years. I welcome that the Government has provided substantial overseas development aid in recent years. It is very disappointing to hear today that in the pledging conference that is taking place only one fifth of what is needed has been pledged to date.

**Deputy Eamon Gilmore:** There are approximately 80 Irish citizens who have registered with the Department and who are resident in Syria. We have been advising all Irish citizens to leave Syria since March 2012.

Ireland has provided in excess of €14 million in assistance since the crisis began. The total includes support to NGO partners as well as to members of the Red Cross or Red Crescent and six different UN agencies. My colleague, the Minister of State, Deputy Joe Costello, is today attending the Second International Humanitarian Pledging Conference for Syria and its neighbouring region in Kuwait, where he has announced Ireland's pledge of €12 million in support of the humanitarian relief effort over the course of 2014.

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I have discussed the humanitarian situation inside Syria and of Syrian refugees with my colleagues at the Foreign Affairs Council on numerous occasions since the start of the conflict. The Syrian crisis was most recently discussed at the European Council on 19 and 20 December 2013, which reiterated the EU's continuing deep concern at the humanitarian situation, and reaffirmed the EU's commitment to working for increased humanitarian access to those in need and the provision of adequate funding for the humanitarian relief effort.

**Deputy Brendan Smith:** I thank the Minister for his reply. I welcome the commitment of €12 million in aid for 2014. Will the Minister ensure this issue is on the agenda of every meeting of the European Union Foreign Affairs Council? It is the humanitarian issue of our generation. A total of 130,000 people have died in this conflict and approximately 2.3 million are displaced or are refugees in adjoining countries. We should recognise the commitment, effort and assistance that those neighbouring countries have given the people of Syria, in particular Lebanon, Jordan, Iraq and Turkey. There is particular pressure on that region too.

The latest figures I saw show that 9 million people are in urgent need of humanitarian assistance. It is frightening to think of that. Millions of people have been displaced internally in Syria as well. Of the 130,000 who have perished in this civil war, more than 12,000 were children under the age of five.

Europe has been one of the better donors. Will the Minister state again at EU level that it is very disappointing to think that only one fifth of the funding the United Nations estimates is needed has been pledged by the international community at the humanitarian pledging conference taking place today?

**Deputy Eamon Gilmore:** This is the biggest humanitarian crisis of our time. That is reflected in the fact that the call from the United Nations for \$5.2 billion in humanitarian assistance is the largest call for humanitarian assistance in the entire history of the United Nations. The official figure is 120,000 but we know that may be an underestimate of the number of people killed in this conflict. There are 9 million people in need of humanitarian assistance and 6.5 million - more than the entire population of this island - have been driven out of their homes, 2.3 million of whom are refugees in neighbouring countries.

There are several dimensions to this problem. First, there is the need for humanitarian assistance, second is the issue of getting humanitarian assistance to those who need it. A United Nations presidential statement made in October set certain ground rules for the delivery of humanitarian aid. That is not being complied with. Humanitarian aid is not getting through as it should be, for a range of reasons. We have been pressing for a United Nations Security Council resolution on the delivery of humanitarian aid.

*3 o'clock*

We are in contact with Ms Valerie Amos, who has been leading the UN effort in that regard. I can assure the Deputy that I will be at the Foreign Affairs Council again next week and that I will reflect the views the Deputy has expressed here on behalf of this country. We will continue to lead by example, as the Minister of State, Deputy Costello, is doing today in Kuwait.

**Deputy Brendan Smith:** I welcome every comment the Minister has made in regard to this humanitarian disaster. As he rightly stated, we have been one of the better donors. I read an Amnesty International report that described Europe's response in regard to providing for refugees as "pitiful". Perhaps this is an issue that could be pursued at the EU Foreign Affairs

Council. Will the Tánaiste assure the House that, in every international forum available to us, at political and at official level, be it in the EU, the UN or other international fora, this issue is given serious and continued attention by those representing our country, and that we continue to highlight the plight of so many innocent people?

**Deputy Eamon Gilmore:** First, we have to recognise that the EU, with its member states, has been, by some distance, the biggest single donor in terms of humanitarian assistance to Syria. The EU has also been very active in seeking a settlement and support for the Geneva II talks process. Ireland, on a *per capita* basis, is at the top end of the donors on humanitarian aid. However, the need is huge, at a number of levels. First, there is the question of the delivery of aid and the provision of the finance to support that. Second, there is also the question of the delivery of the aid to those who need it. We are working closely with NGOs and partners, which are doing great work in this area. I want to assure Deputy Smith and the House that we avail of every opportunity to bring, in particular, the humanitarian dimension of this crisis to attention at the Foreign Affairs Council, and we will continue to do that. This is the biggest humanitarian crisis of our lifetime.

### **Human Rights Issues**

5. **Deputy Seán Crowe** asked the Tánaiste and Minister for Foreign Affairs and Trade if his attention has been drawn to reports that the Israeli authorities put Palestinian prisoners, including children, in outdoor cages during the severe winter storm that struck the region in the middle of December; his views that this practice is yet another example of Israel abusing and ill-treating detained Palestinian children; and if he will raise the issue with the Israeli authorities. [1503/14]

**Deputy Seán Crowe:** This question relates to the treatment of Palestinian children. At the end of last year a statement was made by the advocacy group, the Public Committee Against Torture in Israel, that Israel had put Palestinian prisoners, including children, in outdoor cages during the severe winter storm that struck the region last month. This occurred in the Ramla prison complex, where Palestinian prisoners from the West Bank are regularly detained. I do not believe this is the first time Israel has been shown to detain children, undermining international law and mistreating prisoners. It is on that basis that I put down the question.

**Deputy Eamon Gilmore:** I have seen a number of reports relating to this matter. The precise details involved are somewhat confused, and some media reporting may be inaccurate. Nonetheless, there is evidence of unacceptable treatment.

Most media reports seem to follow a report from the NGO, the Public Committee Against Torture in Israel, but the actual report of that NGO does not mention children. There is a more specific account from the Israeli national Public Defender's office, detailing some incidents of detainees being held outdoors for some time. It referred to unspecified prisoners in Israeli prisons and was not confined to Palestinians. The specific reports concerning the winter storm related to a prison which holds Israelis convicted of criminal offences and does not hold Palestinians. Likewise it did not mention children, although another document states that minors had been included in this practice, not necessarily on this occasion. The allegations are not of prisoners being housed in the open, but being held there for some time, usually an hour or two, prior to being moved to court, or while a search took place. Indications are that this was a routine practice, which in at least some institutions was continued despite the onset of severe

winter weather. This is clearly unacceptable.

I note that it was an Israeli official body, the Public Defender's office, and an Israeli NGO, the Public Committee Against Torture in Israel, which raised this issue, and that the Justice Minister immediately issued an order to all prisons to end this practice. I have asked that further inquiries be made and that the situation be kept under review.

Ireland has pursued issues related to conditions of detention, including detention of minors, with Israel in recent years. We have raised these concerns on a number of occasions. Ireland raised the question of treatment of minors under Israeli military justice in the Universal Periodic Review of Israel at the UN Human Rights Council in Geneva last October. We will certainly continue to do so.

**Deputy Seán Crowe:** I thank the Tánaiste for bringing some clarity to the situation. Again, I was working off reports from the region. As the Tánaiste mentioned, a statement from the public defender who visited the prison and witnessed this said that the practice had been going on for a number of months, a fact that was verified during official visits and was not denied by the Israeli prison service. It is a fact that human rights organisations estimate that up to 700 Palestinian children, some as young as 12 years of age or even younger, have been subject to Israeli military detention each year and 74% of those children experience physical violence during their arrest, transfer or interrogation. That is unacceptable and needs to stop.

Israel remains the only nation to automatically and systematically prosecute children in military courts. Perhaps there are other countries of which the Tánaiste is aware. These are courts where a basic and fundamental fair trial, which must be guaranteed, is lacking. It cannot continue. Can the Tánaiste raise this with his European colleagues and at all levels? The ongoing treatment of children is unacceptable in any civilised society and needs to stop.

**Deputy Eamon Gilmore:** As I understand it, the reports were of cages that were used to hold prisoners before they were taken to court or while a search was under way. My information is that the Israeli justice minister has ordered a discontinuation of that practice. There are wider issues relating to detention that we raise. I am concerned that rather than being extraordinary measures that are only applied in the most exceptional cases, detention orders are being used as part of the broader system of control of Palestinians and legitimate protest as well as violent action. It is not right that such detention orders are renewed indefinitely without a case coming to trial. I, therefore, strongly support the calls for this practice to be brought to an end. Ireland and its EU partners have repeatedly represented these views to the Israeli authorities and the number of cases of administrative detention has fallen during that period. We will, of course, continue to press the issue.

**Deputy Seán Crowe:** In respect of the reports coming out of the occupied territories, other human rights organisations have talked about how they found that Palestinian children detained by the Israeli authorities are being systematically subjected to torture and violence including threats of rape by Israeli interrogators in order to force them to confess to crimes like stone throwing. It is unacceptable. I share the Tánaiste's concern about the use of house detentions and illegal detentions - people being released from prison and then re-arrested on spurious charges. We are talking about people being slowly strangled and cut off from resources. These reports came out at Christmas and, at the same time, we saw the situation in Gaza with the floods and people being refused access to supports and aid. It is an ongoing problem but the treatment of these children is just a symptom of what is wrong with that society.

**Deputy Eamon Gilmore:** The mistreatment of Palestinian children by Israeli forces in the occupied territories has been a matter of deep concern to us. Ireland with its EU partners has conveyed this concern directly to the Israeli authorities. We feel that this has had some result as the age of criminal responsibility for Palestinian children was raised in 2012 to the same age as that for Israeli children, as should be the case. In Ireland's statement on Israel for the Universal Periodic Review in October, we urged Israel to implement fully the recommendations of the March UNICEF report, entitled "Children in Israeli Military Detention", including seeking an end to the arrests of children at home and at night. We also raised the issue of conviction based only on unrecorded, written confessions in Hebrew, solitary confinement for minors and the denial of access to family members or legal representation.

It should be pointed out that these issues are not unique failings. Similar or, indeed, worse criticisms could be made of penal systems in many of the neighbouring countries in the wider Middle East. This is not to excuse anything but to point out that we must be equally concerned about human rights elsewhere. I assure the Deputy that we have raised the specific issue of children and will continue to raise and make progress on it.

## **Other Questions**

### **Northern Ireland Issues**

6. **Deputy Brendan Smith** asked the Tánaiste and Minister for Foreign Affairs and Trade if he discussed recently with the Northern Ireland Secretary of State the serious issues relating to collusion outlined in the publication, *Lethal Allies: British Collusion in Ireland*; and if he will make a statement on the matter. [1480/14]

**Deputy Brendan Smith:** I welcome Ms Anne Cadwallader's publication. Reading it was chilling. She recounted the stories of 120 people murdered by loyalist gangs, some of which had been armed from UDR depots. All bar one of those 120 people were not involved in violence. Just one was linked to the IRA. The rest were citizens going about their daily work. Some were active members of the SDLP or the GAA. That was their only public involvement. What their families deserve at minimum is the truth. Society deserves the truth about those awful murders.

**Deputy Eamon Gilmore:** I have read Ms Cadwallader's book, *Lethal Allies: British Collusion in Ireland*. It is important to say that the 1972-78 period, which forms the backdrop to the book, was a dark one in the history of Northern Ireland and our island as a whole. While the book concentrates on sectarian attacks on the Nationalist community, the author acknowledges that the agony in those dark days was by no means restricted to one community and that dozens of individual Protestants, RUC officers and UDR soldiers lost their lives also.

Allegations of collusion, investigations and calls for public inquiries have featured in our discussions with the British authorities since the 1970s. More recent accusations about collusion between state actors and paramilitaries, including in Ms Cadwallader's book, have brought to the fore painful reminders of the devastation that the conflict had on families and communities across Ireland. Allegations about collusion and murder are stark evidence that dealing with the past remains a central issue for society. That is why it has been a key focus of the recent

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negotiations led by Dr. Haass and Dr. O'Sullivan. At various times when speaking with the Secretary of State, Ms Theresa Villiers, in recent weeks, particularly during the intense discussions around the Haass process, I raised the issue of collusion while more generally discussing how best to deal with the issue of the past. I continued to emphasise dealing with the past as a priority as those talks reached their conclusion.

As mentioned by Dr. Haass and Dr. O'Sullivan in their statement on 8 January, the proposals, if implemented, would make real progress towards contending with the legacy of Northern Ireland's past. We continue to urge all parties to grasp the opportunity offered by the proposals to address the legacy of the past as part of a comprehensive agreement.

**Deputy Brendan Smith:** I welcome the fact that the Tánaiste raised in the Haass talks the issue of collusion. Ms Cadwallader's book raises a series of questions about the past that have a strong bearing on those talks. Murder is murder and no one would condone the murder of any person, regardless of his or her political beliefs or religion.

Some years ago, a unanimous motion in the House called on the British Government to cooperate on the matter of the Dublin-Monaghan bombings. Of the 120 murders outlined in Ms Cadwallader's book, one third were south of the Border. Sadly, a number of people were killed in my constituency - in the Belturbet bombing and in the bombing of Monaghan town. It is important that we address the issues of the past. Representatives of the families of the disappeared and of other victims addressed the Good Friday committee just before Christmas. The demand of those families is for the truth. They do not want revenge, just the truth. I compliment Margaret Irwin of Justice for the Forgotten and Anne Cadwallader on their ongoing advocacy work on these very difficult issues. They will make a presentation to the Good Friday Agreement committee tomorrow as well, which is important.

The Tánaiste must assure the public about the issues in regard to collusion. I listened to Seamus Mallon and Denise Mullen some months ago in Armagh. Denise Mullen was a four year old child when her father was murdered. Seamus Mallon gave an outline, in chilling terms, of the number of people he knew and could practically identify who colluded in the murder of innocent people. It is important that this issue is given momentum and is not forgotten, and that the families are assured that the issues of the past and the loss of their loved ones will be given the attention they deserve.

**Deputy Eamon Gilmore:** Like Deputy Smith, I have met with some of the relatives of the victims of these murders. I met Denise Mullen in Armagh last November and talked with her about her memory, the many other murders that were committed and the suffering it has caused subsequently for families. The families and survivors want to find out the truth. The outcome of the Haass process has produced the framework within which that can be done. What has been proposed on how to deal with the past is a means by which these issues can be addressed, and survivors and families can get information and get closure on what has been a hugely agonising experience for them. It is important that we make more progress with that, that we get those proposals implemented and that there is a means by which families can pursue the truth. I hope it will be possible to do that.

*Dáil Éireann*  
**Foreign Conflicts**

7. **Deputy Seán Crowe** asked the Tánaiste and Minister for Foreign Affairs and Trade if his attention has been drawn to the deepening crisis and continued violence in the Central African Republic; if his Department pledged funding and assistance to those affected; and if he has discussed the crisis with his EU counterparts. [1439/14]

81. **Deputy Brendan Smith** asked the Tánaiste and Minister for Foreign Affairs and Trade the assistance provided to date by Irish Aid to the Central African Republic; the proposals he has to provide further humanitarian assistance; and if he will make a statement on the matter. [1638/14]

91. **Deputy Bernard J. Durkan** asked the Tánaiste and Minister for Foreign Affairs and Trade the extent to which he and his colleagues at EU and UN level can actively engage with the various factions in the Central African Republic with particular reference to the need to bring about an early cessation of violence and the instigation of a peace process; and if he will make a statement on the matter. [1777/14]

**Deputy Seán Crowe:** Recently, in a welcome move, the President and Prime Minister of the Central African Republic have stepped down. Hopefully, this will help to calm the situation there and restore hope and order, which will not be easy. We have all heard the shocking stories about massacres and seen the horrific images emanating from that country.

**Deputy Eamon Gilmore:** I propose to take Questions Nos. 7, 81 and 91 together.

I share the concern about the dangerous situation in the Central African Republic. At the last meeting of the Foreign Affairs Council on 16 December, I welcomed the decision of the United Nations to upgrade the crisis in the country to a Level III emergency, which should facilitate increased delivery of humanitarian aid. I also welcomed the peacekeeping role being undertaken by the African Union and by France. I drew attention to the appalling violence and human rights abuses which have been reported and I expressed the view that a comprehensive UN-led response, including a UN peacekeeping operation, will be required to ensure long-term stability. At the Council, Ministers agreed to examine the possible use of EU common security and defence policy instruments to help in the stabilisation efforts. We will discuss these options further, and the international humanitarian response to the crisis, at the January meeting of the Council in Brussels next Monday.

It is clear that the worsening security situation is limiting humanitarian access to those in need in the Central African Republic. The UN estimates that 935,000 people, approximately one in five of the entire population, are now displaced within the country. A total of 2.2 million people are in urgent need of humanitarian assistance. Ireland has been responding strongly. We are among the top ten international donors of humanitarian assistance to the Central African Republic, in line with our commitment to addressing protracted, and often forgotten, humanitarian crises. Since 2008, Ireland has provided €12 million in humanitarian aid to the Central African Republic, including an allocation of €2 million just last month.

**Deputy Seán Crowe:** I welcome that the Government has pledged €2 million in funding to provide life-saving emergency assistance to civilians in the Central African Republic. That country is one of the most disadvantaged states in Africa. Its population was extremely vulnerable before the outbreak of this crisis, so I hope the Department of Foreign Affairs and Trade

will continue to do all it can to alleviate the suffering of those civilians.

Today, Mr. John Ging of the UN Office for the Co-ordination of Humanitarian Affairs, said that the Central African Republic was in a mega crisis, so to speak. The violence has also led to the displacement of almost 1 million people who have had to leave their homes throughout the country. Does the Government have any specific plans to help these displaced people?

The Tánaiste said that the matter will be discussed shortly by EU foreign ministers, including the possibility of sending an EU military force to the Central African Republic. Has the Tánaiste been involved in discussions leading up to this and is he in favour of sending Irish troops to the region? Has this been discussed at Cabinet level?

**Deputy Eamon Gilmore:** I expect we will discuss the situation in the Central African Republic at the Foreign Affairs Council next Monday. I welcome the adoption by the United Nations Security Council on 5 December 2013 of Resolution 2127. It authorised the deployment of an African Union-led peacekeeping force for 12 months, and the deployment of French forces to support the African Union mission. At a conference in Paris in December, African leaders also indicated that the number of African troops to be deployed to the Central African Republic will increase to 6,000. I commend the African Union and France for their leadership roles in the crisis. I hope the peacekeeping mission can help to bring stability to the country and restore security and public order, as well as protecting the civilian population.

We have been intensifying our humanitarian effort together with our EU partners. It is our view, however, that a comprehensive UN-led response is the best mechanism to deal with the root causes of the crisis, to restore law and order, and ensure long-term stability. In this context, I hope the option of a UN peacekeeping operation will continue to be considered.

**Deputy Seán Crowe:** Have we any answer to helping the displaced people from that region? Have there been discussions on Irish involvement in sending EU military forces to the Central African Republic?

**Deputy Brendan Smith:** I welcome that the Government has provided substantial aid and I hope it will be possible to continue that assistance. I urge the Tánaiste to ensure every opportunity is taken, at both official and political levels, to highlight the terrible situation facing so many people. I recall reading that more than 1 million people have had to leave their homes. An official of the UN Office for the Co-ordination of Humanitarian Affairs stated that the situation for people outside the capital was even worse because they are geographically isolated. It is harder, therefore, to get assistance to them. For some the options are stark: stay in the jungle and die or come back and possibly be killed. It is a frightening situation. I welcome the aid that has been given and one hopes it will be possible to provide more assistance at an early date.

**Deputy Eamon Gilmore:** Ireland's approach to this issue is, first, to concentrate on the humanitarian assistance we can provide. I have indicated that we are doing that. Second, we are urging that this be dealt with through a UN mechanism. A possible European Union common security and defence policy, CSDP, mission, maybe as some kind of an interim measure pending a UN mission, has been given some consideration. I expect it will be discussed again on Monday. In regard to Irish involvement in missions, we are governed in this regard by the triple lock mechanism of a UN mandate, a Government decision and a decision of the Dáil. We have not discussed or been asked to participate in any such mission. In any event, it would be a matter I would have to discuss with the Minister for Defence. Our approach to this is on the

humanitarian side and to continue to urge a UN-led approach to dealing with the problem.

### **Undocumented Irish in the USA**

8. **Deputy Brendan Smith** asked the Tánaiste and Minister for Foreign Affairs and Trade if he will outline the most recent discussions he has had with the US Administration and Members of the US Congress in order to progress the Immigration Reform Bill in view of the difficult position facing many undocumented Irish; and if he will make a statement on the matter. [1479/14]

22. **Deputy Charlie McConalogue** asked the Tánaiste and Minister for Foreign Affairs and Trade the number of times since coming to office he has met with US officials to discuss immigration reform and in particular the plight of the undocumented Irish citizens in America, his plans to meet with US officials on this issue over the next six months, and his view on when reform on this issue will happen. [1474/14]

**Deputy Brendan Smith:** The difficulties facing the undocumented Irish have been aired often in this House through questions and at committee level. Will the Tánaiste ensure that every effort is made at political and official levels to keep pressure on the Members of Congress in the United States to ensure that 2014 will be the year of immigration reform?

**(Deputy Eamon Gilmore):** I propose to take Questions Nos. 8 and 22 together.

This is an issue to which I accord very high priority. I am conscious of the difficulties experienced by Irish citizens who are undocumented in the United States and I have met and spoken with many of them on my working visits there and also with the various groups who lobby on their behalf. I have maintained contact, directly and through our embassy in Washington, with many key players in Congress who are influential in steering the process of US immigration reform. Over the last four months, the embassy and I have had direct contact with some 70 Members of the House of Representatives and their staff, including Republican Congressman Paul Ryan, Chair of the House Budgetary Committee and former Vice-Presidential nominee; Republican Congressman Bob Goodlatte, Chair of the House Judiciary Committee and several other leading Republican members of that Committee, including Immigration Sub-Committee Chairman, Trey Gowdy; Minority House Leader, Nancy Pelosi; Chair of the Congressional Friends of Ireland, Pete King; House Speaker John Boehner and House Majority Whip Kevin McCarthy and their staffs. I have also maintained contact with key figures in the US Administration and with Irish-American community representatives. I have reiterated throughout all of these contacts the Government's interest in all aspects of immigration reform and, in particular, our interest in seeing an overall agreement reached which provides relief for currently undocumented Irish migrants and a facility for future flows of legal migration between Ireland and the US.

In this context, we very much welcomed the US Senate's approval of the Border Security, Economic Opportunity and Immigration Modernization Bill by a 68 to 32 margin on 27 June last year. The comprehensive draft legislation, which was prepared over several months by a bipartisan group of eight US Senators, provides for extensive reform of the US immigration system. It includes provisions that would legalise the status of undocumented Irish people and provide a path to permanent residency. It also provides for future flows of legal migration between Ireland and the US via the proposed E-3 visa.

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The focus has since shifted to the House of Representatives for its consideration of the issues and a key factor here remains convincing the Republican House majority of the importance of making progress. It remains to be seen whether a consolidated Bill can be agreed between the Senate and the House of Representatives. It is generally accepted that securing overall agreement will be a complex and challenging process, also in light of other issues on the Congressional agenda which may be unrelated but can impact negatively on efforts to secure the necessary bipartisan agreement.

The next window of opportunity for any movement on immigration reform is expected to arise during the first months of this year but the exact shape and form of such movement remains to be seen. The most recent development has been the announcement last week by Speaker Boehner that he is preparing to release a set of “principles” and “standards” to guide the House Republican side’s consideration of immigration reform. These are expected to become available in the coming weeks.

I am determined to continue to deploy all necessary resources at political, diplomatic and Irish community level to make progress on this vital issue. In support of this ongoing effort, a delegation of the Oireachtas Joint Committee on Foreign Affairs and Trade visited Washington DC in October last for a programme arranged by our Embassy during which they met with key members of Congress and with Irish-American community representatives. More recently, I wrote to US House of Representatives Speaker John Boehner on 12 December last, reiterating our position and underlining our continuing strong interest in the prospect of reform of the US immigration system. I expressed the hope that the House will engage further on these issues in early 2014 leading to a positive legislative outcome.

The Government will continue to raise this issue with high-level political contacts in the period ahead, particularly during the St. Patrick’s Day period in Washington DC. In addition, the Embassy in Washington continues our intensive follow-up work with all of our contacts on Capitol Hill and particularly with the Republican House leadership. It also continues to coordinate our lobbying efforts with our Irish-American community representatives. I acknowledge the critically important role being played by these community organisations, including the Ancient Order of Hibernians, the Chicago Celts for Immigration Reform and the Irish Lobby for Immigration Reform.

**Deputy Brendan Smith:** I thank the Tánaiste for his reply. We have been kept updated on the efforts being made at embassy level and on the constant lobbying of Members of the Senate and the House of Representatives. We have discussed in this House the very difficult position facing many families and individuals, people whose position is not regularised in the United States and who have been unable to come home for family events, whether celebrations or bereavements. As public representatives, we all have encountered instances of families in which perhaps the mother or father is ageing. These people are concerned that they may not have a family member visit them. There is a concern among many people because family members have been unable to return.

As the Tánaiste said, the Speaker of the House of Representatives, Mr. Boehner, stated in December that reform of the immigration laws will be a priority in 2014 for the House of Representatives. He also stated that immigration is next on the agenda once the Senate passes a bipartisan budget deal for the next two years. I urge the Tánaiste to continue his work in this area. I realise he has been constantly working at it but we need to send a message to our constituents and the people at large that this issue is being given due consideration at home and in

the United States. We wish to recognise the important role of all the people, including Members of Congress, who have been friends of Ireland over the years in this area.

**Deputy Eamon Gilmore:** I am mindful of the human dimension of this problem. I have met people who have been in the United States for a number of years and who are undocumented. They cannot come home for family funerals or other family events. I have seen members of families having to travel out to see newly born grandchildren because they cannot bring them home. It is estimated there are approximately 50,000 Irish citizens in that situation in the United States.

The Bill passed by the Senate would resolve the problem. It would provide a means by which the undocumented would be regularised and legalised and it would also provide a means for a flow. The problem is that it has not been possible to progress it in the House of Representatives. As I remarked in my reply, there are many political issues at work in the House. We saw what happened last year in respect of the budget issues. We have seen issues arise with health care and so on as well. There is a political divide there. The Speaker, Mr. Boehner, has indicated his desire to move forward. He has referred to publishing a set of principles.

We will continue to remain in close contact with him and to work with him. We have been concentrating our efforts on the Republican side of the House. As I indicated, we have spoken to in the order of 70 Members of the House at this stage. I have spoken to some of them directly, including at meetings that I have had in Washington. I have also spoken to several of them by telephone. This is a top priority for our ambassador and staff at the embassy in Washington. Obviously, we will use the opportunities that will arise in the lead-in to St. Patrick's Day to intensify that work. It is a major priority for us.

**Deputy Seán Crowe:** Does the Tánaiste believe conditions have improved since his last visit? There was considerable optimism when we were there working on the matter. The Tánaiste mentioned St. Patrick's Day. Does he see that as a key period for the lobbying work by the Government and Members of this House, as well as Irish America?

Another area highlighted during the visit was those who are Republican donors and those from the business community. Does the Tánaiste envisage those people having a significant role in the run-up period to try to bring about the positive change we want?

**Deputy Eamon Gilmore:** I wish to acknowledge the good work done by the members of the Oireachtas joint committee who visited Washington last year. It is most helpful to have parliamentarians from Ireland talking with their counterparts in the United States about this issue. In respect of the Irish interest in immigration reform, our representations are generally very well received and there is no difficulty in making our case. There is a difficulty, however, in that the situation of Irish immigrants is part of a much larger immigration issue in the United States. As I said, approximately 50,000 Irish citizens are caught in this situation, alongside some 11 million immigrants from other countries, including Mexico and Latin America. Deputy Crowe is correct that employer organisations and interests in the United States have signalled their desire for progress on immigration reform. Many of the people concerned are working in the economy and employers are keen to have their employees' situation regularised.

I hope 2014 will be the year in which we see significant progress on this issue. Part of the problem is that it gets tied into the political cycle. Immigration in the United States, as in this and many other countries, is a tricky and sensitive political issue. Depending on the constitu-

ency, it can play out in various ways. The issue remains a major priority for us and we will continue our efforts to address it.

### **Middle East Peace Process**

9. **Deputy Bernard J. Durkan** asked the Tánaiste and Minister for Foreign Affairs and Trade the extent to which he, his EU colleagues and the international community continue to assist in the Middle East peace process; the extent to which major issues are being addressed in this context; the degree to which continuous dialogue has been established between the various factions; and if he will make a statement on the matter. [1433/14]

12. **Deputy Brendan Smith** asked the Tánaiste and Minister for Foreign Affairs and Trade if the ongoing efforts of the United States Secretary of State, Mr. John Kerry, in the Middle East peace process will be discussed at the next EU Foreign Affairs Council; if he has had any direct contact with either the Israeli or Palestinian authorities or with the Secretary of State; and if he will make a statement on the matter. [1481/14]

89. **Deputy Bernard J. Durkan** asked the Tánaiste and Minister for Foreign Affairs and Trade the extent to which he, together with his EU and UN colleagues, continues to influence positively the Middle East peace process, with particular reference to the need to address and isolate contentious issues; and if he will make a statement on the matter. [1775/14]

**Deputy Brendan Smith:** At the beginning of this year the United States Secretary of State, Mr. John Kerry, held talks with Israeli and Palestinian representatives in an effort to secure a framework for a final Israeli-Palestinian peace agreement. Six months since the talks overseen by Mr. Kerry began, it is hoped that he will be able, within weeks, to present a framework agreement, after which the finer details will be worked out. It is disappointing to learn, however, that Israel is apparently demanding that it be allowed to retain a military presence under any future peace deal with the Palestinians. I hope the Tánaiste will be able to update us on these proceedings.

**(Deputy Eamon Gilmore):** I propose to take Questions Nos. 9, 12 and 89 together.

Direct negotiations between the Israeli and Palestinian sides, with United States participation, began at the end of July 2013 and have continued to date, with some interruptions. All three parties are restricting their public comments on the details of the talks, and we should do likewise. The range of issues to be resolved – often referred to as “final status” issues – are well known and have been discussed many times. The United States, and Mr. Kerry in particular, have remained closely engaged with these talks, despite competing priorities. It is widely expected that the US may soon bring forward ideas to stimulate more detailed engagement by the two sides, in the form of a framework for further discussion which will seek to focus the issues for decision.

