Dé Máirt, 11 Feabhra 2014
Tuesday, 11 February 2014
Chuaigh an Ceann Comhairle i gceannas ar 14.00 p.m.

Paidir.
Prayer.

Ceisteanna - Questions

Priority Questions

Beef Industry Issues

85. Deputy Éamon Ó Cuív asked the Minister for Agriculture, Food and the Marine the steps he has taken to deal with the low price of young bulls for slaughter at present; the further steps he has taken to deal with the price differential between the price of beef in the factories here and in Britain; and if he will make a statement on the matter. [6498/14]

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Deputy Éamon Ó Cuív: As the Minister is aware, there is a major crisis in the beef industry, particularly as it relates to bull beef. Young bulls are either unsaleable, cannot be got into the factories or are being sold way below their economic cost and bull beef is a very important component of our farming industry. What has the Minister been doing in the past two months to deal with this crisis?

Minister for Agriculture, Food and the Marine (Deputy Simon Coveney): I propose to take Questions Nos. 85 and 89 together.

Aggregate cattle supplies at Department-approved meat plants to the end of January 2014 are up almost 10% on the corresponding period in 2012 with strong increases recorded in the
steer, heifer and cull cow categories. This higher throughput has led to factories giving preference to certain types of stock that are better suited to the requirements of their retail customers. Prices for prime steers and heifers have remained relatively stable but the young bull trade is challenging at present as age and weight issues continue to affect demand. However, I note that the young bull kill has increased by 50% between week 1 and week 5 of 2014. The Irish beef industry is hugely dependent on exports and the need to ensure that it is producing efficiently for overseas markets cannot be ignored.

Delays in young bull slaughtering is undoubtedly putting pressure on producer profit margins but neither I nor any Minister for Agriculture can interfere in a trade that is cyclical in nature and prone to short-term price fluctuations. I am entirely sympathetic to all those farmers facing difficulties in getting their cattle slaughtered but cattle prices are determined by the interplay between supply and demand and I have no function in regard to commercial transactions between meat factories and their suppliers. It is the responsibility of the industry - in this instance, processors and farmers working together - to manage the type and volume of cattle being brought to market in order that the supply chain operates for the benefit of both parties and does not undermine the viability of bull beef production systems for either winter finishers or suckler farmers. I understand that producer and meat processor representatives have recently engaged in dialogue with a view to resolving the short-term oversupply of young bulls. I would encourage the various bodies to continue this discussion and I have called for this on many occasions.

With regard to the price differential between Irish and UK cattle, a number of factors have been identified to explain why Irish born cattle command lower prices than their British equivalents. These include a British consumer preference for indigenous product, as well as an additional transport and processing cost in supplying that market. Ireland’s trade with Britain accounts for 53% of our beef export volumes and, at around 250,000 tonnes in 2013, is equivalent to 750,000 cattle, with a high level of penetration in the multiple retail sector.

One of the main difficulties in marketing young bulls older than 16 months is that these animals are outside the specifications preferred by the UK market. This is a major disadvantage at present because the UK market has effectively become the highest priced beef market in the EU. The potential to grow the live trade to Britain is also constrained by the labelling system operated by the retail chains in regard to cattle born in this country and exported live for finishing and processing in the UK. The retailers’ long-standing policy is to market British and Irish beef separately. This means that beef must be sourced from animals originating in one country, that is, born, reared and slaughtered in the same country. In addition, logistical difficulties arise when a small number of Irish born animals are slaughtered in a UK meat plant. Under mandatory EU labelling rules, these carcases have to be deboned in a separate batch and packaged and labelled accordingly, thereby incurring additional cost for the processor.

While Bord Bia has repeatedly raised the labelling issue with British retailers over the years, there is no indication that its marketing policy is likely to be reversed soon. Nevertheless, in its ongoing interaction with British consumers, Bord Bia will continue to pursue all opportunities, including any change in labelling policies, to maximise the full potential of the beef and livestock trade with our largest trading partner. In regard to allegations of anti-competitive practices by meat plants, if Deputies have information to substantiate such charges, I would like to know about it, and the Competition Authority ought to know about it also, if that is the case.

For non-bull beef that was sold last year, we are in the unusual position of having the aver-
age price paid for this beef here in Ireland at about 106% of the EU average, whereas historically that figure would have been in the low 90s. We have a particular problem with the UK market, which is where most of our beef goes, because UK consumers have a very strong demand for British-sourced beef and retailers have a particular specification issue with bull beef that is over 16 months of age. These are issues the market will have to resolve.

Deputy Éamon Ó Cuív: I thank the Minister for his very comprehensive reply. However, throughout the long and involved reply, he did not mention any action taken by him. He seems happy to have a *laissez-faire* attitude towards the market, that everything is okay so let us not interfere in any way.

Is the Minister satisfied there is no difficulty in putting live cattle on boats in Dublin and transporting them by lorry to the United Kingdom? Is he happy that no barriers are being put in the way of that type of free trade? Is he happy this is not an issue in the difficulty Irish farmers find in accessing British factories and getting the higher price? At the end of the day, we were told one of the advantages of the EU was free trade. What the Minister seems to be saying smacks of something less than free trade. Has the Minister had discussions with his counterparts in Great Britain and Northern Ireland in respect of labelling and how it seems to seriously discriminate against Irish beef?

Deputy Simon Coveney: I understand that Deputy Ferris was also part of these two questions.

An Leas-Cheann Comhairle: I will call him after the Minister speaks.

Deputy Simon Coveney: I will answer these two questions and then, hopefully, come back to the Deputy’s questions. I assure Deputy Ó Cuív that there is no *laissez-faire* attitude coming from me. We are continuing to work as hard as we can to get the best possible price for Irish beef by building its reputation all over the world, particularly in the UK and further afield. Outside of the bull beef story which has specific problems that I have just outlined, the evidence shows that we are doing a good job. The brand of Irish beef is stronger than it has ever been. For a prolonged period of time, we have been getting higher prices compared to the rest of the EU than ever before.

We have a specific problem with the UK because British consumers and retailers have a preference and will pay more for British-reared, slaughtered and finished beef. However, we are still selling the equivalent of 750,000 animals slaughtered into the UK. There is a free market. Yes, we can take live animals to the UK. It is not as easy as perhaps it could be because some of the roll-on, roll-off ferries do not want to facilitate that and that is their commercial decision. The truth is that even if we could take large volumes of live cattle to the UK, we still have the problems I outlined before. My understanding is that factories and processors in the UK are not looking for live Irish cattle because they must separate them from the British cattle they are slaughtering and label them separately because, at Ireland’s insistence, we have country of origin labelling in respect of beef, which is a good thing for us because the brand of Irish beef is on the rise. The fact that British consumers want a certain type of product and are willing to pay more for it is part of the explanation as to why we have a price differential between Irish and British beef in the UK market.

Deputy Martin Ferris: I thank the Minister for his reply. There is a perception, which is well-founded at times, in the wider farming community and all farming organisations that there
is a cartel in the beef processing sector. I can remember Government Deputies making the same argument I am making here when they were on this side of the House. It has been stated by farm leaders that Teagasc was implicated in this and that it encouraged farmers to keep bulls and go into the bull market. Can the Minister confirm whether that decision to allow Teagasc to encourage people to do that was taken at Department level?

Beef from cattle in the Six Counties is regarded as British beef and sold accordingly. They are getting the prices. One draws a hairline across part of our country and cattle on one side of the Border get British prices while cattle on this side do not. Can anything be done about that?

Deputy Simon Coveney: I, like the Deputy, wish there was no Border but there is and while there is, we have labelling requirements that inform consumers and buyers of Irish and British beef as to where those cattle have been reared, slaughtered and so on. At the moment, there is a very strong market for British-reared and slaughtered beef. There is also a strong market for Irish beef but it is not quite as strong in Great Britain.

With regard to the cartel accusations, I am aware of the fears that have been expressed and I speak to farmers on a regular basis about this. Farmers are frustrated that they are not getting more money for their beef, particularly when they look at prices in the UK. We need to look at this in a broader context. The UK is our largest market, but we also sell beef across the rest of Europe. We are getting a premium for it in markets such as Germany and France, where restaurants and retailers are willing to ask for that premium price because we have built our product’s reputation.

An Leas-Cheann Comhairle: I thank the Minister.

Deputy Simon Coveney: If I might, I will be fair to the Deputy, as he has not received an answer to his final question.

An Leas-Cheann Comhairle: I will call him again.

Deputy Simon Coveney: Regarding bull beef and Teagasc, there is a market for bull beef, but it is for young animals that are slaughtered at 15, 16 or 17 months. They are younger, smaller and lighter animals. Our problem is that many farmers have animals that are 23, 24, 27 or 28 months old. They are large animals and do not meet the bull beef specs sought by the supermarkets. I do not blame those farmers for being frustrated. In their minds, they have a valuable animal for which the market is not willing to pay much money.

An Leas-Cheann Comhairle: I thank the Minister, but I must call the two Deputies.

Deputy Simon Coveney: For that reason, farming organisations and the industry have tried to work through it.

An Leas-Cheann Comhairle: We are short on time and I need the Minister’s co-operation. Deputies Ó Cuív and Martin Ferris may ask brief questions.

Deputy Éamon Ó Cuív: The Minister mentioned the word “cartel” and referred to some people’s belief that there was one.

Deputy Luke ‘Ming’ Flanagan: There is.

Deputy Éamon Ó Cuív: Is he saying definitively that is he satisfied that there is no manipu-
What discussions has the Minister had with his British and Northern counterparts on the labelling issue? It is extraordinary how fond the British are getting of British beef, in that its price keeps increasing compared with beef’s price in Ireland.

What advice would the Minister give farmers who cannot sell the cattle he just mentioned to the factories? What should they do now, having taken the original advice that they should raise that type of bull? Has the Minister held discussions with the roll on, roll off companies to try to ensure that they accept trucks carrying live animals across the Irish Sea?

Deputy Martin Ferris: There is a belief among farming organisations that Teagasc played a part in the manipulation of the market. Is the Minister satisfied that this is not the case? I have read in newspaper print accusations made by farming organisations, which are quite powerful, against Teagasc as regards developments in the bull market.

Deputy Simon Coveney: I reject any accusation that Teagasc was a part of manipulating anyone. I do not believe that it was. I recall cautioning people two years ago about the bull beef market. There is a role and a market for bull beef. It is an intensive form of beef production, where animals are slaughtered much younger and fed more intensively. This is what the market wants. In general, however, the market outside of Ireland is looking for us to produce steer and heifer beef. We are getting strong prices for those.

Due to, for example, some farmers’ farm or business structures, they have decided to go down the bull beef route. That is a legitimate way of making money and Teagasc has been involved in offering advice, but they must produce that product to the specs demanded by the marketplace. For this reason, there has been a dramatic increase in the number of young animals slaughtered at the start of this year. As to farmers who have older animals that they need to get rid of and for which they do not want to accept the lower price, there is an ongoing negotiation, as is always the case, between farming organisations and the processing sector.

I have spoken to Mr. Owen Paterson, my counterpart in the UK, and to Ms Michelle O’Neill in Northern Ireland on labelling issues about which they contacted me. Many Irish farmers and food producers in Northern Ireland want to label their product as Irish while others want to label it as British depending on from where they are coming. Obviously, this would have advantages when selling into the Irish or British market, depending on where one wants to maximise returns. We are working with our counterparts in Northern Ireland to look at ways in which we might be able to facilitate that. However, it is not as straightforward as one might think, because if we allow that, I must be able to stand over the integrity of food being produced in Northern Ireland, and I must have the access to ensure that is in place. We are working on that issue.

**Single Payment Scheme Appeals**

86. **Deputy Martin Ferris** asked the Minister for Agriculture, Food and the Marine the number of appeals that have been received by his Department against clawback of single farm payment due to land eligibility issues. [6318/14]

**Deputy Martin Ferris:** Appeals on land eligibility is of major concern to the weaker farm-
ing communities in the south west and west. The appeals system is ongoing. How many appeals has the Minister received and does he have a percentage breakdown of successful and unsuccessful appeals?

**Deputy Simon Coveney:** At the outset, I would like to clarify that there were no so-called clawback payments under the 2013 single farm payment scheme. In processing the applications under the single farm payment scheme and other direct aid schemes, my Department is legally obliged to adhere to the requirements set out in the EU regulations governing each of the schemes. It is not possible to deviate from the provisions of these schemes. If an applicant over-declared his or her land by including ineligible features or ineligible areas in the application form, the provisions of the regulations must be respected in the processing of each application and in the calculation of deductions and penalties. An audit team from the European Commission is coming to Ireland in the second week of next month, and will spend one week looking at how we are dealing with the issues we have discussed.

The following is the position regarding the number of review and appeal cases received by my Department to date. The number of applications for appeal received is 4,800. That is the appeals process within our Department. As part of the appeal, we send out an inspector to physically look at the land to make sure there is nothing awry, and the number of such review applications sent for ground verification is 523. The number of applications accepted, or the number of successful appeals, is 160. The number rejected to date is 340. The number of appeals received for the LPIS appeals committee, an independent committee chaired by Mr. Padraig Gibbons to give another outlet to farmers who are concerned at the results they got from the Department, is 15 thus far. These appeals figures are ongoing and will alter as more cases are processed.

The majority of farmers do not have an issue here, but for those who do, we will try to work with them through two appeals systems. If penalties are imposed and retrospective payments are to be made, we will work with farmers case by case to ensure we are acting reasonably with them. This is not an easy issue to resolve, and the idea that we refuse to do what we need to do will have a much more severe consequence for agriculture than doing what we are doing at the moment. In other words, Commission auditors will determine the amount of money that was spent that should not have been spent and they will fine the country accordingly, which will be a very big figure indeed.

**Deputy Martin Ferris:** I thank the Minister for his reply. The manual inspections of which I am aware have often been successful, primarily due to the fact that while there appeared to be afforestation in parts of land, in fact the grazing potential around it was being utilised. Does the Department have enough staff to carry out those manual inspections? I would refer most people who come to me to go down that route, because it gives them a better opportunity. When satellite photographs are taken, it would appear to be blanketed out when one walks through it. Much of this land can be included again. Is the Minister satisfied that the number of inspectors available to perform this task is sufficient? Will this process be completed by the end of March?

**Deputy Simon Coveney:** The figures I cited are proof that the Department is trying to get through this process with farmers and, where possible, to have successful appeals. I do not want to take money off someone if it is not necessary to do so. However, I must be able to stand over the integrity of this process, which means ensuring that Ireland only draws down direct payments for farmers from European Union funds on land that is eligible for such payments. The Department will make as many ground verification visits as are necessary. Visits
will be carried out when we receive a reasonable request and it is obvious that an issue requires verification.

A satellite image will clearly show if someone is claiming on a river. The Deputy is correct, however, that an area of large broadleaf trees which appears to be forest on a satellite image may well be grazing land for cattle. The members of the Department’s inspection team are not fools. They make reasonable assumptions on the basis of the photographs and, when doubts arise, they will make a ground verification visit.

I assure Deputy Ferris and farmers that the Department is doing everything it can to try to minimise the impact of this process on farmers, both in respect of money they may have to pay or penalties that may arise. It is for this reason that such a large number of verification visits has taken place and one in three appeals have been successful.

Departmental Investigations

87. Deputy Luke ‘Ming’ Flanagan asked the Minister for Agriculture, Food and the Marine the progress of the investigation into allegations of weight-to-volume fraud at Coillte; if he has been updated recently by his officials on this matter; if so, the action he will take on the matter; and if he will make a statement on the matter. [6501/14]

Deputy Luke ‘Ming’ Flanagan: This is, as it were, a second take on this question. The Minister should be aware of the issue as I have been questioning him about it since November 2012. At this stage, one could not be blamed for becoming a little impatient because nothing is happening. The people who approached me to report suspected or alleged weight-to-volume fraud are wondering if anything will be done about it. One of them told me that whereas he used to be sorry to see people leave the country, he has come to the conclusion that the quicker people get out, the better it is for them. It is terrible to hear that.

(Deputy Simon Coveney): I am also sorry to hear that but it is statement with which I do not agree. People will have their views.

As I have clarified previously in response to a question from the Deputy on this subject last June, this matter relates to alleged fraud irregularities which are not specifically about Coillte but have a wider sectoral perspective. Further to the Deputy raising this subject in the House and at Oireachtas committee meetings, I asked him if he had evidence on which I could act to give it to me and I would act on it. I also advised that if there were questions which needed to be asked of the Coillte board about any type of fraudulent activity, I would follow up on them. I will not, however, cast aspersions without having supporting evidence.

A meeting was held between the Deputy, representatives of the company making the complaint, their legal representative and officials of my Department last May, following which an investigation was undertaken by two officials from the forestry side of my Department. My officials thoroughly reviewed the material received and reverted to the other attendees at the meeting for clarification on some points. They then spoke to Coillte management. Contact was also made with An Garda Síochána to ascertain the status of a complaint which had previously been lodged with it. In the course of their departmental investigation a great deal of detailed information, both written and verbal, was provided to my officials by the company making the complaint and Coillte. My officials went through this material and subsequently sought clarifi-
cation and additional material.

A report of their investigation was finalised last November, the contents and conclusion of which were outlined to the Deputy and others at a meeting on 21 November 2013. In summary, the report states that the evidence provided by Deputy Flanagan and the complainant company does not prove conclusive on the issue of sample tampering. I understand that the Deputy was not satisfied with the conduct and outcome of the investigation. Given the nature of the issue and the fact that it is currently under active consideration by An Garda Síochána, I am reluctant to discuss the matter further. In addition, I have legal advice stating that the report cannot be released at this time so as not to prejudice or impair the investigation of offences. To assist that process, I propose to make my Department’s report and information obtained in the course of its investigation available to An Garda Síochána. I have also received an assurance from the acting CEO of Coillte that Coillte management will assist in any Garda investigation.

I know the Deputy is not happy with the investigation undertaken by my Department and its conclusion. I believe the team involved did the best job they could and produced conclusions that were accurate given all the information available to them. The file on the matter has passed to the Garda Síochána. I have also received a commitment from Coillte management that they will co-operate fully with the Garda Síochána if there are issues to be followed up in terms of its investigation.

Deputy Luke ‘Ming’ Flanagan: The Minister says there was a thorough review. There was not a thorough review. At the core of this issue are two allegations. The CCTV evidence of sample tampering is available and there are unexplained variations in conversion factors both in relation to specific sales and a pattern over a period, which can only be assessed with the benefit of auction sales and conversion factor dates over the past decade. This information is not, however, available because, we are told, it is commercially sensitive. The Minister has the ultimate say in respect of Coillte yet we are being told he cannot get this particular information because it is commercially sensitive.

I am interested to hear that this matter is not closed because we were told by the Department officials that it was over and done with. This Government makes great play, and rightly so, about the e-voting machines and the €50 million wasted in that regard. The amount involved in this case is much greater yet we are being stonewalled. This matter needs to be dealt with. The Minister said that the Garda Síochána is dealing with the matter. However, the Garda Síochána is waiting for Coillte to make a complaint, which Coillte refuses to do. If somebody robbed my house in the morning and I was afraid to make a complaint in that regard to the Garda, one would have to suspect there was something suspicious going on.

Deputy Simon Coveney: The Deputy is frustrated because he is not getting the answers he wants. We have done what we, as a Department, said we would do. We have examined all of the files available to us. The conclusion of the departmental investigation was that the accusations being made could not be stood up by the facts available. We have given all of that information to the Garda Síochána, which is the appropriate investigative body if the law has been broken. I am not sure what else the Deputy wants me to do. I do not propose to cast aspersions on Coillte or anybody else for that matter unless I have the evidence to back that up.

All files have been given to the appropriate body to investigate whether there was any wrongdoing or breaches of the law. That is where the matter now stands.
Deputy Luke ‘Ming’ Flanagan: This is a farce. The Minister mentioned full information. He is the person who can get that full information. However, the argument being put forward is that the Minister cannot get that information because it is commercially sensitive. During the meeting, the Minister’s official said that the investigation was closed and that was it. The situation has now changed again. It is remarkable that the auditors were not interviewed about the information that they had on variations in patterns from one area of the country to the other without Coillte being present. We are told that the Department could not do that because it does not employ these auditors. Does the Minister expect us to believe this? Sadly, there is so much going on at the moment with the Central Remedial Clinic, Irish Water and the Garda Síochána that a problem which, potentially, could cost us €85 million and more does not even get a hearing. It is the Minister’s lucky day but I will keep talking.

Deputy Simon Coveney: This has got a hearing. The fact that it is not getting front-page newspaper coverage seems to frustrate Deputy Flanagan.

Deputy Luke ‘Ming’ Flanagan: Only when the Minister reacts does it get front-page coverage. That is how the Minister does his business and the same goes for the Government.

Deputy Simon Coveney: Deputy Flanagan raised it. We have already reacted. Our Department has already set up several meetings with the Deputy and the company that has made the complaints. We have already had an internal investigation in the Department, which has not given the Deputy the answers he wants.

Deputy Luke ‘Ming’ Flanagan: Why was I not given a copy of the document?

Deputy Simon Coveney: We have now passed on all those files to the appropriate body, the Garda Síochána, in order that it can investigate whether the accusations that are being made are true. Coillte has said that it will co-operate fully with the process. If that is not satisfactory to Deputy Flanagan, then perhaps he does not trust the Garda to do its job on the issue.

Deputy Luke ‘Ming’ Flanagan: There is information in respect of the Garda Síochána that the Minister apparently could not get.

An Leas-Cheann Comhairle: Please, we are in the last few seconds.

Deputy Luke ‘Ming’ Flanagan: How can the Minister be in charge of a company and claim the information is commercially sensitive and therefore he cannot get it? That is not in any way credible.

An Leas-Cheann Comhairle: The Minister has concluded and we are going on to the next question.

Deputy Simon Coveney: If Deputy Flanagan has anything, he might send it on to the Garda, if he is as certain as he seems to be.

An Leas-Cheann Comhairle: Deputy Ó Cuív has the next question.

Deputy Luke ‘Ming’ Flanagan: The Minister has the information.

An Leas-Cheann Comhairle: We are moving on to the next question now.

Deputy Luke ‘Ming’ Flanagan: The Minister should send it on to the Garda. The Minister has the information. Next time the Minister cries when a child is in pain because there is not
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enough money to help them, he should remember where it went. The Minister is doing nothing about this. This is our money, my children’s money, my neighbour’s money and the country’s money and the Minister could not give a damn about it.

An Leas-Cheann Comhairle: Deputy Flanagan, please.

Deputy Luke ‘Ming’ Flanagan: It is a fact.

An Leas-Cheann Comhairle: Deputy, please.

Deputy Luke ‘Ming’ Flanagan: The Minister is up there with the Minister for Justice and Equality, a great achievement.

An Leas-Cheann Comhairle: Deputy, please desist from that.

Deputy Luke ‘Ming’ Flanagan: The Minister should be ashamed of himself given what he is after doing.

Severe Weather Events Response

88. Deputy Éamon Ó Cuív asked the Minister for Agriculture, Food and the Marine to set out the steps he has taken to assist farmers and fishermen who have suffered serious loss during the recent inclement weather; the assistance sought from the EU to date; and if he will make a statement on the matter. [6499/14]

Deputy Éamon Ó Cuív: I know the Minister came to Galway on a surprise visit on Friday. I hope he saw all the damage that has been caused to farmers’ lands all over the place. They have lost land and other land has been destroyed from a fodder point of view. Fences and walls have been knocked. Furthermore, slips and piers have been damaged and some fishermen have lost boats. Many fishermen have lost lobster pots. People want to know what the Minister is going to do about this, what help he will give farmers and how the situation might play out in respect of the 2014 applications under the single farm payment.

Deputy Simon Coveney: I got a chance to visit Galway and Clare last Friday. It was a useful visit and I met many people over several hours. A good deal of damage has been done. In the case of farmers and inspections, we have been very clear with our inspectors that they must be flexible and take account of the extreme weather that we have had in recent months in the course of their inspections and assessments, which they must make legally in the coming weeks.

In the case of land eligibility, if a farmer has had boulders come on to his land from the beach as a result of high tides and stormy conditions, then, obviously, that must be taken into account in a way that is understanding of the extreme weather.

Other areas of consideration include fodder and animal welfare. If any farmer has an animal welfare concern, he should call our animal welfare hotline and he will get help from us. Many farmers have full slurry storage tanks at the moment but have wet land as well and that is an issue. They should be talking to their Teagasc advisers about how they can and should manage that properly.

There is also an issue with piers and harbours. There will be statements in the House tomor-
row regarding the Government response to the storms and flooding problems we have had for a number of weeks. We have examined in detail piers and harbours along the south, south-west, west and north-west coast and the repair work that is necessary from a safety and infrastructure point of view. I will make a detailed statement on that tomorrow.

Many island fishermen have also lost gear. We are unable to put a financial package in place to replace boats under state aid rules but we may consider giving support for the replacement of pots, in particular, that have been lost at sea. BIM has tried to assess the losses and has reported to us in detail. I will also give more information on that tomorrow. We are trying to ensure as comprehensive a response as we can. Finding money in government is difficult for obvious reasons, but in an instance such as this where there are clear priorities around extreme events that need Government support, such support will be provided.

**Deputy Éamon Ó Cuív:** Inspections over the next three or four weeks are not an issue because they are covered by *force majeure* rules, regardless of whether the Minister agrees with that view. With regard to the 2014 applications for single farm payments, however, if land is lost to the sea or cannot be foraged because it is covered in boulders, will farmers have to adjust the acreage of their land accordingly? If fences and walls have been knocked down and have not been replaced, will farmers be penalised under both REPS and the single farm payment scheme?

I welcome the Minister’s comments about fishermen’s pots. Does he provide money for coastal protection other than in urban areas? Traditionally this was addressed by piers and slipways.

I suggested to his colleague, the Minister for Social Protection, that in regard to rebuilding fences and, in particular, stone walls, she should employ more people on the rural social scheme and provide money for materials to reinstate them because they would be impossible to reinstate for many farmers. Is the Minister willing to talk to her about that possibility?

**Deputy Simon Coveney:** I will mention that issue to her but that is a resource issue on which she will have to make a decision. Coastal protection generally is not under my remit. My portfolio covers the marine and I am responsible for seven fishery harbours. Most of them were not badly damaged. The majority of the projects on which we will work with local authorities are local authority owned and managed harbours, piers, slipways, ladders, docking facilities, breakwaters and so on. I will focus with local authorities in counties Clare and Galway, in particular, and other counties on assessing the cost of rebuilding essential infrastructure both for the fishing community, tourists, anglers and leisure users and for the rescue services in the case of some of the piers I visited. The local authorities will need to discuss the broader coastal issues relating to roads, causeways and bridges between islands, for example, in west Galway, with the Department of the Environment, Community and Local Government.

**Deputy Éamon Ó Cuív:** I asked a number of specific questions that come under the Minister’s remit. I did not ask about bridges and so on because they do not come under his remit. I asked questions about single farm payment applications. Will they have to be adjusted for May this year to account for loss of land or land that is no longer a forageable area because the strand or boulders are now on the land? In the context of the 2014 part of REPS and single farm payments, what is the position for farmers whose enclosed land is not fully fenced off? I understand that fencing off is a qualification condition for both the single farm payment and the disadvantaged areas scheme, DAS. Will the Minister provide clarification in respect of these
important issues?

There are many piers and slipways around our coasts which are not in council charge. Will the Minister be providing money in respect of these?

**Deputy Simon Coveney:** It would be difficult for me to provide funding for privately-owned piers.

**Deputy Éamon Ó Cuív:** They are not in private ownership.

**Deputy Simon Coveney:** In the context of piers, etc., that are publicly-owned and need to be repaired, we have already asked local authorities to indicate what are their priorities in respect of the infrastructure that needs to be put back in place.

On the single farm payment, farmers cannot apply for payment in respect of land that no longer exists because it has been washed away. We will need to discuss this matters with farmers because, from a legal perspective, we cannot draw down EU money in respect of agricultural land which is no longer there. If farmers are being paid and if one of the qualifying criteria is that land must be fenced off, there will be a need for them to put back in place any fencing which has been damaged or blown away in the coming weeks. We will show understanding and a degree of flexibility while this is being done, particularly in view of the extent of the damage done by storms. There is no *carte blanche* here, however, and we cannot ignore all the rules. From a legal perspective, I could not ignore the rules even if I wanted to do so. As stated, we will show a degree of flexibility and understanding in the context of the damage done as a result of recent storms. However, people who may have lost some land as a result of its being washed away by the sea or a river can not claim payment in respect of it.

**Deputy Éamon Ó Cuív:** What about stone walls?

**Deputy Simon Coveney:** I will, as the Deputy suggested, discuss that matter with my colleague.

**An Leas-Cheann Chóirleáil:** We must move on.

**Deputy Éamon Ó Cuív:** No, the Minister referred to a period of two weeks.

**An Leas-Cheann Chóirleáil:** That is a different issue and we cannot deal with it now.

**Deputy Éamon Ó Cuív:** The Minister referred to fencing being restored in two weeks. It would not be possible to restore stone walls in the same amount of time. Massive walls, which took years to build, have been completely destroyed.

**An Leas-Cheann Chóirleáil:** We can discuss this matter later.

**Deputy Éamon Ó Cuív:** Is the Minister stating that those who cannot restore such walls in that time will be penalised?

**An Leas-Cheann Chóirleáil:** The Deputy has moved to a completely different issue.

**Deputy Simon Coveney:** I did not say they would be penalised. *Question No. 89 answered with Question No. 85.*
Other Questions

Fish Farming

90. **Deputy Martin Ferris** asked the Minister for Agriculture, Food and the Marine the progress that has been made in the inspection of the 56 ocean bays awaiting approval in the context of the issuing fish farming licences; when he envisages that the surveys of these bays will be completed. [6320/14]

**Deputy Martin Ferris:** When will the surveys relating to the 56 ocean bays that are awaiting approval in the context of the issuing of fish farming licences be completed?

(Deputy Simon Coveney): In 2007 the European Court of Justice, ECJ - in case C418/04 - declared that by failing to take all measures necessary to comply with Article 6.3 of the EU habitats directive in respect of the authorisation of aquaculture programmes, Ireland had failed to fulfil its obligations under the directive. As most aquaculture activity takes place in Natura 2000 areas, it is necessary to undertake appropriate assessments of the effects of aquaculture activity on these areas before any new licences can be issued or any existing licences can be renewed.

In the negotiations to address the ECJ judgment, a process was agreed with the European Commission. This process includes the following steps: data collection in respect of 91 bays or estuaries; detailed analysis of the raw data collected; the setting of conservation objectives by the National Parks and Wildlife Service in respect of each site; the carrying out appropriate assessments - by the Marine Institute - of aquaculture or fishery activities against the detailed conservation objectives set; and determination of licences or fisheries on the basis of the appropriate assessments and other relevant factors. The carrying out of detailed surveys of marine habitats and species has been completed. Conservation objectives have now been set for over 60 bays. Appropriate assessments have been completed in respect of Castlemaine Harbour, Dundalk Bay, Roaringwater Bay, Lough Swilly and Donegal Bay. This process has begun to achieve meaningful results. In 2013, I made a total of 137 licence determinations, of which approximately 120 were in respect of sites in Natura areas. I expect to be in a position to make in excess of 200 determinations in 2014. The appropriate assessment process represents a significant financial, administrative and scientific investment by the State. The issue of resources is kept under continuous review having regard to the importance my Department attaches to this issue. In other words, we are moving as fast as we can by moving through the bays, one by one. We are trying to arrive at a position where we can provide licences to everyone who is eligible to be appropriately licensed. This is a priority for my Department. The current situation is not acceptable where people have out of date licences requiring renewal. We are putting systems in place to deal with licensing efficiently and effectively. More important, a significant number of people want to invest in developing this sector, including setting up new aquaculture farms.

**An Leas-Cheann Comhairle:** Thank you, Minister. I must call Deputy Ferris now.

**Deputy Simon Coveney:** Those people need and deserve efficient treatment by the State.
Deputy Martin Ferris: I thank the Minister for his reply. I find it difficult to comprehend the delay in the renewal of out-of-date licences. This delay is having an effect on the potential for job creation. The Minister says he is doing the best he can and I do not dispute it. However, the Minister should know that there is a lot of concern about the delay which is quite frustrating, to put it mildly.

Deputy Simon Coveney: I share that frustration. Unfortunately, we are now making policy decisions that should have been made many years ago under previous Governments. The approach to aquaculture licensing was not fit for purpose. The Commission has called us to account and we have to put in place a gold-plated system to the satisfaction of the Commission; otherwise, the consequences for the industry would be very difficult. Licensing is a priority issue for my Department and for the Marine Institute and BIM. Robust and detailed assessments of all aquaculture licences are required so that we only allow aquaculture to develop in areas where it is appropriate. This is an important consideration as the strong environmental lobby will hold us to account if we do not do that job properly. Deputy Ó Cuív will know this well as he has raised concerns about issues in this area on many occasions. My job as Minister is to gather the scientific evidence in order to determine the licences. We are working overtime to assess the bays, to carry out the necessary environmental impact assessments and the detailed environmental assessment of any application.

I can report progress. Two years ago I considered approximately 114 applications. I considered 137 last year and this year the number will be more than 200. When one considers the record of my predecessor in this area and the number of applications that were even considered, it will be evident that we are making significant progress.

An Leas-Cheann Comhairle: I will allow brief contributions from Deputies Mick Wallace and Clare Daly as we are out of time on this question.

Deputy Mick Wallace: We understand the necessity to carry out the appropriate assessments and that the Minister wants to put a gold-plated system in place. However, given that some people are waiting since 2010 for these assessments, is it the case that there is a shortage of manpower to deal with the problem? No one is saying that the regulations should be bypassed or that things should be done in anything less than a completely professional way, but I question whether the delay is due to a shortage of people to carry out the assessments.

Deputy Clare Daly: I ask the Minister to deal with the damage to aquaculture operations as a result of the recent storms, not least the reports of the escape of 60,000 to 80,000 salmon from the Bantry Bay operation and what has been described as a potential ecological disaster. I believe BIM issued a statement today saying that there is no evidence that these fish escaped but 60,000 to 80,000 fish have disappeared from this area. As required under the licensing regulations, what reports has the Minister received of this very serious development?