We are all aware of the difficulties, but these talks represent the best chance to achieve a peace agreement for many years, a chance that may not recur if they fail. Ireland and our EU partners remain committed to giving every support we can to this process, without seeking to intrude into and complicate the actual negotiations. We wish both to encourage the parties and to consider what practical help the EU might give, including in the period after an agreement is reached. The Foreign Affairs Council next week is due to discuss the issue and although the

Council agenda is crowded, I expect both aspects to be discussed. I have not had direct contact with the parties in recent weeks, although we remain in regular contact at official level. At political level, the participants are consciously not discussing the details of the process with others.

I take positive note that Israel released a further batch of Palestinian prisoners on 30 December - the third such release - as a confidence-building measure. I am dismayed, however, that Israel quickly followed this positive signal with a very negative move, by announcing a further substantial set of settlement construction approvals on 10 January. Settlements constitute one of the major problems to be resolved in these talks. To continue to exacerbate the problem which needs to be resolved, even while talks are in progress, sends a negative message to all sides and inevitably casts doubt on Israel's real commitment to a solution.

**Deputy Brendan Smith:** I thank the Tánaiste for his reply. It is very disappointing that Israel last week announced plans to build 1,400 new homes in Jewish settlements in the West Bank and east Jerusalem. Indeed, if I recall correctly, it was a dispute over settlement construction that put an end to the last peace talks. I welcome Commissioner Catherine Ashton's statement calling on Israel to halt all construction in the West Bank immediately. She stated that the building of settlements is detrimental to the ongoing peace talks between Israel and the Palestinians. That message must be sent out to the international community in very clear terms. Commissioner Ashton also stated, "The settlements are illegal under international law, constitute an obstacle to peace and threaten to make the two-state solution impossible". We previously discussed the Government's intention to ban goods from the illegal Israeli settlements. Has progress been made at either national or European Union level in respect of such a ban?

**Deputy Eamon Gilmore:** In the context of the talks process, in many ways this is a last-chance scenario. In the past people wished that the United States would engage in a serious way in leading discussions towards a peace settlement in the Middle East. That is now happening. Secretary of State Kerry is very committed to the process and I have spoken to him directly in respect of this matter on a number of occasions. I am aware of his commitment, energy and effort in the context of trying to bring about a settlement. I hope the process will succeed. As already stated, it will not be helped by the announcement of additional settlements. Such settlements make the practical establishment of a two-state arrangement very difficult.

The issue of settlement produce is the subject of a separate question tabled for today. Work is ongoing in respect of the development of labelling guidelines at EU level. Realistically, such guidelines are unlikely to be finalised while the current talks are in train. The talks are scheduled to run until the end of April. If progress is not made at EU level, we will pursue the development of guidelines at national level.

**Deputy Maureen O'Sullivan:** How viable is a two-state solution at this stage? I have spoken with Palestinian and Israeli people and I discovered that they are of the opinion that we are paying lip service to the idea of a two-state solution. When one takes the settlement issue into account, one reaches the conclusion that there is not going to be a viable state left for the Palestinians in view of the level of encroachment on the area in which they live. Various statements have been made regarding the illegality of the settlements but they continue to be established. Apart from the illegality or morality of settlements, they also have a huge environmental impact in the context of the preservation of open spaces and the supply of water.

**Deputy Mick Wallace:** Does the Tánaiste agree that the Palestinians are probably one of

the most persecuted peoples on the planet? In view of the fact that it has defied more UN resolutions than any other country in the world, does he agree that Israel has got away with a great deal of aggressive behaviour? Does he agree that, unless the settlement issue is challenged in a proper manner, a two-state solution is probably impossible? Does he agree that it is time for the EU to take a stronger approach in its dealings with Israel, particularly if it wants to establish fairness for the people of Palestine?

**Deputy Eamon Gilmore:** It is clear that a continuation of the settlements process will make a two-state solution very difficult to achieve from a purely physical point of view. The talks are premised on a two-state solution being achieved. That is something we support and I have not heard any viable alternative in the context of reaching an agreement. At this point we must support the talks and encourage everyone involved to engage and to try to ensure that an outcome is reached. It is in the interests of both Israel and the Palestinian people to obtain a settlement in respect of this long-standing issue.

The European Union has been very clear in its stance on this matter. As the Deputies are aware, it has adopted funding guidelines and the clear intention behind these is to ensure that European Union funds cannot be used to support illegal settlements or entities in the occupied territories, including east Jerusalem. The European Union-Israel agreement on research co-operation under the Horizon 2020 programme fully incorporates this principle. As stated earlier, the European Union is proceeding with work to develop guidelines on the labelling of produce from the occupied territories. If this does not materialise, we will be obliged to consider taking action on a national basis when the talks process concludes at the end of April.

*Written Answers follow Adjournment.*

### **Message from Seanad**

**An Leas-Cheann Comhairle:** Seanad Éireann has passed the Adoption (Amendment) Bill 2013, without amendment.

### **Topical Issue Matters**

**An Leas-Cheann Comhairle:** I wish to advise the House of the following matters in respect of which notice has been given under Standing Order 27A and the name of the Member in each case: (1) Deputy Brendan Griffin - the need to guarantee the progression of the Shannon LNG project; (2) Deputy Thomas P. Broughan - the need for a debate in regard to the offshore renewable energy development plan; (3) Deputy Timmy Dooley - the need to provide adequate funding to deal with the recent devastation caused on the western seaboard; (4) Deputy Michael Healy-Rae - the need to secure funding to repair the damage done by, and provide protection from, our seas; (5) Deputy John O'Mahony - the progress on the evaluation of damage by recent storms and the assistance to communities affected; (6) Deputy Denis Naughten - the need to review the decision to close the acute psychiatric unit in Ballinasloe, County Galway; (7) Deputy Joe Higgins - the payment of €50 million by Irish Water to consultancy firms; (8) Deputy Finian McGrath - the need to provide medical cards to children with Down's syndrome; (9) Deputy Tom Fleming - the need to provide emergency funding to Kerry County Council following the recent storms; (10) Deputy Éamon Ó Cuív - the need for a comprehensive pack-

age of measures to be put in place to deal with the aftermath of the recent storms; (11) Deputy Pat Breen - that emergency funding be sought from the EU to repair the damage done by recent storms; (12) Deputy Anthony Lawlor - the need to establish two separate schools on the one campus in Maynooth, County Kildare; (13) Deputy Michael McNamara - the need to address flood defences in the Shannon Estuary; (14) Deputy Patrick Nulty - the changes to the eligibility for new applications for housing adaptation grants and housing aid supports; (15) Deputy Paul J. Connaughton - the need for a new primary care centre in Gort, County Galway; (16) Deputy Seán Kyne - the need to provide additional funding to assist with the repairs required following the damage caused to the west and coastal areas by the recent storms; (17) Deputy Arthur Spring - the need to assist with the repair of the devastating coastal damage caused by the recent storms in County Kerry; (18) Deputies Gerry Adams and Charlie McConalogue - the provision of ambulance services in the wake of recent events; (19) Deputy Patrick O'Donovan - the need to carry out a study as to the reasons behind the recent flooding in Foynes; (20) Deputy Billy Kelleher - the need to ring-fence beds in Cork University Hospital for patients with cystic fibrosis; (21) Deputy Mick Wallace - the media reports that autistic children are being locked in isolation rooms in schools and left unsupervised for hours at a time; (22) Deputy Willie Penrose - that appropriate steps be taken to secure alternative court facilities to enable the District Court to continue sitting in Mullingar, County Westmeath; (23) Deputy Dara Calleary - the need to suspend all farm inspections for a period in order to allow landowners and holders to restore their property following recent storms; (24) Deputy Derek Keating - the changes in the housing grants system; (25) Deputy Clare Daly - the need for funding for repair work following recent coastal erosion in Portrane; (26) Deputy Mattie McGrath - the recent transfer of responsibility for issuing of driver licences from local authorities to National Driver Licence Service centres; (27) Deputy Richard Boyd Barrett - the cuts to the grants for people with disabilities and the elderly; (28) Deputy Dan Neville - recent serious flooding at Foynes, Ballysteen and Askeaton, County Limerick; (29) Deputy Joe Carey - that emergency financial assistance be immediately made available to Clare County Council in response to the preliminary storm damage report; (30) Deputy Kevin Humphreys - the measures being taken to ease the plight of those subjected to recent flooding; (31) Deputy Seamus Kirk - the need to examine the application of the fair deal scheme in respect of farms and farming families; (32) Deputy Martin Ferris - aid to coastal communities damaged by recent storms; (33) Deputy Michael Moynihan - the potential risk to jobs at the Liebherr plant in Killarney, County Kerry; (34) Deputy Luke 'Ming' Flanagan - national heritage areas and the lifting of the turf-cutting ban; (35) Deputy Ann Phelan - the position regarding a free water allowance for Irish Water customers; (36) Deputy Brendan Smith - the policy regarding raising human rights concerns while engaging in trade missions abroad; and (37) Deputy Dessie Ellis - the need to supply GPS-enabled beacons for sufferers of dementia and similar disorders.

The matters raised by Deputies Ann Phelan; Michael Moynihan; Paul J. Connaughton; and Gerry Adams and Charlie McConalogue have been selected for discussion.

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## Topical Issue Debate

### Water Charges Introduction

**Deputy Ann Phelan:** I thank the Leas-Cheann Comhairle for allowing me to raise this important matter on the first Topical Issue debate on 2014. This is a very important topic, particularly in light of the negative attention Irish Water has attracted in recent days. I hope the Minister of State will be very explicit when replying to what I have to say.

Ireland is to start charging for domestic water usage and, in that context, a new system of charges is to be introduced for all homes that are connected to a public water supply. The new charge will be levied by Irish Water, which is the new national water services authority, with the first bills for domestic water usage to be issued in 2015. I am of the view that when new national charges are levied on taxpayers, a one-size-fits-all approach cannot be adopted because we are all different and each of our personal circumstances must be taken into account, particularly during the current economic downturn. In these circumstances, there is an affordability factor which must be taken into consideration. The Minister for the Environment, Community and Local Government must impress upon Irish Water that this factor must be taken into account before the charges are calculated. There should be an investigation into the concept of affordability because the introduction of these new charges, combined with other charges and taxes, will undoubtedly give rise to problems for some people. I refer, for example, to those who are on very low incomes or who are in receipt of social welfare benefits.

I am of the view that Irish Water could introduce a free personal allowance scheme for every individual who is liable to pay water charges. Under this scheme, a ceiling level of usage would be put in place and people who do not exceed this would not be liable for any payment. Not only would this be fair and equitable, it would also promote smarter usage of water. The latter is a valuable resource that we often take for granted. A scheme such as that to which I refer would also restore a certain level of control to users. As a result, they could control the amount of water they use and they would not incur any cost until they exceeded their personal free allowances.

According to a study compiled on behalf of Irish Water, the average Irish family uses up to two full bathtubs of water - approximately 150 litres - each day. Most of this is simply wasted by being poured down the drain after use. Some 80% of the people surveyed for the study did not realise the amount of water that they use. An average shower uses approximately 50 litres of water, cleaning one's teeth wastes in the region of six litres every minute and one cycle of a washing machine involves the use of up to 65 litres. This all adds up for the average family of two adults and two children, particularly in circumstances where the children are under a certain age. Put simply, Irish Water estimates that the cost of providing and maintaining water for Ireland runs to approximately €1.2 billion per year. In view of that level of consumption and cost, large families must be granted allowances in order to assist them in meeting their obligations.

I request that the Minister for the Environment, Community and Local Government not only take the suggestions I have made on board but also that he take steps to include an amendment to the Act in respect of this matter in order that what I am recommending be enshrined in law. It is not good enough to state that this is something we would like to include; it must be enshrined

in legislation in order that it will work. The only way it will work will be if it is written into law. I look forward to the Minister of State's reply.

**Minister of State at the Department of the Environment, Community and Local Government (Deputy Fergus O'Dowd):** Ba mhaith liom athbhliain faoi shonas a ghuí ar gach duine sa Teach.

I am replying on behalf of the Minister, Deputy Phil Hogan, who is currently dealing with legislation in the Seanad. I convey his apologies to the House.

The programme for Government contains a commitment to the introduction of water charges based on usage above a free allowance. The Government considers that charging based on usage is the fairest way to charge for water and it has decided that water meters should be installed in households connected to public water supplies. The introduction of water charges for all users will create a sustainable funding model for the delivery of water services.

The Government has decided to assign responsibility for the economic regulation of the water sector, including the setting of water charges, to the Commission for Energy Regulation. The primary role of the regulator will be to protect the interests of customers and to ensure a consistent and appropriate level of service is provided to them.

I am confident the Commission for Energy Regulation, with its reputation for independence and rigorous oversight of utilities, will protect the interests of domestic and non-domestic customers. An appropriate approach to charging customers will be put in place by the regulator and a public consultation will take place later this year as part of the regulatory process. Households will be informed of the level of charges well in advance of their introduction. No decision has been taken yet on the free allowance. This will be a matter for consideration by the Government and will be reflected in the charging structure put in place by the regulator.

An interdepartmental working group has been established to advise the Government on the appropriate method for addressing water poverty and water affordability issues which, as Deputy Ann Phelan pointed out, may arise with the introduction of domestic water charges. The group will examine the issues arising with regard to the free allowance, affordability issues and specific medical conditions which require high water usage. Supported by the ESRI, the group is seeking to identify the key groups which may be significantly impacted upon by the introduction of water charges.

The group comprises officials from the Department of the Environment, Community and Local Government, the Department of the Taoiseach and the Departments of Social Protection, Finance and Public Expenditure and Reform. The group is to prepare a report for consideration by the Government to enable decisions on the proposed approach to be taken in advance of proposed public consultation by the Commission for Energy Regulation during 2014 on the design of domestic water tariffs.

**Deputy Ann Phelan:** I thank the Minister of State for the comprehensive reply. As public representatives we must be included in the consultation process and lay people must also be included so their voices are heard. Most in this House will be able to afford the water charges better than many people. However, I am very conscious that households must be listened to, in particular those households with elderly people and young children.

Irish Water should take responsibility for setting up an education programme to encourage

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people not to waste water in the way that I have outlined and which has been the practice in this country for many years. Only now we are beginning to appreciate that water is a vital resource and to appreciate its importance for our health and wellbeing.

We should encourage water harvesting and the retention of water for secondary uses. Opportunities were missed during the Celtic tiger years when the planning guidelines should have included the provision that every house should have its own water harvesting mechanism. This missed opportunity is another lesson we have learned from the past. I have taken note of the Minister of State's reply and I hope to be able to contribute to the consultation process.

**Deputy Fergus O'Dowd:** I thank Deputy Ann Phelan for her comments which are very important. She is absolutely correct that a consultation process which includes listening to people and making them aware of the issues is the only way forward. This is our job for the next year. The Commission for Energy Regulation will undertake the consultation process but Members will be fully engaged in it. I can assure the Deputy that we will debate the proposed regimes in the House and people will be able to contribute to the process.

I fully support the Deputy's comments about a campaign to educate and inform the public on how water usage can be reduced and water used more efficiently in households. I have raised the issue of a campaign with Irish Water on many occasions. The benchmark for such a campaign is the Government's Race Against Waste campaign which transformed the way people dealt with their domestic waste. That campaign was extremely important in informing and educating people and it helped to change attitudes. I am assured that the scale and the import of the communication campaign will be at that level and that every household will be supported in this regard. The Deputy is correct that simple actions make the difference.

I refer to the point about the inclusion in the planning guidelines of water harvesting facilities being installed in new houses. I believe it can be difficult to retrofit some existing houses. I will discuss this matter with the Deputy at the committee. I agree that people must be given the information so they understand what is being proposed.

### **Industrial Disputes**

**Deputy Michael Moynihan:** I wish to raise the matter of decisions taken overnight with regard to the Liebherr plant in Killarney, the result of the ballot and the ongoing publicity. We must ensure that wise heads and wise counsel are brought to bear in this long-running dispute. The Liebherr plant was established in Killarney in the late 1950s and it has been one of the best employers in the south west. Many people in Kerry and in my part of County Cork have benefited to a great degree.

SIPTU represents approximately half the workforce and a ballot has been held. I suggest that a hands-on approach is required from the Minister for Jobs, Enterprise and Innovation. Wise counsel and wise heads need to be brought together. The Government needs to intervene immediately in this ongoing industrial dispute in order to effect a resolution. Such a resolution is essential for the employees, for the region and for Liebherr Container Cranes in Killarney which is continuing to operate. The company has been an excellent employer since the late 1950s.

I ask the Minister and the Government to intervene immediately in this ongoing industrial

dispute and to resolve it. This dispute is serving neither the south west, the town of Killarney nor the workers and the employer.

**Minister for Jobs, Enterprise and Innovation (Deputy Richard Bruton):** I thank the Deputy for raising this matter and I share his concerns about the potential risk to jobs in Killarney as a result of this situation. Liebherr is a major international company which was established in 1958 and which employs 670 people in Killarney and a total of 39,000 worldwide.

*4 o'clock*

In addition, it has two hotels employing 200 people. It is estimated that 500 additional local jobs are dependent on the company through supplies services and so on. It is no doubt a very important contributor not only to the Kerry economy but nationally. It has a turnover of €250 million and has been increasing employment in recent years. It is in a key sector exporting cranes globally. Its payroll is €40 million and €30 million is paid to local contractors. It has been investing in the plant - €30 million in the past three years - and has further investment planned in the future. It has put money into the defined benefit pension scheme and has shown very real commitment to the economy.

It is remarkable at a time of heavy losses in manufacturing which have, unfortunately, been a feature of our manufacturing sector, that Liebherr continues to grow. While that trend has, thankfully, reversed in manufacturing through our manufacturing strategy, we are seeking to build the manufacturing sector again. None the less, Liebherr is a shining example of what can be achieved. It is a high-quality, cutting edge manufacturing plant.

The company has been successful in attracting new orders but it has emphasised over time that it faces global competition. Against this backdrop, it has pointed out that wage levels face a competitive threat with much lower wages in Asia. It also needs to be borne in mind that this company has many plants in other locations and, as has been publicly stated, the company has transferred production of certain parts of its work previously undertaken in Killarney to a plant in Germany. This is clearly a worrying development.

Unfortunately, this plant has had a poor industrial relations record in recent times, unlike the industrial relations landscape generally, and it has impacted. The present dispute relates to a pay increase of 2.5% agreed under the Towards 2016 pay agreement. The company paid phases one and two of the agreement, but with the economic downturn which started in 2008, it felt that given the economic circumstances, it was not in a position to pay the final phase of the agreement.

The dispute around this pay increase has been ongoing for some time and has involved the full range of State industrial relations machinery and independent facilitators. The Labour Court recommendation of late December recommended a 2.5% pay increase to be given to the staff backdated to May 2012 and subject to the union engaging with management on issues regarding ongoing change, work practices, etc. Liebherr management ultimately accepted this recommendation.

Last evening, as the Deputy indicated, SIPTU members, who account for 270 workers out of the total workforce of more than 650, voted to reject the Labour Court recommendation. There is no question that this latest development represents a serious challenge for all involved, with potentially serious outcomes for the company, the workforce and the surrounding area. I urge all parties to take time to reflect and assess the implications of the ballot result and to

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engage in dialogue, through the appropriate channels, to seek to achieve a long-term and permanent resolution to the problem. The importance of such engagement cannot be overstated.

The Labour Relations Commission will remain in contact with both parties. We have a world class, high-technology operation in Killarney which exports its products to all corners of the globe. We need to maintain and, one hopes, expand and embed its operations in this country. We need to maintain such manufacturing operations in this country as they illustrate our industrial capacity. They pave the way for the future investment in these sectors and the development of indigenous spin-off business. Our economic recovery depends on vibrant success stories like Liebherr and I strongly urge all parties involved to consider the full implications of the difficulties which have developed recently.

**Deputy Michael Moynihan:** I thank the Minister for the reply. I think he stated the obvious. Has the Department or the Minister made any contact with the company or SIPTU today to ensure wise heads prevail and that there is a resolution to this issue? This is a fundamental issue to the people of the south west and for Ireland Inc. Has the Labour Relations Commission been in contact? The Government needs to ensure every aspect of the State's industrial relations machinery is employed to resolve this issue because there is far too much at stake for the region.

The Minister outlined the benefits which accrue to the Irish economy, so this is a very serious issue. If the shoe was on the other foot and if it was a case of this company thinking about coming to Ireland, the red carpet would be rolled out. We need to ensure we keep this company, we keep the employees working there and we keep the huge spin-off to the south west, the Killarney economy and to my region across the county boundary. Has the Government or the Department made any contact with the two parties today to try to resolve this issue once and for all?

**Deputy Richard Bruton:** As I indicated in my reply, this is an industrial dispute and, of course, my Department, through the IDA, is in daily contact with the company. The services of the Labour Court and the Labour Relations Commission are available to the parties at all times, which are also provided through my Department. We have a well-established voluntary system of industrial relations. It is important to maintain the independence of that operation.

We have learned over many years that ministerial intervention in disputes could serve to politicise them. We need to allow those with professional experience in the Labour Relations Commission and the Labour Court to work with the parties to find a solution. That is the approach I urge both sides to take. There needs to be a time for reflection following this decision and, as the Deputy urged, for careful consideration of the potential implications as people consider how we can move to resolve this dispute. As I indicated, the services of the agencies under my Department are fully available to the parties to assist in any way they can to resolve the dispute. The stakes are undoubtedly very grave and I urge people to take up those offers.

### **Primary Care Centres Provision**

**Deputy Paul J. Connaughton:** I thank the Office of the Ceann Comhairle for selecting this very important issue which relates to the health centre in Gort in south Galway. I was invited to visit this health centre some weeks before Christmas by a number of patients using the facility. Before I visited the centre, they had told me about the facilities which they felt were completely inadequate.

As I said, I took the opportunity to visit the health centre some weeks before Christmas and found the building in quite a deplorable state. It is a building more from 1914 than a building suitable for 2014. The rooms in it are much too small and are completely inadequate. It simply cannot provide the level of care it aims to provide to the people for whom it aims to provide such care. The staff are located in a small corner of the building and they do not even have a proper filing system. Given the Government is trying to direct more people towards the primary care system, this is certainly not an advertisement for it.

The Gort health centre needs considerable upgrading. I understand Gort was on the list for primary care centres. Where was it on that list and why was it not selected? I do not know about all the centres throughout the country but this one should have been selected because it is in desperate need of upgrading.

There is a room available in the centre which was used by the Department of Social Protection. It has since left the centre to go to new offices in Loughrea in County Galway. If that facility was handed over by the Department of Social Protection to the HSE, it could kit out that room as a sort of stop-gap measure at least to facilitate the staff and give them a proper office to work in. It might even allow for an extra room where the staff could treat the patients who use the service.

I would like answers to some of these questions. It is unacceptable that there is not a new primary care centre at this stage because the health centre is in a deplorable state. The facilities there need to be upgraded as soon as possible. It is simply not adequate for the people of Gort and south Galway who use it.

**Minister of State at the Department of Health (Deputy Kathleen Lynch):** I thank the Deputy for raising this issue. The programme for Government sets out the Government's commitment to ensuring a better and more efficient health system - a single-tier health service that will deliver equal access to health care based on need and not on income. In a developed primary care system, up to 95% of people's day-to-day health and social care needs can be met in the primary care setting. The key objective of the primary care strategy is to develop services in the community which will give people direct access to integrated multidisciplinary teams of general practitioners, nurses, physiotherapists, occupational therapists and workers in other health care disciplines. This is central to this Government's objective to deliver a high-quality, integrated and cost-effective health system.

A modern and well-equipped primary care infrastructure is central to the effective functioning of primary care teams. These teams enable multidisciplinary services to be delivered on a single site, provide a single point of access for users and encourage closer co-ordination between health providers. The development of infrastructure through a combination of public and private investment will facilitate the delivery of multidisciplinary primary health care. It represents a tangible refocusing of the health service to deliver care in the most appropriate and lowest cost setting. The intention to date has been that where appropriate, infrastructure will be provided by the private sector through negotiated lease agreements, and where service needs dictate, accommodation will be provided in primary care centres for mental health service delivery.

The HSE embarked on a prioritisation exercise for primary care centres in 2012. This dynamic exercise is constantly evolving to take account of changing circumstances, including the feasibility of implementation. It is the Government's intention to develop as many primary

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care centres as possible using one of the following methods: direct build by the HSE, leasing arrangements with the private sector or public private partnership. Considerable progress has been made in the delivery of primary care centres. Some 34 centres have opened since March 2011. Gort was one of the 35 potential locations for primary care centres to be developed by means of public private partnership projects, as announced in the July 2012 infrastructure stimulus package. Due to a lack of GP interest, however, this location is not progressing at this time. The HSE is exploring alternative options for this location. I am sure the matter can be revisited if the Deputy finds that the level of interest has increased.

**Deputy Paul J. Connaughton:** I thank the Minister of State for coming to the House to respond to what I said. I understand she is not responsible for this particular area. It seems that this is a question of GP interest. If more interest can be found, can the people of Gort take it that the possibility of bringing a primary care centre to the town could be revisited very quickly? If that happens, what timeline would we be looking at? How could we go about doing that from now on? I know the people who use the service are very eager to see the facilities upgraded as much as possible. All of the services mentioned by the Minister of State should be provided in primary care centres, but that cannot be done in Gort at the moment because the facilities do not allow that to happen. The people of Gort and south Galway want a proper primary care centre to be developed in the town. Can the Minister of State set out the timeline that would apply to increasing the level of interest? How should we go about doing that? How long would it take to get a decision on the matter? Perhaps the Minister of State might bring the other issue I mentioned back to the Minister for Social Protection. I refer to the question of whether the room that is currently available in the health centre could be freed up. At least that would provide additional office space in advance of the delivery of a primary care centre for Gort.

**Deputy Kathleen Lynch:** While I might have some chance of having some influence in the Department of Health, I am not certain that I can extend my influence to the Department of Social Protection. Nevertheless, I will make sure the Deputy's contribution will reach the desk of the Minister for Social Protection. My experience of how primary care is developed is that the HSE writes to all the GPs in an area to ask if they are interested in participating in a collaborative primary care project. It is only when there is a sufficient level of buy-in that anything can be progressed. If enough people were to express interest in this process, I am sure the HSE would be happy to re-engage in trying to put a properly functioning primary care centre in place. It is essential for such primary care infrastructure to be available in areas where there is a significant distance between the population and the nearest general or local hospital. These services need to be provided as close as possible to where people live. We will ask the GPs whether there is renewed interest. If there is, I am sure the necessary negotiations can happen as quickly as possible.

### **Ambulance Service Response Times**

**Deputy Gerry Adams:** Gabhaim buíochas le oifig an Cheann Comhairle as ucht seans a thabhairt dom caint faoi bhás Wayne McQuillan. I want to extend my condolences and sympathies to the family of Wayne McQuillan, who was stabbed in Drogheda in the early hours of New Year's Day. I am conscious that the raising of this issue could cause further trauma and grief for them. That is certainly not my intention. According to the National Ambulance Service, the nearest available ambulance to respond to this incident was in Ardee. The service has suggested that it took 21 minutes for the ambulance to arrive at the scene. This falls outside the

target set in the 2014 national service plan. By the time the ambulance arrived, the Garda had decided to move Mr. McQuillan to Our Lady of Lourdes Hospital, where he died, regrettably. The actual time between the receipt of the first call and arrival on the scene of the ambulance after its dispatch was 25 minutes. I understand that an ambulance was available at Our Lady of Lourdes Hospital on the morning of New Year's Day, but it was not dispatched. Is this true?

There was another serious incident on Monday of this week when a woman collapsed on West Street in Drogheda. Earlier that day, the Drogheda ambulance had been despatched to Navan even though a local crew was available in Navan. That was in addition to a second crew in Dunshaughlin and an emergency response vehicle in Navan. Why was the Drogheda crew dispatched there? As a consequence of that decision, the ambulance had to travel back to Drogheda to deal with this incident. This took more than 30 minutes. These difficulties are not the fault of the ambulance staff or the emergency services. First responders are deeply frustrated about being expected to work in these conditions.

I welcome the HIQA investigation into the circumstances surrounding the death of Wayne McQuillan. An investigation of the resourcing, structure and management systems in this area is also needed. We must ensure this investigation is carried out in consultation with front-line staff, including those who provide ambulance services.

**Deputy Charlie McConalogue:** Maura Porter from Carndonagh was unfortunately the victim of a road traffic accident on the day before New Year's Eve. An ambulance was called to come to her support after she suffered severe injuries in the accident. It took almost an hour for an ambulance to come to Carndonagh, unfortunately, because it had to be dispatched from Letterkenny. No ambulance based in the local ambulance station in Carndonagh and no local crew members were available at that point in time. Maura Porter's family - her husband, Neil; her son, Brendan; and her daughter, Davina - had to kneel with her while they endured a wait of almost an hour for ambulances to arrive. Local doctors came to the scene, but Maura needed to get to hospital quickly. She died after she got to the hospital, unfortunately. Her family will never know whether it would have made a difference - whether her life could have been saved - if the ambulance service had arrived on time. They are calling for a full investigation of what exactly happened in this incident and for a full review of ambulance services in County Donegal. Such a review is needed in other parts of the country as well.

A full review of the service is needed to ensure ambulances are available when they are needed. It is the wish of the Porter family that no other family will ever have to go through what it experienced on the Monday night in question. I ask for the Minister of State to respond to this request by giving the House an assurance that an investigation will take place and that proper resources will be provided to ensure ambulances are available to respond when calls come in. The staff who do such Trojan work, and were so good when they arrived on the scene on the night of Maura's accident, should be given the support they need to respond to calls in the way that is expected and asked of them.

**Deputy Kathleen Lynch:** I am glad that Deputy McConalogue finished on the note he did because any of us who have been in receipt of the services that ambulance crews provide know that they are an exceptional group of people.

I thank Deputies Adams and McConalogue for raising these issues today. At the outset I express my sympathies to the families involved.

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Regarding the response of the National Ambulance Service to the incident raised by Deputy Adams, the National Ambulance Service has reviewed the incident and has confirmed that at the time of the call, there was high call activity in the area. However, the National Ambulance Service is satisfied that the call was appropriately prioritised, using the advanced medical priority dispatch system, and that the closest available ambulance was tasked.