Deputy Simon Coveney: If the Deputy is saying that BIM has no evidence to suggest there was any escape of salmon-----

Deputy Clare Daly: BIM said it could not be confirmed.

Deputy Simon Coveney: The Deputy told me BIM said there was no evidence to suggest there was any escapage of salmon but then she told me with certainty that 60,000 escaped. Those two things do not tally. I do not have any report of salmon escaping. I specifically asked whether there were any problems with the Clare Island site because it is in deep water. It is not
quite in open water, because it has the shelter of a number of islands, but it is certainly a very
large site. I was told there were no problems at all during the stormy weather. I am asking ques-
tions in this regard but I have not had any reports of significant, or any, escapage in Bantry Bay
or anywhere else. However, I will follow up on it now that the Deputy has raised it.

The issue of grant aid for aquaculture is a problem. Given what I have just outlined, we do
not have sanction to spend EU money on the development of aquaculture projects which do not
have up-to-date licences in areas which are SACs, Natura 2000 areas, and that is a problem and
a frustration which is making it impossible for us to give grant aid to a sector which I am sure
would like to benefit from that. We are working through those issues. When those projects are
fully licensed under the new system, then we will be able to do that and I look forward to being
in a position to do so.

Aquaculture Development

91. Deputy Éamon Ó Cuív asked the Minister for Agriculture, Food and the Marine if
Bord Iascaigh Mhara as licence holder, if granted, will be responsible for the insurance costs of
the proposed fish farm in Galway Bay; if so the potential liability that would arise for the State;
and if he will make a statement on the matter. [6341/14]

Deputy Éamon Ó Cuív: In view of the recent storms and the implications they might
have for the major fish farm proposed in Galway Bay, can the Minister clarify once and for all
whether the issue of insuring the proposed fish farm in Galway Bay against all risks, including
escapees, storm damage and so on, will rest with the operators rather than with BIM and the
State?

Deputy Simon Coveney: The application by BIM for an aquaculture licence for the cul-
tivation of finfish near Inis Oírr in Galway Bay was received by my Department in 2012. The ap-
plication and its accompanying environmental impact statement are being considered under the
provisions of the Fisheries (Amendment) Act 1997 and the Foreshore Act 1933, as amended.
As the application is under active consideration as part of the statutory process, it would not be
appropriate for me to comment further at this time.

I am on record as saying that the strategic approach in deep sea aquaculture development
has the potential to deliver much needed jobs in coastal communities. However, it is important
to note that, as Minister, I have two distinct roles in regard to applications such as these. I have
a developmental role in seeking to enhance Ireland’s production of seafood and I have a quite
separate regulatory role which requires me to reach a determination in respect of aquaculture
licence applications based on the wider public interest and all relevant national and EU legisla-
tion. I take the division between these two roles very seriously in respect of all aquaculture
licence applications and the distinction is always strictly observed.

Regarding liability, any commercial losses an operator might incur in regard to the opera-
tion of a salmon farm would be a matter for the operator in question. It would be a routine
requirement that any person or organisation taking on an aquaculture licence would be respon-
sible for ensuring the appropriate insurance cover is in place.

Should BIM be successful in obtaining a salmon farming aquaculture licence in Galway
Bay, any operator of that licence will be required to put in place appropriate measures designed
to ensure that no financial liability would arise for the State in respect of the operation of the site. I hope that is clear.

**Deputy Éamon Ó Cuív:** Is the Minister telling me that if the regulatory Minister, Deputy Coveney, grants permission to the developmental Minister, Deputy Coveney, for the fish farm in Galway Bay that the developmental Minister, Deputy Coveney, will make absolutely certain there is no potential liability to the State, directly or through BIM, for any risk that might ever arise on that fish farm? Is he further telling me that BIM will be utterly indemnified even though it will be the licence holder if the regulatory Minister, Deputy Coveney, gives permission to the developmental Minister, Deputy Coveney, for this particular fish farm? Is the Minister able to give an absolute assurance that there will be 100% indemnity against any risk to the State?

**Deputy Simon Coveney:** The Deputy is trying to create a problem where there is not one.

**Deputy Éamon Ó Cuív:** The Minister is the one-----

**Deputy Tom Hayes:** Which Minister Coveney was Deputy Ó Cuív talking about?

3 o’clock

**Deputy Éamon Ó Cuív:** I am getting confused myself. I am utterly confused.

**Deputy Simon Coveney:** It is not unusual for Ministers to aspire to develop an industry and also to have a regulatory function in terms of licensing. Unfortunately, the licensing system introduced by a previous Government, of which Deputy Ó Cuív was part, has caused us a great deal of problems.

**Deputy Éamon Ó Cuív:** The Government can change it.

**Deputy Simon Coveney:** We are changing the system. We have done so. That is why we now have a template for aquaculture licences, which is something the previous Government could never do.

**Deputy Éamon Ó Cuív:** The law has not changed. The law is the same.

**Deputy Simon Coveney:** That is why we now have an agreement with the Commission about how this should be done. Unlike the previous Government, we are doing it.

**Deputy Éamon Ó Cuív:** Is the Government changing the law?

**Deputy Simon Coveney:** The system is not a problem. The system can function and will function. I have answered the question about liability. If there is a problem with any fish farm in this country, the operator of that project will need to have liability in place. That will be part of the usual licensing application and delivery process. The same will apply to the project that is under consideration if it gets the go-ahead. That is a big “if” because many considerations must be studied before any decision is made on the Galway Bay project.

**Deputy Éamon Ó Cuív:** As the Minister has widened the question, can he give the House an indication of the timescale within which all of this consideration will be completed? Are we talking about another three months, six months or nine months? Can the Minister give us a ballpark indication of when a decision will be made?

**Deputy Finian McGrath:** When I met a group of residents from Galway before Christmas,
they expressed major concern about the impact of this fish farm proposal on tourism in Galway Bay and the wider Galway city and county area. A second issue has arisen in the last week or so in light of the massive storms that have caused such damage along our coastline. Can the Minister give the residents a guarantee about the impact this fish farm would have on pollution and on those who use Galway Bay?

**Deputy Simon Coveney:** As I have said, this application is under consideration at the moment. I do not intend to debate the intricacies or details of this or any other application. The questions asked by Deputy McGrath must be answered in a very thorough way as part of that process, and they will be. I refer, for example, to the questions that have been asked about the engineering specifications that are required to deal with certain weather conditions. The farm on Clare Island, for example, has passed all the tests the weather has thrown up in recent months. Likewise, issues like pollution and tourism will be considered as part of this application. If all of these questions are not answered comprehensively, I will not grant a licence. If I decide to grant a licence, the appeals process will test the system all over again. That is why we have a system in place. We need to trust that system to make appropriate decisions on applications like this one.

**Deputy Éamon Ó Cuív:** The Minister did not answer my question about the timescale for this process.

**Deputy Simon Coveney:** I suspect that it will be concluded in about six months time, but I am not sure.

**Aquaculture Licences Applications**

92. **Deputy David Stanton** asked the Minister for Agriculture, Food and the Marine the number of aquaculture licences he has received with respect to operating in Ballycotton Bay, County Cork; when an appropriate assessment of Ballycotton Bay, as required under the EU birds-habitats directive, will occur; and if he will make a statement on the matter. [6333/14]

**Deputy David Stanton:** I am asking about the progress that has been made with an aquaculture licence application in respect of Ballycotton Bay in east Cork. I understand the Marine Institute, Bord Iascaigh Mhara and the National Parks and Wildlife Service have been considering a multi-annual work programme for quite some time and that it is basically complete. Can the Minister tell us the current position? When does he expect to be in a position to make a decision on the application in question?

**Deputy Simon Coveney:** Six aquaculture licence applications are awaiting determination in Ballycotton Bay, which is designated as a special protection area - a Natura 2000 site - under the EU birds directive. The European Court of Justice declared in case C418/04 that by failing to take all the measures necessary to comply with Article 6(3) of the habitats directive in respect of authorisation of aquaculture programmes, Ireland failed to fulfil its obligations under that directive. My Department is working closely with the Marine Institute, Bord Iascaigh Mhara and the National Parks and Wildlife Service to achieve full compliance with the birds and habitats directives through a multi-annual work programme. This programme entails the collection of necessary data in relevant marine Natura sites, the development of conservation objectives in those sites, the completion of appropriate assessments and the establishment of fisheries Natura plans and other arrangements to enable a progressive roll-out of determinations.
in line with the Natura obligations once all the preconditions are met. It is a very long answer to a very short question. The process has begun to achieve meaningful results. Assessments have been completed in respect of Castlemaine Harbour, Dundalk Bay, Lough Swilly, Donegal Bay and Roaringwater Bay. We are accelerating the number of applications we are considering and in most cases granting because by the time it gets to me it has been sieved through the various assessment procedures. I will inquire as to where Ballycotton is positioned on that list and will come back directly to the Deputy with a more accurate date. I do not have it before me.

**Deputy David Stanton:** I thank the Minister for his reply. This has been ongoing for quite some time and I am delighted that some progress is being made. I would welcome the further information and ask the Minister to do what he can to expedite it, as it is a very important issue.

**Deputy Simon Coveney:** There is considerable frustration over aquaculture and nobody is more frustrated than I am. I must be clear, firm and consistent on every application that comes to me, whether it is an application for a very large operation in Galway Bay or for a small operation in Ballycotton. We are obliged to act in a way that is consistent with our commitments to the European Commission and we will do that so that when we license them they are licences that will last and will respect all the regulations with which we must comply. Unfortunately there are many irregularities which are being corrected at the moment. A considerable amount is happening in this area and we are accelerating the pace of consideration of licence applications. That is why I hope that people, who have been waiting - in some cases for years - for decisions on new licences or the renewal of existing licences, will get the consideration they need in the not too distant future, but it is taking time.

**Deputy David Stanton:** What is the untapped potential of this sector jobs-wise and from an economic point of view?

**Deputy Simon Coveney:** I will be somewhat vague on this. I believe the potential is significant. Europe views Ireland as probably having the cleanest aquaculture in the world. Our coast to the west and south west is open to the cleanest waters on the planet, in the Atlantic. That is why organic farmed salmon in Ireland commands a premium price on international markets and why Irish shellfish attracts so much interest from abroad. Demand from home and abroad is not the problem in this sector. The problem is the ability to produce in a way that is appropriate, maintains quality and reassures everybody who may have concerns about pollution, environmental management, marine life, bird life and so on. We need to get a balance in our use of bays between leisure and commerce, as we have here. The potential for growth and expansion in the aquaculture and finfish farming sector is very significant.

**Single Payment Scheme Administration**

93. **Deputy Martin Ferris** asked the Minister for Agriculture, Food and the Marine the number of farmers who have received notification from his Department that they have over-claimed single farm payments since 2009. [6317/14]

**Deputy Martin Ferris:** I am asking about the number of farmers that have received notification from that Department that they have over-claimed single farm payments since 2009. This probably should have run with the Priority Question. How many have over-claimed?

**Deputy Simon Coveney:** I probably gave the Deputy most of the numbers on that earlier.
I can probably read the answer for him again.

Deputy Martin Ferris: It is 4,800.

Deputy Simon Coveney: That is the number of farmers who want us to reconsider the issue and have sought an appeal. However, more than 4,800 farmers are involved here. I will send the Deputy the detailed answer I have here, rather than reading it out because we would run out of time if I did. Approximately 72% of farmers have no issue with mapping or eligibility. A further 20% approximately have made an over-claim of between 0% and 3%. So the money involved is relatively small. I would not like to dismiss it because it is important to the farmers concerned, but in relative terms it is not a significant amount of money. Some of those farmers have already repaid money to address the retrospective issue and are now in the clear. Approximately 7% of farmers have an over-claim above 3%. I will send the Deputy the exact figures I have on that. A very small percentage of farmers have an issue with more than a 20% over-claim. Approximately 400 farmers nationally are in that category. We want to work with those farmers individually to deal with their issues around payments that they should not have got last year and the retrospective issue for the past four years. We will try to work with farmers. I am not in the business of putting farmers under any unnecessary financial stress. My Department is there to help this industry and nothing else but we must ensure the rules are kept and that if public money is spent on land that is not eligible for money that has been drawn down on it, we have to give it back. We have to examine the appropriate repayment mechanisms to allow that happen that will ease the financial burden on the relatively small number of farmers who are in that category. However, that is no consolation to the 400 farmers who are in that category but it is 400 out of approximately 130,000.

An Leas-Cheann Comhairle: Question Nos. 94 in the name of Deputy Pringle cannot be taken as the Deputy is not present in the Chamber.

Question No. 94 replied to with Written Answers.

An Leas-Cheann Comhairle: Questions Nos. 95 and 96 in the name of Deputy Ó Cuív cannot be taken as the Deputy is not present in the Chamber.

Questions Nos. 95 and 96 replied to with Written Answers.

An Leas-Cheann Comhairle: Question No. 97 in the name of Deputy Luke ‘Ming’ Flanagan cannot be taken as the Deputy is not present in the Chamber.

Question No. 97 replied to with Written Answers.

An Leas-Cheann Comhairle: Question Nos. 98 in the name of Deputy Ó Cuív cannot be taken as he is not present in the Chamber.

Question No. 98 replied to with Written Answers.

An Leas-Cheann Comhairle: Question No. 99 in the name of Deputy Wallace cannot be taken as he is not present in the Chamber.

Question No. 99 replied to with Written Answers.

Common Agricultural Policy Reform

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100. **Deputy Charlie McConalogue** asked the Minister for Agriculture, Food and the Marine his plans under the Common Agricultural Policy reform proposals to assist and support young farmers who have been farming for more than five years to build a viable farming enterprise; and if he will make a statement on the matter. [6310/14]

**Deputy Charlie McConalogue:** I was not expecting to get in - it was well worth my while coming in early. What are the Minister’s plans under the Common Agricultural Policy reform proposals to assist young farmers who have been farming for more than five years to build a viable farming enterprise? As the Minister is aware, the agreement on which he signed off in Brussels confined a definition of “young farmers” to those who have started farming now or any time within the past five years. That is my understanding of it. There is a significant category of farmers who are under the age of 30 or in their early thirties who have been farming for more than five years, many of whom are in receipt of very low single farm payments. If we are serious about trying to keep young farmers in farming - it is not only about attracting in new farmers which we must do - we have to provide a viable future for those who are already in the industry. I do not see how the Minister’s proposals are doing that. What are his plans in this respect?

**(Deputy Simon Coveney):** It is a reasonable question. During the negotiations at European level I have been very strongly in support of positively discriminating in favour of young farmers because we need generational change in this industry. Fewer than 6% of farmers are under the age of 35 in Ireland and that is no basis for the kind of growth and expansion we want for this sector. Everybody agrees we need more young farmers. What we are trying to do in terms of the 25% top-up on single farm payments up to 50 hectares, which is about €16,000 for the highest earners in that category over five years, is to give people a good start in farming to allow them to invest in building up their herds, their yards and so on. If a person is 38 years of age and he or she has been farming since he or she was 25 years of age, is he or she in the same category as a person who is 38 years of age who has been farming only since 36 years of age? One is a new and young farmer and the other is a farmer who has been farming for quite some time. One could also make the case that a person who is 41 years of age who has been engaged in farming only for the past two or three years should benefit from this because he or she is a relatively young farmer as opposed to a person who is in his or her late thirties who has been farming for ten or 15 years. We have only so much money to spend here and we had to categorise the type of farmer who would get a conversation going in farm families between parents and sons and daughters to hand over those farms to those sons and daughters, to get generational change in agriculture which is what this money is targeted at achieving. The cut-off point is farmers who have come into farming in the past five years and farmers who were under the age of 40; they will get a payment for up to five years as long as they remain under the age of 40. I thought that was a reasonable compromise and balance. We fought hard for it. Many countries did not want this to be a mandatory measure but because of the stand taken by Ireland and a number of other countries, along with the Commissioner I might add, this is now a mandatory measure across the European Union for all countries, including Ireland.

**Deputy Charlie McConalogue:** I disagree with the Minister that this is a reasonable proposal. He has said that 6% of farmers are under the age of 35. He outlined that he has confined the young farmer categorisation to those who are under the age of 40 and who have just started farming now or within the past five years. He has admitted that he has made no effort or no
provision for those who are under the age of 35 and who have been farming for more than five years.

**Deputy Simon Coveney:** That is because we cannot; the regulation does not allow it.

**Deputy Charlie McConalogue:** The Minister is the person who negotiated the regulation. I cite the example of a young farmer who is 32 years of age who has a payment per hectare of €100 because historically more than ten years ago the farm was not farmed as extensively as it is now. That farmer - there are many of them - is considering whether he or she can continue to have a future in farming. Such farmers thought that the Common Agricultural Policy reform proposals would offer them a fair deal, in that, because they are now the persons who are farming they would have the opportunity, based on what they are doing at present, to get a fairer deal and have a viable future in the industry. The Minister has not given them a categorisation which would see them benefit or give them a viable future.

**An Leas-Cheann Comhairle:** Thank you, Deputy.

**Deputy Charlie McConalogue:** Will the Minister do something in regard to the national reserve which would give such farmers a future and a fairer deal than that which he has given them, which is nothing more than what he has given to a person who has been in farming for all of his or her working life?

**Deputy Simon Coveney:** The idea that anybody would be trying to sell this as a bad deal for young farmers-----

**Deputy Charlie McConalogue:** Will the Minister explain what is in this for them?

**Deputy Simon Coveney:** -----is not doing justice to the new Common Agricultural Policy deal. There is more being done for young farmers in this Common Agricultural Policy reform than we have ever seen before.

**Deputy Charlie McConalogue:** What is the Minister doing for that farmer? What is he or she getting?

**Deputy Simon Coveney:** That is because of a stand Ireland, along with a number of other countries to support the Commission, took to try to get this mandatory measure of positive discrimination in favour of young farmers over the line. It was a success and acknowledged as such-----

**Deputy Charlie McConalogue:** The Minister is failing young farmers.

**Deputy Simon Coveney:** -----by young farming organisations. The Deputy is trying to pick case studies from around the country whereby he wants money to be given to everybody.

**Deputy Charlie McConalogue:** Yes. What about the farmer I mentioned? There are many more like him. What is the Minister doing for such farmers? Will he address that question?

**An Leas-Cheann Comhairle:** Allow the Minister to conclude.

**Deputy Simon Coveney:** When we have a limited amount of money to spend, we have to prioritise who gets it. We have prioritised young farmers in their first years of farming. They will get priority treatment and that is what they will get under the negotiated Common Agricultural Policy, which has been welcomed by practically everybody except the Deputy.
Deputy Charlie McConalogue: For some, it may be their last year in farming as the Minister is not giving them a fair deal.

Message from Select Sub-Committee

An Leas-Cheann Comhairle: The Select Sub-Committee on Communications, Energy and Natural Resources has completed its consideration of the ESB (Electronic Communications Network) Bill 2013, and has made no amendments thereto.

Leaders’ Questions

Deputy Micheál Martin: The last while has not been good for the administration of justice. We have had the saga of the whistleblowers at the Committee of Public Accounts, the revelation last week by Deputy Mick Wallace, which he put on the Dáil record, of an alleged transcript of a conversation between the garda whistleblower, Maurice McCabe, and the confidential garda recipient, Oliver Connolly, and now we have had a report of bugging of the Garda Ombudsman’s office. I put it to the Taoiseach that the report in The Sunday Times in regard to that issue is very serious but all the Government seems to have done in response is to deliver a frenzy against the Ombudsman’s office, essentially turning around the issue and turning him into a villain as opposed to a victim. I put it to the Taoiseach that the fundamental issue should be: was the office bugged, who would have been involved in it, and in that context, I ask him if he will establish an independent panel of inquiry to determine the truth around that?

The revelations contained in a transcript between Oliver Connolly, the confidential garda recipient and the whistleblower, Maurice McCabe, is very serious in terms of what that contains and saps any confidence one could have in our institutions.

An Ceann Comhairle: There can be only one topic per question.

Deputy Micheál Martin: This concerns the administration of justice, which I stated very clearly at the outset.

An Ceann Comhairle: The Deputy is getting into two areas.

Deputy Micheál Martin: I made it very clear at the outset that it has been a bad couple of months for the administration of justice and I am entitled to raise that topic.

An Ceann Comhairle: No, you are not entitled to raise it. You are entitled to raise an issue.

Deputy Sean Fleming: The Opposition has rights too.

An Ceann Comhairle: You are entitled to raise an issue.

Deputy Micheál Martin: I am raising the issue. It is about the administration of justice.
An Ceann Comhairle: You cannot go into two issues.

Deputy Micheál Martin: It is about the administration of justice or the maladministration of justice. The situation is very serious.

An Ceann Comhairle: You know the rules as well as I do.

Deputy Finian McGrath: Too many cover-ups.

Deputy Micheál Martin: I put it to the Taoiseach that the confidential recipient-----

An Ceann Comhairle: I only apply the rules.

Deputy Micheál Martin: -----said to the whistleblower: “If the stuff was to get out into the public, the print media, it must come with what happens in the courtroom.” He also said: “I’ll tell you something Maurice, and this is just personal advice to you, if Shatter thinks you’re screwing him, you’re finished.” It goes on: “Forget about it. He is dealing with a lot of stuff, the Minister”. This is what the confidential recipient says-----

An Ceann Comhairle: I do not think you heard me, Deputy. I am only dealing with one issue.

Deputy Micheál Martin: He said: “If Shatter thinks it’s you, or if he thinks it is told by the Commissioner or the gardaí, here’s this guy again trying another route to put you under pressure, he’ll go after you.”

An Ceann Comhairle: Thank you, Deputy. We are over time.

Deputy Micheál Martin: The whistleblower said: “You mean Alan Shatter?” The reply was, “Yes, I mean he will”, and it goes on. Why is he saying that? He is essentially saying to the whistleblower that the Minister for Justice and Equality will come after the whistleblower if the whistleblower gives whatever material he has to the media or puts it into the public domain.

An Ceann Comhairle: Thank you.

Deputy Micheál Martin: The Minister for Justice and Equality appointed that confidential recipient. Does the Taoiseach think that is appropriate in the context of a conversation between a whistleblower and the confidential Garda recipient? There has been no denial since this was aired on the record of this House last week. I have seen and read the transcript myself. It is extremely disturbing and extremely sinister.

An Ceann Comhairle: Thank you. Please resume your seat.

Deputy Micheál Martin: It saps any confidence one could now have in terms of how justice is being administered. Are we serious? What kind of a democracy are we talking about-----

An Ceann Comhairle: Sorry, Deputy. We are way over time.

Deputy Micheál Martin: -----when someone can say a Minister will go after a whistleblower?

An Ceann Comhairle: Before the Taoiseach responds, I would ask, through the Chief Whip’s office, for the position on Leaders’ Questions to be clarified. My understanding is a topic is raised.
Deputy Micheál Martin: It is one topic.

An Ceann Comhairle: Until that is cleared up, I will leave it to the Taoiseach.

The Taoiseach: A Cheann Comhairle, you have been very clear on this. Deputy Martin has raised an important question about the Garda Síochána Ombudsman Commission, GSOC. This is an essential and fundamental entity of our democratic system and it is very important the people have absolute confidence and faith in the integrity and the credibility of GSOC, no more than it is an important and fundamental element of our democracy that there be citizens’ confidence in the Garda Síochána.

I note GSOC made a statement last night following the meeting between the chairman of the commission and the Minister for Justice and Equality. That statement said quite clearly that GSOC was satisfied that its databases were not compromised. It also made clear its view in respect of there being no evidence whatsoever of Garda misconduct. Finally, it explained to the Minister directly why this was not reported to the Minister for Justice and Equality by the commission and expressed regret for that decision. Clearly, the Garda Commissioner has responded with a number of questions that need to be answered from his perspective by GSOC.

The Government was briefed this morning by the Minister for Justice and Equality arising from the discussions with the GSOC chairman yesterday. The House is now aware of the statement issued by GSOC in which it outlines that it carried out an investigation into three technical and electronic anomalies which had been identified in a security sweep, which had not been triggered by any particular incident but which was part of a process of security sweeps. The Minister also briefed the Government this morning in respect of the statement issued by the Garda Commissioner, in which he expressed concern at any implication of Garda involvement in the matter. It is important to state that, in its statement, GSOC made it perfectly clear that there was no evidence of Garda misconduct. Indeed, the Minister for Justice and Equality has been advised, and briefed the Cabinet on it this morning, that it concluded there was no definitive evidence of unauthorised surveillance, either technical or electronic, of its offices.

Deputy Michael Healy-Rae: So they were not bugged.

The Taoiseach: Because this is an issue-----

Deputy Michael Healy-Rae: Were they bugged or not?

An Ceann Comhairle: Stay quiet, please.

The Taoiseach: This is an issue of real importance and an issue of the confidence of the people in two very important institutions, both GSOC, which was set up for the purpose of having oversight in respect of gardaí, and the Garda Síochána itself. I am anxious, and I understand Deputies are anxious, to have as much information as is possible about the concerns that arose.

Deputy Timmy Dooley: We are not getting much information out of the Taoiseach.

Deputy Billy Kelleher: We will have to bug the Taoiseach’s office to get the information off him.

The Taoiseach: For that reason, the Government instructed the Chief Whip this morning that, after the Order of Business concludes, the Minister for Justice and Equality will make a statement to the House, with opportunities for Members to respond to that. I note GSOC will
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attend in public session at the Joint Committee on Public Service Oversight and Petitions tomorrow. It is important that there be clarity - clarity leading to confidence - about the institution of GSOC. I hope that when GSOC attends there tomorrow, it will be in a position to provide that clarity. It is very necessary for the people that this happens.

The Joint Committee on Public Service Oversight and Petitions was set up when this Government came into office. It has an opportunity tomorrow, in engaging with GSOC directly, to have that confidence and that clarity provided in order that our people are fully satisfied of the integrity of the office, and that GSOC expresses itself fully satisfied in that regard. From a Government perspective, that is fundamentally important. If GSOC itself requires any facility to enable it to come to that conclusion, the Government will provide that.

Deputy Michael Healy-Rae: Why is there no investigation?

Deputy Timmy Dooley: GSOC showed no confidence in the Government at any rate.

The Taoiseach: I might say, for your information, a Cheann Comhairle, that the Government is not entitled to the report that was provided to GSOC by the company it chose. It is an independent body. However, the Minister for Justice and Equality has requested that the report would be supplied to him.

Deputy Micheál Martin: I find the Taoiseach’s response extraordinary. I asked a very straightforward question in regard to that matter, namely, whether he would establish an independent panel of inquiry. He refused to answer it, and he went on a long rigmarole. I also asked him, as I made very clear at the outset of my question, about confidence in the administration of justice-----

An Ceann Comhairle: No. You can make it very clear. My job is to adhere to the rules of the House. You are entitled to raise an issue. You can raise that other issue tomorrow if you so wish.

Deputy Micheál Martin: It is the same issue.

An Ceann Comhairle: It is not the same issue.

Deputy Micheál Martin: Sorry. It is the relationship between the ombudsman’s office and the Garda. The Minister himself has made the relationship between the Garda ombudsman’s office and the Garda confidential recipient.

An Ceann Comhairle: I am ruling on it anyway.

Deputy Micheál Martin: The Minister himself has made that connection in the House. It is outrageous that an attempt should be made to suppress a legitimate issue I have raised-----

An Ceann Comhairle: I am not suppressing it.

Deputies: You are.

Deputy Micheál Martin: ------that goes to the very core of the administration of justice in this country.

An Ceann Comhairle: Do not be going on with your dramatics to me, please.
Deputy Micheál Martin: The Taoiseach did not have the bottle to answer the question I put to him.

An Ceann Comhairle: Do not be going on with your dramatics to me. You know the rules.

Deputy Micheál Martin: It is not dramatics. I do not normally do this, a Cheann Comhairle, but this matter-----

An Ceann Comhairle: You are here a long time. You know the rules as well as I do.

Deputy Micheál Martin: I am here a long time, and I have never seen a leader of the Opposition interrupted so much at any time since Leaders’ Questions came in.

An Ceann Comhairle: I am here longer than you, and neither have I seen anyone behave like that towards the Chair.

Deputy Micheál Martin: I have never seen that type of intervention, a Cheann Comhairle.

An Ceann Comhairle: I have never seen that behaviour towards the Chair either, so please put your supplementary.

Deputy Micheál Martin: It is unprecedented how you come in to protect certain situations. You made it clear to the Taoiseach that he dare not reply to a very fundamental question.

An Ceann Comhairle: I pointed out what the rules of the House say.

Deputy Micheál Martin: If you would allow me to finish, I would finish, but you do not. I want a simple answer. It is on the record of this House since last Thursday that a whistleblower-----

An Ceann Comhairle: That is a separate issue.

Deputy Micheál Martin: -----was told by the Garda confidential recipient that the Minister for Justice and Equality will “go after you” if this material goes into the public domain. I can think of nothing more important-----

An Ceann Comhairle: Well then, raise it.

Deputy Micheál Martin: I am raising it, but you are trying to stop me raising it-----

An Ceann Comhairle: There are other ways to raise it, but not on Leaders’ Questions.

Deputy Micheál Martin: -----and you are trying to stop the Taoiseach from answering it.

An Ceann Comhairle: I am not trying to stop him. That is being childish.

Deputy Micheál Martin: It is a very simple question. Is the Taoiseach aware of it? Has the Taoiseach sought confirmation from the Minister? Is it because, and I do not want to cast any aspersions on the individual-----

Deputies: No?

Deputy Micheál Martin: No, because the whistleblower will say-----

An Ceann Comhairle: You are over time.
Deputy Micheál Martin: The whistleblower will say he told him the truth, because the whistleblower will say that the Minister did come after him. That is what the whistleblower will say.

An Ceann Comhairle: You can raise that tomorrow. Thank you.

Deputy Micheál Martin: Oliver Connolly was correct. Oliver Connolly was close to the Minister, he was a good supporter of the Fine Gael party, as he is entitled to be, but he was appointed to a very sensitive office.

Deputy Finian McGrath: Blaming the victims.

Deputy Micheál Martin: A core issue has been raised in respect of it in this House and there is silence from the Government benches and the Minister. I am entitled to ask the question. Is the Taoiseach satisfied with that in terms of public confidence in the institutions established relating to Garda oversight and in terms of facilitating whistleblowers to come to the table with material they want to talk about instead of being told if they do so they will be pursued.

The Taoiseach: I am of the view, which is shared by everybody else, that we require clarity in respect of the GSOC and the integrity of that office which has responsibility for oversight of An Garda Síochána. I am also well aware of the importance of citizens having confidence in the integrity of An Garda Síochána. This issue was at the forefront of much discussion last weekend arising from the revelations in a Sunday newspaper about the consequences and aftermath of an investigation and security sweep carried out by the GSOC. The GSOC chairman met with the Minister yesterday and it issued a formal statement.

Deputy Timmy Dooley: We know that.

The Taoiseach: The GSOC is to attend the Oireachtas Joint Committee on Public Service, Oversight and Petitions tomorrow in public session. Deputy Martin is asking me today to have a public inquiry into this. Does he not think it appropriate that the GSOC should come before the committee and answer questions and provide clarification for Members of the House? Perhaps he does not want that. He is asking me to set up a public inquiry today when an Oireachtas committee is legitimately entitled to inquire into this and the GSOC has responded publicly to the effect that it will attend the committee.

Clearly, the statement yesterday from the Garda Commissioner requires an answer regarding four issues. I expect that when the GSOC attends in formal session at a public committee, this clarity will be provided. It is necessary for the official commission with responsibility for oversight of An Garda Síochána to have integrity and the confidence of the people. The GSOC indicated yesterday that it found no evidence of electronic bugging and that the Garda was not involved in misconduct in any way. I expect that the least Deputy Martin could do is to allow that the GSOC, a commission that is independent of the Government in the way it carries out its business of oversight, should be allowed to come before the Oireachtas Joint Committee on Public Service, Oversight and Petitions and make its position very clear. We want to see confidence in the integrity of the GSOC in respect of how it carries out its business and confidence in the integrity of the running of An Garda Síochána. These are two very important pillars of our democratic system.

In respect of the other matter raised by Deputy Martin, if he wants an answer from the Minister for Justice and Equality, he should raise it in a Topical Issue debate or put down a priority
Deputy Gerry Adams: I agree with the Taoiseach that we need clarity but he has not been clear. There is very deep concern about reports that the GSOC office was targeted as part of a sophisticated surveillance operation allegedly using high-level technology. The Taoiseach’s response to this yesterday was very disappointing, as was that of the Government to the whistle-blower allegations. The important question people are asking about this scandal is whether the office of the GSOC was bugged and if so, by whom? There is no point in blaming the GSOC, as the Taoiseach did yesterday. That is not good enough. There is clearly a breakdown of trust between that office, the Garda Commissioner and the Minister. The reality is that the GSOC has been undermined since it was established and its work frustrated, particularly during the public interest investigation into the handling of informers arising from the Kieran Boylan affair. I also agree with the Taoiseach that citizens need to trust public agencies and to know that they are in a position to carry out their work without being compromised, particularly an agency with the onerous responsibility for Garda oversight. Was the office of the GSOC bugged? If so, who did it? The Taoiseach was not clear about that.

The GSOC has no oversight in respect of the Garda Commissioner. Given the breakdown in trust with the Minister, is it not clear that an independent inquiry would resolve these matters in an urgent way and that this would then deal with the issue of public confidence about which the Taoiseach expressed concern?

The Taoiseach: Deputy Adams made the point about newspaper reports that the office of the GSOC was the subject of sophisticated surveillance. A report claiming that the GSOC had been the subject of unlawful surveillance of a sophisticated nature was published in a Sunday newspaper on 9 February 2014. The Minister received a briefing on this yesterday by the chairman of the GSOC. The chairman said publicly that he regretted that the GSOC had made a difficult decision not to inform the Minister, as is required under the law in section 80(5) of Garda Síochána Act 2005. The chairman made that clear.

The issue arose following a sweep of the GSOC’s offices conducted in September 2013. That sweep was not dictated by any issue but was part of having a regular sweep of an office like that. As the Deputy is aware, the Minister was informed yesterday that following the sweep and investigation by the company chosen by the GSOC, the GSOC concluded that no definitive evidence of unauthorised technical or electronic surveillance of the office was found. The Deputy asks me whether the office was bugged. Following the investigation, the GSOC found no evidence of unauthorised sophisticated technical or electronic surveillance. I think that is clear.