Regarding the incident raised by Deputy McConalogue, the National Ambulance Service is satisfied that the call was triaged correctly and that the nearest available resource was dispatched. However, the National Ambulance Service has now established an escalation process with Letterkenny General Hospital to ensure that ambulance control at Ballyshannon is informed early of any capacity or other challenges which might affect ambulance service delivery. This process will ensure that, where necessary, National Ambulance Service resources are diverted to other appropriate destinations to minimise impact on patients, the National Ambulance Service and the hospital.

In the interest of respecting the dignity and grief of the families concerned, of which both Deputies are conscious, I will make no further comment on these two incidents.

I draw the attention of the House to the very significant reform programme which is under way to reconfigure pre-hospital care services in Ireland. This reform programme will ensure a clinically driven, nationally co-ordinated system, supported by improved technology. Development funding of €3.6 million and 43 additional staff have been provided in the national service plan 2014.

A key measure in this programme is the national control centre reconfiguration project. The National Ambulance Service has operated in eight ambulance regions, with no interconnection of radio and computer systems. While this seems incredible, it is a fact. This has delayed improvements in emergency response times, particularly at regional boundaries where the nearest ambulance may be in the neighbouring region.

The control centre project is moving to one national centre on two sites, with significant investment in new voice, data and mapping technologies. This will allow the National Ambulance Service to deploy emergency resources more effectively and efficiently, regionally and nationally, rather than within small geographic areas. The national centre will be located in Tallaght and Ballyshannon, with the project expected to be completed next year.

In co-operation with staff, the National Ambulance Service is successfully moving from on-call rostering, where staff are off-site waiting to be summoned, to on-duty rostering, where paramedic crews are in their stations or vehicles during shifts. This leads to faster deployment as the crew is in position to respond immediately to calls, rather than the average on-call deployment of over 20 minutes. The on-duty system is now in place across most of the State.

A key performance issue has been the use of emergency ambulances for routine inter-hospital patient transfers. The National Ambulance Service is developing dedicated non-emergency patient transport, through the intermediate care service, for routine transfers. This frees up emergency resources for emergency tasks, improving response times and performance.

The National Ambulance Service will continue to modernise and reconfigure its services to ensure emergency pre-hospital care is delivered in an appropriate and timely manner.

**Deputy Gerry Adams:** I thank the Minister of State for her answer. She must be concerned

that the amount of time it took the ambulance to get to where Wayne McQuillan had been stabbed falls outside the national service plan 2014 target. I entirely agree with the Minister of State about the sterling work done by paramedics, ambulance crews and front-line services. Like the Minister of State, I have had use of those services. However, since Wayne McQuillan died it has been revealed that the State has one paramedic for almost 4,000 citizens, whereas in the North and in Scotland there is one paramedic for every 1,500. There is something wrong there. Any investigation should also look at the resourcing structure and management systems of the ambulance service, particularly in the north east.

**Deputy Charlie McConalogue:** I thank the Minister of State for her response. She stated that Mrs. Maura Porter's case was triaged correctly and the nearest available resource was dispatched. It is clear that in this instance the nearest available resource was much too far away. Carndonagh ambulance station, which serves the Inishowen Peninsula, was less than half a mile from where Mrs. Porter's accident took place. We need to ensure that two ambulances are available so that if one is called away and a second call comes in, it is responded to immediately. We cannot allow such an incident to happen again. The national guidelines indicate that an ambulance has to be at a scene within 19 minutes, which is the target. In this particular incident it took almost an hour. I ask the Minister of State to give an assurance to the family that there will be a full investigation of what the situation was in this instance, that the service levels available are reviewed to ensure this cannot happen again, and that the proper resources are put in place.

The particular ambulance station I referred to is the third busiest in the north west after Sligo and Letterkenny. One ambulance based there is not enough. If the family has one wish it is that this be the last time that such an incident would happen. I ask the Minister of State to ensure there is a full investigation and a full review to ensure the resources are put in place. The public need to have confidence that this cannot happen again. The service level needs to be in place in order that this family can at least have the comfort of knowing that this will not happen to any other family.

**Deputy Kathleen Lynch:** I compliment both Deputies on the respectful way this issue has been dealt with. While the assurances any Government might give might be some small comfort, it is not a great comfort for people who lose a loved one. I cannot guarantee Deputy McConalogue that there will be a full investigation. However, whenever there is a critical incident it is fully investigated. In this unfortunate episode, two people lost their lives.

The National Ambulance Service is undergoing major reform. Isolated areas will be greatly helped by the process of hospitals contacting the National Ambulance Service base, one of which will be in Ballyshannon which is not too far away from the area we are discussing. If there is, for instance, a high alert or a high call-out rate, the National Ambulance Service will know that that is in effect. It will be able to make provision to ensure there is a backup service available. That will have a significant impact.

Both incidents, as critical incidents, will be fully investigated. As Deputy McConalogue pointed out at the end, the only thing that families can seriously request is that in the event of some other family going through this, the response will be appropriate.

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## Leaders' Questions

**Deputy Micheál Martin:** The manner in which Irish Water has been established under a cloak of secrecy has angered many people across the country. The people were not told by anyone in government that the establishment of Irish Water would cost €180 million, €50 million of it for consultancies, a fact that we learned only from the "Today with Sean O'Rourke" radio programme last Thursday. Throughout last year Deputy Barry Cowen, I, Deputies on all sides of the House, Government and Opposition backbenchers, were asking specific questions of the Minister for the Environment, Community and Local Government about the cost of establishing Irish Water, the number of consultancy firms hired and many other questions. No detailed answers were forthcoming despite the fact that, as we now know, all of the information was with the Minister and the relevant Departments for well over 12 months, indeed as far back as the budget announced in December 2012.

It is now clear that the Minister did not want to tell the truth to the Dáil about the establishment costs of Irish Water.

**Deputy Timmy Dooley:** More porkies.

**Deputy Micheál Martin:** This was a deliberate, premeditated, conscious decision to hide information that he had in his possession from the Dáil. He made a decision not to give that information to the House when he was asked for it and by extension to deny it to the people of the country and our citizens. In short, our Parliament and our citizens have been treated with contempt by the Minister and the Government.

**Deputy Finian McGrath:** And by the Minister of State at the Department of the Environment, Community and Local Government, Deputy O'Dowd.

**Deputy Micheál Martin:** There were further attempts to make sure that Irish Water was wrapped in a cloud of secrecy. There was a debacle before Christmas when the entire Opposition had to walk out because debate on Irish Water was shut down. There was a deliberate decision taken to exclude Irish Water from the parameters of the Freedom of Information Act and so forth. All last week Ministers pretended they did not know. That included the Minister for the Environment, Community and Local Government, Deputy Hogan, who said on local radio that he was not aware of the details of the cost. We now know of course that he was because it was decided upon as far back as the budget announced in December 2012. The Government made this decision to spend €180 million, at a time when child benefit and the respite care grant were cut.

Will the Taoiseach confirm that he was aware of the cost of €180 million for Irish Water over a year ago? Will he answer the simple question, why did the Minister refuse to provide that information to the House over the past 12 months when he was asked very basic and simple questions about all aspects of the establishment of Irish Water?

**Deputy Michael Healy-Rae:** A Father Ted. It was resting in his account.

**The Taoiseach:** I thank Deputy Martin for his question. I take full responsibility on behalf of the Government for the policy decision to shift from 34 individual local authorities providing this service to a single utility doing so, with a saving of €1.1 billion over the next seven years in operating costs, which will be in the interests of the Irish people, business, taxpayer and our country in the context of achieving the highest standards and the delivery of an efficient supply

of water for consumers and business. Yes, I was aware of the estimated overall cost of the setting up of Irish Water at €180 million last year.

I want to be very clear about this. The situation as outlined by Deputy Martin is not as I would see it. This is a public utility in public ownership. Therefore, there is nothing that should be secret about it and there is nothing that will be secret about it – the Deputy may smile – because in that sense the question of the Freedom of Information Act was already dealt with by the Minister for Public Expenditure and Reform when he spoke on the Bill previously. Of course this will be subject to the full rigours of freedom of information, as it should be, because it involves the Irish taxpayer and the Irish people.

Second, in the matter, as I understand it, of a parliamentary question which was to have been sent to Irish Water, it did not go, and the Department has apparently apologised for that. In any event Irish Water will be the subject of proper responses to parliamentary questions in this House by the Minister for the Environment, Community and Local Government. Deputies can be clear on that.

**Deputy Micheál Martin:** From when?

**Deputy Timmy Dooley:** When will that begin?

**The Taoiseach:** This is unlike what happened in previous situations when personnel walked off with seven-figure golden handshakes and some never appeared before committees at all.

**Deputy Timmy Dooley:** So Deputy Hogan is not going to Europe.

**Deputy Dara Calleary:** He has got a job with Irish Water.

**The Taoiseach:** The chief executive of Irish Water gave a very detailed presentation for five hours to the Oireachtas Joint Committee on the Environment, Culture and the Gaeltacht yesterday. He and his officials will appear before the Committee of Public Accounts, I understand, at 5.30 p.m. today. As often as Members of this House, through the various committees, want information about Irish Water, they will get it. That is their right. It is in the interests of the people and the Irish taxpayer.

**Deputy Michael Healy-Rae:** Parliamentary questions were put down but we got no replies. Why?

**The Taoiseach:** Last year in one house in Galway there was a water leakage of over 60,000 litres. People have been subject to boil water notices in various locations around the country for years. There was consternation in Dublin with the difficulties at Poulaphouca just before Christmas. We have to put an end to all of this inconsistency and when one invests in the creation of a utility like Irish Water it is for the long-term benefit of the people, consumers, and of business-----

**Deputy Timmy Dooley:** For the consultants.

**The Taoiseach:** -----that we have high standards in the delivery and quality of water for everybody. From a transparency perspective, everything here is available to every Deputy and therefore to the people, as it should be.

**Deputy Mattie McGrath:** Why did the Minister not answer the parliamentary questions

before Christmas?

**The Taoiseach:** That was pointed out when the Minister for Public Expenditure and Reform, Deputy Howlin, spoke on this. It is clear that Irish Water, as it has been instituted formally since 1 January, is subject of course to the full rigours of the freedom of information legislation.

**Deputy Micheál Martin:** It was not. The Taoiseach is wrong.

**The Taoiseach:** He took over responsibility on 1 January.

**Deputy Micheál Martin:** The Taoiseach's response is incredible and disgraceful.

**The Taoiseach:** I am happy with my response.

**Deputy Micheál Martin:** It is disgraceful for the Taoiseach to come in here and say that every bit of information is available to the House. I have the list of questions that were tabled over the past 12 months about Irish Water and absolutely no detail or answers were forthcoming for Members of this House.

**Deputy Michael Healy-Rae:** It is like Moscow.

**Deputy Micheál Martin:** Members have been treated with contempt. The Taoiseach has come here today and added insult to injury by pretending all is well, all is transparent. The only reason we are discussing this question today and people came in yesterday is because Sean O'Rourke asked the question of Mr. Tierney, who gave an answer about consultancies. The Taoiseach and the Minister in particular decided that he would not share information that he had in his possession for the past 12 months. The Taoiseach has now admitted he was also in possession of this information for the past 12 months yet he too would not share it with anybody.

**Deputy Mattie McGrath:** That is his transparency.

**Deputy Micheál Martin:** The Taoiseach should not say what he did about savings. The savings will arise because people will be paying for water. That is the basic major saving that will be occasioned as a consequence of the imposition of charges.

**An Ceann Comhairle:** This is a supplementary question. The Deputy is over time.

**Deputy Micheál Martin:** It is a disingenuous proposition to put to this House, as the Taoiseach has done today, that somehow information will be available to Members when they ask questions, or through freedom of information requests. When the Act was published there was a conscious decision to exclude Irish Water from its parameters. The Taoiseach also needs to confirm that the 34 local authorities will continue to provide the water service for the next 12 years. People will be angry when they will have to pay for this excess through their water charges.

**An Ceann Comhairle:** Will Deputy Martin please put a supplementary question?

**Deputy Micheál Martin:** I want the Taoiseach to answer the question that I asked originally. Why did the Minister for the Environment, Community and Local Government decide not to provide specific answers and give the actual information that he had in his possession about the establishment costs of Irish Water to Deputies when they asked those questions over the past 12 months? Why did he refuse to provide that basic information that he had in his possession?

**Deputy Mattie McGrath:** He was hiding.

**The Taoiseach:** The Deputy asked me earlier if I was aware of the set-up cost of Uisce Éireann and I said I was.

**Deputy Dara Calleary:** The Minister was not.

**The Taoiseach:** It is €180 million. Deputy Martin accuses me now of not making that public.

**Deputy Finian McGrath:** Not the consultancy fees.

**The Taoiseach:** Second, as Uisce Éireann has taken responsibility-----

**Deputy Timmy Dooley:** Perhaps it should have been Uisce Beatha.

**The Taoiseach:** -----for the distribution and management and investment in Uisce Éireann for the future-----

**Deputy Mattie McGrath:** Uisce faoi thalamh.

**The Taoiseach:** Does the Deputy not want the answer?

**Deputy Micheál Martin:** I merely leaned forward.

**The Taoiseach:** I will make it a little clearer for the Deputy again. Uisce Éireann-Irish Water will be subject to the full rigours of the Freedom of Information Act.

**Deputy Dara Calleary:** From when?

**The Taoiseach:** From its inception.

**Deputy Micheál Martin:** It has been spending money for the past 12 months.

**The Taoiseach:** From its inception last year. Uisce Éireann will be subject to the Freedom of Information Act from the moment it was set up.

**Deputy Micheál Martin:** The Government has been forced into that.

**The Taoiseach:** This is about transparency, accountability and determining and telling the people-----

**Deputy Joe Higgins:** It is about privatisation. It is a troika tax.

**The Taoiseach:** -----the services for which the contracts were awarded-----

**Deputy Timmy Dooley:** The Taoiseach should take a breath and listen to himself.

**The Taoiseach:** -----in the interests of investment in a situation where we cannot go on as we have been for years.

**Deputy Mattie McGrath:** Quangos.

**The Taoiseach:** We are spending €1.2 billion every year at the moment in dealing with water. The savings over seven years are estimated at €1.1 billion.

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**Deputy Micheál Martin:** People will be paying for it.

**The Taoiseach:** In order to create the utility, we have to invest money to have it at the highest level at which it should operate.

**Deputy Mattie McGrath:** If people conserve water, they will pay more.

**The Taoiseach:** Deputy Martin understands this himself because he has been around the wheel a few times over the years-----

**Deputy Micheál Martin:** The Government was advised not to do this by the body it commissioned.

**The Taoiseach:** This will be open to freedom of information and parliamentary questions. The Minister, Deputy Hogan, is due to speak here on Deputy Martin's party's motion later this evening, and he will answer any question in detail that the Deputy wants to ask him.

*(Interruptions).*

**An Ceann Comhairle:** I call Deputy Adams.

**Deputy Michael Healy-Rae:** He had the chance before Christmas and he answered no questions.

**An Ceann Comhairle:** Have you changed your name?

**Deputy Michael Healy-Rae:** No, I have not.

**An Ceann Comhairle:** I called Deputy Adams.

**Deputy Gerry Adams:** I have to say the Taoiseach's answer is a joke, and a very bad joke at that. Yesterday, Mr. John Tierney told the Oireachtas environment committee that the Minister, Deputy Hogan, was aware in September 2012 of the allocation of €180 million of public money to establish the company. Despite repeated questions on this issue from Sinn Féin's environment spokesperson, Deputy Brian Stanley, and others, however, the Minister refused to answer questions on Uisce Éireann. He showed contempt for the Dáil, for Teachtaí Dála and for the citizens we represent. Mr. Tierney's submission to the environment committee yesterday confirms - it is all here, Taoiseach - that from March 2013 the Minister's Department was receiving detailed monthly breakdowns of expenditure on Irish Water, including the amount of money being paid to consultants. An Teachta Stanley also submitted parliamentary questions, including a series of detailed questions in June 2013 which asked for a breakdown on expenditure, including wages and service contracts, but the Minister would not answer the questions.

The Taoiseach promised a new way of doing politics. He promised a democratic revolution. He has compounded the worst excesses of his Fianna Fáil predecessors. The Government refused to take amendments, including an amendment on freedom of information, which it blocked. We tried to put forward an amendment to have this agency subject to freedom of information. I brought this to the Taoiseach's attention at the time and I protested here. As an Teachta Martin said, the Opposition benches cleared in protest at the way the Government was dealing with this issue on the very last sitting day of 2013.

The Government has obstructed the Dáil by concealing its knowledge - the Taoiseach said he knew - of the expenditure involved in the establishment of Irish Water. Does the Taoiseach

agree that this Minister has had one too many debacles and that this Minister should go?

**Deputy Patrick O'Donovan:** The Deputy might want to be careful. They might try to shift him.

**An Ceann Comhairle:** Settle down, please.

**The Taoiseach:** Deputy Adams has had a few debacles himself. The Minister for Public Expenditure and Reform is the one responsible for the Freedom of Information Act.

**Deputy Dara Calleary:** It is his fault, so.

**The Taoiseach:** Above anybody else, the Minister, Deputy Howlin, has done more than many of his predecessors to make public information available through this Act.

**Deputy Micheál Martin:** No, he has not.

**Deputy Mattie McGrath:** Ráiméis.

**An Ceann Comhairle:** Sorry, would you please stay quiet?

**The Taoiseach:** In respect of this Bill, when the Minister of State, Deputy O'Dowd, was dealing with this, he read from what the Minister for Public Expenditure and Reform had said. These were Deputy Howlin's words:

Irish Water was only recently established and another Bill is under way [that is the Bill in the Seanad] ... which will provide for a structured reporting mechanism to the Oireachtas and the regulatory authorities. That Bill will assign responsibility for economic regulation to the Commission for Energy Regulation, putting Irish Water in the same position as regards clarity and transparency in economic performance and conduct as, for example, the energy companies. In addition, up to 15% of households receive their water from privately operated group water schemes and some commercial enterprises source their own water supplied by private wells. Irish Water will operate in a highly regulated environment, closely monitored by statutory agencies. There are several layers of accountability and transparency envisaged in the legislation before the House. I believe Irish Water should come within the ambit of freedom of information. However, it is not ready to do this yet.

That was when the Bill was going through. Let me assure the House that in the interests of transparency and accountability for everybody around the country - for the Irish people through this House - this utility will be subject to freedom of information, as it should be-----

**Deputy Timmy Dooley:** Thanks to Sean O'Rourke.

**The Taoiseach:** -----because it is funded by the taxpayer to this point. The same will apply in respect of questions from Deputies who wish to ask parliamentary questions-----

**Deputy Micheál Martin:** We put in freedom of information requests and got nothing.

**The Taoiseach:** -----or, as was clearly indicated by the chief executive yesterday, going before any of the Dáil committees, as appropriate, as regularly as is necessary. It is in everybody's interest that Deputy Adams' constituents and mine, and everybody else, have certainty about a supply of high-quality water for consumers, their families, for business and for understanding that-----

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**Deputy Timmy Dooley:** The Government changed because it got caught.

**The Taoiseach:** One of the reasons many companies have come to this country is because of the scale of water we have and the potential to supply it to the highest level.

**Deputy Dara Calleary:** Like the pylons.

**The Taoiseach:** We cannot have situations where the inconsistency that has grown up over the years-----

**Deputy Timmy Dooley:** That is not the issue.

**The Taoiseach:** -----means that business and people are discommoded because of a lack of quality water. There was consternation in this city for several weeks before Christmas with difficulties out at the Poulaphouca reservoir.

**Deputy Mattie McGrath:** That was Mr. Tierney. Who was in charge of Dublin?

**The Taoiseach:** The investment going into the utility called Uisce Éireann or Irish Water is to put an end to that and, over the years, to bring about a situation where we have an entity that delivers high quality water to the most efficient standards.

**Deputy Timmy Dooley:** Does that require secrecy?

**The Taoiseach:** To answer Deputy Martin's question, yes, the local authorities continue as agents of Irish Water in the delivery of those new standards.

**Deputy Gerry Adams:** The Taoiseach totally ignored the thrust of my question. The fact is that for 18 months the Minister refused to give information to Teachtaí Dála who raised legitimate detailed questions about expenditure on this particular project. The Taoiseach said he is taking responsibility for this policy so I put my last question to him again. Is it not time this Minister went? Sinn Féin knows about water charges. We blocked water charges in the North.

**Deputy Patrick O'Donovan:** They put them in for the Six Counties.

**Deputy Gerry Adams:** Sinn Féin saw to it that the Executive invested-----

**Deputy Patrick O'Donovan:** What about the rates up there?

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

**Deputy Gerry Adams:** As the Taoiseach knows, this is a Trojan horse for privatisation. There will not be one deor uisce, not one tear of water, going into anyone's water taps from the €86 million that is being given to these consultants, and the Taoiseach knows that. It is coming at a time when the Taoiseach is taking money from citizens and from front-line services. For example, the Government gives €86 million to consultants while it slashes €3 million from housing adaptation grant schemes for the elderly and disabled citizens. That is why citizens are angry. They see the difference. They see the Government paying into the golden circle while denying taxpayers' money for public and, in particular, front-line services.

**An Ceann Comhairle:** Thank you, Deputy.

**Deputy Gerry Adams:** I have just one last point, if I may. The Local Government Audit Service report of 2011 on spending by Dublin City Council raised serious questions about the

spending of almost €100 million of public money on the Poolbeg incinerator project. Under whom?

**An Ceann Comhairle:** That is a separate issue. We cannot have two issues.

**Deputy Gerry Adams:** It was on John Tierney's watch. Surely, as he said he is taking responsibility for this policy, it is time for the Taoiseach to face up to the failure upon failure, debacle upon debacle. The Taoiseach can give me a direct answer, if he would. Will he ask the Minister to resign over this issue of refusing to give the Dáil the information which we deserve to have?

**Deputy Patrick O'Donovan:** And deflect attention away from himself.

**The Taoiseach:** "No" is the answer to that question. Deputy Adams did not mention the fact the Minister of State, Deputy Jan O'Sullivan, today announced €38 million in investment for people with disabilities and the elderly in their homes, and the improvement of those-----

**Deputy Brian Stanley:** That is the same €38 million as before.

**The Taoiseach:** He did not mention the fact Dublin City Council reversed the decision in respect of cuts for the homeless and that €3 million extra in grants was added by the Government. As Deputy Adams knows everything, he chose very conveniently not to mention the fact that €12 billion in investment goes into provincial and rural Ireland over the next seven years as a result of the negotiations between Pillar 1 and Pillar 2 from a European perspective and the negotiations between the Departments of Agriculture, Food and the Marine and Public Expenditure and Reform. This is a public utility. Deputy Adams, the leader of Sinn Féin, knows all the answers but he is wrong on this one because this utility is not being privatised. It is being held in public ownership by a decision of the Government in the interests of the Irish people.

A total of 40% of water has been leaking away for years on end and there is an inconsistency of supply. The setting up of Uisce Éireann will bring about a saving of €1.1 billion over the next seven years. It will be a national flagship of high quality and integrity. As leader of the Government, I say that Uisce Éireann will be wide open in terms of transparency, accountability and justification of expenditure. Every Deputy on all sides and none and Oireachtas committees will have the opportunity to see that this happens. It is in all our interests that this be so.

**Deputy Stephen S. Donnelly:** We hear that at Cabinet yesterday a proposal to allow GPs to opt out of the scheme to bring free GP care to the under-fives was discussed. Today, Dr. Ray Walley of the IMO described the scheme and the Government's approach as courting disaster. I and other Deputies recently met with a large group of Wicklow GPs who described the proposal as a mistake. They explained that there is no extra capacity to deal with the extra visits in which this will inevitably result and that in consequence, other patients with more pressing medical or financial needs will either not be seen or will wait much longer to be seen. They predict that children will be brought to them who do not need to be seen, leading to other people who do need to be seen not being seen. They could not understand why the under-fives as a group are being targeted ahead of those who are either in greater need of medical care or cannot afford it.

What the Government is doing does not make any sense. With one hand, it is clearly taking medical cards away from people who desperately need them and with the other, it will give GP cards to many people who do not need them. What GPs are saying is that this will lead to yet more waste in a very wasteful health care sector, with GPs seeing people who do not need to be

seen and, therefore, not seeing patients who do need to be seen.

It is clear that the GPs were not consulted in any meaningful way as this plan was put together. The scheme and the approach that the Government has taken is further alienating a GP sector that is crying out about what is already happening in primary care. The GPs pointed out that there are very few young GPs entering the sector, that three out of every four graduating GPs in Ireland are emigrating and that the GPs who are here are advising their colleagues not to come home because of what is happening in primary care and general practice. They explained that the HSE embargo has exacerbated this situation and pointed out that there is a six-month wait for physiotherapy appointments in Wicklow.

Based on common sense, the fact that medical cards are clearly being taken away from people who need them and what appears to be a very solid consensus from the GPs, does the Taoiseach agree that this scheme should be shelved and that money in health care should not be directed using a *carte blanche* approach but to those who either cannot afford the care or need it most?

**The Taoiseach:** I do not agree. Deputy Donnelly is wrong when he said that this matter was discussed at Cabinet yesterday. There was no discussion about the under-fives or GP care at Cabinet yesterday. The Government made a clear decision to introduce free GP care for under-fives in 2014 as the first of a number of major steps leading to universal health insurance. Every parent and grandparent knows the costs of dealing with family life are now very expensive. They include mortgages, the burden of crèche fees and so on. All these hardworking parents of children in 240,000 families will now have the reassurance that they can bring their children to the doctor without having to pay for each appointment. Moneys were allocated in the budget to deal with this. There was additional separate funding of €37 million for the introduction of this key reform. It is a fully costed estimate based on current rates of reimbursement to GPs under the GMS scheme and includes capitation fees, practice support costs, other claim costs and out-of-hours costs. It is an essential part of the movement towards universal health insurance, was costed by Government and will cover 240,000 families. The parents of those children can have the comfort of knowing they will not have to pay when they go to their doctor for that GP visit.

Deputy Donnelly is also incorrect when he says that the situation regarding medical cards has changed. There has been no change in the criteria for the allocation of medical cards and extra moneys have been included for the provision of new cards this year, as one would expect.

**Deputy Stephen S. Donnelly:** I have heard the Taoiseach make the claim many times that there has been no change in medical card policy but every Member of the House knows that there is clearly a change on the ground. If we go back to Irish Water, the argument is that one has to charge for water because it is a publicly provided good and if it is free, people over-use it. That is the economic argument. We must charge people money for their water. GP care is a publicly provided service as well but here we are being told that it will now be free. We know from recent research that the average number of visits per year to a GP from people who do not have medical cards is three and that for those who have medical cards, the average number is eight.

I am not against reducing the cost. I believe that it should be affordable and that it is not affordable as of now. The GPs are unambiguously saying that if this is made free people will significantly over-use our finite service so they will end up spending time with people who do not need their service, which will take time and medical care away from people who do need it.

The GPs are telling us that general practice in Ireland is in crisis. A total of €160 million was withdrawn from the sector in the past four years. Today the IMO said that many general practices around the country are on a financial precipice. The GPs I met have said that they have had a 33% cut in public funding and a 50% cut in profits to their general practices. There is a false economy at work. I would love GP care to be free - I have two children under six - but it should not be free for those who cannot afford it, rather it should be affordable. Why is the Taoiseach going to direct finite and scarce health services to people who the GPs are saying will over-use them and who do not need them when the Government is taking medical cards away from others? I apologise if the matter did not come up at Cabinet yesterday. Is the Taoiseach, therefore, saying that there will be no opt-out for GPs from this scheme?

**The Taoiseach:** I do not know whether the GPs in Wicklow who met Deputy Donnelly speak for all the GPs in the country. The reason the Government made this decision is very clear. It is the Government's intention to move to the introduction of universal health insurance. The first step in doing that was to move to free GP care for the under-fives in 2014. The reason the decision was made as clearly as it was is that it will benefit 240,000 families with children who are hard-pressed in many circumstances with mortgages, crèche fees and other charges that apply as part of normal family life. An extra €37 million has been allocated to the scheme and takes into account all the general costs that apply under the GMS scheme for GPs. I am sure that the GPs in Wicklow, who no doubt do a very good job as do other GPs, are aware of this. That is the reason we made the decision.

In October 2013, 1,863,984 full medical cards were granted and another 124,337 people received GP cards. That is an increase of almost 590,000 full medical cards since 2008. Last year, the HSE awarded 100,000 medical cards, of which over 23,000 were discretionary. Extra money was allocated for new medical cards in this year's budget. The anecdotal evidence the Deputy cites is true in some cases but it is most certainly not true in all cases.

*5 o'clock*

### **Order of Business**

**The Taoiseach:** It is proposed to take No. 22, Road Traffic (No. 2) Bill 2013 - Order for Report, Report and Final Stages; and No. 5, Betting (Amendment) Bill 2013 - Order for Second Stage and Second Stage.

It is proposed, notwithstanding anything in Standing Orders, that Private Members' business, which shall be No. 132, motion re Irish Water, shall also take place immediately after the Order of Business tomorrow and shall, if not previously concluded, be brought to a conclusion after 90 minutes on that day. Tomorrow's business after Oral Questions shall be the Betting (Amendment) Bill 2013 - Second Stage (resumed).

**An Ceann Comhairle:** Is the proposal for dealing with Private Members' business tomorrow agreed to? Agreed.

**Deputy Micheál Martin:** I must say that the Taoiseach's response to Deputy Donnelly beggared belief.

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**An Ceann Comhairle:** We have moved on from there.

**The Taoiseach:** Deputy Martin does not want GP cards allocated.

**Deputy Micheál Martin:** I am leading into the programme. The Taoiseach is out of touch with the realities of health on the ground. For the record, 35,000 over-70s medical cards will be taken from people this year as a result of the budget.

**The Taoiseach:** The Deputy does not want GP cards allocated.

**Deputy Micheál Martin:** This is not anecdotal. It is fact.

**The Taoiseach:** The Deputy does not want the GP cards-----

**Deputy Finian McGrath:** People are contacting us.

**Deputy Michael Healy-Rae:** Taken from people with cancer.

**An Ceann Comhairle:** Could we stick to the Order of Business, please?

**Deputy Micheál Martin:** Discretionary medical cards are still being taken randomly from people. I just wanted to let the Taoiseach know that.