Deputy Adams is aware that citizens need to have confidence in the integrity of the GSOC. This is why the Minister will give a more detailed statement dealing with the technical issues raised in the investigation and the discussions he had with the chairman of the GSOC yesterday. As I indicated to Deputy Martin, the GSOC will appear before the Oireachtas Joint Committee on Public Service, Oversight and Petitions tomorrow in public session. I expect that the matters that need to be addressed in respect of giving absolute clarity about this fundamentally important office will be addressed. That is in the interests of everybody. Deputy Martin is looking for a public inquiry tomorrow. The GSOC, which has responsibility for oversight of the Garda, is fully entitled to give its report and engage with the committee.

I point out to Deputy Adams that the Government does not have the report provided to the GSOC by the company that carried out the investigation. The Government is not entitled to
that report because the GSOC is independent but the Minister for Justice and Equality has requested it. If it is provided we will be able to deal with the facts as presented to the GSOC by the company.

Deputy Gerry Adams: Sinn Féin also supports the call for a fully independent inquiry without delay into these matters. A part of the difficulty is something about which I challenged the Taoiseach in my first question. Yesterday, he inaccurately quoted section 80(5) of the Garda Síochána Act. He has done it again now. Whatever about whether the ombudsman was right or wrong not to report the matter to the Minister, the ombudsman is not bound to do so. The section states: “The Ombudsman Commission may make any other reports that it considers appropriate for drawing to the Minister’s attention matters that have come to its notice.” The ombudsman’s office may or may not. Obviously, the ombudsman did not. Why not? This is why we need an independent element to examine these issues.

The Taoiseach quoted what could be described as a Jesuitical statement about whether the office was bugged. Was it found that an unauthorised system was in place that would have left the Garda Síochána Ombudsman Commission, GSOC, offices vulnerable to bugging? I have read all of these reports. It depends exactly on how one interprets what happened. GSOC was concerned enough to bring someone in from outside the State to examine the matter. It was concerned enough at the outcome of that examination not to report it to the Garda Commissioner or the Minister.

The ombudsman commission is appointed by the President. That is rightly so. However, if the Taoiseach misses my next point, he misses it all. Following the penalty points debacle and the whistleblowers controversy, does this current scandal not highlight the worrying level of distrust between GSOC and the Garda Commissioner and the Minister for Justice and Equality?

Deputy Simon Harris: The Garda is reassured-----

Deputy Gerry Adams: If the Government will not do so, just tell us “No”, but it promised transparency in how it would do its business.

Deputy Finian McGrath: Dream on.

Deputy Gerry Adams: The Government claimed that it would do its business differently from its predecessors. Why will it not just put in place a fully independent inquiry to examine these matters expeditiously and report to the Oireachtas?

The Taoiseach: I respect absolutely GSOC and I think it is important that GSOC would have every opportunity to state for the record in public session and that the chairman and the members of the board of the commission are absolutely satisfied with the independence and integrity of the way that they are entitled to do their business. Now, I cannot direct them to do that. It is important that the Government here and the people understand the relationship between the Garda on the one hand and GSOC, which has oversight for gardaí, on the other. I think that, without any talk of independent inquiries, it is important for GSOC when it goes before the Oireachtas committee to be able to outline the degree of satisfaction that it has in the running of its own affairs.

In its own statement yesterday, it said: “GSOC is satisfied that its databases were not compromised. Since the investigation concluded, we have been working to review and enhance our security systems in the light of what the investigation revealed... The commission decided
to discontinue the investigation on the basis that no further action was necessary or reasonably practicable.”

Deputy Michael Healy-Rae: Was it bugged or not?

The Taoiseach: That is the statement from GSOC. The section that I referred to and that the Deputy quoted from means that GSOC is entitled of its own initiative to report-----

Deputy Gerry Adams: The Taoiseach did not say that.

An Ceann Comhairle: Deputy, please.

The Taoiseach: ----under the law to the Minister for Justice and Equality of the day. In its statement yesterday, it said:

We did not wish to point fingers unnecessarily and we did not believe that widespread reporting would be conducive to public confidence. We took the decision not to report in good faith. We regret that now and this was communicated to the Minister for Justice and Equality by Simon O’Brien, chairman...

Deputy Michael Healy-Rae: GSOC thought it would go away.

The Taoiseach: That is the independent body with oversight responsibility for the Garda. That is its statement. It says that there was no evidence of its databases being compromised, that it made the decision not to report in good faith, that it regretted that decision and that it communicated that to the Minister for Justice and Equality.

Deputy Timmy Dooley: All is well. Is that the point the Taoiseach is making? We are all happy.

The Taoiseach: The balance between the Garda and GSOC is very important here. I do hope that the clarity that is necessary can be furnished at the open hearings of the Oireachtas committee tomorrow. From that point of view, the Minister for Justice and Equality will speak in some further detail after the Order of Business today.

Deputy Michael Healy-Rae: So, it is not a GUBU situation. It is all right and everything is fine.

Deputy Stephen S. Donnelly: I would like to change topic to another important and pressing issue. In just a matter of weeks, the special liquidator of IBRC is planning to sell more than 13,000 mortgages on the open market. I have met some of the families involved, people like Ms Denise McCormack and Mr. Mike Hurrell, who were featured on “Prime Time” last night. The families have two concerns. First, they will not be allowed to bid for their own mortgages. The special liquidator plans on selling their mortgages in batches of several thousand at a discount. Under the current plan, that discount will be turned into profit for large international financial firms rather than being used to benefit thousands of Irish families as it could. Second, when their mortgages are sold, the families will be stripped of important protections from the Central Bank, the code of conduct on mortgage arrears, CCMA, and the financial ombudsman.

As the Taoiseach knows, this has already happened to many Irish families. Apollo Global Management from the US and the Pepper Group from Australia have bought thousands of Irish mortgages. Both firms are voluntarily conforming to the Central Bank guidelines and are to be
congratulated for doing so. Unlike domestic banks, though, they were not required to do so.

The families that own the Irish Nationwide mortgages are right to be afraid. Depending on who buys their loans, they could find their interest rates jacked up or themselves in court for repossession hearings. If that happens, they will have no protection from the Central Bank or the ombudsman under the current law.

Under the IBRC legislation that was passed last year, the Minister for Finance, Deputy Noonan, has the power to direct the special liquidator to allow these families to bid for their own loans at the market price. However, when I asked the Minister in October whether he would exercise that power, he refused. He cited the advice that it would be more efficient, among other factors, to sell the loans in batches. I hope the Taoiseach agrees with me that a little administrative complexity is a small price to pay for helping thousands of Irish families in this situation.

I have two questions. Does the Taoiseach agree that the Irish Nationwide mortgage holders should be allowed to bid for their own mortgages at whatever discount is being offered to international financial firms? Will he commit to the House to introduce legislation urgently that will guarantee that all mortgage holders have the same level of protection from the Central Bank, the CCMA and the ombudsman?

The Taoiseach: The Minister, Deputy Noonan, dealt with this in questions just some short time ago. The special liquidator has full responsibility for determining how the assets of IBRC are sold. In arriving at these decisions, it has considered the cases made from both borrowers and professional independent advice on each of the portfolios in the mortgage area. The decision to offer the residential mortgage book for sale in a portfolio was also arrived at, having regard to the scale of the process and the size of the IBRC loan book.

Furthermore, the decision to sell the loans as part of a portfolio is a more efficient method of disposal and the one that is most likely to give best results in terms of the ultimate sales by the special liquidator, having regard to the public interest. Interference by the State in these matters could lead to challenge from other creditors in the bank.

As the Minister set out, the continued applicability of the Central Bank code of conduct on mortgage arrears, CCMA, in respect of the IBRC residential mortgage portfolio depends on the regulatory status of whoever acquires the portfolio at the end of the process. I am advised that, for instance, should the portfolio be sold to NAMA, it will be mindful of the general market norms that apply when determining its strategy for managing the portfolio.

The Minister, Deputy Noonan, has instructed the Department of Finance to examine the issue in consultation with the Central Bank with a view to bringing forward a solution to the problem. This is a complex legal issue and will require some careful consideration. We will not know the regulatory status of the ultimate acquirer of the portfolio until the sales process has been concluded. The outcome of the sales process will therefore determine what, if anything, needs to be done at that point. For example, in the event that NAMA acquires the loan book, NAMA is likely to apply best practice in this regard.

There were 17,411 residential loans in IBRC at the end of May outstanding to more than 13,000 customers, so it is understandable that many mortgage owners might be interested in buying their loans. The cost and the practicalities involved would make it both difficult and costly to go down that particular road. Taxpayers have already incurred far too high a price
from this bank, and no further cost should be imposed upon them. It is important to note that the special liquidators have confirmed that all borrowers are permitted to repay their mortgage at par value and there are no legislative barriers for such borrowers to do so. The decision, as outlined by the Minister, to package such loans for sale by way of portfolios, is not limited only to the residential mortgage book. Similar decisions were taken in the commercial UK books to maximise sales realisations for the special liquidators.

As the process is under way, clearly we will not know who ultimately acquires the loan book until the process is finished. As the Minister has notified the Central Bank about this, it might be appropriate to see what solution, if any, is necessary following the conclusion of the process.

Deputy Stephen S. Donnelly: I thank the Taoiseach for his reply, but if I were one of these families I would be despairing at that answer. We do know what is going to happen. We know that none of the domestic banks will buy the loans. If NAMA buys them, if Apollo buys them or if some vulture fund in New York buys them, none of the potential buyers is covered by the Central Bank regulations. We know that to be the case, so a “wait and see” approach until after the contract has been signed is not good enough. I cannot imagine how frustrating it is to be one of the owners of these 14,000 mortgages around Ireland and to hear representatives of the Government say that we gave Irish Nationwide more than €5 billion in dead money to ensure every single one of the bondholders was covered. The Government stood over a €900 million bond payout 18 months ago for an unguaranteed bond that was bought in 2007, but when people are now asking to buy their own loans because they are terrified that some foreign firm will buy it, the answer from the Government is that it will let the special liquidator sell these mortgages for 90 cent or even 50 cent in the euro, but will not let the people buy their own loans because it is too complicated and too expensive.

This is potentially a win-win situation. There is no trade-off between getting the best price for the mortgage and helping these families, as well as the Irish domestic banking system and the general economy as a consequence. All these people are saying is that if the Government is going to sell their loans to those guys in New York for 90 cent in the euro or 50 cent in the euro, they would rather buy it for that price themselves. They can refinance it with AIB or by selling the property and getting out of negative equity. The point is that the State is already taking the hit, even though the Taoiseach has spoken about the value to the State. We are selling the loans at a discount. All these people want to do is buy it at a discount.

The Taoiseach and Government representatives have a mantra that everything in the mortgage world must be dealt with case by case basis. Why then, when it comes to helping potentially thousands of families, does that case-by-case principle no longer apply? This could be a win. Would the Taoiseach please at least take one more look and see if something can be worked out? The current solution will profit foreign vulture funds at the cost of Irish families.

The Taoiseach: The Minister has already instructed the Department of Finance to examine this matter in consultation with the Central Bank. The Deputy will be aware that operating loans are being repaid at par value. The interest of acquirers of a portfolio of loans will be for loans that are not performing well. Every mortgage that is signed for has contractual obligations attached to it. Whoever will acquire the portfolio of loans will have to comply with those contractual arrangements that were set out when the mortgage was originally signed. The additional requirements in the code of conduct set out by the Central Bank are the basis of the instruction given by the Minister for Finance to the Department and the Central Bank to look at the option that might arise. Clearly it has been indicated that if NAMA were to acquire this
I know this is of concern to the people involved and I have heard the public reports, but the Minister for Finance is well aware of this and has given his instructions to the Department of Finance, in consultation with the Central Bank, to see what might be the best option in the event of whoever ultimately acquiring the portfolio of loans. If the State were to take a hit in going through these loans individually, it would be both complex and probably very time-consuming. If we look at the portfolio of loans in their entirety, several of them are performing well and are being repaid, and they are probably not of great interest to an acquirer because they are operating at par. It is the loans that are in difficulty that are of interest to them. That is the subject of discussions between the Department of Finance and the Central Bank.

Ceisteanna - Questions

Referendum Campaigns

1. Deputy Thomas P. Broughan asked the Taoiseach the referenda he plans to put to the people in 2014. [45727/13]

2. Deputy Joe Higgins asked the Taoiseach if he plans to propose any referenda in 2014. [53722/13]

The Taoiseach: I propose to take Questions Nos. 1 and 2 together.

The Government has implemented a substantial programme of constitutional reform, holding six referendums since it took office. While we have no plans to hold a referendum during 2014, we announced that a number of referendums will be held in 2015. Others are under consideration. The details are as follows. Arising from recommendations in reports of the Convention on the Constitution, the Government has announced that it will bring forward proposals in 2015 for referendums on same-sex marriage, reducing the voting age to 16 and reducing the age of candidacy for presidential elections to 21. In addition, the Government has decided to refer to the relevant Oireachtas committee the question of a constitutional amendment to give citizens a say in the nomination process for presidential candidates. The Government has also undertaken to look at making Article 41.2 of the Constitution on the role of women gender neutral, and at including other carers both in and beyond the home. It has also undertaken to look at amending the Constitution to include the principle of gender equality, as well as the use of gender-inclusive language in the Constitution.

Recommendations for amendments to the Constitution in the Convention on the Constitution’s later reports are under consideration by the relevant Ministers, and the Government will give its formal response on them in due course. Where the Government agrees to the holding of a referendum, it will give a proposed timeframe in its response.

The Minister for Jobs, Enterprise and Innovation is examining the question of an amendment to the Constitution in relation to a unified patent court, while the Minister for Justice and Equality is examining the question of an amendment to the Constitution to provide for a sepa-
rate family court structure. Any proposals on these matters will be brought to the Government when ready, and the Government will announce any decisions on them in due course, including the timing of any referendum.

Deputy Thomas P. Broughan: I suppose there will be a referendum on the Government on 23 May, on the Fine Gael Party and on the Labour Party’s participation in the Government. People will make a judgment on the past three years.

4 o’clock

The Taoiseach referred to a number of important promised referendums, including one on same-sex marriage and a second on the family law court. Some weeks ago, the House extended the remit of the Constitutional Convention until 31 March. I note the convention has examined a number of other important issues, including the possibility of reducing the presidential term to five years, and has reviewed the electoral system for the Dáil and constitutional provisions such as those relating to the offence of blasphemy. Is it the Taoiseach’s intention that the recommendations of the Constitutional Convention will be dealt with not later than 2015?

The Taoiseach will recall the ill-fated referendum on the abolition of Seanad Éireann, on which he and I strongly agreed, and a second referendum on an important legal matter. Ms Justice Elizabeth Dunne was the chairperson of the relevant Referendum Commission. At that time, a view was expressed that the commission had not been given sufficient time and it was proposed to place it on a permanent footing. A Referendum Commission with a permanent function would be able to make adequate preparations in respect of all important revisions to the Constitution and other important developments, including the referendum on same-sex marriage, before giving citizens an opportunity to make their decision.

The Taoiseach: The local and European elections will take place in May. Whatever result the people give, their choice will not change the Constitution. It will be a reflection of attitudes towards the Government and political parties and what they stand for at local and European level.

The remit of the Constitutional Convention was extended to the end of March at the request of the chairman because the convention wished to discuss a number of other matters. The Government stated that when the convention submitted its reports, we would consider them and respond within six months. We also stated that if, having considered the individual reports, we were to decide to hold a referendum on one or other of the issues involved, we would indicate a timeline for doing so. We have some experience of holding multiple referendums on one day. We need to be cognisant that if the questions being asked are complicated, it causes confusion for some people.

A question was raised about the structure of the ballot paper for referendums. This issue needs to be addressed in legislation to make it clearer. The Government will respond to the issues raised in each of the reports within the six month period.

It is not feasible to hold a series of referendums to deal with all of the issues on which the Constitutional Convention reflected. However, the Government is committed to holding referendums on same-sex marriage, reducing the voting age to 16 years and reducing the minimum age of candidates in presidential elections to 21 years. The unified patent court is a major issue in respect of the Single Market and one on which we require a referendum. During the Presidency, we were forthright about dealing with many issues related to the Single Market.
A unified patent court is one such issue. The theory behind having a unified patent is that an entrepreneur or a business in Dublin which defines a new entity would not have to seek a patent in every country of Europe. For example, a motor car could include 2,000 mechanical parts and obtaining a patent for a new part could be highly complex. This issue has been ongoing for 20 years.

I do not disagree with the Deputy on the length of time the Referendum Commission has to reflect on its duties and responsibilities. I note, however, that in its most recent report, the commission stated that, for the first time, it had sufficient time to reflect on and consider the issue in question. Irrespective of whether the Referendum Commission is set up on a semi-permanent basis, once we decide what will be the likely number of referendums and what issues they will address, we will establish a Referendum Commission in good time and appoint a competent person to oversee it so as to ensure everyone has an opportunity to reflect on the issue.

As I stated, in the case of the referendum on same-sex marriage I hope the discussion will be calm, considered and compassionate and people will listen to each other as the debate will have very divergent views.