**Deputy Michael Healy-Rae:** And people with cancer.

**The Taoiseach:** The Deputy does not want the GP cards.

*(Interruptions).*

**Deputy Micheál Martin:** In the revised legislative programme-----

**The Taoiseach:** It is news to me that Fianna Fáil does not want the GP cards.

**Deputy Micheál Martin:** We would love it if children with multiple disabilities could get back the cards that were taken from them.

**An Ceann Comhairle:** Could we get back to the Order of Business, please?

**Deputy Micheál Martin:** That is what we would like first and foremost.

**Deputy Michael Healy-Rae:** That would be a start.

**Deputy Finian McGrath:** Sort that out.

**Deputy Micheál Martin:** That is our first priority. Could sick children get their cards back, please?

**Deputy Michael Healy-Rae:** And people with cancer.

**An Ceann Comhairle:** Will Deputy Martin ask his privates on his left-hand side to stop talking?

**Deputy Dara Calleary:** They are from another battalion.

*(Interruptions).*

**Deputy Timmy Dooley:** They are the Ceann Comhairle's responsibility.

**An Ceann Comhairle:** Deputy Martin might have more room for them.

**Deputy Micheál Martin:** They are not in my ranks.

**Deputy Mattie McGrath:** I never opened my mouth.

**An Ceann Comhairle:** I am sick of asking them.

**Deputy Michael Healy-Rae:** We do not belong to Deputy Martin at all.

**Deputy Micheál Martin:** Their enthusiasm for the points I am raising is heartfelt.

**Deputy Dara Calleary:** They have a different battalion going.

**Deputy Ray Butler:** Dumb and dumber.

**Deputy Peter Mathews:** Lieutenants.

**An Ceann Comhairle:** Maybe the Deputy could give them a stripe or two and promote them.

**Deputy Mattie McGrath:** The Ceann Comhairle is wrong. I never opened my mouth.

**Deputy Timmy Dooley:** Then that is probably not our Mattie.

**Deputy Micheál Martin:** It is a good start to the new year for Deputy Mattie McGrath. Under the reform programme, the legislative programme for the next session comprises four Bills. The health reform Bill has been signalled by the provision of a GP service for people aged five years and under and new structures for the health service. The health service plan has been published. I raised this matter on the Order of Business before Christmas. The plan has been changed by the Cabinet, I believe sinisterly. This is in line with the Irish Water situation. The Government is all spin and management of the story. The HSE director stated in the plan that this would be a challenging and difficult year. I am sorry - the Government inserted the "challenging" bit. He stated that the HSE would not meet service priorities, there would be pressure on patient safety, etc. The Cabinet decided in its wisdom to change the language, as the latter was not palatable to the public and did not sound and look good enough.

Will the Government allow time for a full plenary debate in the House on the health service plan? Yesterday, the director stated that the HSE would not be able to meet its priorities under the plan as announced. We are looking at €1 billion in cuts to the health service in 2014. The Government has received many warnings from around the House to the effect that the centre in health will not hold if the Government continues to pursue its policies. There will be many difficulties and patient safety in our hospitals will be compromised as a result of the health service plan as published.

**An Ceann Comhairle:** We cannot have a debate on the health service.

**Deputy Micheál Martin:** We need a debate on this matter in the House as soon as possible.

**The Taoiseach:** I remember the €1 billion the Deputy took off the old people. He refused to accept any responsibility. I did not know that the Fianna Fáil Party was opposed to the allocation of GP cards for under fives. I did not know that. I am glad the Deputy has confirmed

it. Might I say that the draft-----

**Deputy Micheál Martin:** Give them back their cards.

**The Taoiseach:** -----service plan, as submitted by-----

**Deputy Billy Kelleher:** The Government is opposed to giving medical cards to sick people.

**The Taoiseach:** -----the Health Service Executive to the Minister, included a figure of pro-  
pensity of €113 million for medical cards. The Minister, as was his right, was entitled to consider  
the draft service plan as submitted by the HSE and amended that. Clearly, that was a major  
shift-----

**Deputy Timmy Dooley:** The HSE told him what it could do.

**Deputy Billy Kelleher:** That is factually incorrect.

**The Taoiseach:** -----in his understanding-----

**Deputy Timmy Dooley:** The Taoiseach is wronging the HSE again.

**The Taoiseach:** -----that one could not achieve the scale of figure that was included initially.

**Deputy Micheál Martin:** The Government is controlling public servants and making them  
work towards a political agenda.

*(Interruptions).*

**An Ceann Comhairle:** Deputy Martin asked a question. Could we get the answer, please?

**Deputy Billy Kelleher:** That is misleading information, as the Taoiseach well knows.

**The Taoiseach:** Of course this will be a challenging year for health, no more than for any  
other Department. Indeed, for the people it is a challenging year. Nobody underestimates the  
scale of that. Just because the troika has gone and we have exited the bailout, it does not mean  
that one has flexibility to do all of the things as one wants.

**Deputy Timmy Dooley:** Is that not what the Taoiseach told us?

**The Taoiseach:** We have targets to adhere to. The budget is set for this year and we will  
move on with that. There were 61 claims for inclusion on the A list for legislation for this ses-  
sion. As Deputy Martin is aware, we used to have three sessions for Dáil legislation. There  
are now two this year, so this one goes out until July. There are 41 pieces of legislation. We  
have changed the way this is going to apply because, from yesterday's meeting on, Ministers  
will speak to the Chairmen of the committees about the Bills that are going to come through in  
their particular areas. When heads of a Bill come before Cabinet, they will go automatically to  
committees for pre-legislative hearings. It is a matter for the committee as to how much time it  
wants to do that - a day or whatever. That is its business.

**Deputy Micheál Martin:** Like Irish Water before Christmas.

**The Taoiseach:** The first Bill - No. 19 - in the health area is the health (general practitioner  
medical service) Bill, which is to provide the GP service to children of five years and under.  
I have no objection at all to a debate in the House on health. We could fit that in when the

Deputy's Whip raises it at the Whips' meeting.

**Deputy Micheál Martin:** On the health services plan.

**The Taoiseach:** We will fit that in at a time that is appropriate for the health service plan.

**Deputy Mattie McGrath:** That would be welcome.

**Deputy Gerry Adams:** Tá cúpla ceist agam, ceann amháin faoi chlár an Rialtais agus ceann eile faoin Tuaisceart. The Government committed to appointing an independent international expert commission to review the case for and cost of undergrounding all or part of the Meath-Tyrone 400 kV power link. To date, there has been no such independent review. When will the Government allow this? Considering the widespread opposition to its pylon plans, will it extend such a review to the rest of the State? Until such a process is carried out, will the Government postpone EirGrid's proposed overhead pylon plans?

My second question is on the commitment given in the Chamber just before Christmas to arrange a debate on the North. When I asked the Taoiseach for one, he said, "Yes". He stated it would be after the all-party talks chaired by Dr. Richard Haass and Dr. Meghan O'Sullivan. As we know, those talks have concluded. It would be prudent and pertinent were the Taoiseach to make it clear that the Government wanted to see the full implementation of Dr. Haass and Dr. O'Sullivan's all-party proposals. Saying this unambiguously would be useful. When will the Taoiseach arrange for the full debate on the North that he promised before Christmas?

**The Taoiseach:** We discussed this before Christmas. I agreed to that. Obviously, we did not want the debate when the Haass talks were going on. The Tánaiste was there. The Deputy was there himself. That debate will take place in the House before the end of the month. Clearly, this is the first time the parties themselves were involved in running talks after the invitation was extended to Dr. O'Sullivan and Dr. Haass. I was disappointed they were not concluded successfully. In so far as Government is concerned, we will work with the parties in any way we can to assist this matter, but clearly it is a case of first priority for the parties concerned that were not able to bring the discussions to a conclusion. That debate will take place in the House here before the end of the month.

In regard to the matter of pylons, I mentioned this before. Clearly, the challenge for the country is to be able to provide a platform for infrastructure for power for delivery for the next 50 years in the same way as the ESB originally did for provincial and urban Ireland since Ardnacrusha was set up. The Minister extended the consultation period until early January. There are now 30,000 submissions sent in. In fairness to everybody, it is important that these be gone through properly and that they be analysed and that people take into account the concerns and anxieties of people who, for a variety of reasons, made their submissions. I expect that the Minister, Deputy Rabbitte, will do that in the next fortnight or three weeks. I expect he will bring a memo to Government from that. This is an issue that obviously concerns a great deal of people. The challenge is finding the best way to provide an opportunity for infrastructure throughout the entire country. The Minister, Deputy Rabbitte, is dealing with this. There are 30,000 submissions. He owes it to those who took the time to send in submissions to see that they are analysed and considered seriously.

**Deputy Ray Butler:** When is publication of the criminal justice Bill, to strengthen the powers of the Criminal Assets Bureau, CAB, in respect of forfeiting the proceeds of crime, expected? I welcome the news headline in the *Irish Independent* today that "CAB targets

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fuel-laundering suspects with 25 court actions". I am sure Deputy Adams and his party also welcome it.

**Deputy Gerry Adams:** Great work.

**The Taoiseach:** The legislation is not on the A list. It is on the B list. As was the case before Christmas, discussions are still ongoing with the CAB. If those discussions are concluded successfully, obviously the Bill can move forward.

**Deputy James Bannon:** The harm associated with the misuse of alcohol is well documented. Indeed, since Christmas there have been a number of fatalities and many of them are associated with the misuse of alcohol. When will the public health (alcohol) Bill come before the House? I also welcome the format of the legislative programme. The Taoiseach said the chairpersons of the committees will be met prior to any legislation being brought to the House, but the personnel who serve on those committees should also be given the opportunity to speak to Bills. That is important for the future as well.

**The Taoiseach:** The misuse of alcohol Bill is not on the A list, but that does not mean it cannot be discussed in a committee or raised as a Topical Issue matter. The matter is also being considered by the Cabinet sub-committee.

On the Deputy's second point, Ministers are now expected in the first instance to speak to the chairpersons of committees about the Bills that will come through in their respective areas. When the heads of the Bill are approved by the Government they are sent to the committees for the pre-legislative hearings. I expect that the chairpersons of the committees will have the opportunity to speak both to the Minister and to the issues following the report at pre-legislative stage. It is an attempt to open the opportunity to impact on legislation earlier and to a far greater extent than heretofore.

**Deputy Michael Healy-Rae:** With regard to the strategic infrastructure Bill, what funds will be made available as a matter of urgency to repair the awful damage that has been done over the last number of weeks by the tremendous storms that hit our coastal areas?

**The Taoiseach:** There is no strategic infrastructure Bill. There is a great deal of infrastructure under way in various Departments to which the stimulus package of €2.5 billion last year directly refers, but there is no strategic infrastructure Bill *per se*.

**Deputy Peter Fitzpatrick:** The objective of the housing (miscellaneous provisions) Bill is to expand and strengthen the regulatory framework for social housing, including the statutory underpinning for the new scheme of housing assistance payments, the repossession of local authority dwellings and to provide for a new tenant purchase scheme for existing local authority houses along incremental purchase lines. When can we expect its publication?

**The Taoiseach:** It will be published in this session. The heads were cleared before Christmas so it is moving on the conveyor belt.

**An Ceann Comhairle:** I call Deputy Doherty.

**Deputy Pearse Doherty:** Go raibh maith agat, a Cheann Comhairle, agus ath bhliain faoi mhaise duit. The Taoiseach promised the Dáil earlier that he will bring Irish Water under the ambit of the freedom of information legislation. It is a new revelation given the fact that the Government defeated Sinn Féin's amendment three weeks ago to bring it under the remit of that

legislation. However, it does not appear among the 42 legislative measures in the A list in the legislative programme published three days ago. Will the Minister bring Irish Water under the freedom of information regime by ministerial order, and retrospectively through its inception, and when will that order be signed by the Minister, or is there a need for legislation, which was not identified three days ago, to enable that to happen?

Second, on the first sitting day of the autumn session last year, on 18 September, the Taoiseach announced on the Order of Business that a banking inquiry would be set up. As it is now our first sitting day in 2014, perhaps the Taoiseach will take the opportunity to give us an update on how that inquiry is progressing. Has the Government located the two key documents that have been misplaced or have gone missing in the Department of Finance in respect of the bank guarantee and the recapitalisation of the banks?

**The Taoiseach:** With regard to freedom of information, the Minister pointed out that Irish Water became effective as an entity from 1 January in taking over responsibility for assets in the distribution and management of water. The Freedom of Information Bill 2013 is currently awaiting Report Stage in the Dáil. As this is the responsibility of the Minister for Public Expenditure and Reform, I expect he can add the freedom of information requirement to deal with Irish Water.

With regard to the banking inquiry, I have not been in the Department of Finance looking for those letters. As I have mentioned on a number of occasions previously, I am concerned about the absence of pieces of paper in regard to this matter. The Government made a decision that it would be appropriate that a banking inquiry should take place. The Deputy will have seen the comments from the Director of Public Prosecutions and others, so I must be very careful in what I say. However, it is the intention to process the matter of setting up a banking inquiry.

**Deputy Éamon Ó Cuív:** The official languages (amendment) Bill is to be published in this session. Is it intended to publish the heads of the Bill first, and will they be referred to the committee for consideration before the publication of the final Bill? Is it also intended to publish the heads of the consumer protection and competition Bill, refer them to the committee and have that process finished within this term before publishing the final Bill? Similarly with regard to the Horse Racing Ireland (amendment) Bill, is it intended to publish the heads, refer them to the committee and then publish the full Bill in this session? When is it likely to happen?

**The Taoiseach:** Yes, the horse racing Bill will follow that pre-legislative process with the heads of the Bill going to the committee. The consumer protection and competition Bill is nearly completed, so it is way past the heads of Bill stage. It is practically finished so it will be brought before the House and then go to the committee in the usual way. In respect of the official languages (amendment) Bill, the heads will go to the Government and then will go to the committee where hearings will be held, as should be the norm to give a greater opportunity for everybody to have their say.

**Deputy Éamon Ó Cuív:** I welcome that.

**Deputy Frank Feighan:** When is the sale of alcohol Bill due to be published? This will codify the law on the sale of alcohol. The 12 pubs of Christmas phenomenon is causing huge concern, although I do not know if it can be addressed by legislation. The phenomenon is not very welcome in this day and age.

**The Taoiseach:** There is no date for publication. A great deal of work is being done in the

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Department on this and the Minister of State at the Department of Health, Deputy Alex White, is also dealing with aspects of it, as is my Department.

**Deputy Mick Wallace:** The Taoiseach said in his reply to Deputy Martin that where there is public ownership there should be no secrecy and that the Irish people have a right to know. Before the Freedom of Information Bill is finalised, can the Taoiseach ensure there will be total access to information on all aspects of all public bodies?

**The Taoiseach:** The Minister for Public Expenditure and Reform, Deputy Howlin, has been very forthright about the freedom of information legislation and how it applies. It is now extended even to the Garda Síochána, except for matters in respect of which national security issues might be compromised. It is an opportunity to bring areas of Irish life under the freedom of information legislation that were not included previously. I expect that, with exceptions for particular reasons, the legislation will apply in respect of information for the public as it should.

**Deputy Jerry Buttimer:** In light of the success of the Constitutional Convention and the fact that the convention has two extra dates in February, has the Government considered extending the remit and lifespan of the current convention? If not, is it open to the suggestion of having another convention during the Government's term of office?

**The Taoiseach:** The Government has not given consideration to a further extension, but will before the concluding date.

**Deputy Mattie McGrath:** I wish to raise two items. One is the EirGrid Bill, which is promised for this year. Will freedom of information also be applicable to EirGrid? Confusion and misinformation abound throughout the country and we need something to rein EirGrid in as well.

Under the road transport (no. 2) Bill the driving licence renewal process is farcical. NDLS, the company that handles this, is not fit for purpose. Yesterday, I was contacted by the father of a young man who is in America.

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

**Deputy Mattie McGrath:** He had to come home to get a driving licence. He washed his licence in his shirt, which can happen to any of us. Dúirt bean liom go ndúirt bean léi go raibh póca ina léine aige.

**An Ceann Comhairle:** The Deputy can table a parliamentary question but cannot raise this matter on the Order of Business.

**Deputy Mattie McGrath:** He washed his licence. How can he travel home from his job to get a new licence? It is nonsensical in the extreme.

**An Ceann Comhairle:** The Deputy should table a parliamentary question.

**Deputy Mattie McGrath:** Can someone please review this matter? This person is only one of many. A person working abroad has to come home to get his or her licence renewed. It is just farcical.

**The Taoiseach:** I am informed by the Minister for Transport, Tourism and Sport that it is not necessary to travel home for a licence. There is a procedure for dealing with it.

**Deputy Mattie McGrath:** He was told that.

**The Taoiseach:** The Deputy can now inform him otherwise.

**Deputy Leo Varadkar:** If the Deputy gives me the details I will look at them.

**Deputy Mattie McGrath:** What about the EirGrid Bill?

**The Taoiseach:** It is listed for next year.

**Deputy Mattie McGrath:** Next year?

**An Ceann Comhairle:** Yes, that is what the Taoiseach said.

**Deputy Mattie McGrath:** We were told it was to be in 2014, but it has now gone back to 2015.

**The Taoiseach:** It is on the D list at the moment.

**Deputy Mattie McGrath:** My God. The pressure will be piled on; do not worry.

**An Ceann Comhairle:** I am calling Deputy Mathews.

**Deputy Peter Mathews:** First of all, I want to wish you a happy new year, a Cheann Comhairle, and the same to all my colleagues.

As regards the Taoiseach's remarks and observations about freedom of information, there are three very important institutions in this country at the moment that would benefit from the approach of his democratic revolution. They are the Central Bank of Ireland, NAMA and IBRC in liquidation. I ask the Taoiseach to consider holding a debate in this House on the imperative that those institutions would come under the Freedom of Information Act.

**The Taoiseach:** I suggest the Deputy should take the matter up with the Minister for Finance and the Minister for Public Expenditure and Reform.

**Deputy Peter Mathews:** They report to the Taoiseach.

**Deputy Timmy Dooley:** The Taoiseach indicated that the State airports (Shannon Group) Bill, as it relates to the amalgamation of the new company at Shannon and the remnants of Shannon Development, would go through the Dáil in the last session, but that has not happened. It is obviously causing some consternation for the new management team there. When does the Taoiseach expect a definitive date for that legislation to be brought before the House?

**The Taoiseach:** In this session.

### **Road Traffic (No. 2) Bill 2013: Order for Report Stage**

**Minister for Transport, Tourism and Sport (Deputy Leo Varadkar):** I move: "That Report Stage be taken now."

Question put and agreed to.

**Road Traffic (No. 2) Bill 2013: Report Stage**

**Acting Chairman (Deputy Jerry Buttimer):** Amendment No. 3 is an alternative to amendment No. 1 and both may be discussed together. It is also proposed that amendments Nos. 2 and 4, and amendments Nos. 5 and 6 may be taken together. All other amendments which are not grouped will be discussed individually.

**Minister for Transport, Tourism and Sport (Deputy Leo Varadkar):** I move amendment No. 1:

In page 16, between lines 28 and 29, to insert the following:

**“Interference with odometer of mechanically propelled vehicle**

14. (1) A person shall not interfere or attempt to interfere with the odometer of a mechanically propelled vehicle.

(2) A person who contravenes, or who procures another person to contravene, *subsection (1)* commits an offence and is liable on summary conviction to a class C fine or to imprisonment for a term not exceeding 3 months, or to both.

(3) Where a member of the Garda Síochána has reasonable grounds for believing that a person is committing or has committed an offence under this section he or she may arrest the person without warrant.

(4) Where a person is charged with an offence under this section it shall be a defence to show that at the time of the alleged offence the person was acting in good faith in order to test, repair or replace the odometer of the mechanically propelled vehicle.

(5) In this section “odometer”, in relation to a mechanically propelled vehicle, means the device that measures and records the distance travelled by the vehicle but does not include an auxiliary device capable of being reset to measure and record individual journeys.”.

I am proposing the introduction of a new section 14, which will for the first time make it an offence to tamper with an odometer. It will also address the amendment proposed by Deputy Anthony Lawlor which deals with the same issue. The law at present deals with clocking through the Consumer Protection Act 2007 where it is addressed as part of misleading commercial practices. I understand that the National Consumer Agency has been successful in taking prosecutions against car dealerships for selling or offering the sale of motor vehicles with altered odometer readings, that is, clocked cars. However, this law does not apply in the case of private sales. More to the point, the act of clocking a vehicle in itself is not an offence.

This issue has been raised with me on a number of occasions. It was the subject of a Private Members’ Bill in 2012 which was published by Deputy Lawlor. The substance of that Bill has been presented as an amendment by Deputy Lawlor. I thank the Deputy and all others who have raised this issue. I also acknowledge the support of the Minister for Jobs, Enterprise and Innovation, Deputy Bruton, who has given his agreement to this amendment from a consumer policy point of view.

Having considered the position, it is my view there is a gap in the law at present which I have sought to address in this amendment. The new section I am proposing will make it an

offence to tamper with an odometer. The penalty for tampering with an odometer or procuring someone else to tamper with one will be three months and-or a class C fine which is a maximum of €2,500 on summary conviction. In his amendment, Deputy Lawlor is proposing significantly more severe penalties. I have discussed my own amendment in some detail with the Office of the Attorney General and I am satisfied that the penalty being proposed in my amendment is proportionate. The wording has been carefully drafted to ensure we do not penalise people who are legitimately accessing odometers - for example, while repairing a vehicle - and also to ensure we do not accidentally include trip counters in our definition of an odometer.

I acknowledge the work of Deputy Lawlor in this regard. At the same time, I believe it is important to get the wording right in legislation. Since the wording I am proposing has been approved by the Office of the Parliamentary Counsel, I ask the House to accept this amendment as proposed.

**Deputy Timmy Dooley:** I welcome the fact the Minister has brought forward an amendment in this regard. This issue has been raised with me and I support the necessity to deal with it. It is a fact that there has been a considerable trade in second-hand cars. Some of the issues relate to cars that are procured outside the State. There is a healthy trade, if that word can be used. It is a word that motor dealerships were less likely to use in the past but, recognising the way the market has gone, many of the bigger dealerships are now importing used cars from outside the State. The ability of dealerships importing such cars to stand over the mileage will be a difficulty. The way in which the Minister has phrased the amendment places the criminal intent on the individual who seeks to interfere with an odometer. I welcome that approach.

This issue has bedevilled the motor trade for many years. It has played on unsuspecting consumers who purchase cars which may appear to be relatively new but in respect of which they may find there is additional mileage on the engines due to tampering that has taken place. I welcome the Minister's approach which we will certainly support.

**Deputy Dessie Ellis:** I certainly welcome this amendment. There is no doubt this has been a problem over the years. Many people have complained about the mileage being adjusted on second-hand cars. There have been considerable improvements in recent years and it is now much harder to tamper with odometers. However, where there is a will do it, someone will find a way.

If the word "mileage" is used instead of "kilometres", does it have any bearing on the legislation? Someone raised this point with me so I am posing the question.

**Deputy Anthony Lawlor:** I thank the Minister for his remarks. In 2012, I spoke to him and his Department about this issue, which was brought to my attention by [www.cartell.ie](http://www.cartell.ie). The Minister was quite positive about the Private Members' legislation I put forward and told me at the time that he was not opposing it. I am one of the lucky ones in that, as a result of the Minister's amendment, one Private Members' Bill can now be scratched off the list. While consumer law may curtail the sale of clocked cars, it does not lessen the offence of clocking and the inherent dangers in that regard for the unsuspecting motorists who purchase such cars. Like Deputy Ellis, I would welcome if the Minister could clarify the situation in relation to the mileage-kilometres issue.

Given that what the Minister proposes to do by way of this amendment addresses the issue raised in my amendment No. 3, I propose to withdraw that amendment.

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**Deputy Leo Varadkar:** On Deputy Ellis's question, it makes no difference whether the odometer records miles or kilometres. While odometers in cars purchased in recent years record kilometres, older ones record miles. The term "mileage" is still used in respect of claims for travel expenses even though the distance travelled is recorded in kilometres.

**Deputy Dessie Ellis:** Is there a term which defines "mileage"?

**Deputy Timmy Dooley:** There is less to be claimed now. Is there any chance of an amendment in that regard?

**Deputy Leo Varadkar:** No, definitely not.

**Deputy Timmy Dooley:** I am sure it would find favour in the Minister's Department.

**Deputy Leo Varadkar:** There is no reference in the amendment to "mileage" or "kilometres". To avoid confusion on that issue, the amendment states only that there should be no interference with an odometer.

Amendment agreed to.

**Acting Chairman (Deputy Jerry Buttimer):** Amendments Nos. 2 and 4 are related and may be discussed together by agreement.

**Deputy Leo Varadkar:** I move amendment No. 2:

In page 16, between lines 28 and 29, to insert the following:

**"Amendment of section 3 of Principal Act**

**14.** Section 3(1) of the Principal Act is amended in the definition of "public service vehicle" by inserting "or combination of vehicles" after "mechanically propelled vehicle".

These amendments will create new sections 14 and 17. The purpose of the amendments is to resolve an anomaly in the regulatory framework which has come to light in recent months in relation to the use of combination vehicles for the carriage of passengers for reward. In the ordinary course, it is not permissible to carry passengers for reward in trailers. This is prohibited under regulation 39 of the Road Traffic (Construction and Use of Vehicles) Regulations 2003. However, it is open to the RSA to issue a permit under section 13 of the Road Traffic Act 1961 for, among things, the use of a trailer to carry passengers for reward.

A case arose during the course of 2013 in which the Road Safety Authority issued a permit for what is commonly referred to as a road-train. This issue was brought to my attention by Deputy Pat Deering. A road-train is a combination of vehicles comprising a drawing unit and three trailers styled as a train. This is a novelty service aimed mainly at the leisure and tourism market. Members may be familiar with a number of them that are operating around the country. Despite having authorisation from the RSA, the person seeking to develop the new road-train service encountered difficulties in obtaining a public service vehicle licence, which is a requirement under the Road Traffic Act 1961. An Garda Síochána refused to grant a large public service vehicle licence because the regulatory framework for public service vehicles provides only for the grant of such a licence for single vehicles. This was an entirely legitimate and legally correct decision on behalf of the Garda Síochána. However, this decision did highlight that there is shortcoming in the law, which, in the case mentioned, places an unjustifiable

obstacle in the way of a new business development that, among other things, has the potential to contribute to our tourism project.

I propose, therefore, to modify the definition of “public service vehicle” in the Road Traffic Act 1961 and the definition of “bus” in the Public Transport Regulation Act 2009 to resolve the anomalies in this legal framework. To cut a long story short this amendment will ensure that the Garda Síochána and RSA are on solid legal grounds in licensing tourist trains, which Members may have seen in Malahide, Kilkenny and other places around the country. The existing licensing framework in this area is ambiguous and these amendments seek to sort out the problem.

**Deputy Timmy Dooley:** While I support in principle what the Minister is trying to achieve, I am concerned that in providing in legislation capacity to deal with an isolated incident we are opening up opportunities which will allow enterprising individuals to compete more effectively with the standard taxi business. Are we in solving one problem creating opportunities for enterprising souls? I accept that is a difficult question to answer at this stage and that we may have to wait and see how the law is manipulated, if that is to happen. I am sure the Minister is prepared to amend the legislation if necessary to contain the scope of what is now being provided for.

**Deputy Dessie Ellis:** I, too, support the amendment in principle. Perhaps the Minister will clarify that this provision relates not to cars but to trailers attached thereto and so on and that, in the context of the promotion of car pooling, this provision will not be an issue.

**Deputy Pat Deering:** I thank the Minister for taking on board the concerns that arose last year in the particular case concerned. It was a case of over-the-top bureaucracy. The individual involved was in a position to provide many jobs and a service but because of a technicality could not do so.

**Deputy Leo Varadkar:** Deputy Dooley’s question has much to do with the law of unintended consequences. We do not believe that this provision can be used other than for the purpose intended. However, we cannot know that for sure. As a Road Traffic Bill is introduced pretty much every year, if an issue does arise the Bill can be amended. I do not foresee any issues arising but will keep a watchful eye on the situation lest one does arise.

Amendment agreed to.

Amendment No. 3 not moved.

**Deputy Leo Varadkar:** I move amendment No. 4:

In page 18, to delete lines 7 to 9 and substitute the following:

**“Amendment of section 2 of Public Transport Regulation Act 2009**

17. Section 2 of the Public Transport Regulation Act 2009 is amended in the definition of “bus” by inserting “or combination of vehicles” after “mechanically propelled vehicle”.”.

Amendment agreed to.

**Acting Chairman (Deputy Jerry Buttimer):** Amendments Nos. 5 and 6 are related and may be discussed together by agreement.

**Deputy Leo Varadkar:** I move amendment No. 5:

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In page 18, between lines 9 and 10, to insert the following:

**“Amendment of section 29 of Act of 2010 - fixed penalty notice**

**18.** Section 29 of the Act of 2010 is amended—

(a) in subsection (11)(e), by deleting “(not being a specified person)”, and

(b) in subsection (18A) (inserted by section 9 of the Road Traffic (No. 2) Act 2011), by inserting “or on behalf of” after “issued by”.

These are technical amendments, which were suggested by the Garda Síochána.

Amendment agreed to.

**Deputy Leo Varadkar:** I move amendment No. 6:

In page 18, between lines 9 and 10, to insert the following:

**“Amendment of section 38 of Act of 2010 - presumptions**

**19.** Section 38(2) of the Act of 2010 is amended—

(a) by inserting “or on behalf of” after “issued by”, and

(b) by deleting “, until the contrary is shown”.

Amendment agreed to.

**Deputy Leo Varadkar:** I move amendment No. 7:

In page 18, to delete lines 12 and 13 and substitute the following:

“(a) by substituting for subsection (6) the following:

“(6) In proceedings for an offence referred to in subsection (1) it shall be presumed, until the contrary is shown, that—

(a) the electronic or other apparatus used for tendering of evidence was provided, maintained and operated by a member of the Garda Síochána, or a person authorised under an agreement under subsection (7),

(b) the development, production and viewing of records produced by such apparatus was carried out by a member of the Garda Síochána, or a person authorised under an agreement under subsection (7), and

(c) subsection (3) has been complied with.”,

and”.

The Bill already contains two proposed changes to section 81 of the Road Traffic Act 2010. The Office of the Director of Public Prosecutions has since drawn my attention to a difficulty with section 81 of the 2010 Act, which I now propose to rectify. Section 81 deals with evidence in relation to speeding and certain other offences. The particular problem arising relates to photographs from speed cameras. Where cases go to court, the photographic evidence must be pro-

vided to the defendant in advance of the case. As matters stand, evidence in the form of a copy of the photographic evidence is generally automatically sent to the defendant by post. Where defendants appear in person in court, they are sometimes served with the evidence in person prior to commencement of the case. However, this is, as the law stands, no presumption that the evidence has been provided to the defendant. The DPP has found that in some cases defendants deny receiving the evidence or may not turn up in person at court, in which case the evidence cannot be provided to them. This results in delays and unnecessary difficulties in prosecutions.

I have considered the DPP's concerns and have agreed to amend section 81 to allow for a presumption, unless the contrary is shown, that evidence has been provided to the defendant in accordance with section 81. The amendment to section 18 will not affect the original aim of the section. This amendment is to augment the existing presumption in law that electronic apparatus for measuring speeds, such as a camera, is provided and maintained by a member of An Garda Síochána, adding that it is also a presumption that the apparatus is operated by a garda. In addition, I propose to correct an erroneous reference in section 81(9) of the 2010 Act, by way of substituting the reference therein to (3) and (7) with (4) and (7).

Amendment agreed to.

Bill reported with amendments and received for final consideration.

### **Road Traffic (No. 2) Bill 2013: Fifth Stage**

Question proposed: "That the Bill do now pass."

**Minister for Transport, Tourism and Sport (Deputy Leo Varadkar):** This is a very good Bill. It will help us to achieve further advances in road safety. As Deputies will be aware, we had an increase in the number of road deaths last year for the first time in several years and we are keen to turn that around in the year ahead.

I thank those in the Opposition in particular for their co-operation and for continuing the all-party approach when it comes to road safety. I thank the various Deputies in opposition and on the Government benches who helped to improve the legislation through their amendments and suggestions on Committee Stage. I thank the officials in my Department for the work they have done on the Bill, as well as the Road Safety Authority for its advice, the Garda Síochána, the Office of the Attorney General and the Office of the Parliamentary Counsel.

**Deputy Timmy Dooley:** On the passage of the Bill from the House I, too, wish to thank several people, including the Minister, for the open and inclusive way in which he has dealt with the Opposition and in taking amendments and allowing us access to his officials to bring forward the ideas we have had. While I will, to the best of my ability, continue the non-partisan approach to try to develop the legislative framework around road safety, it is right and fitting that we hold the Government to account, not so much the Minister concerned but the Minister for Justice and Equality, to ensure the appropriate level of Garda staffing is in place and to ensure the laws we pass in the House are enforced in a manner that ensures those among the travelling public take cognisance of the law. The public must realise that in breaking or breaching the law, the likelihood of being apprehended is real. The law must act as a deterrent rather than allowing the situation to develop, which I believe has happened in the past 12 months, whereby there has been a more relaxed approach by drivers. They have come to believe, as the chairman

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of the Road Safety Authority has clearly identified, that they will not be apprehended, caught or brought before the courts. Whether that is a reality or a perception is irrelevant because, as the Minister is aware, perception becomes reality. The fact is there has been an unprecedented rise in the past 12 months. I am still prepared to look at that as a blip in the overall statistical gamut. However, we will have to review that on an ongoing basis.

I look forward to working with the Minister, his officials and the Road Safety Authority in attempting, to the best of our ability in the House, to ensure the legislative framework continues to be updated and fit for purpose. In addition, I hope our efforts continue to highlight the importance of safety on the road. The benefit to society is clear in many ways, by saving lives and reducing the level of serious injury, which has, unfortunately, bedevilled many families, communities and counties.

**Deputy Dessie Ellis:** I, too, thank the Minister and his staff for all the information that has been passed to us and the way it has been handed over. It has made my job far easier. While we might disagree on small points, generally, this is a welcome Bill. It has hit many areas that have not been hit before, which is important. Ultimately, it is all about safety. The year thus far has started off rather badly in that regard. The RSA has referred to many problems with Garda cutbacks and problems with traffic, in particular the monitoring of speeding and so on.

I lost a friend in Mayo over Christmas. It struck home how bad it can be and the number of accidents we have had. Overall, in recent years, given all the measures that have been put in place, there has been great improvement. I have no wish to see us going backwards. Some of these measures not only address personal safety but the safety of vehicles, which is a major part of the problem we have with safety. It is not only a question of the person who is driving, it is a question of the vehicle as well as other factors, including the proper testing of vehicles to ensure we have the highest standards. A great deal of good work has been done here and I thank everyone for that.

Question put and agreed to.

### **Betting (Amendment) Bill 2013: Order for Second Stage**

Bill entitled an Act to make provision in relation to the licensing of bookmaking activities and, in particular, in relation to the conduct of bookmaking and bookmaking related operations by electronic means; for that and other purposes to amend the Betting Act 1931; to amend the Finance Act 2002; and to provide for matters connected therewith.

**Minister for Finance (Deputy Michael Noonan):** I move: “That Second Stage be taken now.”

Question put and agreed to.

### **Betting (Amendment) Bill 2013: Second Stage**

**Minister for Finance (Deputy Michael Noonan):** I move: “That the Bill be now read a Second Time.”

The Betting (Amendment) Bill 2013 was published in July last and was subject to a three month standstill period under the EU technical standards directive. During this time, several communications seeking clarification around aspects of the Bill were received from the Commission and responded to by my officials.

The Bill is designed to provide a regulatory system for remote bookmakers and betting intermediaries, otherwise known as betting exchanges, offering betting services in Ireland regardless of their location. In addition, it provides for a fair and equal treatment of all bookmakers, including traditional and remote, and betting exchanges offering services in Ireland.

Provision was made in the Finance Act 2011 for the taxation of remote bookmakers and betting exchanges, subject to a ministerial commencement order. This Bill seeks to bring all remote bookmakers and betting intermediaries into the licensing and taxation regime. The new licensing system for remote operators will serve the important public interest in preventing crime and protecting consumers against fraud and will ensure all businesses offering betting services from Ireland or to persons in Ireland are treated equally and regulated appropriately. For that purpose, the Bill amends the Betting Act 1931, which contains the existing provisions governing the licensing of bookmakers.

The Bill does not deal with the rate of duty on betting services, since that is more appropriate to Finance Acts, nor does it deal with the funding of the horse and greyhound industry, which is primarily a matter for my colleague, the Minister for Agriculture, Food and the Marine. I will go through the Bill and describe the main provisions.

Section 1 states that the principal Act is the Betting Act 1931. Section 2 provides for several amendments to certain definitions contained in the Betting Act 1931 and inserts new definitions to allow for the regulation of remote operations. Section 3 sets out the issue of residency of a body corporate and an unincorporated body of persons.

Section 4 replaces section 2 of the Betting Act 1931 and provides that it is an offence to act as a bookmaker, a remote bookmaker or remote betting intermediary without a licence. Furthermore, it makes it an offence for an unlicensed remote bookmaker or betting intermediary from outside the State to communicate or attempt to communicate with a person within the State for betting purposes. In addition, the section sets out the penalties for such an offence on summary conviction and on indictment. The section, as initiated, sets out the measures that may be taken by the Minister for Justice and Equality and the Revenue Commissioners in this regard.

Sections 5 and 6 insert a new section 2 into the principal Act, making it an offence where a person other than a licensed bookmaker, remote bookmaker or betting intermediary holds himself or herself out to be a licensed bookmaker, remote bookmaker or betting intermediary. The new sections provide for penalties associated with such offences and allow for the continuation of proceedings initiated under these sections in the absence of the person charged.

Sections 7 to 12, inclusive, set out the application process for a certificate that a person is a fit and proper person to hold a bookmaker's licence, a remote bookmaker's licence or a remote betting intermediary licence. In respect of a person ordinarily resident in the State, the application for a bookmaker's licence is made to the superintendent of the Garda Síochána for the district where the person resides or for the district where the bookmaker's premises is located. A person resident outside the State makes an application to the Minister for Justice and Equal-

ity. The application for a certificate of personal fitness to hold a remote bookmaker's licence or remote betting intermediary's licence is made to the Minister. These sections also provide a timeline for the issue of such certificates, the basis for refusing a certificate and penalties for making or providing false or misleading statements or information in the course of an application for a certificate. They also deal with the length of time a certificate of personal fitness remains in force and set out the reasons for and the basis under which a certificate may be revoked and the grounds for refusal or revocation of a certificate.

Sections 13 and 14 provide for the issue by the Revenue Commissioners of bookmaker, remote bookmaker and remote betting intermediary licences, the period of validity of which will be up to two years. These sections set out the requirements on the applicant, including a certificate of personal fitness and a tax clearance certificate, as well as the payment of the appropriate excise duty for the licence to the Revenue Commissioners. The bookmaker's licence allows the holder not only to carry on the business of bookmaker, but also to accept bets by remote means up to a certain value.

Sections 15 and 16 set out the obligations on an individual and a body corporate licence applicant or holder, first, to notify the Garda Síochána or the Minister for Justice and Equality of relevant convictions and, second, to notify the Minister of a change of name of the relevant officer in a body corporate. The section includes the time within which notification should take place and the penalties involved for failing to comply.

Sections 17 to 19, inclusive, provide that the Revenue Commissioners will publish the register of bookmaking offices on the Internet or in such other form as they consider appropriate. These sections also provide for the establishment, maintenance and publication of a register of licensed bookmakers, remote bookmaking operations of all remote bookmaker licences and remote betting intermediary licences by the Revenue Commissioners and stipulates the details to be included. It also provides for removal from the register where a licence is revoked.

Sections 20 and 21 deal with the appeals procedures following refusal to grant a certificate of personal fitness or a certificate of suitability of premises, or the revocation of such a certificate. Section 22 provides for the extension of the operation of a licence in certain circumstances where a new certificate of personal fitness has not issued, has been refused or is subject to appeal.

Section 23 deals with the revocation of licences by the District Court on the application of the Minister for Justice and Equality. The section also provides that the District Court, on making an order to revoke a licence, may also make orders regarding banking arrangements, advertising, sponsorship and the blocking of access to Internet sites.

Section 24 makes it an offence to use the premises for purposes other than bookmaking. Section 25 extends the opening hours for registered bookmakers' premises from 7 a.m. to 10 p.m. all year round. It also provides for penalties where these opening hours are contravened.

Sections 26 to 28, inclusive, extend the prohibition on betting for persons under the age of 18 to the remote sector and deal with under age persons on the premises as well as persons making false statements about their age.

Section 29 provides for an application by the Minister for Justice and Equality to the District Court to make orders where sections 2, 2A and 23 have been breached. This is designed to offer a means of enforcing compliance with a licence requirement and includes, *inter alia*, an order

that credit institutions do not transact business in regard to certain accounts used in the conduct of bookmaking and remote bookmaking, a prohibition on advertising and sponsorship, and a requirement on telecommunications service providers to block access to certain Internet sites.

Section 30 provides the means by which a notice or other document may be served under the Act. Section 31 provides that where an offence has been committed by a body corporate with the consent of an individual, that individual is also guilty of an offence and is liable to be proceeded against.

Section 32 inserts section 32D into the principal Act and provides that specific information may be provided to the Minister for Justice and Equality by the Revenue Commissioners and the Garda Síochána to allow him or her to carry out his or her functions under the Act. The section also allows the Minister to enter into administration co-operation arrangements with foreign statutory bodies.

Section 33 amends the Betting Act 1931 by inserting a section providing for the annulment of regulations made under the Act by the Oireachtas. Sections 34 to 37, inclusive, amend definitions provided for in Finance Acts and provide for technical amendments to the principal Act. Section 38 provides for the Short Title, collective citation and commencement of the Act.

A number of matters are under consideration which I may bring forward on Committee Stage, including changes to the respective roles of the Minister for Justice and Equality and the Revenue Commissioners around compliance issues. I will, of course, also give consideration to any constructive suggestions put forward during the debate.

**Deputy Michael McGrath:** I welcome the opportunity to contribute to the debate. The key element of this legislation is the provision to extend the applicability of the 1% betting duty applied in betting shops to telephone and Internet bets. This is very much an overdue piece of legislation as the Finance Act 2011 provided for to the extension of the betting duty subject to an appropriate licensing mechanism being put in place.

It has taken an inordinate length of time to achieve this. In the intervening three years, upwards of €4 billion in bets placed remotely have escaped the 1% betting duty, resulting in a loss to the Exchequer of some €40 million. At a time when the public finances are so stretched, we must question the reason for this extensive delay. Yesterday, the Minister for Public Expenditure and Reform, Deputy Brendan Howlin, launched a glossy public service reform plan and progress report. Given the amount of tax forgone as a result of the failure to put a new licensing regime in place, it is reasonable that we ask whether there was a justifiable cause for the delay that has occurred. Does the Minister, Deputy Noonan, expect the licensing process to be up and running this year and revenue to accrue to the State in 2014? If so, how does he propose to spend it?

Betting duty is a key source of funding for the horse and greyhound racing industry, but its relative importance in supporting the sector has declined in recent years. This occurred as recession took its toll on the overall level of betting and as technological and social developments resulted in more bets being placed remotely. It is very significant that betting duty now accounts for only half of the entire allocation to the horse and greyhound racing fund. It is understandable that the State would seek to support the horse industry as it is a vital source of employment. The Irish greyhound industry is by far and away ahead of its United Kingdom counterpart. Its success would not have been possible without the fixed 20% allocation from

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the horse and greyhound racing fund on an annual basis.

Separate entirely from the 6,000 or so people employed in the betting industry, it is estimated that in 2009 some 15,000 were employed in the thoroughbred industry in Ireland. This is a vital source of badly needed jobs, particularly in rural Ireland. It is important that the Minister for Agriculture, Food and the Marine should provide an update as to his future plans for the horse and greyhound racing fund. The amount of money allocated to the industry has fallen from a peak of €73 million in 2007 to €54 million this year. Is it the intention of Government that all or part of the approximate additional €14 million that will be raised as a result of this measure will accrue to the industry, or will the Minister for Finance reduce the Exchequer's contribution accordingly? Most people would agree that, in so far as is possible, the industry should be self-financing, particularly in these straitened times. If the current level of funding under the horse and greyhound racing fund is to be maintained, there will be a continuing need for a subvention of approximately €15 million from the central Exchequer.

*6 o'clock*

In the context of future financial planning and the need for certainty, the Government must answer certain questions.

The Minister does not appear to intend to take up the suggestion contained in the Indecon report of 2012 whereby the tax on betting would be increased by effective 2%, possibly by means of a 1% deduction from winning bets in addition to the 1% betting duty. Such a move could certainly have secured the funding model for the horse and greyhound industry for the years ahead. I would like the Minister to outline his views on the merits of increasing betting duty at this time. I am conscious that he must take account of the need to protect jobs in the domestic betting industry. In this regard and in welcoming the extension of the levy to online activity, I wish to sound a note of caution. There must be a level playing pitch for all operators, regardless of the level of duty applied. We refer a great deal to attracting foreign direct investment, and rightly so, but we sometimes fail to give adequate support to domestic companies. Within the betting and gaming industry we have two major domestic success stories, namely, Paddy Power and Boylesports. Paddy Power has grown to be a multinational in its own right, with over 2,000 employees in Ireland and a large and growing business overseas. In fact, two thirds of the company's profits are generated outside Ireland. In 2010 it paid €42 million in taxes to the Irish Exchequer, nearly half of which originated from business overseas. This amount to which I refer was more than the entire take from betting duty. The company's advertising model is certainly quirky and may overstep the mark occasionally. Arguably, it did so in the context of one recent campaign but in putting in place a tax regime for online betting we should be careful to ensure that compliant Irish-based companies will not be placed at a disadvantage relative to non-Irish operators.

I have no doubt that long-established foreign-owned bookmakers will be keen to fully comply with the legislation, when enacted. However, there is a danger that certain online operators might seek to circumvent the obligation to pay the duty and thereby gain an advantage over their rivals. I hope the regime that is being put in place will be sufficiently strong to prevent this from occurring. I ask the Minister, his officials and the Revenue to be alert to any potential leakage of financial proceeds offshore in this manner and to examine the possibility of putting in place measures to prevent anyone trying to circumvent the legislation. Other countries have strict controls in respect of online gambling and these prevent certain operators from entering the market. The US, despite being a generally deregulated economy, places severe

restriction on Internet gambling. France effectively has a state monopoly. The authorities in both countries are of the view that such measures are in their national interest. We should not be afraid to revisit the legislation should loopholes emerge when it is implemented.

The advent of betting exchanges was one of the most significant changes in the betting industry in the past ten years or so. In view of the fact that they have essentially been able to bet among themselves - this is facilitated by means of an exchange - punters have been able to cut out the traditional bookmaker and potentially obtain better odds for themselves. However, this is not without risk. Punters often complain that it is very difficult to back a winner and that giving people the chance to make money by betting on a horse, team or player to lose considerably increases the scope for unscrupulous individuals to make substantial sums of money. It is interesting to note that a midweek race at an English track involving prize money of as little as £2,000 can sometimes generate bets of over £1 million on the exchanges. The fact that it is a great deal easier to pick a loser rather than a winner is self-evident. In that context, there have been a number of high profile cases whereby people with inside information that a fancied horse would not be trying too hard to win a particular race made huge sums of money from placing their bets accordingly. This is a potentially huge threat to the integrity of the racing industry worldwide. There have also been reports of betting syndicates making enormous sums of money from insider knowledge relating to snooker and football.

Remote betting organisations do not currently need certificates of personal fitness or bookmaking licences in order to offer Irish residents bookmaking services over the phone or via the Internet. Section 14 requires bookmakers who want to operate in Ireland remotely to apply for and receive a remote bookmakers licence. Those offering remote services that allow individuals to bet against each other must have a remote betting intermediary's licence. I welcome this provision but I want a rigorous enforcement mechanism to be put in place in parallel. The major exchanges have signed memorandums of understanding with various sporting bodies concerning the supply of information when suspicious activity takes place. This is a welcome development but it does not go far enough. There is potential for new entrants to the market operating from overseas to be less rigorous in their approach. If a particular operator is in any way seen as being lax in monitoring suspicious betting patterns, then that operator's licence should be revoked. I understand that the definition of a bookmaker could mean that some users of betting exchanges may need to apply for bookmaking licences. In using betting exchanges, it is possible for one to be the layer for multiple bets and essentially to be acting as a bookmaking business oneself. Where a person is effectively operating a business as an unlicensed bookmaker on an ongoing basis, this should be identified and he or she should be subject to the same duty as licensed bookmakers.

I wish to take this opportunity to comment on the on-course betting market in Ireland, which appears to be in near terminal decline. As well as providing the bread-and-butter activity of the horse racing industry, our racecourses are a key part of our tourism offering. In recent years on-course betting has fallen by 60%. Outside of the big festival meetings, it is now almost non-existent. This is bad news not just for racecourses but also for the horse racing industry. The fall-off in on-course activity reflects both the general decline in overall betting activity but also the fact that a considerable amount of such activity has moved online, a phenomenon with which on-course bookmakers find it very difficult to compete. If the on-course industry is to survive, it will be obliged to make changes and modernise how it does business. However, we should also review how the sector is taxed and regulated. If we lose on-course bookmakers, we will have lost a considerable element of the colour that makes Irish racing unique. I ask the

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Minister to consult his colleague, the Minister for Agriculture, Food and the Marine, in order to see what can be done before the on-course betting market is wiped out altogether.

This afternoon the Chief Whip published the legislative programme for the spring-summer session. I am deeply disappointed that the publication of the gambling control Bill has been pushed back to 2015. It is entirely possible that this legislation will not be enacted before the end of next year. While the regulation of gambling from a consumer protection point of view is not covered in the Bill before the House, it is disappointing that the Government has put gambling control on the long finger. While it will be collecting additional revenue this year and next from taxes on betting, it is failing in its duty to people who are vulnerable to problem gambling in the context of putting in place a proper legislative regime which provides the necessary protections. The societal consequences of gambling form a major part of the debate on this matter, particularly in the context of those who become so addicted to this activity that they often prioritise it above the need to meet essential financial requirements or obligations such as making mortgage repayments, paying day-to-day bills, etc. This is a problem and the sooner we acknowledge that fact the better. The Government should afford equal priority to the gambling control legislation and the Bill which is before the House. I would like the former to be brought forward as quickly as possible.

When the legislation to which I refer eventually comes before the House, I will be arguing that there is a need for tighter controls in the area of online gambling in particular. While responsible gambling is an enjoyable leisure activity for most punters, considerable numbers of individuals proceed to form an addiction. In the case of online betting, it is easy for this to be hidden from family and friends. It is simple to download an app to one's mobile phone in order that one can gamble at any hour of the day or night, unbeknownst to one's wife or partner. By engaging in such activity, one could be placing the financial future of one's family in jeopardy. There is a need for an honest debate on this matter. There is also a need for legislation of a particular kind to combat this problem, which is prevalent here and further afield. Anyone who watches an English Premier League soccer match or any other major sporting event on television or elsewhere is literally bombarded with the option to bet on all sorts of outcomes. This appears to be the predominant method of advertising used during the coverage of sporting events on television. I suggest that there is a need to introduce controls whereby a person opening a betting account would be required to specify the maximum loss he or she is willing to incur on a daily, weekly or monthly basis.

This is currently carried out on an opt-in basis and we need to review it. I would like to see a limit on the number of deposits a person can make with a personal debit or credit card over a determined time period.

The Bill provides for a potentially significant expansion of betting shop opening hours, about which I have reservations. It is true that people can bet around the clock by using a smart phone or iPad but I am unsure whether the extension of betting office opening hours will do anything positive for society in general. I am not sure there was much appetite among bookmakers for extending the opening hours but we need to hear their views. It is likely to increase costs for independent operators and make it more difficult for them to compete against the larger multiples.

I welcome the Bill, which is overdue. The additional revenue it will collect will be welcome. I have some reservations as outlined and I look forward to Committee Stage which will provide an opportunity to table amendments and to have a more detailed discussion on indi-

vidual sections of the Bill.

**Acting Chairman (Deputy Jerry Buttimer):** Deputy Pearse Doherty is sharing time with Deputy Seán Crowe.

**Deputy Pearse Doherty:** Sa chéad dul síos, cuirim fáilte roimh an mBille. Bille teicniúil atá ann ó thaobh na hearnála seo, ach níl dabht ar bith le roinnt blianta anois go bhfuil sé thar am agus muid ag fanacht ar sa Teach. Tá fhios againn gur tháinig sé aníos an chéad uair sa Bhille Airgeadais i 2011. Ó thaobh dul chun cinn ó shin, bhí sé ar an gclár oibríthe, an clár reachtaíochta, anuraidh. Is muid ag déileáil leis an gcoiste airgeadais, ábhar inní dúinn nach raibh sé i bhfeidhm. Níl dabht ar bith go bhfuil airgead cailte ag an Stát mar gheall ar nach raibh an Bille i bhfeidhm ó 2011. Tuigimid gur féidir €20 milliún in aghaidh na bliana a thabhairt isteach nuair a bheidh an Bille i bhfeidhm. Bhí ciorruithe €20 milliún ar dhaoine gan mhórán, agus is mór an trua é nach rabhamar ábalta an Bille seo a thógáil níos luaithe. Comhlachtaí móra agus comhlachtaí beaga atá i gceist anseo is iad ag glacadh le geall ar an idirlíon agus a leithéid. I mo thuairim, níl siad ag íoc an méid cheart.

Tá an Bille os comhair na Dála anois, agus is maith an rud é sin. Tabharfaidh Sinn Féin tacaíocht don Bhille. Ba cheart go mbeadh a leithéid ann. Mar atá ráite agam go mion is go minic, agus mar atá curtha chun tosaigh agam ar son mo pháirtí i ndoiciméad maidir leis an gcáinainéis, is féidir leis an ráta a ardú ó 1% go 3%. An plé a bhí againn anuraidh agus i mbliana ag an choiste airgeadais – bhí an tAire Hayes ag an gcoiste ag an am sin más buan mo chuimhne – agus an plean a bhí ann ná an reachtaíocht a fhoilsiú ar dtús agus go síleann an tAire go bhfuil scóip ann an ráta a ardú amach anseo. Aontaím leis sin agus tá sé sin ceart go leor. Tá súil agam go dtarlóidh sin.

Ceann de na himníthe móra atá ag Sinn Féin ná conas a n-oibreofar seo. An mbeidh na hacmhainní ceart ann sa dóigh gur féidir cinntiú go bhfuil na dlíthe agus an reachtaíocht á chur i bhfeidhm? Beimid ag déileáil le daoine taobh amuigh den tír agus bhféidir go mbeadh siad ag obair in éadain an Bhille. Cén dóigh inar féidir linn iad a fháil ciontach más rud é nach bhfuil siad lonnaithe sa tír seo?

Is muid ag déileáil leis an Idirlíon, éiríonn rudaí iontach gasta agus aontaím leis an méid a dúirt an Teachta McGrath gur chóir súil géar a chineál ar an mBille agus go mbeadh athbhreithniú ann go rialta, ní hamháin in aghaidh bliana, ach in aghaidh gach cúpla mí chun a chinntiú nach bhfuil rudaí ag athrú agus go bhfuil an Bille ag oibriú i gceart. Más fiú é sin a dhéanamh, beidh tacaíocht ina leith ó Shinn Féin.

The Bill is welcome and long overdue. The previous version of the Bill sat on the Order Paper for well over a year. This legislation had its origins in the Finance Bill 2011 which provided for the intention to tax online betting and betting exchanges. There is no moral or economic argument for online betting and betting exchanges to remain outside the tax net.

I have raised this matter in the past and with the betting exchanges in private meetings. It is amazing that betting exchanges were not subject to VAT or to excise duties. It is very clear that betting exchanges are providing a service and therefore, should be subject to VAT. I have used parliamentary questions to the Minister to ask which legislation provides them with this exemption but I am still no clearer. For example, a betting exchange is a service which facilitates me placing a bet and Deputy Michael McGrath placing a bet and then puts the two of us together. Any other service would be subject to VAT.

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I have raised this issue previously with the Minister. A local supermarket is a very good employer in the community and contributes to the community through support and donations to community groups and school organisations. The supermarket was approached by a local charity to sell mass cards and it allowed some counter space to be provided for the sale of mass cards with all profits going to the local friary. The Revenue Commissioners took the view that even though the supermarket was not making any profit from the sale of the mass cards, it was subject to VAT since this practice commenced about ten years ago. The Revenue's view was that the shop offered a service which could increase business in the shop because it had facilitated the sale of mass cards by allowing the charity to benefit from the use of the counter space. The Revenue applied the letter of the law in that case but there can be no doubt that large betting exchanges which are heavily bank-rolled by multimillionaires in this State are offering a service. The betting exchange will put together two people who want to place a bet and the service-provider - Betdaq or whatever - takes a profit in the form of a commission, but VAT does not apply. The State has lost millions of euro because of this exemption. It is a question as to why the Revenue has never applied VAT to this service.

The Department of Justice and Equality is preparing the gambling control Bill. It is unfortunate that the two Bills are not being taken together because these issues are inter-related. The Rutland Centre has noted an increase in the number of problem gamblers availing of its service because of the availability of online gambling. Thanks to mobile telephones, gamblers now have a bookie in their pockets. I enjoy a punt now and again on big occasions. For all we know there could be a Deputy using an iPhone under the table in the Chamber to put a bet on a race.

It must be recognised that gambling is a choice and it causes societal harm. Many Members have a close affinity with the horse racing tradition. It is quite a while since I was in the Members' bar and I am not sure if the trophies are still in the corner which had been won by horses belonging to syndicates of Members. We all know about the Galway races and the infamous tent. People, in particular Irish people, have a very close affinity to horseracing, but it is a choice and something which is addictive. That addiction can lead to financial and social disaster for some. Not too long ago, betting duty was 10%. Today, many gamblers are paying no tax by gambling online.

Over recent months, we have discussed basic services - rights, in my view - such as the roof over one's head or water. The Government believes one should be taxed because one has a roof over one's head or because one has running water. However, in regard to these betting exchanges, until now the choice one had to participate was not taxed in an appropriate manner, outside of corporation tax. Accordingly, it must be taxed to reflect these facts.

Online bookies and betting exchanges operating outside the formal tax net must come to an end and the State is fully entitled to tax their earnings, as it is with the local bookies or any other business operating in the State. The question must be asked as to how much revenue the State has lost as a result of not bringing forward the Betting (Amendment) Bill to implement the Finance Act 2011.

We fully appreciate the importance of the bookmaking industry. The local bookie is an important part of the economic structure of many of our towns and villages and it is one we want to see continue. As I said, in our fully costed budget alternative for 2014, Sinn Féin proposed the rapid introduction of the main measures in this Bill and levying the betting tax at 3%. As I said, I know the Government is open to the idea of increasing this once the legislation is in place and I encourage it to do that as the resources are much-needed. That is a fair level at which

gambling should be taxed because gambling is discretionary spending and should be treated as such. Sinn Féin is not opposing this Bill because it is a sensible move and I look forward to dealing with the detail of it when it comes to Committee Stage.

The previous speaker raised the issue of the definition of “bookmaker” and said the term “layer of bets” should not be included. It has been raised with me, as I am sure it has been with Deputy Michael McGrath, who raised the same issue, that the current wording may exclude some layers who operate in non-traditional ways. Clearly, it is imperative that the definition of “bookmaker” is correct in order that as many people as possible are brought into the tax net and that the scope for a shady black market economy is limited.

As somebody who has facilitated different groups in holding so-called night at the races events, when I read the definition of “bookmaker”, I wondered whether people who hold such events for charity groups would be subject to the definition of “bookmaker”. The key word here is “business”. It must be in the course of one’s business that one would set odds, take bets and make a promise to pay out. I have never charged for holding night at the races events, but for anybody who charges €300 or €400 to do so, it is part of their business in that he or she sets odds, takes bets and pays out on those bets. Perhaps it is the intention that they are bookmakers, but in my view they are not but are businesses separate from what we know as traditional bookmakers.

The issue of VAT needs to be examined retrospectively or, at least we need clarification as to how that has happened. We will examine the detail on Committee Stage, including the licensing conditions and how important they are. Obviously, we want to encourage new entries into this market. Somebody from my county entered the market recently. We see one of the McEniff family, Seanie Mac, advertise on television quite regularly and we wish any local Irish entrepreneur every success in the future, but it is important the licensing regime is speedy and that we ensure the necessary requirements in this Bill are implemented effectively and without delay to allow new investors - entrepreneurs - to set up without delay.