The Government will, in good time, inform the House of its decisions and when the referendums are likely to be held. While I have not yet fixed a month or date yet, the spring of 2015 would be an appropriate time. The Minister for Justice and Equality is considering the referendum on the structure of family courts. This is an issue that needs attention because it has drifted for far too long and the current position is not adequate in 2014. It would be in the interests of children in these complex cases to have a family courts system. This matter also requires a referendum.

Deputy Joe Higgins: The constitutional referendum on same-sex marriage the Government has announced for 2015 has acquired new and perhaps more urgent dimensions following the recent controversy and outrageous decision of RTE to pay €85,000 to individuals who are opposed to same-sex marriage because of some mild enough remarks made on RTE about the individuals in question by the gay activist, Rory O’Neill. Instead of organising a good and profound debate one or two weeks after the event and inviting the individuals in question and others who are in favour of the rights of people to equality and gay marriage were invited, RTE, without any contest, paid out taxpayers’ or licence payers’ money.

I put it to the Taoiseach that a referendum is not needed on this issue. I am sure he is aware that in Article 41 of Bunreacht na hÉireann marriage is not defined as being exclusively or in any way limited to heterosexual couples or persons. It is not defined in the way that traditionalists argue that marriage must be, nor in the way it is defined by the Catholic Church and Iona Institute. Many people believe the Government could introduce legislation to deal with this issue without a referendum. Considering that this is such an important human rights and civil rights issue and given that an important section of the population and their friends, families and neighbours feel put upon and oppressed by the existing laws, why does the Taoiseach, in the name of equality and human rights, not move to introduce such legislation?

The Labour Party has indicated it is fully behind same-sex marriage. What is the position of the Fine Gael Party? Given that the Taoiseach will introduce the referendum, I presume he and his party will campaign for it. Why does the Government not move now given that a referendum is not needed and thereby heal the unnecessary wound caused by the exclusion of many people from the rights to which other citizens are entitled simply by reason of their sexual
orientation or whatever reasons traditional institutions have for insisting on this denial?

**The Taoiseach:** It is important to have certainty on such a sensitive issue on which there are so many views. The best way to achieve this is by way of vote of the people in respect of the Constitution. Deputy Higgins will recall that in the drafting of the civil partnership arrangements, the legal advice was that marriage might not be constitutional if that happened. If an attempt was made to introduce legislation in this regard, we would be leaving ourselves open to challenge as a consequence. That aside, it is important that the people of the country are able to reflect on this in a calm, considered and compassionate way so that they can make their views known at the ballot box in the context of the referendum.

Deputy Higgins will be aware that the Minister for Justice and Equality recently published the heads of the children and family relationships Bill, which is to create a legal edifice to underpin diverse parenting situations and to provide for legal clarity on parental rights and duties in what are now diverse family forms. Following enactment of that legislation, the question in relation to same-sex marriage will become clearer. I have already indicated that I propose to support that referendum and will campaign in favour of it. It is important there is certainty on this issue, which can and hopefully will be provided by the people in a referendum which we hope to hold in the spring of 2015. As I said, I hope the debate around that particular referendum will be calm, considered and compassionate.

**Deputy Gerry Adams:** I wish to raise a number of issues around referenda. I think I am correct in saying that there have been six referenda since this Government came to power and that there will be at least another three prior to the next election. It could be argued that there is a need for a permanent Referendum Commission to manage the electoral process and, in particular, the referendum process. Another issue that arises is the funding of referenda and the need for both sides to be properly funded so that citizens have equal access to information around whatever issue is up for discussion. I commend those notions to the Taoiseach.

I support the Taoiseach’s call for calm debate on the issue of same-sex marriage. The recent controversy on RTE’s “Saturday Night Show” and the allegation by Rory O’Neill of homophobia and how RTE dealt with it and so on has highlighted the urgent need for legislation to give protection to lesbian, gay, bisexual and transgender citizens who at this time do not have any legal rights. The Taoiseach said earlier that this matter will not be dealt with until 2015, which means these people will have to wait until then for this matter to be addressed. I think everybody is agreed that all citizens, regardless of their background, sexual orientation or gender, should have the right to equality of rights and opportunities before the law. I understand that the Government’s view is that the issue of marriage equality cannot be dealt with until the Oireachtas has passed legislation in relation to children and parenting, which appears to me an unnecessary delay. The Minister for Justice and Equality has stated that the main reason for the delay in the next three referenda - perhaps this was a slip of the tongue - is concern in regard to turnout. Obviously, we have to do what the Government says in this matter. However, this is not acceptable now that there is a clear focus on the fact that a section of our citizens do not have the same rights as others.

The Constitutional Convention has dealt with a number of issues, in respect of which it has made recommendations. Some of the issues with which it has dealt include electoral reform, which debate I attended, whether citizens living outside this State, including citizens in the North, should be allowed to vote in presidential elections here, which debate I also attended, and the offence of blasphemy. It is important citizens can voice their views on such issues as
Deputy Micheál Martin: The fundamental issue when it comes to referenda is that Taoiseach essentially tells us what the Government has decided in terms of what issues it will put before the people. The Oireachtas was presented with a fait accompli in respect of the last couple of referenda. The root of the problem, in terms of how referenda are held here, is that regardless of what anybody else wants or what the constitutional convention recommends, the only proposals will come from Government to the Oireachtas and these matters are decided by Government in advance.

The Taoiseach referred to consultations and conventions. When it comes to referenda and the wording and timing of same, there has been less consultation in that regard during the lifetime of this Government than at any time in the past 20 years. There is a need for genuine consultation with all parties in this House in regard to the timing of referenda. This would, in my view, help enormously in developing a good level of consensus. I do not like saying this but the experience to date has been the holding of ticking the box-type meetings in the aftermath of decisions having been made by Government. This applies to a whole range of issues from Dáil reform to electoral reform and referenda. I do not believe that is an effective way of doing business.

During the campaign on the Lisbon referendum, I held detailed discussions with Opposition party spokespeople on an ongoing basis, often taking on board suggestions in regard to wording and so on. I suggest that if the Taoiseach continues the current approach, the Government will lose more referenda.

In terms of the marriage equality referendum, which the Taoiseach suggested will be held in 2015, it would be in everybody’s best interests if there was genuine consultation across all parties in terms of timing, wording and so on. There is a sense that the scheduling will have more to do with party political interests, including the likely needs of the Labour Party to overshadow a budget and so on. We want a respectful debate. There is no question but that it is within the capacity of this society to have such a debate. Fianna Fáil will be constructive in that regard in terms of creating the right space and environment for genuine articulation of perspectives and viewpoints. Referendum debates are important regardless of the issue involved. However, the debate on this issue will be particularly important. Fianna Fáil will be forthcoming and constructive in relation to that debate. I believe there should be genuine consultation on the issue well in advance of the referendum.

The Taoiseach: Deputy Adams is correct that there have been six referenda. These referenda concerned investigative powers for Oireachtas committees, judges’ remuneration, the Treaty on Stability, Co-ordination and Governance in the Economic and Monetary Union, the children’s referendum, abolition of the Seanad and the Court of Civil Appeal, some of which were held some time ago. Deputy Broughan has made the important point that if we are going to hold a series of referenda, a commission, be it a permanent or semi-permanent commission, should be set up in adequate time to deal with them. Given that it is proposed to hold referenda soon, it might be as well to put in place a commission in adequate time to organise the work involved. Following the court cases, the Government does not campaign as the Government on referendums, although parties do.

I note the outcome of the decision by RTE. I am not going to interfere in the balance that RTE must maintain in respect of legitimate discussion and conversation about issues of the day. My understanding is that it was cognisant of the cost of litigation and it made its decision in...
that regard.

It is not a case of not wishing to hold a referendum. There is the matter of electoral fatigue among people. We will have local and European elections in May and if we followed that with three or four referendums in the autumn and then another three or four in the spring, people would have had enough. The Government must make decisions about these matters. We have decided that there will be no referendum in respect of the Constitution in 2014 and that this would be the year for driving on about the creation of jobs, opening up opportunities for dealing with the banks and the construction sector, create opportunities to make an impact from the local enterprise offices and the local authorities and to derive a definition and the effective translation from FÁS to SOLAS to provide courses and opportunities for young people in a different way.

The referendums that have been discussed in the House relate to matters that the Constitutional Convention recommended. People are well aware from their parties’ attendance that there have been double the number of ordinary people at the hearings and, together with the political process, they have made their views known. It is not a case of drifting or having consultations. The Government must make decisions and these cannot be subject to what Deputy Martin described as box-ticking exercises.

I thank Deputy Martin for his comment about being constructive in this matter under discussion. It will be a sensitive discussion and we will be sensitive - I give Deputy Martin that guarantee, if I did not fulfil it previously. We will have consultations on whatever information we have for the parties.

We had in-depth discussions about the Lisbon treaties and we had to have two attempts at that. It was necessary that there be a structure in the context of the broad agenda, ranging from abortion to neutrality and all the points in between, such that people were able to have the best evidence on which to make a decision. On the second occasion, regarding the Lisbon treaties, they were better informed than on the first in order to make their decision. We do not do this on the basis of party political interests. If we are going to have a referendum or a series of referendums we must have them some time. People said to me on the last occasion that we should space these things out.

Deputy Micheál Martin: That was the Taoiseach’s Senators.

The Taoiseach: What we have said is that the convention should send in the reports and there would be a response to them within six months. If we are going to have a referendum, then we would say so and give an indicative timeline. The indicative timeline for the next batch of referendums is spring 2015. We have identified three from the convention reports, those relating to same-sex marriage, a voting age of 16 years and a reduction from 35 to 21 years to be eligible to become President. Two other issues outside the convention report relate to the unified patent court, to which I have referred, and the family court system. There is a batch of others that will have to be dealt with one way or another in the following convention report.

Let us suppose the Government has two years to go before the next election in 2016. We have a number to decide on and the question is whether, following the spring of 2015, is it right that there should be more in the autumn of that year. Should we run them in conjunction with an election to be held in the spring of 2016? These are matters for discussion. For 2015 we have proposed a number and, in the not-too-distant future, we will reflect on what others, if any, we
Deputy Joe Higgins: The Taoiseach said he did not plan for any referendums for 2014. I suggest that there is a referendum the Government should hold this autumn and the Government would have widespread support for it. Water is a precious resource, crucial to human life in a most vital way, as it is to most forms of life. However, it is also a resource that is cherished by the majority of ordinary Irish people. There is grave concern among large tranches of people in respect of the current Government policy towards our water resources and the setting up of Irish Water, Uisce Éireann, as a corporate commercial entity which makes a commercial commodity of water that can be bought and sold on the marketplace. This is seen by many people, rightly, I believe, as moving in the direction of the privatisation of this vital resource.

The Government has brought in the austerity tax on it, which is disgraceful, but I will leave that aside for the moment because I believe the people will give Fine Gael and the Labour Party a grand wallop, as the Taoiseach might put it, over water taxes in the local and European elections.

The people have paid for the production, supply and treatment of water through their taxes for generations. That is the only reason it arrives in our homes. They want to keep water in public ownership. The Taoiseach has denied our allegations that the privatisation of the water supply is being envisaged down the line and that what is happening now is part of the preparations towards it. The Taoiseach should therefore hold a referendum on the question of whether our water, uisce na hÉireann, will be kept in public hands and in public ownership under the direct democratic sway of our people. I guarantee the Taoiseach that there would be vast support for that.

Deputy Richard Boyd Barrett: I agree with that proposal and I will be interested to see what the Taoiseach has to say about it.

I offer another proposal for a referendum which is rather simple, that is, to change the wording in the Constitution relating to natural resources from the current wording which refers to “the State” owning the resources to “the people” owning the resources. In fact, that was the wording in the democratic programme of the first Dáil. In the later Constitution it was changed to “the State”. There is a major difference between “the people” and “the State”. If we changed the wording to “the people” it would enshrine and provide the protection for resources like our forests, water, wind, sea and land to remain in perpetuity in public ownership and that ownership could not be compromised. That is one concrete suggestion for the Taoiseach for a referendum and I believe he would get considerable popular support for it.

Another issue arises out of the Rory O’Neill case. Like many others, I am disgusted that public money was handed over to an organisation----

An Ceann Comhairle: We are not going down that road.

Deputy Richard Boyd Barrett: This was discussed already and it is related to referendums.

An Ceann Comhairle: There are other Deputies to speak.

Deputy Richard Boyd Barrett: It was discussed already, it is related to referendums and you did not pull anyone else up on it.
An Ceann Comhairle: I know, but I let you in on a supplementary question. You do not have a question in this group but you do have a question in the next group. We are over 30 minutes on this group. I want to be fair to everyone.

Deputy Richard Boyd Barrett: As with others, I shared the disgust that public money was handed over to an organisation that wants to deny equality to same-sex couples and people with a different sexual orientation. That decision was made on the basis of fears of litigation. The Taoiseach has said in respect of the necessity of holding a referendum and not legislating straightaway on these matters that there are concerns about litigation. The fear of litigation is always the chestnut thrown up. In the case of the referendum, can we see the advice from the Attorney General stating that we would be seriously open or vulnerable to litigation in this area? Can such advice be published in order that we know what is the legal position and whether a referendum is required or if it is something for which we could legislate?

The Taoiseach could pass on a request to RTE for the legal advice it received, which said it had to pay out €85,000 rather than standing up to the people who are trying to deny equality to LGBT people.

The Taoiseach: Deputy Higgins raised the question of a referendum on the water issue in the autumn. There will be not be a referendum. I assure the Deputy that Uisce Éireann or Irish Water will not be privatised. It is a public entity in respect of the people of our country. The reason for setting up Uisce Éireann is not only the fact that we are the last country in the OECD to apply a charge for the use of water provided by the public purse but the situation we find ourselves in where the global use of water will increase by 40% over the next 20 years and the situation in Ireland where 18,000 families have to boil water, almost 1 million homes are under threat because of the inadequacy of treatment works and 40% of water that is produced leaks away. In addition, most areas in the country are operating at near capacity and the Deputy witnessed the difficulties in Dublin last winter. His comment that this is a move towards privatisation is without foundation or basis and it is not true. We will keep repeating that as necessary. Any future government that would attempt to privatise water would have to come back to the Dáil to deal with that.

Deputy Boyd Barrett referred to natural resources. There is a programme for the development and use of natural resources. They are difficult to deal with because of concerns - some legitimate and some not - around the country. The Deputy mentioned wind, sea, land, water-----

Deputy Richard Boyd Barrett: Forests

The Taoiseach: I expect the Corrib field will flow to the terminal by the middle of next year.

Deputy Richard Boyd Barrett: Our oil into their pockets.

The Taoiseach: It is not just a case of the cost of litigation. Referenda bring certainty. I hope the same sex marriage debate it is compassionate, considered and calm and the people of the country can give their judgment. One could attempt to legislate for it in the House but it would obviously be challenged. The case for the people’s decision by referendum is the way to go and that referendum will be held in the spring of 2015.

Deputy Richard Boyd Barrett: Can we see the legal advice?
3. **Deputy Gerry Adams** asked the Taoiseach if the Economic Management Council has met since the budget. [47671/13]

4. **Deputy Micheál Martin** asked the Taoiseach if the Economic Management Council has met since October. [2183/14]

5. **Deputy Micheál Martin** asked the Taoiseach when is the next meeting of the Economic Management Council. [2218/14]

6. **Deputy Richard Boyd Barrett** asked the Taoiseach the date of the most recent meeting of the Economic Management Council. [4932/14]

**The Taoiseach:** I propose to take Questions Nos. 3 to 6, inclusive, together.

The Economic Management Council, EMC, has met ten times since the budget in October, most recently on 5 February. In general, the EMC meets on a weekly basis. The next meeting is due to take place on 12 February 2014

**Deputy Gerry Adams:** I would like to raise the issue of foreign direct investment and, particularly, the PricewaterhouseCoopers-World Bank report on paying taxes in 2014 and the paper by Professor James Stewart of Trinity College, which has revealed that as a result of deliberate tax avoidance by US multinationals, facilitated by the tax code of this State, American corporations are in reality only paying an effective corporation tax rate of 2.2%. That represents a significant financial loss. This question is not about the headline corporation tax rate of 12.5% but it is about the abuse of the international tax system and tax avoidance.

Sinn Féin fully acknowledges the benefits of FDI and we know that more than 100,000 citizens are employed by American owned corporations but the notion of them paying, as Professor Stewart has pointed out, only 2.2% is not sustainable and fair. Multinationals should pay the same tax rate as indigenous enterprises. There will always be a probability that these companies will come here to avail of tax avoidance and I am sure the Taoiseach will agree that is not acceptable. It has also become a greater issue internationally because, clearly, a sustainable and fair recovery cannot be built on such a system.

I am also mindful of how this affects the developing world. At last year’s Clinton Global Initiative meeting, former US President Bill Clinton raised the question of action companies could take to support development in African, which is to pay their taxes. One business person from the Continent pleaded with the big companies to pay their taxes in Africa. What plans has the Taoiseach to close tax avoidance loopholes and to restore our international reputation in this matter? Has the EMC plans to deal with this? Will that include steps to monitor the number and value of Irish registered non-residential companies operating out of the State? Can the Taoiseach ensure the State is not being used to funnel profits tax free out of the developing world? That would be entirely contrary to our sense as a people of ourselves and of the one-world vision most progressive Irish people hold.