Another issue raised with me is the record of some companies which have been found to be in violation of laws in other jurisdictions in which they are operating. What safeguards will be put in place to ensure international operators have a clean record? We know there is a requirement from the Minister for Justice and Equality but how far will his reach go in regard to this matter?

Currently, every last cent of tax from gambling in this State is going to fund the horse and greyhound racing industry. On top of that, the State tops up this fund from general taxation. There is a question as to how the Minister sees the Bill affecting the funding model in the future. Does he believe that with the introduction of this Bill there will be no need for an increase from general taxation to that fund? Does he believe the proceeds from this legislation should go into the fund regardless of how much they are or will some be diverted into other expenditure?

Until 2002, the revenue raised by betting duty matched the contribution from the Exchequer to the horse and greyhound industry, but since then the State has had to top it up to a considerable extent. In 2012, betting duty amounted to only 48% of the funding. I fully appreciate the economic benefits these industries bring to the economy. The Indecon report from 2012 stated that more than 20,000 people are employed by the horseracing industry alone.

There is, however, a genuine question about ring-fencing some of the revenue for the treat-

ment of gambling addiction and awareness programmes. It would be a very sensible measure for this Minister to announce. Of late, there have been many high profile cases of prominent sports people who have struggled with a gambling addiction, and there is a question as to what hope this Bill will bring to them when we know that the gambling control Bill has been put on the long finger.

The core of this Bill is worthy of support. There are areas which I hope we can tease out on Committee Stage and we will do that in an open, honest and frank way. I thank the Minister for bringing this Bill forward.

**Deputy Seán Crowe:** I welcome the opportunity to speak on this Betting (Amendment) Bill 2013. I suppose some people will say this is another advance for the nanny state, that it is taxing the working man, that there are few pleasures left in life, that it started off taxing the pint and now it will tax bets. However, it is welcome we are bringing forward this legislation to tax online bookies and betting exchanges. I suppose, like other speakers, I have listened out for comment on this debate but I have not heard any moral or economic arguments that these services should remain outside the tax net. The big question people will ask following the introduction of this legislation is why it was not introduced years ago. I do not know if there were difficulties, if there was a lack of political will or if this Government sees this as a potential cash cow. I would like to think the Government recognises the difficulties and dangers and that more people in society are being sucked into gambling.

As other speakers said, the Department of Justice and Equality is working on a gambling control Bill which will deal with many of the issues affecting those who are addicted to gambling. As previous speakers have said and speakers who will follow me will say, many people will not understand why we are separating the two Bills. It will cause difficulties. We are possibly talking about next year before the gambling control Bill is introduced, which is a big negative in this regard.

I support the Bill which is of the utmost importance because gambling addiction has negatively affected thousands of families in Ireland. I do not believe there is anyone in this House who does not know a family or an individual who has not been affected by gambling. This is of the utmost importance because gambling addiction is on the increase. I do not know whether that is due to easier access.

A number of years ago, in particular in the Dublin area, we had the one-arm bandit gambling machines but they are not seen as much around the city because legislation was passed by the local authorities to ban them. In the 1970s and 1980s, we had the slot machines and the poker machines. I remember during the 1970s and 1980s, many pubs had a gambling machine - a slot machine or poker machine - in the corner. Unfortunately, these machines are popping up once again in many public houses and places where people gather. I have been calling for a long time for legislation which would stop the glamorising of gambling. I am in favour of the introduction of a health warning with regard to gambling activities and the provision of increased supports to gambling addicts.

Gambling is a choice. I am aware that many people enjoy placing modest bets. It must be emphasised that many people from all walks of society have gambling problems that have a negative effect on their families and loved ones. We all know of cases of people who are addicted to gambling. I have seen people gambling their entire wages on games of snooker, poker or football. The advent of online gambling - others have spoken about gambling applications

- makes it much easier for people to engage in this activity. When one went into certain pubs in Dublin many years ago, when there was a lack of gambling opportunities in the neighbourhood, one would see someone in the corner who was willing to take bets and bring them on. While this is another example of something that has faded away, one can still see bookie docketts in many places right across Ireland as agreements with local bookies are still in place to facilitate gambling. While it is right that a big debate is taking place about the drinks industry's association with sport, I cannot understand why the same level of concern is not being expressed as part of a discussion about gambling and sport. Other Deputies have spoken about the advertisements that appear during the break in a football match. We are reminded that a certain player was 2/1 to score the first goal, and that one could have won a certain amount of money by backing him to do so. All of this sucks people into the gambling culture. It is almost as if the football match is a separate matter.

**Deputy Finian McGrath:** The Deputy is showing that he is anti-craic.

**Deputy Seán Crowe:** The easy accessibility and normalisation of online and offline betting is a curse for many families and individuals. We all have experiences involving young people who have gone online and used credit cards. Women and men participate in this activity at all hours of the night. Huge bills arrive months later. This is another difficulty that families have. Other countries have ensured gambling advertisements are followed by health warnings. This was drawn to my attention recently by a German woman whose son has an addiction. She told me that a moratorium applies to gambling advertisements in her country. She gave me an example. She said that an RTE feature on the support offered by the Rutland Centre, which deals with addiction, was recently followed by an advertisement for a well-known bookie. I heard the advertisement in question on the same day. It highlighted the benefits of betting and all the great things that can come from placing a bet. There was no health warning and no reference to the negative impact of gambling on families. If we accept that certain dangers are associated with gambling, we need to follow the German approach by updating our laws to regulate advertisements in this area. I suggest that the issue we are talking about should be linked to the gambling control legislation. That is probably a debate for another day.

I am glad the Government is recognising that gambling addiction is a serious issue. I welcome the work that is being done to introduce regulations in this regard and to bring online bookies and betting exchanges into the tax net. Online and offline gambling can bring short-term joy to some people. Unfortunately, many lives have been left destroyed by this addiction. It is time for us to legislate to tackle the gambling addiction crisis that is facing society. Accordingly, gambling must be taxed to reflect these facts. Online bookies and betting exchanges should not be allowed any longer to operate outside the normal tax net. The State is fully entitled to take a share of their earnings, just as it does in the case of a local bookie or any other business operating in the State, and it should do so. In our recent budget proposals for 2014, we argued that the main measures in this Bill, which we support, should be introduced rapidly. We have proposed that the betting tax should be levied at 3%. I would like the tax revenues raised by the Government as a result of this Bill to be reinvested to a large extent in addiction services, with a particular focus on gambling addiction. My colleague, Deputy Pearse Doherty, has dealt with some of the concerns we have regarding this legislation. We look forward to the discussion on the detail of the Bill.

I would like to mention some other aspects of this issue. Reference has been made to what was happening in the Galway tent. We know that all sorts of financial agreements were made in that regard. In recent years, we have heard about criminal involvement in placing bets. People

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use gambling as a means of laundering money. Now that online betting is to be taxed, it will probably be used as a means of proving that money was raised legitimately. I suppose there are positives and negatives in this approach. Someone will probably take advantage of it. Some Deputies suggested that smaller bookies might go out of business as a result of what is being done. I am more concerned about the effect of the spread of gambling. If we can put up some sort of barrier that prevents young people, in particular, from getting involved in gambling, this will be a positive measure. I began by saying that people will see this as a further extension of the nanny state. I think the imposition of a tax on this activity is a positive move. As gambling continues to grow, its effects on society are getting worse. We need to do something. If some good can come out of taxing the gambling industry, it will be a positive thing for society. If we ignore the industry and let it develop the way it is going, things will get worse. My feeling is for the families of those individuals who are addicted to gambling. This Bill will not help them, but I hope the other legislation that is to be introduced next year will resolve some of these issues.

**Deputy Finian McGrath:** I would like to share time with Deputies Healy-Rae and Mathews.

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

**Deputy Finian McGrath:** I am pleased to have an opportunity to speak on the Betting (Amendment) Bill 2013. I welcome the debate on this important issue for society. My view on this legislation differs from that of many of my colleagues who have spoken during this debate. It is important to have a fair and balanced look at this Bill. There are still people who want to stop people from having fun by putting a few bob on a horse, a match or a game of cards. The nanny state brigade should never be allowed to hinder or penalise the regular moderate punter who wants to put on a bet. It is important to stand up for the silent majority in this debate. I refer to those who simply want to have a bit of fun, make a contribution in tax and, above all, generate and create jobs. It is very important we say this during the debate.

**Deputy Michael Noonan:** The Deputy has gone populist.

**Deputy Seán Crowe:** He took the same approach to the smoking ban.

**Deputy Finian McGrath:** That is the balanced view. We should never allow a vocal and negative minority, or a vested interest group, to stop this type of leisure activity. That is the bottom line. I will deal later with the addiction issue that has been mentioned by my colleague, Deputy Crowe. I agree with him on that issue. I will come to that after I have focused on the nuts and bolts of this legislation.

It is important we look at the economic side of this issue. It should be the most important part of any debate in this country at present. I refer to what is going on in the Irish thoroughbred horse industry, for example. It is estimated the industry was worth some €1.2 billion to the economy in 2008. This figure decreased to approximately €900 million in 2010. It is estimated that some 15,084 people were working in the industry, excluding the betting sector, in 2008. A total of 6,100 were employed in the breeding sector and 6,300 in the racing sector, with 2,650 others employed in the sector in 2008. Those are the figures and that is the economic reality of this debate. It was estimated that in 2010 the number of jobs in the sector had fallen by more than 3,700 and stood at 17,351. Approximately 2,000 jobs were lost in the breeding sector, 1,000 in the racing sector and 700 in others areas. Having a good strong horse industry creates jobs and people have a bit of fun. What is wrong with that?

Approximately 11,000 people are directly and indirectly employed in the greyhound in-

dustry and it is estimated to be responsible for more than €500 million in economic turnover. These jobs represent a broad spread of different employment types across the greyhound and horse sectors, and thus there may be some double counting in these figures. There are 14,000 greyhounds in training and the annual spending associated with the breeding, rearing, training and racing of greyhounds amounts to some €64.4 million. The greyhound industry also has a significant export dimension with 8,000 dogs exported to Britain. When discussing the Betting (Amendment) Bill we also need to focus on the other side.

I accept the concerns of my colleagues on the addiction issue. We need to look seriously at the issue which is why I strongly support the radical proposals and also the issue of regulation. We need to have that in place for safeguards because we must accept that some people are vulnerable. However, we cannot blame the vast majority of moderate people. I have a couple of bets a week on football or horses. I enjoy it and I do it in a moderate way. That is how most people do it and that is how life is. It is like alcohol addiction. Some people like to go out for a pint and have a chat with their neighbours and friends. There is no reason for blaming alcohol for the problems other people have in society. We need to ensure we do not blame the moderate person for the actions of a minority of others.

A friend of mine recently suggested to me that because of mass unemployment and poverty, some people are very vulnerable to putting money on in the bookies in the morning or late at night hoping they will win a huge sum of money to feed their families. While this is something, the way to deal with that is to deal with the issue of unemployment and create jobs. I mentioned some of the statistics earlier. The jobs issue is crucial to dealing with that issue.

I welcome the regulation because I know from experience that we need to be very conscious of what goes on in the criminal underclass. I am concerned at the number of innocent people who were cut down in the streets in recent days and nobody seems to bat an eyelid about them. In the city of Dublin I am also concerned that the criminal gangs are using bookie shops to launder some of their money. It is important to mention these real issues while debating this legislation because they form the heart and soul of legislation. When dealing with legislation in the Dáil, it is wrong not to take into consideration the consequences for the citizens of the State, including jobs, mass unemployment, poverty and other such issues. That is where we are going wrong and we need to focus on that every day of our lives in the Oireachtas. That is why it is very important that Members of the Oireachtas stay in touch with people on the ground.

I am delighted to see the Minister for Finance in the Chamber today. I believe he is a man who likes the odd bet or two, but I will not go there. The Finance Act 2011 extended betting duty to online and offshore telephone betting. Prior to commencing the extension of betting duty, however, a new licensing regime for online or remote betting needed to be put in place. The Betting (Amendment) Bill 2013 introduces this new licensing system. The new system creates two new licences: a remote bookmaker's licence for those offering normal bookmaking services by remote means, and a remote betting intermediaries licence for those offering betting exchange services that allow individuals to bet against each other with no risk to the intermediary.

The Betting (Amendment) Bill was published in July 2012 and the work continued right on to 2013. The work was then passed on to the European Commission on 18 July 2013. Once the Act is commenced, the taking of bets from Irish residents by remote means will be an offence unless the taker has a remote bookmaker's licence or a remote betting intermediary's licence. I warmly welcome that very positive development, which is why I am supporting the legislation.

A person with an ordinary bookmaker's licence can also take bets by remote means up to a certain value of betting turnover - €250,000 or 10% of total betting turnover, whichever is lower. This will be enforced by the Minister for Justice and Equality sending a notice to non-compliant remote bookmakers or remote betting intermediaries outlining their breach of the law and the remedies available to them to end their non-compliance. As I mentioned earlier, the role of the Minister for Justice and Equality regarding the criminal gangs is important and also regarding the enforcement of the legislation. If they fail to take action, the Minister can prosecute them in the District Court or a higher court, or ask the District Court to order that credit institutions cease to transact with them, or prohibit them advertising or sponsoring sports events, or order telecoms and Internet service providers to block access to their Internet websites. That is a strong and decisive provision in the legislation, which is what we need when dealing with this issue and regulation.

The Bill makes a number of other changes to the current application system for a bookmaker's licence and replicates these changes for the new remote licences. These include allowing corporate bodies, that is, companies, to hold a bookmaker's licences for the first time and updating the factors a Garda superintendent or the Minister for Justice and Equality can consider when making a judgment on an application for a certificate of personal fitness. This certificate is needed to apply for a bookmaker's licence. It is important to have this kind of strong legislation. We do not want the wrong people getting involved in this industry, as happened in the past in the US and countries in Europe. This is something we need to deal with.

Other changes the Bill include longer opening hours for registered bookmaking offices, new registers of those with licences and permits under the Betting Acts and providing for these registers to be published online, prohibiting online betting by those aged under 18, and defining the term "bookmaker" in legislation for the first time. There has also been a row about this because some people believe bookmakers should not have longer opening hours. People in life have choices and if they want to have a bet when it suits them, they should be given that choice. People with a major view or a vested interest should not be allowed to block people going in and putting a few bob on a football match if it starts at 7.30 p.m. or it is half-time in a match and they want to have a bit of fun with neighbours and friends. While regulation is important, let us be open and flexible.

The main purpose of the Bill is to license remote betting operators in order to extend betting duty to remote betting by Irish residents. This extension should raise approximately €14 million per year in additional betting duty revenue if all remote betting is channelled through compliant operators. The Minister for Finance should be rubbing his hands in glee that approximately €14 million can be brought in. Let us look at those ideas rather than looking at other old-fashioned conservative ideas. If people are prepared to put money on the horses or a match, there is nothing wrong with taxing them. In times of recession there is nothing wrong with considering increasing those taxes because they are leisure activities and people will not whinge too much about it whereas they might complain about other serious issues in their household bills, etc. Currently, betting duty revenue with an additional subsidy goes to the Horse and Greyhound Racing Fund. This fund distributes money to Horse Racing Ireland and Bord na gCon to develop the horse and greyhound industries in Ireland. This includes funding racecourse development, distribution of prize money, and regulating and promoting the industries. In most countries, income from the betting sector is used in some way to fund the horse and greyhound industries. However, over recent years the revenue from betting duty on off-course betting has declined as online betting increased and the economic situation worsened.

This has meant that the additional subsidy from other resources to the horse and greyhound sector has increased while the overall level of funding has declined. We have to react to changing economic circumstances.

I welcome the legislation. It is very important to have regulation. It is also important to have common sense in all legislation because a Bill such as the Betting (Amendment) Bill 2013 deals not only with people having a nice leisure activity but also with potential to help the economy, when one considers the number of people directly employed in all of these industries. We must find new and modern ways to develop jobs without taking some of the more conservative approaches to betting. I welcome the legislation. It is sensible and I will support it.

**Deputy Michael Healy-Rae:** I thank very sincerely Deputy Finian McGrath, Deputy Maureen Sullivan and the Technical Group for allowing me some of their speaking time.

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

**Deputy Michael Healy-Rae:** I am grateful for that. I am glad to support the Betting (Amendment) Bill 2013. I thank the Minister for Finance very sincerely for bringing it before the House. I mean that. Deputy Finian McGrath is 100% right, nobody wants a nanny state. I know the Minister does not. Nobody wants to stop people enjoying themselves. I know the Minister does not. Nobody wants to hinder people's practices. When we were youngsters there was a local bookie in our community. I would like to put his name on the record of the Dáil. My friend, Mr Timmy O'Leary, a respectable local bookie in Main Street, Kenmare, County Kerry, was our only bookie. The Minister talks about regulation. Timmy O'Leary was mister regulation himself. If somebody came to him who was intoxicated or should not have been placing a bet, or wanted to place a bet over and above the odds they should place, he had the self-regulation and self-control to refuse to accept it if he thought it was wrong or not appropriate because he knew what people were capable of paying. Unfortunately, the way the world has evolved, that type of self-regulation is becoming a thing of the past. I am very glad he is still in business and I hope he will be in business for a long time to come. He was what I would call one of the old regime of bookies who ensured that, while they had to make a living, being sole traders, they were in control of their own affairs and had a respectable name. They ensured that only appropriate activities took place. They would not allow a person who might have youngsters at home who were hungry to bet in their shops. They would never tolerate that.

The new licensing system for remote operators will serve the important public interest in preventing crime and protecting consumers against fraud and will ensure all businesses offering betting services from Ireland and to persons in Ireland are regulated appropriately. This Bill replaces the Betting Act 1931, and surely be to God it is good that there is a Minister replacing an Act from 1931 with one that is more appropriate to handling what we deal with today. I am no spoilsport, as the Minister knows, but the idea of somebody having an iPhone in one hand and perhaps a credit card in the other and fiddling with buttons and exchanging large sums of money, perhaps in bets, is not my idea of betting. I have to declare I do not bet at all. I am not a good man for that type of business. I would not keep the bookies going.

There has to be regulation. If we ever want to see what we should be doing, we should look at what has happened in other places before now, for example, how the betting industry in England has changed with the dreaded machines in bookies' shops. They are like a massive cash cow. If one studies the statistics, as I have, the amount of money bet on those machines is frightening. Even though they pay out a larger sum than the normal machines, the amount of

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money they take in is so vast, they can afford to give away an awful lot of money. We have to be very careful that the tax is taken. The Minister will seldom hear me say that I like to see tax taken on anything but he has to curb rogue traders and ensure online bookies and exchanges are taxed appropriately. It should not be the case that people, whoever they are, could make money and not pay tax. That is not the way of the world. The Minister is to be thanked for coming to the House with this Betting (Amendment) Bill 2013. Of course, there will be bits teased out on later Stages. I have read through the Bill and there are things with which I have small issues, but broadly speaking the Minister is doing the right thing. He deserves to be commended on that.

A myriad problems are coming down the road. When people are unemployed and have time on their hands, and if they have addictive personalities, they will go to the bookie or the pub or smoke cigarettes. We will have our differences on the plain packaging of cigarettes. That is wrong. I have my own reasons for thinking so, as one who has been a cigarette trader for more than 25 years. It will only lead to the further sale of illegal cigarettes. It will not help the situation one bit but will cause a lot of job losses in stores that sell cigarettes because people will buy them from illegal traders.

**An Leas-Cheann Comhairle:** The Deputy should stick to Betting (Amendment) Bill.

**Deputy Michael Healy-Rae:** I strayed on to addiction so I am going from one addiction to another. I think I can do that.

Broadly speaking, this Bill is welcome. I would have preferred if the modern world of betting had not come upon us in the way that it has over the past four years since the introduction of the iPhone. There is more technology in the iPhone than there was in the first craft that took men to the moon. That is a fact. That is what the Minister for Finance is up against. There has to be regulation. There has to be control. If money is being exchanged and bets are being placed with whatever type of remote operator, there has to be a tax take. Whatever money will accrue from it and whatever regulation has to be put in place to ensure it will happen must be put in place and the Minister will certainly have my support in doing so.

*7 o'clock*

Again, when I go back to reminiscing about the old system of bookies and bookmakers, they were a great group of people. The bookies who went to race meetings were highly respectable, honourable people, whose handshake and word was their bond. Like Deputy Finian McGrath, I would not want to stop anybody having fun and enjoying themselves. In Killarney, Tralee and Listowel, we have great race meetings every year which are a massive passive contributor to the finances of our country. It is a great sport and a massive industry. What the Minister is doing today, in my view, will neither hurt nor hinder that. All he is doing is trying to bring in regulation where regulation is required, bring in control where control is required and take a tax where a tax take is due. There is nothing wrong with that.

I wish the Minister and all Members every good luck and health and happiness in 2014.

**Deputy Peter Mathews:** I say “Well done” to the Minister for introducing this Bill. As Deputy Finian McGrath pointed out, it is a pity he did not go the full distance and also bring in the gambling control Bill, which is the behavioural dimension to the regulation side of things. We have heard in the debate from Deputy Healy-Rae how the apps that come on iPhones and other types of technology that people carry make betting so instantly and easily available and

accessible. There is no doubt it is an increasingly addictive behaviour. It has been shown scientifically and psychologically that this is a fact. If one combines the ease of accessibility of this particular pastime with the advertising persuasiveness and the glamorising of that activity, it is a very heady cocktail, and one that leads to a lot of unnecessary and avoidable misery for many families.

I want to put on the record that, in my constituency about a year ago, the Paddy Power organisation opened its new headquarter offices at Power Tower in Clonskeagh. I had to decline the invitation to be present at the opening of that premises by the Taoiseach because, in my heart and in my head, I knew that while it is persuasive to say that over the next two years there will be 500 jobs for graduates in mathematics, risk management and actuarial-type activity, the bottom line is that for those 500 jobs, there will be 5,000 families who will be brought to greater pain and financial difficulties through this activity.

It is right that there should be taxes on this. Deputy Finian McGrath said he has a nice, regular and moderate approach to the punting and betting he carries out, and I have no problem with that. However, there should be a tax on that activity at a level that is prohibitive. It is very easy to do this in the area of cigarette smoking, which is harmful, and cigarette selling, which is indirectly harmful. While betting can be enjoyed in moderation, all the evidence is that it becomes increasingly addictive and ingrained in the behaviour of people, particularly with on-line betting. The companies that organise these activities are highly sophisticated and run by highly qualified people with professional qualifications. It is taking candy off a kid - there is no doubt about it.

I am sure the Minister remembers the Kilmartin betting chain. Mr. P.J. Kilmartin, when he was aged 12, used to run for the patients in St. Vincent's Hospital on St. Stephen's Green up to Joe Byrne's bookie's with their bets. He noticed, at that young age, that he brought more money to Joe Byrne's than he took back. That is how he got involved in betting. That was very simple and straightforward, unsophisticated marketing of that activity.

We have to be honest about this. We have to bring it forward rather than kick it out. The vested interests will be persuasive. They will try to bend the Minister's elbow and try to frame the validation of their activities with all sorts of issues, such as that it supports horse racing and horse breeding. I remember, as a visitor to the Visitors Gallery in Dáil Éireann some years ago, listening to a speech by a socialist Deputy on the Bord na gCon legislation pointing out that the problem facing Irish society was not one that needed horses to be fitter and better for racing, but that needed children to have more financial support through the GAA clubs and other clubs for their activities to prevent obesity and ill health. That is correct.

We should be thinking in fundamental directions for this society to make it healthier and fairer and to distribute income. There is no doubt that those at the top are increasing the concentration of their wealth and, therefore, their power, and, therefore, their influence in society. Those who are less fortunate have become more burdened by indirect taxes and stealth taxes. I take the opportunity to remind the Minister that throughout my period before I earned my exit from Fine Gael, involuntarily, I used to point out that those on higher incomes should pay higher taxes and that corporates should pay taxes, as they will bear them. I hope the Taoiseach has read the book I gave him before Christmas, in which Joseph Stiglitz points this out with evidence and facts. It is not opinion. It is shown that economies that are more distributive will actually grow quicker and better economically as well as socially. That is a fact and one that should be taken on board. I implore the Minister, seriously, to take this on board.

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**An Leas-Cheann Comhairle:** Deputies Noel Harrington and James Bannon may share time. I call Deputy Harrington.

**Deputy Noel Harrington:** I welcome the Bill and welcome the opportunity to contribute to the discussion. My first point is that the betting and gaming industry is big business, and one that has changed fundamentally. To give an example, the small town in which I live in west Cork had no bookie's shop for some 80 years. In the last decade, a bookie's shop opened and created two jobs, and many things changed fundamentally. The vocabulary of some of our younger people completely changed. At one time, when a "yankee" was discussed, it was a long-lost cousin come back from Boston or New York. It is now something entirely different, and it is discussed with a confidence and a knowledge that would astound people my age and older who, quite frankly, have not a clue what people are talking about in terms of the dialogue surrounding gambling. When it comes into the lexicon and confronts people, it changes their attitudes and is very pervasive and addictive.

The idea that a duty should be paid on gambling is a very important one. However, if it is going to be levied on the off-course bookie shops, naturally, it is only fair that the playing field would be levelled and that some effort would be made to impose the same conditions on the online companies which are set up outside the State to allow them to carry on without being chased down for the duty that is quite reasonably levied on other bookies' shops. This is where the difficulty in the proposed legislation lies. It is right and correct to propose it but it will be very difficult to enforce it. I note that in much of the discussion around the legislation that enforcement will arise in court appearances and convictions *in absentia* but also in the restriction of financial or other services to companies that do not obtain licences. I do not know how far you can bring that. Do you have to go to other jurisdictions to enforce that type of punishment or measure against a company that is not in this State? It will be very difficult. I believe the existing companies - those that are legitimately set up in this country - will be watching how we propose to enforce the new legislation.

One cannot talk about this Bill without talking about the gambling control Bill in respect of how the nature of the business and not just the duties will be discussed. We need a fundamental debate about the betting industry. It is often mentioned how the industry funds the horse and greyhound racing industries and rightly so because they are huge industries which between them employ almost 30,000 people in this country and have an economic turnover somewhere just south of €2 billion per annum. To ignore that would be reckless and they are entitled to be supported. The anomaly here is that when somebody goes to a bookie's shop or places bets online using their smartphone, they place bets on a wide range of activities and sports which do not get the same attention. The model that is being looked at where the duty comes into the Exchequer is too closely linked in commentary to the horse and greyhound racing industries. I firmly believe those industries are entitled to the support they get from the Exchequer but the commentary links them too closely to the betting duty. Other activities should be looked at for supports and they do get support through sports capital funds. I notice that more and more betting is done on politics. Perhaps we should all be looking for a slice of the action and get some extra support from the betting duty. Of course, that is being a bit facetious but it highlights the old story about somebody betting on two flies up against the wall. If the technology is there that would almost allow anybody anywhere to bet on anything at any time in any part of the world, it is absolutely extraordinary and a challenge the agencies will need to address. In respect of the gambling industry, it may come to pass that some independent regulator may have to be set up - perhaps not at this stage. The rate and growth within the betting industry through technol-

ogy is significant, the technology is changing all the time, it is very hard to keep ahead of it and there may come a time when this has to happen.

We see it every day, not just in bookie's shops. Turn on the television or the radio and you will be invited by the presenter to make a phone call and answer what is a very easy question to draw in as many people as possible at €1.50 per minute to challenge for a prize or gift whose value we do not know. It might be 1%, 10% or 50% of the income generated by the telephone calls they have solicited. That is gambling - there is no other word for it - but we do not know how much money is being generated by the people in their homes who pick up the phone and dial their premium rate numbers to take part in these competitions for a bit of a punt that they will enjoy. Is the State entitled to a duty or tax on that sort of activity?

The Minister may be aware of this. Everyone of us has had a history of this where people present themselves to banks for mortgages or loans and have an online betting account in their statement. That is the end of that. The bank manager will look at that and say "well, okay, here we go." They will be very careful about giving out any finance to this person. More advice should be given to people on how they set up online gambling accounts. People do not realise that there are hidden consequences. Obviously, that may be part of the Gambling Control Bill and not part of this Bill.

Deputy Healy-Rae mentioned the machines in bookie's shops and pubs. This is probably part of the Gambling Control Bill but it is very important that there are some curbs because they are mushrooming around the country and are in places where people are most vulnerable. After you have had a few drinks, you are more inclined to start throwing money into a machine than you would normally be. We must be very careful about where these machines are. I am not saying they should be banned but they should be licensed and regulated in the right place. That is what this comes down to. It is about proper licensing and regulation irrespective of whether it is a bookie's shop, an operator of poker machines, a betting exchange or a national or international online company. I welcome the Betting (Amendment) Bill because it makes a genuine effort to level the playing field and generate extra tax income, which is always welcome and which will hopefully support further our horse and greyhound racing industries but also go further and support the other activities the betting industry feeds from.

**Deputy James Bannon:** I compliment the Minister for bringing this legislation before the House, which is designed to ensure fair and equal treatment of all bookmakers and the betting exchanges offering services in almost every large and small town in Ireland. This legislation will also include bookmakers operating at point to point meetings and local and national racecourses throughout Ireland, including greyhound tracks. The point to points have already kicked off and indeed will run through the remainder of the winter and spring seasons. The Betting (Amendment) Bill 2013 introduces a new licensing system. Under the Finance Act 2011, betting duty was extended to online and off-shore telephone betting. Before this extension takes place, a new licensing regime for online betting needs to be put in place. This new system will create two new licences - the first being a remote bookmaker's licence for those offering normal bookmaking services by remote means and the second is a remote betting intermediaries' licence for those offering betting exchange services that allow individuals to bet against each other with no risk to the intermediary. This Bill will ensure that the taking of bets from Irish people by remote means will be an offence unless the betting agency has a remote bookmaker's licence or a remote betting intermediary's licence.

Many Irish bookmakers have set up overseas websites to allow Irish residents to gamble

online. As these websites are outside our jurisdiction, the companies do not pay the 1% betting tax. This alarms us all. Many commentators, including Horse Racing Ireland, blame online betting for the fall in betting in bookmakers from €5.4 billion in 2006 to €3.7 billion in 2008 and €2.7 billion in 2011. These online operations are offshore and do not pay betting tax or other taxes, such as corporation tax, on their Irish profits.

I commend the landowners, particularly in the midlands, who give of their land so generously for field events, such as the point-to-point races I mentioned. Will the Minister consider the possibility of giving some sort of an allowance towards insurance for such events at some future date, as the cost of insurance is killing them off?

This Bill shows the Government's continued work in keeping a well regulated and up-to-date betting industry. Later this year, the gambling control Bill 2013 will be before the House. As mentioned by others, that Bill will modernise and reform gambling laws and regulate Internet gambling, which is basically unregulated in Ireland.

The Betting Act 1931 is the main legislation that regulates betting in Ireland, whereas the Finance Acts deal with the imposition and collection of betting duty rather than the regulation of betting. The Horse and Greyhound Racing Act 2001 removed the sections of the 1931 Act that made betting with individuals outside Ireland an offence. This effectively legalised Internet and telephone betting as long as a bookmaker operated offshore. This form of betting is not liable to betting duty. Remote betting organisations do not need certificates of personal fitness or bookmaking licences to offer Irish residents bookmaking services over the telephone or Internet. Therefore, remote betting is effectively unlicensed, unregulated and untaxed in Ireland. When this Bill and the gambling control Bill come into effect, remote betting will be brought under a levy and regulation remit.

The new licensing system for remote operators will serve the important public interest in preventing crime and protecting consumers against fraud and will ensure that all businesses offering betting services from Ireland or to persons in Ireland are regulated appropriately. Once the Bill is enacted, any bookmaker offering bets to punters within the State must be licensed to do so and must have paid the appropriate licence fee. Any such bets taken will be subject to betting duty.

The Bill will provide for the issuing of certificates of personal fitness by a Garda superintendent or the Minister for Justice and Equality as appropriate and updates the 1931 Act around the issue of licensing by the Revenue Commissioners. It also allows a traditional bookmaker to take bets by remote means up to a value of €250,000 or 10% of total turnover, whichever is lower. The enforcement of the Bill will be critical. If we fail to levy the new duty on overseas operators, it could give them a competitive advantage. It is important for current bookmakers that we create a level playing field where they are not disadvantaged by competition from online bookmakers.

I do not doubt that the Minister will address a further issue, that being, the betting industry's contribution to Ireland, which has been good for many years. In France, 9.6% of betting turnover is returned to racing, approximately 54% or 55% of training expenses are covered by prize moneys won and €35 million in premiums are distributed to the owners of horses bred in France. In France, all prize moneys have consistently increased during the past 14 years. In comparison, only 1.6% of betting turnover is returned to racing in Ireland and only 25% of expenses are covered by prize moneys won. Furthermore, prize moneys have decreased from

€60 million in 2008 to €45 million in 2012, a 25% fall. This is worrying, as a similar decrease in prize moneys contributed to the rapid collapse of the Italian thoroughbred industry in 2008. Compared with the UK, Ireland has 25% less net prize money per individual runner and 14.2% less net prize money per horse in training. The sector also receives less economic support per job - €4,096 per job versus €5,051 in the UK or €14,914 in France.

Deputy Finian McGrath addressed the greyhound industry and its benefits to the economy. The betting industry benefits from the support of a large segment of the public, including repeat visitors. Last year, for example, more than 3 million people attended football matches, be they Gaelic, soccer or rugby, and nearly 1.5 million people attended race meetings or point-to-points. These events are a unique blend of sport, hospitality and betting excitement and have been a part of Irish culture for hundreds of years. Horseracing is a source of national pride, as Ireland is globally recognised for its excellence in breeding and training, with Irish horses and jockeys constantly ranked among the best in the world.

A recent Ipsos MRBI survey showed that 80% of people felt strongly that horseracing played an important role in Irish heritage. Horseracing ranks as second only to rugby as the sport that provides Ireland with the most international prestige. This should always be remembered.

**An Leas-Cheann Comhairle:** I call Deputy Browne, who has just a short time before 7.30 p.m.

**Deputy John Browne:** How long do I have?

**An Leas-Cheann Comhairle:** One and a half minutes.

**Deputy John Browne:** It is probably long enough. I welcome the Bill before the House. Obviously, Fianna Fáil supports the extension of the betting duty to online bets. Coming from a county like Wexford, one must speak about the horse and greyhound industries. We have some great names involved in training, for example, Jim Bolger, Aidan O'Brien, Paul Nolan and Colm Murphy in terms of horses as well as the greyhound track in Enniscorthy, which provides a valuable outlet for the greyhound industry in the south east.

Betting shops have changed dramatically since I first started backing the odd horse or dog, which was neither today nor yesterday. Small towns usually had private bookmakers. Now, we have Ladbrokes, Paddy Power, Boylesports and all the major conglomerates dealing exclusively in the betting industry.

Debate adjourned.

## **Private Members' Business**

### **Irish Water: Motion [Private Members]**

**Deputy Barry Cowen:** I move:

That Dáil Éireann:

notes:

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— the critical role water plays in our social and economic infrastructure and the right of all citizens to access a safe, clean and sustainable water supply;

— the need for a comprehensive national water investment programme to improve, protect and maintain supplies to homes and industry throughout the country;

— that investment should specifically target ongoing leakage issues and the quality of water supplied to homes; and

— the vital part that a strong water infrastructure plays in attracting investment and promoting economic growth;

condemns:

— the scandalous overspend in the €100 million it has cost for the creation of Irish Water to date, in particular the €50 million going to consultancy fees;

— the complete lack of transparency in the establishment of Irish Water, as it does not currently fall under freedom of information legislation;

— the fact that Irish Water places a new layer of bureaucracy on top of the existing water services system with excessive spending on recruitment and consultancy fees which duplicate existing expertise;

— the financial pressures that democratically accountable local authorities face in being stripped of their water assets while being burdened with pension bills;

— the fact that home owners will face water charges from January 2015 despite the lack of a national audit of the water infrastructure and investment programme to ensure people are paying for a service that delivers; and

— the Government's decision to rush Irish Water legislation through the Houses of the Oireachtas without proper oversight or scrutiny;

rejects any moves towards the privatisation of Irish Water;

calls on the Government:

— to conduct an immediate value for money review to clarify the spending levels of Irish Water on consultancy fees; and

— to end the duplication of resources between Irish Water and local authority staff; and

calls:

— for the immediate extension of freedom of information legislation to cover Irish Water including its establishment period; and

— for a complete national audit of the water system and the roll out of a comprehensive water investment program to bring the service up to standard.

This motion is tabled in response to the ongoing failure of the Government to be accountable about Irish Water, its failure to be open and transparent, and its absolute and deliberate

shrouding in secrecy of the spiralling and out-of-control costs and spending in the establishment of Irish Water. Let there be doubt that if it were not for John Tierney's slip-up on Sean O'Rourke's radio programme last week, the public, the taxpayers and every Member of the Oireachtas would remain in the dark about the tsunami of spending endemic in Irish Water.

The setting up of Irish Water was a concept of the Fine Gael Party when it was in the Opposition; I believe it is on page 10 of the NewERA document which was produced in 2010. In Government, Fine Gael and the Labour Party proceeded to put this super quango in place as quickly as possible. They appointed Bord Gáis, seemingly due to all its internal expertise, central billing system, customer care base and customer base throughout the country. These major internal components were seemingly far superior to what might now be termed the "duked" Bord na Móna. Bord Gáis was used as the launch pad, against the advice of the PricewaterhouseCoopers, PwC, report sought by the Minister, Deputy Phil Hogan, which advised the opposite. The Minister was well able to micromanage that report, which cost €180,000, into the bin in his office.

What has ensued could be described as grotesque, unbelievable, bizarre and unprecedented. We are in GUBU territory here. This body was handed €11 billion worth of taxpayers' assets on 1 January. Preceding that, it was handed €1.1 billion in taxpayers' cash. There was €500 million for water metering, €180 million for set-up costs and €400 million was supposedly committed by Deputy Phil Hogan to the local authorities, but it was taken from them at the end of last year when the rug was pulled from under them. Then one wonders why Donegal was faced with such a dilemma last week in trying to strike a rate and set a budget to provide the type of services, commitments and goods that a local authority is expected to provide to those whom it serves.

The Minister, Deputy Hogan, says he should not be expected to micromanage €180 million. It is not as if we asking Phil the price of the new gym in the headquarters of Irish Water. We are talking about €85 million, almost 50% of the set-up cost of €180 million. The Minister and his Government want us to believe that he asked only one question, "How much do you want lads?" When they said, "Can we have €180 million?", he replied, "Sure you can. Collect it on the way out".

**Deputy Mattie McGrath:** Phil's cheque book.

**Deputy Barry Cowen:** Then we are led to believe that he went to the Cabinet to agree a budget for 2014. There were some heavy hitters facing him there, including Deputies Noonan, Howlin, Coveney, Varadkar, Burton and Bruton. They had only one question to ask of him, "Have you enough in €180 million, Phil?" Last week on Carlow radio, Phil feigned surprise at the €50 million figure, saying it was excessive, high and should not be the case. He said he would check it out and call in the people concerned to find out what was happening. The other Ministers, Deputies Coveney, Varadkar, Burton and Bruton also feigned surprise, because they remembered they did not ask any questions when it was before the Cabinet. The Tánaiste, Deputy Gilmore, said, "Oh, that is a very high price. That is a lot of money. We will have to check that out". He was not thinking that when Phil came to the Cabinet seeking €180 million to set up the biggest super quango we ever had.

If the Minister says now that he knew and did not tell us, that is bad enough. If the Cabinet and the Taoiseach knew and did not tell us and the Taoiseach did not answer questions, that is also bad enough. However, if they did not know and did not ask any questions, that is twice

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as bad. It is not only twice as bad for the Minister for the Environment, Community and Local Government, Deputy Phil Hogan, but it is twice as bad for everybody who sits at the Cabinet table with him.

There has been a litany of unanswered questions since the Taoiseach announced this Government decision. All the questions remained unanswered because the Government made sure there was a freedom of information ban in place in regard to this project. Unanswered questions lead to bad decisions, which are compounded further as time passes. The bad decisions in this case by the Minister, Deputy Phil Hogan, the Cabinet, Fine Gael, the Labour Party, Bord Gáis and Irish Water have contributed to what is undoubtedly a runaway train. The Government, despite its promise of a democratic revolution, has allowed the train that is Irish Water to career towards what will be a calamitous crash, and the carnage that will ensue will be borne by none other than the taxpayer when the first bills start to arrive next January. There has been one delay in the rush to get this quango in place, and that is the delay in charging. The Government had to make sure it happened after the local elections, like the guidelines on wind energy and the pylons decision. The attitude is to ensure they are after the local elections. The Government will take the hit, whatever it may be, in the meantime, because others might be associated with it too.

Of course, one hears the Minister, Deputy Hogan, and others, and even the Taoiseach earlier today say there will be a saving of €1.1 billion over the next seven years as a result of what is being done here. They tried to console us with a figure of €2 billion earlier in the week. Yesterday, when we met Irish Water executives, we heard the €2 billion figure as well. That bluster is nothing short of a graduation cap from the David Drumm school of economics. I fear and shudder to think of from where the figures are plucked.

Next January, taxpayers will not be paying for facilities, networks and systems that have been repaired, for replaced water mains in Dublin, whose water supply is and has been in crisis, or for a network that has upgraded mains or new supply. They will be paying the exorbitant costs of metering, the exorbitant cost of setting up Irish Water, the exorbitant cost of procurement in Irish Water, the exorbitant cost of IT in Irish Water, the exorbitant cost of the central billing system we heard so much about in Irish Water, the exorbitant cost of customer care and, of course, the unnecessary and unmicromanaged consultancy fees in Irish Water. Fat chance that they will be paying for a system that is fit for purpose or that at least has a detailed, costed and funded roadmap towards a system that will be fit for purpose and for which people will feel obliged to pay, safe in the knowledge that work or advancement is being carried out where it is necessary.

I have a question for Members and for those who are in their offices and did not bother to come to the House. What does the Minister for Finance have to say about this tsunami of spending? Before the Minister for Public Expenditure and Reform, Deputy Howlin, and his colleagues in the Labour Party and Fine Gael voted for this guillotined legislation in December, the Minister said that the ban on freedom of information would be lifted when it was practicable, which would be when this entity becomes a commercial entity and is charging Members and the taxpayer for what they are getting. Did one ever hear the like of it? He said there could be commercial sensitivities concerning the release of information about a State company, even though it has no competitors. He has come to some reason in recent days when he said it is to be done in this session.

The Taoiseach said today that it will be done soon. It could be done next week if the Government wished to do so. A Bill accompanying this motion seeks to lift the freedom of infor-

mation ban. It would also give the Comptroller and Auditor General authority to examine the books and spending that has become synonymous with Irish Water.

I have asked questions in this House on numerous occasions, as the Minister of State well knows. Questions have been asked during Leaders' Questions, Priority Questions and other parliamentary questions. The Taoiseach spoke earlier about the openness and transparency that exists, but where was he when questions were asked of him and his Cabinet on this issue? He did say he believed the Department of the Environment, Community and Local Government has apologised for not answering questions and not dealing with taxpayers' fears and concerns. We asked questions on behalf of those taxpayers but I have received no communication from the Department of the Environment, Community and Local Government to that effect and neither have my colleagues who asked similar questions.

I got no communication from the CEO or anybody else associated with Irish Water, although the Department said they would be in touch with me and others to address the very issues that are now in the public domain because of a slip up last Thursday. It is incumbent on somebody to take control of this matter and be accountable for it. They should explain what happens when a question is put by a Member of this House for the taxpayers who allowed that person the privilege of putting that question on their behalf.

The kernel of this matter is the abdication of responsibility by this Government and its representatives. It is not good enough for the Taoiseach almost to give the impression that nothing has gone wrong in this process. I hold him and his Cabinet colleagues as culpable for this sorry mess as the Minister, Deputy Phil Hogan. He asked one question: "How much do you want?" They asked of him: "Is it enough, Phil?" That is what we are supposed to believe, but I do not buy it and neither do the taxpayers. The Government went down this road at a pace and with a disregard for everybody who saw fit to ask a few questions. The Government now finds that Irish Water is an entity holding €11 billion worth of assets belonging to the taxpayer, but the taxpayer has lost confidence in that system. The taxpayer has also lost confidence in Irish Water's ability to carry out its duties due to the Government's lack of leadership.

There is no need for the Minister of State's colleagues to show surprise, as they did over the last week, about €50 million having been spent since last March. Not alone were they silent and complicit in that decision at Cabinet, they also marched their colleagues through the lobbies three times under the Whip with separate pieces of legislation pertaining to Irish Water. On the third occasion, the Government showed the worst contempt by rushing through legislation to satisfy the Minister, Deputy Hogan, Irish Water and anybody else associated with it. A commitment was made to hand over those assets on 1 January, but those are the people's assets.

In the heads of the Bill published last year there were at least some safeguards for the public. This model is similar to what happened in England where public water utilities were put together for privatisation down the road. Where were those safeguards when the legislation arrived here at the end of the last sitting just before Christmas? It came on the back of the Government's decision regarding the troika, which was billed as a victory. Where was the Government then? The Government marched its people through, hoodwinked them and duped them. They are the ones now shedding crocodile tears, and saying "This is wrong. It's not right." I have heard that from Deputy Humphreys, Deputy McNamara and Deputy Charles Flanagan in my constituency, but it is not on because they were all complicit in that bloody process. They will have to admit it quickly.

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If they really mean what they have been saying with the tears they have been shedding since the cat got out of the bag last week, they should support this motion. They should also support the freedom of information Bill, which will give authority to the Comptroller and Auditor General to question on behalf of the taxpayer every cent that is being spent by Irish Water. Maybe then the Government can begin the process of winning back public trust for this project.

**An Leas-Cheann Comhairle:** I call Deputy Keaveney who will be followed by Deputy Ó Cuív, Deputy Niall Collins and myself.

**Deputy Colm Keaveney:** I am informed that I have two additional minutes from Deputy Ó Cuív, with your permission a Leas-Cheann Comhairle.

For most of my adult life I have paid for water, so I value it as a resource. I have no objection to the principle of paying for water, but I am opposed to the Irish Water model that the Government has imposed on this country by legislation. It was rammed through the House at the latter end of the previous session.

I also believe in the importance of local democracy and the principle of subsidiarity, so I am opposed to stripping this function from local authorities. This action in itself has created an issue of accountability for the public. It has certainly damaged the perception of the acceptance of water charges across the country. As the Minister of State responsible for the NewERA project, I am sure that Deputy O'Dowd will agree with what I am going to say. In any venture of this kind, trust in the fairness of how it was established is essential for securing public support. However, recent events have damaged public confidence in Irish Water.

I have multiple concerns about this legislation and its implications. I wish to focus on the tendering process for the treatment of waste water. My concerns arise as a consequence of disturbing representations that were made to my office during the winter holidays. Contractors who have contacted me were too nervous to contact Government Deputies about their concerns with respect to the success of the tendering process. They raised matters with me that they felt they were unable to raise with the Department or with local Government Deputies.

The Minister of State may be aware of the multiple supplier framework provision of waste water management. It specifically laid out the conditions that would have to be met by contractors who wished to tender to provide services. Those tendering services were clearly set out by the environmental impairment liability insurance scheme, and a motor insurance scheme to a maximum indemnity of €6.5 million.

The Minister of State also knows that an online question and answer section existed, and that the only means by which an applicant was permitted to submit a query was online. All tenderers later had it clarified that the insurance would have to be in place first, prior to the tender being considered and the application being submitted. It is a fact that we can verify with documentation. Applicants had to incur considerable expense in putting in place the insurance. Up to €60,000 was required from financial institutions prior to Christmas to meet the upfront cost of meeting the tender requirements. It is important for the Minister of State to note that many contractors were put off applying because of this upfront cost.

The Minister of State will be aware that the deadline for submission of tenders was 29 November. Two weeks later, contractors received correspondence confirming that the insurance requirements had to be in place and that they had to revalidate that affirmation. On 18 December, a communication was issued that indicated that the requirement for the environmental

impairment liability insurance was to be dropped. Furthermore, the maximum indemnity limit for the motor insurance was to be reduced from €6.5 million to €1.3 million. Four days later, a communication indicating the successful tenders to be designated for consideration was issued. I find this timeline curious and have a number of questions for the Minister of State with respect to the decisions made. Why were the changes made? The Minister of State will have heard the Latin phrase *Cui bono?* Who benefited from those changes to the tender process? What company, which failed the original criteria, was successful following the changes that were made in Irish Water? How many potential tenderers decided not to participate because of the onerous insurance requirements set out on 18 December? How many of them decided not to proceed with the tender process because they could not secure the capital to secure the insurance premiums?

I cannot answer the foregoing questions but I am sure that the likely beneficiaries of any changes were companies that relied entirely on subcontractors to provide their services and who failed to satisfy the original criteria of the tender. Oddly, there is only one company that fulfils the nature of that characteristic. Coincidentally, one of its former managers is now responsible in Ernst & Young for the tender process we are now discussing. There has been much talk about the critical importance of securing public trust. I would be grateful if the Minister of State would comment tonight on the oddity that a consultant that has been provided for from the €50 million being bandied about is formerly an operator who is uniquely in a position to fulfil the criteria that were amended within the timeline set out and is now in fact the consultant who works in Ernst & Young and makes the decisions on these contracts.

**Deputy Éamon Ó Cuív:** Tá áthas orm go bhfuil deis agam cúpla focal a rá faoin gceist seo. The statement of the week is that of the Minister for the Environment, Community and Local Government, Deputy Hogan, when he said he only looks at the policy issues, not the detail of spending €50 million. I recall that when Members on that side of the House were over here they wanted us to account every day in this House for every patient in every hospital throughout the country. Day-in and day-out they wanted to know from us every detail, not of the big policy issues or issues reflecting €50 million, but of everything done by every semi-State body. We are now told by a Minister of this Government that he does not deal with issues relating to the spending of €50 million or €100 million and that he only lays down policy. That is incredible.

I accept that the Government backbenchers did not know that the Minister of State and Minister knew the position all along and that when they were voting blindly for what the Government was rushing through the Dáil they did so based on trust. However, they now know the truth. I expect that when a vote is called on this motion they will call on the Minister of State and Minister to account for this debacle.

I recall also that when the Health Service Executive was being established, the stated purpose of which was to address the inefficiency of having health boards across the country, the argument put forward by the then Opposition was that the HSE was a monster in terms of senior and middle management. As a member of that Government, I can assure the House that was never the intention. The intention was to bring together the health boards and to create a standard across the country, thus eliminating duplication, which is the same argument being put forward by the current Government in respect of Irish Water. When one is trying something out for the first time unforeseen issues can arise. However, this Government had the advantage of knowing what might happen. It knew there was a danger that when water services throughout the country were amalgamated what happened in the HSE might happen again. The Government was forewarned by the experience of the previous Government with the establishment of

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the Health Service Executive. As the saying goes, “Fool me once, shame on you; fool me twice, shame on me”.

I cannot understand how we have ended up in a situation whereby water services will in future be provided by the original staff plus an additional 500 new staff despite what we have been told by Government that the idea behind a national service is the elimination of duplication, resulting in savings. I predict that within three years from now a generous voluntary severance scheme will be introduced in order to reduce the number of staff to the number in place prior to the commencement of this fiasco. This will result in millions more euro having to be paid by people.

Perhaps the Minister of State will indicate the cost of one water meter. Is it €600? As I understand it, as there are approximately 1.6 million houses in the country the total cost of water metering is approximately €1 billion. The Government in spending €100 million on setting up Irish Water has added an additional €50 to people’s bills. They will also have to meet the cost of any future redundancy scheme, which I am sure the Minister of State will say tonight will not happen. All of this cost is to be met by the domestic water users in this country before they even get as much as 1 one litre of water from a tap.

I would like to make another prediction as a result of the arrangement which the Government has put in place. I see the advantage over time in building an integrated network of mains water across the country. The cryptosporidium outbreak in Galway would not have happened if we had already had such a network in place because we could have back-fed clean water in immediately. There is an argument to be made for an integrated mains system, similar to that in place for electricity. However, I predict that the part of this system that will not work is the domestic two, four and six inch pipes in rural Ireland and that, just as happens when problems arise with the telephone system, when something goes wrong with the water services they will be the longest waiting for a service. During the recent storms, the people in rural Ireland whose telephones were out of service had to wait more than a month for service to be restored.

**Deputy Mattie McGrath:** They are still waiting.

*8 o'clock*

**Deputy Éamon Ó Cuív:** I know of someone who lives in a valley with no mobile service and who has not had a telephone since 12 December, over one month ago. The same thing is going to happen under the system the Government has put in place, because when there is a centralised system we can be certain that investment in the parts furthest out and in the hardest terrain will be the last to get the service.

I was dealing with this issue until the Government pulled the plug on the scheme. There was a scheme under the CLÁR programme. We were bringing water to people in the last houses in the country. They have been dependent on wells but want water, like everyone else has it, through a pipe from mains with a proper treatment system. We were doing it. At little expense to the State we were finishing this problem off once and for all because I believe water is a basic right.

I seem to remember a certain Mr. Gilmore, whom the Minister of State may have heard of - he may have met him on his travels around Government Buildings - said he was against water charges because water was a necessity. He said he always believed essential services such as water should be delivered as a public service. However, the Government has refused to give

that basic public service to people in the remaining houses in the country who are dependent on wells of variable quality or on streams from hills for a supply. Often, they suffer from the problem of bad quality water and an intermittent supply if they get a drought.

**Deputy Niall Collins:** There is no doubt that this issue, as it has played out in the public airwaves and in the hearts and minds of the public in recent weeks and days, has done major damage to the confidence and trust in the political systems or what remains of them among the public. This is singularly damaging and it reflects badly on the Government. People are asking why their public representatives are being denied the opportunity to ask questions and hold the Government to account. Why is it that a brick wall has been put up, that the curtain has been pulled and that we have had this silence all along? It is simply not good enough.

With respect to the Minister of State, Deputy O'Dowd, I am unsure whether he has been fully in the loop about all that has happened all along. The Minister of State has been sent in to the House to front up for the Government tonight. The Minister for the Environment, Community and Local Government, Deputy Hogan, should make himself available tonight to try to clear up some of the questions. The public are deeply unhappy.

We have had the turn of the year and many of the measures in the budget have kicked in. Last week, we saw elderly people being discriminated against - that is the only way I can describe it. This relates to the housing aid for elderly people and the way the grant criteria have been re-engineered to discriminate against some people.

People have a fundamental distrust of this Government when it comes to accountability. We saw this as recently as the Seanad referendum. What was the message the people sent to the political establishment? They have no wish to see power centralised in a small number of hands. They want to see more accountability. They want to see the Taoiseach in the House answering questions like he should be doing, instead of narrowing the opportunity to be held to account and to hold the Government to account. They have no wish to see the Cabinet being run by the four-member Economic Management Council, which is accountable to no one. We have no idea what they discuss or what decisions they arrive at. We hear other Ministers saying they are excluded from discussions and decisions that are being taken by the Economic Management Council.

The whole system of accountability, holding the Government open to scrutiny and allowing us to question in the public interest is being fundamentally attacked by the Government. This was clearly demonstrated before Christmas with the freedom of information legislation. Members on this side of the House, including ourselves, put forward some perfectly reasonable amendments to open up Irish Water to scrutiny under the Freedom of Information Act. All the people, including Government backbenchers and Ministers, who now want to have accountability for Irish Water and who expressed surprise at the costs, voted against the proposal before Christmas. Now, they want to open it up. When we sought documents under the freedom of information legislation, the document I have before me is what we got. It has been entirely redacted and we cannot make any sense out of it.

When the Minister of State is responding on behalf of the Government, he should address several issues for us. The PricewaterhouseCoopers Government-commissioned report, which cost a good deal of money, recommended a new entity be established. Why was that not accepted? What rationale did the Minister, Deputy Hogan, and the Government come up with to reject the recommendations in that report? People want to know. Can the Minister of State tell

us why funds from the local property tax are being channelled into Irish Water? The people were told that the local property tax was to go towards the provision of local services through our local authorities, but that is not happening. Can the Minister of State tell us why the service level agreements between Irish Water were not discussed, debated or presented to local government members throughout the country as part of the estimates process before Christmas? They only arrived during the Christmas period and local authority managers signed off on them at that stage. There was no public debate, scrutiny or discussion around the matter. These service level agreements will feed into issues such as water quality, which was discussed in the House before Christmas, and other issues, including the free allowance and the standing charge.

**Deputy Michael P. Kitt:** I commend Deputy Barry Cowen on tabling this motion. People have been taken aback since Mr. John Tierney revealed the cost of setting up Irish Water and the €50 million mentioned in payments to consultants, which is now increasing further to €86 million. I had hoped that the Government and the Minister of State would have upgraded the network and brought it up to a certain standard. There are already leaks and home owners are unhappy with the service they have. There should be a better service; that is where we should start.

Payments are being made but fears are growing about delays in the roll-out of the water programme. There are also fears that Irish Water will charge more per unit for water if demand is not as high as anticipated. People who conserve water and do the responsible thing could end up facing higher charges as a result.

I cannot understand why there is a complete lack of transparency regarding the establishment of Irish Water. Up to now it has not fallen under the freedom of information legislation. The Taoiseach referred to the matter today. Deputy Cowen has a Bill which will deal with that. We should extend the freedom of information legislation to cover Irish Water, including the establishment period.

I regret that Irish Water is now presenting a new layer of bureaucracy on top of the existing water services system. I put it to the Minister of State that the costs involved contrast with the updating of rural water schemes. Group water schemes have been improved at a relatively low cost. I hope the Minister of State will clear up many of the issues that remain uncertain, especially the matter of the lack of information on the water allowance. Galway County Council has considered a 50,000 gallon maximum allowance based on a policy introduced in 1999. Instead, there is financial pressure on democratically-elected local authorities, which are being stripped of their water assets and burdened with pension bills. Home owners will face water charges from January 2015 despite the lack of a national audit of the water infrastructure and investment programme. Surely it is time for the Government to clear up exactly what is involved for the people who deal with group water schemes. If it is true that as few as 80,000 homes have been metered, then it looks as if a vast number of houses throughout the country will receive a flat charge, probably from next October. The Government should clarify whether subventions and subsidies will continue for domestic dwellings under group water schemes.

It is important to provide funding to local authorities from Irish Water to allow any group water schemes to be taken in charge, where those involved in the schemes wish them to be taken in charge, and become part of a public network. I hope the block grant will be announced early to fast-track new schemes and upgrade existing water and sewerage schemes. The current situation is one of uncertainty and a lack of clarity, including, for example, in regard to the metering of apartments. The revelations regarding consultancy fees come in the wake of similar events

relating to the Poolbeg incinerator project, the studies examining the provision of integrated ticketing for public transport in Dublin and the proposed siting of a national children's hospital at the Mater hospital, the latter involving an outlay of €32 million for design and procurement. The Minister must examine all of the issues, particularly in respect of rural areas where there is great uncertainty and where people have gone to the bother of making a significant investment in water schemes while continuing to pay water charges for group water schemes. These people deserve an answer.

The European Union water directive requires member states to ensure that water pricing policies provide adequate incentives to use water resources efficiently and ensure the recovery of the true cost of water services in an equitable manner. As it stands, however, we are faced with a lack of investment, disruption of supplies and threats to public health in Galway and elsewhere with the imposition of boil water notices. All citizens have a right to access a safe, clean and sustainable water supply. In addition, water infrastructure plays an important part in attracting investment and promoting economic growth. Indeed, it is a vital element of our social and economic infrastructure.

**Minister of State at the Department of the Environment, Community and Local Government (Deputy Fergus O'Dowd):** I propose to share time with Deputies Tom Barry and Michelle Mulherin.