**The Taoiseach:** I thank the Deputy as this is an important question for the country and for the future. When I attended the G8 summit in Lough Erne, County Fermanagh on behalf of the EU Presidency on the invitation of Prime Minister Cameron, I was struck by the debate that took place during the formal session of the summit about Africa and by comments from African
leaders who were present. They made the point that countries and companies signed deals on mineral rights and so on in areas of Africa which have phenomenal natural resources and all the necessary advice was given at the outset about how they could and should operate but at the conclusion of a deal, the same level of legal or tax advice was not available. This has meant that huge swaths of tribal Africa and peoples of Africa are deprived of real benefit from many of the deals that are struck. It was on the basis of a recommendation by President Obama that the G8 agreed that in respect of many of the deals with African countries, we should be able to see to it that such expertise and analysis of deals and tax legislation, in particular, should apply in order that the benefit of deal for the extraction of minerals, for instance, would extend to the communities in which they are extracted. I recall clearly one of the African leaders pointing out that on a journey of 20 miles a lorry carrying minerals might be stopped 60 or 100 times to pay additional tolls.

I attended an OECD meeting with the Minister for Education and Skills and a number of others last week in respect of the BEPS situation which is being handled by Madame Navarro on behalf of the organisation. That arose because of the decision of the European Council last June when every country agreed that because this is an international question, it should be answered in an international forum and dealt with internationally. It is not a requirement on an individual country to respond to what is happening here.

Let us consider the position of a mobile entity which might have components manufactured or produced in the Far East, assembled in Ireland and then sold in Europe as a finished product. In that instance the intellectual property might be vested in another country. It is the connections between the different jurisdictions and the difference between the rates of tax that often apply here which sometimes give scope for comment. As is recognised by the OECD, the EU and the G20, international tax planning is an international matter. That is why Ireland fully participates in the BEPS process. There are 15 sectoral committees relating to that process and Ireland participates on all of them.

When one reads the reports on effective tax rates, one discovers that there is no single agreed methodology to calculate the tax rates of this nature that operate in any country. A number of different methodologies are put forward. The particular study to which the Deputy referred is based on US Bureau of Economic Analysis, BEA, data, which incorrectly count the profits of Irish-registered non-resident companies as being Irish. What this means is that the study included the profits of American companies that are not tax resident in Ireland. This country cannot tax profits that are properly attributable to other jurisdictions. Sometimes these things become mixed up and that results in a distorted version. As already pointed out and just as our income tax system does not levy income tax on Irish nationals who live abroad, our corporate tax system does not levy corporation tax on some Irish corporations which carry out their activities abroad.

A range of independent studies show the effective rate in Ireland as being very close to the main headline rate of 12.5%. The European Commission’s 2013 edition of “Taxation Trends in the European Union” indicates an effective corporation tax rate for Ireland of 14.4%. The PricewaterhouseCoopers report shows an effective rate of 12.3% for Ireland. In response to the growing interest in this subject, the Revenue Commissioners now publish an additional explanatory note with their annual statistical report in order that everyone can see what is involved. For example, the 2012 report - which refers to the data for 2011 - indicates that aggregate net taxable profits, after taking account of various deductions, allowances, charges and reliefs, amounted to €40 billion, while the total amount of corporation tax payable on those profits was
€4.2 billion. This means the total corporation tax payable - as a percentage of taxable profits - for 2011 was approximately 10.5%. While this is lower than the 12.5% rate, it can be attributed to the availability of some reliefs such as, for example, the double taxation relief and the research and development credit. While we do not generally refer to the Revenue’s statistics as an effective rate, *per se*, they represent further evidence that companies actually pay very close to the 12.5% headline rate.

I note reports linking - in public perception - Ireland and tax haven countries. It has been agreed by everybody that Ireland does not comply with any of the four criteria that are applied in the case of tax haven status.

**Deputy Richard Boyd Barrett:** No country does.

**The Taoiseach:** This matter was referred to in very clear terms by Mr. Angel Gurría, secretary general of the OECD, on Friday last in his very forthright comments regarding the progress being made by our country.

**Deputy Micheál Martin:** Is the Taoiseach still satisfied with regard to the constitutional status of the economic management committee vis-à-vis its role within the Cabinet? He stated that the committee has met on ten occasions. The Ministers for Social Protection and Agriculture, Food and the Marine, Deputies Burton and Coveney, and others have on occasion articulated their concerns at being excluded from economic decisions and indicated that the economic management committee tends to make all of the decisions. We know, for example, that the committee - which comprises four Ministers, including the Taoiseach - was central to the establishment of Irish Water. It also approved the payment of bonuses to the staff of Irish Water and agreed to the seamless transfer of senior staff from local authorities - to whom lump sums of up to €330,000 were paid, along with pensions - and, essentially, into other public sector jobs. The latter are earning very high salaries in the positions then now hold. The Taoiseach never commented on that matter when questions in respect of it were put to him. We all know about leaks in the system and other matters with which it will be necessary to deal. However, Irish Water is going to have to depend on local authorities to deliver, manage and maintain water supplies for the next 12 years. As a result, the essential purpose of Irish Water is to levy charges.

In the context of the economic management committee, many Ministers reacted with disbelief when they heard the various stories relating to Irish Water. In the first instance they stated that they were of the view that bonuses should not be paid. The Minister for Social Protection, Deputy Burton, was very clearly annoyed about the matter and stated that she was going to take it up with the Cabinet. Perhaps she did not know what was happening because everything was done through the economic management committee. I do not know whether she raised the matter with the members of that committee. The Minister of State at the Departments of Finance and Public Expenditure and Reform, Deputy Brian Hayes, said that it was a PR disaster. The Minister of State is very interested in PR these days because he is running for Europe. The Minister for Agriculture, Food and the Marine, Deputy Coveney, and other Ministers were also very annoyed about this matter. Perhaps that is because the economic management committee made all the running in respect of Irish Water. I do not know whether that is the case but there is a propensity among Ministers to disown decisions made by the Government on a regular basis.

I put it to the Taoiseach that there are serious questions with regard to the constitutional status of the economic management committee. As the Taoiseach revealed to the House, it meets frequently. This indicates, perhaps, the degree to which it dominates the formulation of policy.
and the fact that the remaining Ministers in the Cabinet simply rubber-stamp whatever the officials, the Tánaiste, the Taoiseach and the other Ministers on the committee decide. Clearly, many Ministers are being left outside the loop and they seem to believe they can say what they like about Government decisions because they are not involved in making them in the first instance. Will the Taoiseach comment on that matter?

The Taoiseach: Will the Deputy repeat his final question?

Deputy Micheál Martin: In terms of the economic management committee making decisions, Ministers subsequently state that they know nothing about those decisions or that they do not agree with them. What happened in respect of Irish Water is the classic illustration of this.

The Taoiseach: I wish to confirm for the Deputy that all of the issues agreed by the economic management council for recommendation to the Cabinet are the subject of formal decision by the latter. He will recall that there was a Cabinet security committee in place in the 1960s and the 1970s.

Deputy Micheál Martin: I was only born in 1960 so I do not really know what went on in the 1960s.

The Taoiseach: The Deputy often informs me that he is a historian, that he reads widely and that he knows all about these things. Deputy Adams knows about them as well. There was a security committee which comprised a number of members of the Cabinets which held office in the 1960s and 1970s.

Deputy Micheál Martin: Deputy Adams certainly knows about the security committee.

The Taoiseach: The economic management committee was established with the status of a Cabinet committee. It has only four members, namely, myself, the Tánaiste and the Ministers for Finance and Public Expenditure and Reform. I will not bother the House with the details of the agendas for each of our meetings but, as already stated, we discuss matters that go to Cabinet for decision. If issues need to be teased out before a matter goes before the Cabinet for discussion and decision, then that is what happens. This does not undermine the role of the Cabinet at all. The committee has been in place for three years and I am of the view that it streamlines the process very well and removes the necessity to engage in long discussions at Cabinet. The committee can define issues at its meetings and if there are further matters which required discussion by the Cabinet, then this happens.

Deputy Micheál Martin: Has the Minister for Social Protection, Deputy Burton, reconciled herself with all of this?

The Taoiseach: The Deputy referred to the loan relating to Irish Water being decided upon by the economic management committee. The latter does not make decisions on behalf of the Cabinet, rather it makes recommendations to the Cabinet for formal decision. The National Pensions Reserve Fund, NPRF, is independent in the context of its loan-making functions. It was a matter for the NPRF to decide whether it would provide Irish Water with an initial bridging facility. Given that Irish Water was not fully established at the time, the NPRF sought a Government guarantee in respect of the loan it was making to the company. That guarantee was provided by the Minister for Finance, following consideration, agreement and decision on the part of the Government. It was not the case of the economic management committee making the decision. The possibility of a guarantee of this nature is provided for in section 13
of the Water Services Act. In that regard and following consultations with the Minister for the Environment, Community and Local Government, Deputy Hogan, the Minister for Finance may guarantee, on such terms as he thinks fit, the due repayment by Irish Water of the principal borrowed and any interest which accrues on that borrowing. On 11 June 2013, the Government agreed that the Minister for Finance would provide such a guarantee in respect of the proposed bridging facility to be provided to Irish Water by the NPRF. On 19 June 2013 the NPRF commission decided to provide Irish Water with a bridging facility on commercial terms which would cover expenditure on the domestic water metering programme and the establishment costs of Irish Water. The provision of the loan and the guarantee allowed BGE-Irish Water to award the meter installation and equipment contracts and to commence and accelerate the metering programme work which began in July 2013.

Deputy Martin will be aware of the perception - he may have said it himself - that this is a sort of a playing out to allow this thing to happen beyond the local and European elections. The Government will introduce its business and financial model well in advance of the local and European elections-----

Deputy Micheál Martin: When?

The Taoiseach: I cannot give the Deputy an exact date but I can assure him it will be well in advance. I am not talking about 48 hours, rather it will be a couple of weeks beforehand.

Deputy Micheál Martin: That is only three months away, 16 weeks.

The Taoiseach: I understand that. A great deal of work has been done.

Deputy Micheál Martin: March or April?

The Taoiseach: We want to be in a position to set out very clearly for people to understand that the costs involved are the costs required to provide the Irish consumer with a decent water supply and a platform for the future. It will deal with the comments such as that we are afraid to put out the business and financial model in advance of the local and European elections. Far from it. The people will be well aware of what is involved. The Government is conscious of what is involved. People have faced a lot of hardship and many challenges and this is the last imposition on them. We are 90% of the way with regard to taxation, cuts and charges and this is the last one. We will have that model out before the local and European elections.

An Ceann Comhairle: I call Deputy Boyd Barrett on Question No. 6.

Deputy Richard Boyd Barrett: The cover-up about what is really happening with Ireland’s corporate tax rate has to end. We need an open, honest, transparent and comprehensive debate about what is really happening with the corporate tax rate.

An eminent Trinity professor of finance has flatly and completely disagreed with the repeated assertions by the Government, the Minister for Finance and the Taoiseach that the 12.5% corporate tax rate is effective at that rate or anything even close to it. He has said it is a small fraction of that. People were rightly outraged by the CRC scandal and about the consultants in Irish Water but these are in the ha’penny place compared with what is at stake in this discussion. We are talking about billions of euro, potentially, of lost revenue to the State if the professor is even close to being correct. At the very least, whether one agrees or disagrees, it is not good enough to keep trotting out the standard line.
I am a member of the Joint Committee on Finance and the Public Service. Last year I tabled a motion in the committee asking that some of the biggest companies in the country - multinational corporations - who were at the centre of this worldwide controversy and were located and registered for business in this country should be brought before the committee to answer questions about how they are paying so little tax, or at least how they are being accused of paying so little tax as a result of them being resident or incorporated in this country. However, Fine Gael, the Labour Party and Fianna Fáil Deputies all banded together to prevent that discussion at the finance committee. That is a disgrace, given the billions of euro at stake. We discover that the 11.9% rate which the Taoiseach has quoted endlessly turns out to be, according to Professor Jim Stewart, a fictional firm with 60 employees which neither imports nor exports products. It is not a real firm and it is certainly not the firms that are at the centre of this controversy. It is a ceramics firm that does not import or export. In case any of the questions I have asked repeatedly about this should be confused or dismissed, I reiterate that we were never asking questions about ordinary small and medium enterprises. We know they pay the 12.5% rate and the commercial rates and all the rest of it. The issue is that a few hundred enormous corporations account for about 70% to 80% of all the pre-tax profits that are made in this country but are paying a fraction of those pre-tax profits in actual tax or, in the case of these companies registered here but not tax liable here, are paying nothing at all, which is another semantic, legal scam for them to avoid tax, and everyone knows it.

Will the Taoiseach discuss at the Economic Management Council the holding of a serious, honest and open debate where the main players, the different competing views, and some of the corporations at the centre of this controversy are quizzed, questioned and interrogated to discover whether this State is losing out on billions of euro in tax revenue when ordinary residents are being screwed to the wall with cuts, charges, pay cuts, unemployment and all the rest of it? Does the Taoiseach not have a responsibility, given the parlous state of our economy and the financial situation of many of our citizens, to look into this seriously and not just trot out the pat answers provided by the Department of Finance?

In the past year we have been told about a 2.2% rate. I showed a 6.3% rate by means of a parliamentary question. The Nevin Institute quotes a rate of 8%. The Taoiseach has just mentioned 10%. We have heard 11.9%, 12.3% and now the Taoiseach has referred to 14%, which is a new figure. The corporate tax being paid in this country is somewhere between 2.2% and 14%. Billions of euro are at stake in that difference. Even based on that, there has to be a serious investigation.

An Ceann Comhairle: If the Deputy wishes to hear a reply I remind him there is only one minute remaining.

The Taoiseach: It depends on whom one believes. I refer to the comment made by Deputy Boyd Barrett. I confirm this matter has been discussed at the Economic Management Council and also by the Government which has authorised the Minister for Finance and me to participate in the international discussions at the European Council and the ECOFIN Ministers meeting and led by the OECD and 15 different sectoral committees in which Ireland participates fully and openly.

Deputy Boyd Barrett wants to believe the rate of 2.2% at the lower end of the scale is the effective tax rate. As I pointed out, there is no single methodology to evaluate the effective tax rates for companies operating in any country. The study to which the Deputy refers-----
Deputy Richard Boyd Barrett: What about the ceramics firm with 60 employees?

The Taoiseach: -----incorrectly counts the profits of Irish-registered non-resident companies as Irish. What that means is that the study included the profits of American companies that are not tax-resident in Ireland-----

Deputy Richard Boyd Barrett: They are registered here as brass plate companies.

The Taoiseach: The point is that we cannot tax profits that are properly attributable to other jurisdictions. The Deputy does not seem to believe the European Commission’s report on taxation trends in the EU in 2013 which indicates an effective rate of 14.4% in Ireland, nor does he believe the PricewaterhouseCoopers report which shows an effective rate of 12.3% in Ireland. We are fully engaged. The Minister for Finance in the budget changed the legislation in respect of stateless companies because of the perceptional damage to our country. The 12.5% rate is very clear and is in legislation. The Revenue Commissioners publish the methodology, and the Revenue statistical report for 2012, which I am sure the Deputy will believe, refers to 2011 and, taking account of charges and deductions, amounted to €40 billion-----

Deputy Richard Boyd Barrett: What about the pre-tax profits of €70 billion?

The Taoiseach: -----while the total amount of corporation tax payable on those profits was €4.2 billion. It depends on whom one wants to believe. I like the professors, the theorists and the academics but this is politics and it is about decisions. We are involved fully, openly and comprehensively in having an international response to the situation where multinational companies can use the facilities or the conditions applying in different jurisdictions. We want an international response to an international phenomenon and we will get it.

Order of Business

The Taoiseach: It is proposed to take No. 7, motion re ministerial rota for parliamentary questions, and No. a19, statements on the reports of unlawful surveillance of the Garda Síochána Ombudsman Commission.

5 o’clock

It is proposed, notwithstanding anything in Standing Orders, that No. 7 shall be decided without debate; there shall be no Topical Issues within the meaning of Standing Order 27(A); No. a19 shall be taken on the conclusion of No. 7 and shall, if not previously concluded, be brought to a conclusion at 7.30 p.m. and the following arrangements shall apply: the statement of a Minister or Minister of State and of the main spokespersons for Fianna Fáil, Sinn Féin and the Technical Group, who shall be called on in that order, shall not exceed 15 minutes in each case; the statement of each other member called upon shall not exceed five minutes in each case; a Minister or Minister of State shall be called upon to make a statement in reply which shall not exceed five minutes; and Private Members’ business shall be No. 135 - motion re child care. Tomorrow’s business after Oral Questions shall be No. 2 - Public Health (Sunbeds) Bill 2013 - Order for Second Stage and Second Stage.
11 February 2014

An Ceann Comhairle: Is the proposal for dealing with No. 7, motion re ministerial rota for parliamentary questions without debate agreed to? Agreed. Is the proposal that Topical Issues shall not be taken today agreed to? Agreed. Is the proposal for dealing with No. a19, statements on the reports of unlawful surveillance of the Garda Síochána Ombudsman Commission agreed to? Agreed.