**An Ceann Comhairle:** That is agreed.

**Deputy Fergus O'Dowd:** I move amendment No. 1:

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

- notes the critical importance of water services to the social and economic well-being of the State and its citizens, and the vital part that a strong water services system plays in attracting investment and promoting economic growth;

- welcomes the establishment of Irish Water as one of the largest elements of public sector reform under way in the State and acknowledges the fact that the creation of the utility will bring:

- more investment in the water infrastructure, to address leakages, improve resilience and water quality and expand to meet economic need - doubling the present level of investment within a number of years; and

- a more efficient operation, through use of consolidated asset management systems, IT systems, standard operating practices and availing of economies of scale;

- welcomes the provisions of the Water Services (No. 2) Act 2013 which precludes the privatisation of Irish Water and will ensure that water services infrastructure remains in public ownership;

- notes that the creation of the national water utility company has many benefits and welcomes the fact that this new approach will facilitate the doubling of capital investment, resulting in better quality water services and more jobs;

- recognises that a key underpinning of the major programme of water sector reform is the utilisation of expertise within the State sector to the maximum degree possible

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through leveraging Bord Gáis skills and systems and seconding staff from local authorities and the Department;

- acknowledges that the benefits accruing from the initial set-up costs will far outweigh the costs and provide long-term value for money for customers - the Minister has sought the advice of the Commission for Energy Regulation on this matter to validate the position;

- notes the commission's initial view that many of the costs presented to it are likely to be legitimate and will ultimately yield benefits and lower costs for consumers but that the commission is examining this matter further in the context of a fuller review of all of Irish Water's costs over the coming months - in accordance with best regulatory practice, the commission has indicated that it will consult fully on these issues and consider all responses before coming to a conclusion;

- welcomes the extensive efforts made by all stakeholders to ensure that Irish Water was operational from 1 January 2014 and notes in this context:

- the progress on the roll-out of the domestic metering programme being delivered by Irish Water, with some 85,000 meters installed to date;

- the provisions in the Water Services (No. 2) Act 2013, which provide a mechanism for funding the past pension service of local authority employees recruited or transferred to Irish Water; and

- the ongoing commitment of local authorities and their employees to ensuring the delivery of quality water services following the making of service level agreements with Irish Water, and notes that these agreements underpin a collaborative arrangement between Irish Water and the local government sector to transform water services in Ireland;

- recognises the need for transparency and accountability from Irish Water in respect of governance and budgets and welcomes the commitment by the Minister for Public Expenditure and Reform to provide that Irish Water will be subject to freedom of information legislation as soon as is practicable."

**Deputies:** When will that be done?

**Deputy Fergus O'Dowd:** I did not interrupt Deputies opposite and I ask that they afford me the same courtesy. The Minister, Deputy Brendan Howlin, gave that commitment in November last year, an undertaking I reiterated during the debate in the Seanad. In addition, the Taoiseach indicated today that not only would the freedom of information provisions apply to Irish Water but they would be retrospective to the very first day on which money was laid out.

Ireland has a valuable natural resource in the level and quality of fresh water available to us. This resource must be protected and valued. A high quality water supply is critical to the health and well-being of our citizens, the environment and the economy. The programme for Government includes commitments to introduce a fair funding model to deliver clean and reliable water, establish a new State-owned utility to take responsibility for water infrastructure and implement a charging system based on usage above a free allowance. Moreover, in the programme of assistance agreed between the previous Government and the EU-ECB-IMF, commitments were

also made to introduce domestic water charges and establish a single national water company.

The provision of water services is expensive, costing in excess of €1 billion per annum. However, under the previous funding arrangements prior to the enactment of the Water Services (No. 2) Act 2013, only approximately 15% of the costs were directly paid by the users of the services. Indeed, the independent assessment on establishing a public water utility, conducted by PricewaterhouseCoopers, found that the dependence on the Exchequer for capital funding had in the past constrained investment in the sector. That report was written on the assumption of annual investment levels of €600 million per annum.

If we are to deliver the water services our citizens deserve and attract industry to provide jobs, we must increase the investment in infrastructure. The introduction of a new, more sustainable funding model will help to secure the level of investment required to upgrade, repair and expand our public water and wastewater infrastructure. In addition to the environmental benefits, this will provide significant opportunities for job creation. The establishment of Uisce Éireann is an important step for Ireland as we modernise the way we deliver services.

The Water Services (No. 2) Act 2013, which came into effect on 1 January 2014, provides for the transfer of water services functions from 34 water services authorities to Irish Water. The new utility company was established in July 2013 as a subsidiary of Bord Gáis Éireann. These were two important milestones for the programme of reform of water services in Ireland. The reform programme offers opportunities to achieve significant efficiencies in the way water services are delivered, including providing a co-ordinated national approach to the delivery of water services, achieving economies of scale in service delivery, achieving cost savings through centralised procurement, reducing the unacceptable level of water that is unaccounted for, reducing operational expenditure for water services, and improving the collection levels of water charges in the non-domestic sector.

The move towards the utility model will deliver significant benefits for Ireland. From an economic perspective, a greater security of supply will help make the economy more competitive and attractive to companies that operate in the ICT, pharma-chemical and agrifood industries, which are water-intensive in nature, to invest here. In addition, an increased focus on water management should encourage innovation in this area, thereby providing indigenous Irish businesses with opportunities to tap into a growing global water sector which, it is predicted, will be worth €1 trillion by 2020. There will also be significant benefits to the environment through reduced consumption and this, in turn, will lead to reduced costs of treatment and lower greenhouse gas emissions.

The establishment of Uisce Éireann within the Bord Gáis Energy, BGE, group allowed it to leverage the core expertise of BGE in operating a successful and efficient utility. From the outset, BGE was in a position to put in place a programme to establish Irish Water and utilise internal expertise across a range of areas, including ICT, procurement, asset and financial management, customer operations and corporate governance. The establishment of Uisce Éireann involves costs and, as outlined by representatives from the company at yesterday's meeting of the Joint Committee on Environment, Culture and the Gaeltacht, a significant level of expenditure was required to get Uisce Éireann operational within a very short period. The overall budget for the establishment of Irish water is €180 million, which includes a contingency of €30 million. The budget is being funded by a commercial loan which Irish Water has arranged with the National Pensions Reserve Fund, NPRF. There has been a suggestion that the Minister for the Environment, Community and Local Government, Deputy Hogan, deliberately withheld

details of the establishment costs of Irish Water from Deputies. This is simply not the case. The total budget for the establishment of Uisce Éireann is €180 million, which includes the contingency of €30 million to which I refer. While the overall budget was outlined to the Economic Management Council and the water reform sub-committee of the Cabinet committee on economic infrastructure, no Exchequer funds have been provided to date to Bord Gáis or Irish Water in respect of these establishment costs.

**Deputy Barry Cowen:** Who owes the money?

**Deputy Fergus O'Dowd:** Irish Water is a commercial State body within the BGE group and all the normal governance and accountability rules which apply to commercial bodies - such as requirements for ministerial consent to enter into capital commitments and raise borrowing and requirements on the provision of annual reports and accounts - also apply to it.

The legislation under which Irish Water was established also provides for conditions to be attached to any grants from central funds by the Minister for Finance or in respect of grants from departmental funds by the Minister. However, the establishment costs are not voted Department expenditure. Rather, they are being funded by means of a commercial loan from the NPRF. It is not appropriate, therefore, to include details of those costs in replies to parliamentary questions.

**Deputy Barry Cowen:** The Taoiseach said the opposite earlier on.

**Deputy Fergus O'Dowd:** That said, the Minister, Deputy Hogan, has asked that the Department put in place an appropriate arrangement to provide a mechanism for Deputies to obtain details of the establishment costs of Irish Water in future.

In the context of the programme budget for the establishment of Uisce Éireann, the Minister, Deputy Hogan, sought the advice of the Commission for Energy Regulation, CER, under section 27 of Water Services Act 2013. In particular, advice was sought on the benefits which would be expected to accrue and the time period over which they would reasonably be expected to accrue from the Uisce Éireann programme expenditure to ensure the investment is expected to result in value for money from a customer perspective, whether the proposed expenditure was justified, and, assuming the economic regulatory model will include a regulated asset base, confirmation that the establishment costs efficiently incurred by Uisce Éireann will be included in the opening regulated asset base. In response to the Minister's request, the CER conducted a short review of the costs and provided an initial view on the matter. In that context, it advised that most of the proposed establishment costs appear to be reasonable and can be expected to result in value for money from a customer perspective. The in-depth review of costs by the CER will be critical in validating this view in respect of the full costs. The advice from the CER also noted that all the activities undertaken by BGE and Uisce Éireann are core to delivering the objective of a national integrated water service provider, with associated benefits to customers and other stakeholders in Ireland, and that Uisce Éireann has drawn heavily on BGE personnel and processes. It further noted that the latter is the most effective and efficient manner in which to establish Irish Water.

The CER advice to the Minister also noted that the establishment of Uisce Éireann as a separate business unit within the BGE group and the roll-out of the national metering programme have, to date, been significant undertakings. Following on from this advice, the Department has put in place appropriate procedures to seek to ensure that any proposed expenditure commit-

ments which need to be made in advance of full regulatory review will be justified and of long-term value to the customer. The Water Services (No. 2) Act 2013 provides that the primary role of the CER is to protect the interests of the water services customer. Setting revenues at a level which only includes expenditure efficiently expended will be central to fulfilling that role.

There have been suggestions that the establishment of Uisce Éireann is a prelude to either privatisation or the introduction of competition in the water services market. I wish to state emphatically that this is not the case. We have consistently stated that the supply of water and wastewater services will remain in public ownership. The Water Services (No. 2) Act 2013 specifically provides that Irish Water cannot be privatised and will remain in public ownership.

Substantial progress has been made in delivering on the Government's reform process. The Water Services Act (No. 2) 2013 came into effect on 1 January last and Uisce Éireann has assumed statutory responsibility for the delivery of water services from the 34 water services authorities. The service level agreements between local authorities and Uisce Éireann, which commenced on 1 January, will involve the continued involvement of local authority staff in service delivery at local level for the next 12 years. This will ensure that local expertise in asset management and operations, combined with considerable network and utility management experience, will be available to Uisce Éireann. I am very confident that this will prove to be a positive collaborative arrangement. Where it is decided not to enter into a subsequent agreement, the legislation provides for the transfer of staff involved in the delivery of services from local authorities to Uisce Éireann. The legislation also provides for the protection of the interests of staff who are transferred.

During the consideration of the legislation last year, I made it clear that Uisce Éireann should be fully accountable for the way in which it discharges its functions. The two Water Services Acts passed in 2013 provide that Uisce Éireann must provide annual reports on its performance of its functions each year. The Minister for the Environment, Community and Local Government is required to arrange for copies of the company's annual report to be laid before the Oireachtas immediately after receiving it. Uisce Éireann must also keep accounts in a form to be approved by the Minister, with the consent of the Minister for Communications, Energy and Natural Resources, of all moneys received or spent by it in the performance of its functions.

Uisce Éireann will be accountable to the Environmental Protection Agency, EPA, which is responsible for the environmental regulation of Irish Water. As such, the EPA will be responsible for monitoring the quality of drinking water supplied by Uisce Éireann and also for monitoring discharges from wastewater treatment plants to ensure they meet the necessary standards. In addition, the wastewater treatment plants which are transferring to Uisce Éireann will be required to comply with licences granted by the EPA. The agency will have powers of direction and enforcement in these areas. The EPA has a proven track record of transparency in fulfilling its functions and details of its activities are published annually. Uisce Éireann will also be accountable to the CER, which will be responsible for the economic regulation of Irish Water. The commission will also have powers to set standards of customer care and to direct Irish Water to comply with any aspect of a code of practice prepared in accordance with the Act.

The Minister for Public Expenditure and Reform has given a commitment that Irish Water will also be brought under the freedom of information legislation as soon as is practicable. The Minister made this commitment during the select committee hearing of the Freedom of Information Bill last November. During the debates in both Houses last year on the two Water Services Acts there was strong support on all sides for the extension of the remit of freedom of

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information legislation to include Irish Water.

I wish to take the opportunity to clarify an unfortunate misunderstanding in relation to replies to recent parliamentary questions which sought details of expenditure relating to Irish Water. In reply to Deputy Kevin Humphreys I indicated that I had requested Irish Water to respond directly to him. Unfortunately, the Department did not transmit the request at the time. The Secretary General of the Department has been in touch with the Deputy today in that regard and has apologised for that oversight.

I wish to address a couple of issues before I conclude.

**An Ceann Comhairle:** Sorry, Minister, you have only one minute remaining.

**Deputy Barry Cowen:** On a point of order.

**An Ceann Comhairle:** There is no point of order.

**Deputy Fergus O'Dowd:** The statement made by Deputy Keaveney, formerly of the Labour Party, relates to a very serious issue. I wish to assure the Deputy and the House that the transcript of his statement will be brought to the attention of the Minister and the Secretary General and all other appropriate persons. It is very serious and must be dealt with immediately.

The establishment of Irish Water as a fully operational utility in the time involved has been a major achievement. Irish Water will introduce a more efficient and effective model of service delivery for water services in Ireland. The benefits of this will be wide-ranging and will be an important element in the protection of our most valuable natural resource as well as supporting our continued economic recovery.

**An Ceann Comhairle:** I call Deputy Tom Barry to be followed by Deputy Michelle Mulherin. I ask them to begin quickly. They have four minutes each. We are running out of time.

**Deputy Tom Barry:** We will do our best to keep to time.

I welcome this debate on Irish Water. There has been much scare-mongering on this topic and it is hoped that this debate will help to allay fears and establish the facts. The provision of water costs money which must be accounted for. I agree there needs to be a domestic allowance but people cannot expect to get unlimited quantities of water free of charge. Most rural dwellers currently pay for water through local water schemes, submersible home pumps and wells and metered supply. Businesses also pay for water usage.

The moneys raised over the past decades have contributed to the existing system. It is a nonsense to suggest that home owners should not pay for water until the infrastructure is up to world-class standards. This motion does not take into account that people like myself pay for the water we use and we are very reliant on its supply. We pay for the water we use and we work with the supply we have. This is not an ideal situation at times, with the result that people will often pay extra for storage facilities and pumping systems, depending on the topography of the land on which they live. I live in a limestone area and the necessary water softeners, associated equipment and servicing, costs money. Other areas contain high iron levels which may be more difficult than dealing with limestone. Water is not homogenous and its extraction depends on the base rock from which it comes.

I cannot allow county councils to be condemned for their water services. The staff of the

water services division of Cork County Council have always striven to provide a better service even in difficult financial times. The current water delivery situation is not acceptable by any means. In Cork we pay for water by the cubic metre, which is approximately €2.35. Operational costs account for €2.06, leaving only 29 cent for loan repayment and infrastructural development. An extra 17 cent per cu m at a minimum is required in order to provide the service.

I refer to the new term, “unaccounted for water”, UFW. Approximately 140,000 cu. m of water is consumed daily in the combined areas of north, south and west Cork. This is a great logistical and organisational workload which is replicated across the country. This is what is facing Irish Water.

The scientific analysis required to continually test potable water is significant. It is necessary to test for coliforms, taste, colour, Ph levels, conductivity, phosphates, nitrates, for example. A centralised testing body would standardise this work and be more efficient.

It is wrong to ask a small subset of people to pay for critical infrastructure. The national approach by Irish Water is correct and a proper pricing structure is necessary. The advantages of scale should allow the necessary moneys to be raised independently and value to be achieved. We cannot afford to have drinkable water becoming a limiting factor when we are doubling our milk production. The demand for drinkable water is set to increase sharply over the next few years. While I agree that transparency is necessary, we cannot lose sight of the objective of the creation of a world-class water delivery organisation. The scale of delivering an efficient and working organisation is huge. I am pleased that Irish companies are involved in setting up Irish Water because these companies are delivering necessary jobs in communities.

**Deputy Michelle Mulherin:** We recognise the need for a world class and world standard water infrastructure and supply for households and business. People in rural Ireland already pay for their water and this is being acknowledged by those living in urban Ireland. Now that people will have to pay for the water coming through their taps, it is important that a system is set up which will deliver water to consumers as efficiently as possible and which will give value for money. It must also be able to address the identified shortcomings such as the lack of uniformity of water quality and sewage treatment, the need for investment in infrastructure, the fixing of leaks and other issues which present as a result of the *ad hoc* delivery of water services in this country.

It is very important to have transparency so that people can be assured that there is accountability. Irish Water will be a very large State company with €11 billion of capital assets. The company will take on the assets and liabilities of local authorities and it will potentially service 1.4 million customers. The public must be assured that there is fairness and that waste and incompetence will be avoided in the spending of taxpayers’ money when Irish Water is being established. At yesterday’s meeting of the joint committee on the environment, Mr. John Tierney, the chief executive officer of Irish Water and other representatives, provided clarification on the company’s authorisation, budgets and procurement procedures. They presented a plausible case that they are doing their business as authorised to do so.

I seek assurances from the Minister of State on how Irish Water will be run because these were not given yesterday. It will be run on a commercial basis but I am concerned that projects and infrastructural projects might only be funded on a commercial basis. What safeguards are in place to ensure equitable investment of capital by Irish Water in rural areas in order to avoid a return on investment being the over-riding consideration for the company? What public

service obligations will be imposed? Rural areas have suffered from a lack of infrastructural investment. Mayo County Council could not come up with its contribution to match the Department's contribution with the result that water and sewerage schemes were not provided in some rural areas. In some cases, they were in danger of being fined by Europe for breaching regulations on water standards. There must be a dimension to this that looks at these areas which do not have the money and perhaps cannot make the best commercial case and that we do not find ourselves in a situation where they are always at the bottom of the pile of priorities for the spending of money by Irish Water.

What input have local authorities into the water service capital investment programme? Local authorities have local knowledge and have an excellent track record in terms of the resources they have had. Can councils set priorities for their areas? They are best placed to know what local needs are rather than a remote organisation in Dublin deciding. Councils are also in a position to be very responsive.

We are setting this out as a situation where we will improve water quality for all, but many of those serviced by what we term "rural water" do not come within the auspices of this. What will happen in regard to water harvesting? Is Irish Water being directed to pursue that side of conservation also? I look forward to hearing the answers to my concerns.

**Deputy Brian Stanley:** I was flabbergasted by Deputy Mulherin's contribution. She wanted to know what role local authorities will have. Local authorities will be like subbies - subcontractors - with service level agreements. It will fulfil them for 12 years and they can be reviewed every two years. They will have little or no say and will be reduced to the role of subbies. As for the guarantees in regard to accountability, the time for them was when the legislation was going through the Chamber. Does Deputy Mulherin remember that she came in and voted for it? That was the time we were trying to get through 76 amendments to ensure there was some protection. The boat has been missed on that.

The more I hear about the establishment of Uisce Éireann, the more murky the water gets - pardon the pun. Having fobbed off questions from myself and others on the costs involved in setting up the company and denying he knew any of the financial details involved, it now turns out that the Minister, Deputy Hogan, was well aware of them, as was the Minister of State, Deputy O'Dowd. Not only does it transpire, as was confirmed at the meeting of the Joint Committee on the Environment, Culture and the Gaeltacht yesterday, that the Minister was aware for months of the costs and the overall budget, he was aware of the large sums to be dispensed to consultancy firms. He was also being presented with monthly accounts, months before I asked the Minister of State that question which he refused to answer. The Minister refused to answer several questions we asked in that regard. We got no answers from the Minister or the Minister of State. Why did they withhold that information from us and from the Dáil? I asked the Minister of State very straight questions, including how much it would cost to establish Irish Water, including wages. I asked how much it would cost for the contracting out of services. The Minister and the Minister of State had those figures, which are in this document. The date they got them is set out in the document but they would not tell me. Why was that?

I am an elected representative for Laoighis-Offaly and spokesperson for an Opposition party. Other spokespersons also demanded that information. Why did the Minister or the Minister of State not answer those straight questions? Last Sunday, the Minister of State said he had no knowledge of the €50 million spent on outside consultants. It turns out now that he had the knowledge all along, as did the officials. The Minister was notified of it and Mr. John Tierney

confirmed that yesterday at the committee meeting.

Whatever about the Minister's lack of interest in the millions of euro of taxpayers' money on the basis that he does not micromanage such trivialities as €180 million, what about Joe and Mary Soap who will be asked to pay for something they have already paid for through general taxation, commercial water rates and the local government fund by way of car tax money? We know now that the charges will, in large part, pay for the consultants, without whom it appears Government Departments would not be able to find their way to work.

We are also entitled to answers in regard to the Government's claim that Uisce Éireann will result in annual savings of €2 billion. Is it €2 billion or €1.1 billion because the figure has changed three or four times in the past couple of days, depending on whether it is coming from Mr. John Tierney or the Minister? The Minister said €2 billion, the Taoiseach said €1.1 billion and Mr. John Tierney said €2 billion. It keeps changing. How can these savings be achieved given the massive structure the Minister is creating and the outlay of €180 million with not one pipe or one leak being fixed? More than €80 million of the €180 million will go to consultants. How will a macro-structure with an extra 510 staff to pad out a corporate entity, including setting up a massive call centre, be cheaper? Please tell me how because I cannot figure it out and I have asked the Minister.

My party's position all along has been that we do not need this new entity. We need reformed local authorities. Water should be retained under the democratic control of local authorities where local councillors, along with engineers, can make local water services plans and not just be told about them but be actively involved in making them. We accept the need to modernise the water supply and to tackle the issues of wastage and leaks and the need for water conservation and water harvesting but we do not accept the need for Uisce Éireann.

We are mindful of what happened to Bord Gáis when similarly established as a public company. Now it is being sold off and that is why I tabled amendments seeking to change the Bill to copperfasten it so this could not be sold off.

I would like to ask Fianna Fáil about its position because I am confused about it. However, there is no confusion that Fianna Fáil in its four year programme clearly set out that it would charge for water in 2012-13. It said that the Government would undertake an independent assessment of the transfer of responsibilities for water services provision from local authorities to a water utility and prepare proposals for implementation of this, as appropriate, with a view to start charging in 2012-13. The previous Government was in favour of a separate utility and charging in 2012-13. It was going to beat this Government to it. Those are the facts. We need to stop the madness.

**Deputy Aengus Ó Snodaigh:** There is a Facebook page which highlights people's election material. Election material is now coming back to haunt those who made promises. The Ceann Comhairle will be aware of Dún Laoghaire, Rathdown and that area. The Tánaiste produced a newsletter in 1997 which stated that he always opposed water charges. Following the abolition of water charges in 1997, he stated that water rates were a form of double taxation on PAYE workers. How times have changed. He also stated at the time that the abolition of water charges were part of a package to improve local government. What a difference a couple of decades make considering that not only has this Government abolished some local authorities but it has taken powers, including powers over water, from local authorities. This Government, along with previous Governments, have been responsible of starving local authorities of money

they could invest in a proper infrastructure.

Think of what the €180 million wasted on set-up costs and consultants could have done if it was invested in the infrastructure which has been leaking for many generations. It could have gone a long way towards addressing those leaks and saving money rather than being spent on large and small multinational companies advising and creaming money from this Government and previous Governments in terms of the contracts given to deliver consultancy and so on, all of which would not be required if water was left in the charge of local authorities and if there had been increased investment in the infrastructure and the delivery of water in our State.

All this is moving towards a plan to privatise water and make people pay more. One of the issues which came to the fore during the week was the fact that if citizens - Irish citizens are quite good at this - did their duty, conserved water at a greater rate than they have in the past and did not use the level of water predicted, because a penalty would be imposed on them through a charge, Mr. John Tierney said they would have to look at increasing the price of a litre of water. We have been told this is all about conserving water, but if one is good at that, one will find that is not what this is all about. One will be punished in such circumstances because Irish Water has to make a profit, or at the very least break even. It cannot break even now because €180 million has already been spent before it has even started. This is a farce from start to finish. It is time to call a halt before any more money is pumped into the hole that is Irish Water. Local authorities should be allowed to retain the responsibility they had in this regard for many years. They were very good at fulfilling that responsibility when they were properly funded. It is time to reverse the decision. We have been told that people should have faith in the Commission for Energy Regulation. I suggest that the commission's decision to sanction hikes in ESB and gas charges at a time when people are struggling says a great deal about where our faith should be.

**Deputy Dessie Ellis:** Roddy Doyle wrote an amusing but scarily realistic characterisation of what a consultant is, and why the Government uses consultants, and shared it on a well-known social network today. If I can paraphrase it to avoid the expletives, it suggested that “a consultant”, in the case of Irish Water, is just a nice way of describing someone brazen enough to charge €50 million for the masterstroke of suggesting that an Irish company selling water should be called Irish Water. I am sure other advice was garnered for that €50 million. As Roddy Doyle wrote, consultants are used as a tool by politicians who lack “the guts or the brains to make their own decisions” or to stand over those decisions. This tool allows politicians to sit back and say the decisions have nothing to do with them. Is that not what Irish Water is all about? Is that not what Fine Gael is all about? This is another example of a body being created in order to take responsibility away from democratic institutions. This approach allows Ministers to pass the buck endlessly. It ensures that the process of asking parliamentary questions makes ministerial offices seem like glorified post offices, as questions are passed on to the chief executive of one body or another. Of course, the chief executive in each case is unable to deal with the politics of the issue or engage in real debate.

This whole stroke, like the privatisation of bus routes and the continued removal of the role of the State in social housing, is all about serving up basic public need to the foaming profit-mad mouth of capitalism. It is based, or at least sold, on the idea that the State cannot provide good services and that the private market is more efficient. It is further strengthened by the continued refusal - it really is a matter of refusal - of right-wing Governments like this one to deliver good public services. This is not a question of incompetence, as a focused effort is being made to undermine the State's role in service provision and to build the argument for privatisation. Fine Gael, with the Labour Party in tow, is wrapping the Irish water system in a

nice big bow so that it is ready to be sold off. If this is not the case - if Irish Water is genuinely a public body - we would have real accountability. Instead, we are promised accountability as an afterthought when the Government realises that despite its guillotines and late sessions, it cannot sneak this one through unchanged.

I would like to raise a number of issues regarding the process of installing these meters. JobBridge, or “ScamBridge” as it should be known, is being used to source workers to carry out the serious work of installation. While we oppose metering, we believe that if the Government is to force this into being, it should do so as responsibly as possible. Skilled workers should be used to ensure damage is not done and to avoid service problems in the long run. If these workers are skilled, they should be paid a decent wage rather than a dole supplement. The Government thinks its consultants are worth millions, so what does it say when it is not willing to pay installers the minimum wage?

Council officials have brought my attention to their concerns about what will happen to the valuable scrap metal that is being removed during these installations. I am told that entire stopcocks, which weigh several pounds and could fetch a good price, are being removed. Metal shores are also being removed. Up to a metre of lead or copper piping is being cut out to facilitate the installation of each meter. These bits and pieces add up. A plan should have been put in place to collect any valuable scrap salvaged during these works. Given that some 1.3 million metres of piping is being put in place, we can estimate that some €6.5 million could be recouped by Irish Water if the scrap value of the material being removed is €5 per metre. If the value of this scrap is €20 per metre, we would be talking about €26 million. People are now profiting from the failure to realise, on the basis of these numbers, that this material should be stored up and sold on.

**Deputy Mick Wallace:** I would like to share time with Deputy Catherine Murphy.

**An Ceann Comhairle:** Is that agreed? Agreed.

**Deputy Mick Wallace:** The lack of transparency and accountability in this case is the issue that is most annoying the people. I heard the Taoiseach tell the House today that where there is an issue of public ownership, there should be no secrecy. I remind the House that 41 public bodies will be exempt from the new freedom of information legislation. A further 24 public bodies will be partially exempt. I suggest that has nothing to do with transparency or accountability. It is very annoying to people that mad sums of money are being paid to private consultants. I admit that it is nothing new. It has been part of the State’s history. The previous Government paid Merrill Lynch €7 million for 14 pages of work, most of which was lies, in 2008. It is not long since Arthur Cox got €27 million for three years of legal work.

The idea of value for money is an important one. It is all very well to say that a certain company got one amount and another company got another amount. Where is the breakdown? If I build a wall for someone, I will be asked to account for material and labour. I have to explain where the entire bill came from. These people are not doing that. I will give an example. One of the main tasks for which Accenture received €17.2 million was dealing with work processes. In actual fact, it tried to reinvent the wheel in an impractical way. The same company is pretty famous for overcharging and for over-analysing a client’s problems. It is an offspring of Andersen Consulting, which did not have a wonderful reputation. The stuff the consultants produced was not practical. The local authorities rejected it and told the consultants to start again. They did it again, step by step, with the help of the local authorities.

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All of this cost millions of euro. Where was the value for money? Can anyone tell us why it cost so much? Can we get a breakdown of all the consultants' costs and an explanation of where they came from? It does not stack up that they were allowed to get away with this. I am sure John Tierney is a decent man. I challenged his appointment in this House a couple of months ago. Why was an engineer not appointed? Is this man out of his depth as he tries to accomplish the task he faces? Who actually made the decision to appoint him?

**Deputy Catherine Murphy:** The Minister, Deputy Hogan, said on television last night that the committee was told in advance - when representatives of Bord Gáis came before it on 6 November 2012 - that consultants were to be appointed. I would like to remind the House of what the committee was told on that occasion:

With regard to resources, Bord Gáis Energy is being sold. The billing system we use in Bord Gáis Energy is already being adapted for Irish Water and the design for the Irish Water billing system is in progress. The billing system will be ready by 1 January 2014 and we have already seconded resources from our energy retail business into Irish Water, transferring those who are proficient in the establishment of billing and customer service. Therefore, this expertise will not be lost with the privatisation.

That is what we were told. Why would we have even asked whether consultants were being appointed? Every indication was given that this was being done in-house. Some of these very sizeable contracts were awarded after that. Just because €180 million has been earmarked for the establishment of Irish Water does not mean it has to be spent.

*9 o'clock*

The purpose of partnering with Bord Gáis Energy was to make savings because we were supposed to be leveraging spare capacity in that company.

The second issue relating to parliamentary questions is crucial. We received a document yesterday that outlined month by month what the Department knew. Why were parliamentary questions not answered? We need a clear answer from the Minister on the matter because this cannot be allowed to happen again.

In a radio interview today, the Minister said he was not micro-managing this. Is €180 million micro-managing? At the very least he should have understood that high level information was coming in, outlining how things were happening. In some cases the Department even queried some of the contracts. There is a very significant gap between this and what the Minister is saying publicly. He claims to be appalled at the level of consultancy fees while at the same time there was very significant information within the Department disputing what he is saying. He must account for that.

Debate adjourned.

### **Estimates for Public Services 2014: Messages from Select Committees**

**An Ceann Comhairle:** The Select Sub-Committee on Finance has completed its consideration of Votes 7 to 10, inclusive, for the year ending 31 December 2014.

The Select Sub-Committee on Public Expenditure and Reform has completed its consider-

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ation of Votes 11, 12, 14 to 19, inclusive, and 41 for the year ending 31 December 2014.

The Dáil adjourned at 9.05 p.m. until 9.30 a.m. on Thursday, 16 January 2014.