Deputy Micheál Martin: The situation in our health service is a cause of grave concern with the hospitals in disarray and waiting lists increasing to an extraordinary degree, in particular in the children’s hospitals where they are up to three to four years. The primary care system is at a very poor level. Morale is shockingly low in general practice and it has been said we will not be able recruit people for rural general practice shortly. Consultants cannot be recruited by hospitals and key staff are not being recruited. The situation is grossly dysfunctional and this is before the impact of the €1 billion cut in the health service plan.

At the weekend, I picked up on a drip-drip sort of leaking around the White Paper on Universal Health Insurance. The Taoiseach has given commitments in the House for quite some time on the publication of the White Paper on Universal Health Insurance but there has been very little consultation between the Minister and spokespeople on health. No one knows what is going on in health; there is no sense of governance or of anyone being in charge. As a result, I have never seen operating morale at such a level low. Will the Taoiseach indicate when this long awaited White Paper on Universal Health Insurance will be published?

A short time ago, the Taoiseach generously offered that he would publish the financial model governing the levying of water charges well in advance of the local elections which means that has to happen in March, April or May. Will the Taoiseach indicate whether that financial model will be published in April, May or even March? Will he arrange Government time for a debate on the model he will put forward?

The Taoiseach: I expect it will be published in good time before May. The Deputy asked for a week-----

Deputy Micheál Martin: Will it be March or April?

The Taoiseach: I would say certainly the back end of March or certainly April, which it will have to be. A great deal of work has been done on it and it can be dealt with by way of discussion, conversation and statements in the House.

Deputy Micheál Martin: A debate, maybe.

The Taoiseach: We will have a debate on it in the House. That financial and business model will set out how the Government sees the costs applicable here are only in the interests of consumers. I assure the Deputy a great deal of work is going on. The Deputy might have a look at his own proposal to retain the 34 entities. All of those issues, including agreements for 12 years, are on the table in terms of consideration of the preparation of the financial and the business model.

Deputy Micheál Martin: What about the charges, or the amount people will have to pay?

The Taoiseach: That will all be part of that.

The White Paper on Universal Health Insurance is due for publication in the next couple of weeks. I understand it is practically concluded. The implementation of the White Paper will
not be able to be introduced until the start of the next Government.

**Deputy Micheál Martin:** Why is that?

**The Taoiseach:** It was never intended to introduce it in one period of office. There is a lot of preparation to be done. I expect the White Paper will be published in the next couple of weeks. People will have time for full consultation and plenty of analysis on it because there will be a lot involved.

**Deputy Gerry Adams:** Tá ceist agam faoi reachtaíocht atá fógraíthe agus ceist eile agam maidir leis an redress scheme for the Magdalen laundries, which I will ask first. The redress scheme was set up to ensure the victims of the laundries were given their full medical entitlements and that they were compensated for the decades of unpaid slave labour they endured. There are many complaints that the redress is presenting more obstacles than opportunities for these victims. Will the Taoiseach undertake to review it and to bring back a report to the Dáil?

As I understand it, the purpose of the children and family relationships Bill is to consolidate and reform the law relating to guardianship, custody of and access to children as well as addressing issues of parentage. The heads of the Bill have been published but the processing of the legislation is having a very direct effect on the marriage equality referendum. When will the legislation be brought before the Oireachtas and what is the timeframe for its passing into law?

**The Taoiseach:** The children and family relationship Bill will be taken this session. It is a complex Bill and it will require some consultation and debate in the House. In respect of the Magdalen laundries, I understand €2 million has been paid out. The indications were that there might be between 750 and 1,000 people but 600 have registered. I understand the women involved and their advocates are very happy, in particular in England, with the rate of payment, the way it is being dealt with, the facilities and the opportunities provided for the women.

In regard to the judgment of the European Court of Human Rights in the O’Keeffe case, the Minister for Education and Skills informed the Cabinet today that the necessary sanction from the Department of Public Expenditure and Reform was received and arrangements have been made to pay the €30,000 damages and the costs of approximately €104,000, including VAT, as directed by the European Court of Human Rights, to the solicitors involved. On the advice of the Attorney General, the Minister has briefed two senior counsels and one junior counsel to provide an opinion on the implications of the ECHR judgment, especially in regard to potential State liabilities in particular areas and what remedial steps, measures, guidelines or other action might be required. The Minister will keep the House updated as that progresses.

**Deputy Gerry Adams:** In regard to the Magdalen laundries redress scheme, it may be that some of the victims have been able to avail of the scheme but there is a number who feel obstacles are being placed in their way and some have not got their full medical entitlements. They have to undertake a convoluted process. Will the Taoiseach ask someone to review that and bring back a report?

**The Taoiseach:** It has been streamlined as far as it can be because there was a lot of talk about it at the outset. If the Deputy has particular cases where he believes there are obstructions or obstacles, he should bring them to the attention of the Minister and we will do what we can. The intention, genuinely, is that it is non-contestious, non-litigious, effective and in the interests of the women involved.
Deputy Gerry Adams: Go raibh maith agat.

Deputy Bernard J. Durkan: What is the progress on the mediation Bill, as per the Law Reform Commission report and recommendations? Have the heads been cleared and when is it likely to come before the House? It is of considerable importance to people in the conflict resolution business.

I refer to the proposed sale of loan books to unregulated third parties, which I and others have raised in the House previously. In view of the importance of that legislation and its implications for a large number of people throughout the country, will it be possible to bring it before the House earlier than expected? As each day goes by-----

The Taoiseach: To which Bill does the Deputy refer?

Deputy Bernard J. Durkan: I refer to the Bill relating to the sale of loan books to unregulated third parties.

The Taoiseach: I will discuss it with the Minister for Finance. It is scheduled for next year. In view of the Deputy’s request, we will see what is the state of progress with the preparation of the Bill. The heads of the mediation Bill were cleared in February 2012. Quite a deal of work has been done on it. The Bill will be introduced later this year.

Deputy Bernard J. Durkan: I thank the Taoiseach.

Deputy Frank Feighan: I would like to ask about the progress that is being made with the County Enterprise Boards (Dissolution) Bill 2013. I understand it is in the Seanad. When is it due back in this House?

The Taoiseach: It is at committee next week. We expect to roll out the local enterprise offices throughout all the local authorities in April.

Deputy Seamus Kirk: The road traffic Bill might have to be considered in the context of the Narrow Water Bridge project, which has slipped down the priority list. What are the realistic prospects of getting the project, which is of symbolic importance for North-South relations, back on the agenda?

The Taoiseach: The project will be the subject of a discussion at the North-South ministerial meeting that will take place in June. Clearly, it did not work on the last occasion. It is a tangible link between North and South. Three projects were not dealt with - the museum for €2 million, the Maze for €20 million and Narrow Water Bridge for €13 million. We need to see in what form we can get this back. It may have to be retendered as a different style of bridge. I would be hopeful, in light of the goodwill that was there in the beginning, that this project can return in the next programme.

Deputy Seamus Kirk: Will the SEUPD funding be lost?

The Taoiseach: That is where it came from. When it was not possible for this to be pursued within the specified timescale, the money had to be either sent back or redirected. That is what is under way at the moment.

Deputy Thomas P. Broughan: Where exactly is the criminal justice (miscellaneous provisions) Bill at? Last Thursday, the Tánaiste told me in this Chamber that he is prepared to meet
representatives of the Stardust relatives and victims committee. As the Taoiseach knows, the 33rd anniversary of that terrible event will be marked on Thursday and Friday of this week. The Taoiseach will be aware that the leader of this committee, Ms Antoinette Keegan, spent 24 hours at the security hut at the entrance to his Department last week. I do not think he availed of that opportunity to meet Ms Keegan. I understand that during the 2011 general election campaign, he gave a commitment to call immediately for a commission of investigation into the disaster, once and for all, to deal with this legacy issue. I wonder whether he has given any more thought to that. Will he meet the people concerned?

The Taoiseach: The criminal justice Bill is due next year. As I have made clear here previously, when I spoke to members of the group, they informed me that their legal adviser was in a position to produce new evidence. My view was that if the legal adviser has new evidence, it should be produced. My understanding was that they intended to do that.

Deputy Thomas P. Broughan: They say the Taoiseach made a commitment during the campaign.

The Taoiseach: I have heard a number of comments about this. Let us just leave it at that for the moment.

An Ceann Comhairle: We must move on.

The Taoiseach: With your permission, a Cheann Comhairle, I would like to make an amendment to the Order of Business, to provide that Members may share time during the statements on the Garda Síochána Ombudsman Commission.

An Ceann Comhairle: Before I knew that Government time was to be made available for the statements referred to by the Taoiseach, I received seven requests from Deputies who wanted to speak about this matter during the Topical Issue debate. In light of the number of requests and the importance of this subject, I decided to allocate three Topical Issue slots for such a discussion. I would like to think that when time is being shared during the debate, time will be given to those who agreed to withdraw their Topical Issue requests. That would be only fair.

The Taoiseach: That is a fair comment.

Deputy Catherine Murphy: Does this mean the order is being amended to allow for the sharing of time?

The Taoiseach: That is correct.

An Ceann Comhairle: It would be unfair if they were to be wiped out, given that they submitted their requests before 10 o’clock this morning.

Deputy Catherine Murphy: Does this mean the order is being amended to allow for the sharing of time?

The Taoiseach: That is correct.

An Ceann Comhairle: I am putting that formally to the House now. I would like to think the House will agree that the Deputies to whom I have referred will be facilitated in whatever way the House agrees.

The Taoiseach: I do not disagree with that.

An Ceann Comhairle: Is the proposal agreed? Agreed.
An Ceann Comhairle: A division was challenged on Friday, 7 February 2014, on the question that the Energy Regulation (Code of Practice) Bill 2013 be read a Second Time. In accordance with Standing Order 117(1)(A), that division must be taken now.

Question put:

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Valuation Bill 2014: First Stage

Deputy Barry Cowen: I move:

That leave be granted to introduce a Bill entitled an Act to amend the Valuation Act 2001 to make provision whereby all sports clubs and sporting organisations shall only be liable to be charged property rates on that part of the premises of the sports club or organisation which is licenced to sell alcoholic beverages and to provide for related matters.

The purpose of the Bill is to address an anomaly in the existing valuation legislation whereby sporting clubs and organisations with licensed premises are being charged for the entire property in which they stand rather than for the area of the licensed premises, as should apply. It is one of a number of changes we propose to bring forward to amend the existing valuation legislation, which Government promised to overhaul due to its archaic nature and so forth, but unfortunately there has been nothing forthcoming in that regard. We hope this will be the first of a series of measures by which we would address those issues.

An Ceann Comhairle: Is the Bill opposed?

Deputy Joe Carey: No.

Question put and agreed to.

An Ceann Comhairle: Since this is a Private Members’ Bill, Second Stage must, under Standing Orders, be taken in Private Members’ time.

Deputy Barry Cowen: I move: “That the Bill be taken in Private Members’ time.”

Question put and agreed to.
The Taoiseach: I move:

That, notwithstanding anything in the Order of the Dáil of 9 March 2011, setting out the rota in which Questions to members of the Government are to be asked, Questions for oral answer, following those next set down to the Minister for Public Expenditure and Reform, shall be set down to Ministers in the following temporary sequence:

- Minister for Justice and Equality
- Minister for Social Protection
- Minister for Arts, Heritage and the Gaeltacht
- Minister for Communications, Energy and Natural Resources
- Minister for the Environment, Community and Local Government
- Minister for Jobs, Enterprise and Innovation

whereupon the sequence established by the Order of 9 March 2011 shall continue with Questions to the Minister for Defence.”

Question put and agreed to.

Reports of Unlawful Surveillance of the Garda Síochána Ombudsman Commission: Statements

Minister for Justice and Equality (Deputy Alan Shatter): I would like to begin by emphasising the important public role played by An Garda Síochána as the police force in this State and by the Garda Síochána Ombudsman Commission, GSOC, as the independent body with the important remit of investigating allegations of police misconduct. Each is a crucial pillar in our constitutional democracy and each plays a vital role in the public interest. It is of vital importance that public confidence is maintained in each of these bodies and that when carrying out their duties they at all times behave in a manner which is appropriate. Each of them has an important and separate investigative role and it is crucial that this role is exercised with the utmost integrity and any conclusions reached when investigations are undertaken are based on well-founded and solid evidence.

It is of vital importance that both organisations comply with their statutory reporting obligations and communicate clearly on issues of public concern and leave no room for ambiguity. It is also important that each organisation respects the role of the other and is mindful of the service they perform in the public interest. Each must be conscious of how their actions and words may affect public confidence in each organisation but must show no fear or favour when seeking to ascertain the truth on issues no matter how difficult or potentially controversial. This is my basic starting point in my reporting to the House this evening.

I welcome this opportunity to place on the record of this House the facts as they are known to me about allegations that the offices of the Garda Síochána Ombudsman Commission were subject to surveillance. As the House will be aware, these allegations first surfaced in a news-
paper last Sunday under the headline “GSOC under high-tech surveillance”. It is important to say at the outset that GSOC has informed me that, after an investigation, it concluded that no definitive evidence of unauthorised technical or electronic surveillance of its offices was found. Moreover, it has informed me that its databases have not been compromised. In other words, it has not been established that the offices of the ombudsman commission were subject to surveillance. Some public comment has proceeded on the basis that it is an established fact that the offices of the commission were bugged when clearly it is not.

I first learnt of these allegations from the newspaper report last Sunday. I immediately made contact with my officials and we arranged to meet yesterday with the chairman of the commission, Mr. Simon O’Brien. For reasons which I hope the House will understand, I refrained from public comment on this matter until that meeting was held and I had a chance to brief my colleagues in Government on the matter this morning.

I will now set out the facts on the basis of the briefing which I received from the commission. I want to emphasise that this account is based on the information available to me at present. The House will understand that there needs to be, and is, continuing engagement between my Department and GSOC about this matter. I have requested that I be furnished with the report received by it arising out of the security check on its offices and I await its response to this request.

The issue in question arose following a security sweep, in September 2013, of GSOC’s offices in Dublin. I am informed that there was no specific concern which caused GSOC to organise the security sweep, which was carried out by a security firm based in Britain. It was a routine sweep of a nature which had occurred previously. I do not think anyone could argue that it is unreasonable for a body which, of its nature, holds sensitive information to take measures to ensure the security of its communications.

I am aware that, in the normal course, it is not desirable to put in the public domain issues relating to security of technology and communications but, because of the particular public concerns which have arisen in relation to this issue, I will give the House as much information as I can. I am concerned too that some of the public comments which have been made may have inadvertently led to some confusion surrounding this issue.

I am advised by GSOC that the sweep identified what it refers to as two technical anomalies which raised a concern of a surveillance threat to GSOC. I should emphasise that my understanding is that what was at issue were potential threats or vulnerabilities, not evidence that surveillance had, in fact, taken place. A subsequent sweep identified a third potential issue. There was no suggestion that there was any risk of unauthorised access to the GSOC databases and the documentation on them.

The first identified issue arose from a Wi-Fi device, the property of GSOC acquired in or about 2007 or early 2008 located in its boardroom, which was found to have connected to an external Wi-Fi network. Access to this device was protected by a password, and in the absence of this password any connection should not have been possible. In any event, GSOC does not operate a Wi-Fi network, and had never therefore activated this device and does not even know what the password is, but the fact of the connection was a concern. How this occurred is unknown and there is no suggestion by GSOC that it resulted in any information being accessed. I am also advised that the Wi-Fi device was unable to communicate with any of GSOC’s databases or electronic systems and that the boardroom is not generally used by GSOC for its meetings.
The second potential issue related to the conference call telephone in the chairman’s office which was subject to a number of tests. One of the tests involved sending apparently an audio signal down the telephone line. Immediately after this transmission, the conference phone line rang. I am advised GSOC conducted a number of checks to establish the source of this telephone call, but was unable to do so. I am further advised that checks revealed no additional anomalies or matters of concern. There is no evidence of which I am aware from my meeting with the chairman of GSOC of any phone call made or received being compromised.

The third issue related to the security firm reporting the detection of an unexpected UK 3G network in the area in the locality of the GSOC offices which suggested that UK phones registered to that network making calls would be vulnerable to interception. Importantly, I am advised that neither the chairman nor any other member of GSOC or its employees use UK-registered mobile phones, so that the presence of any such device in the locality would not seem to have posed a threat to the integrity of GSOC’s communications systems. There appears to be no evidence that what was detected had any direct relevance to GSOC.

As I understand it, those three issues represent the totality of the concerns which arose. I am advised that GSOC proceeded to investigate all three issues, with expert assistance from the security company involved, and, as I have indicated, concluded that no definitive evidence of unauthorised technical or electronic surveillance was found. GSOC decided that no further action was necessary or reasonably practical. I am aware that some people have called for an inquiry into this matter but this seems to overlook entirely the fact that GSOC, which is an investigative body, carried out an investigation and itself decided that no further action was necessary.

**Deputy Michael Healy-Rae:** Without telling the Minister.

**Deputy Alan Shatter:** I understand that no connection between any member of An Garda Síochána with any of these matters arose. This is not my conclusion - it is that of GSOC.

It would, of course, be a matter of the gravest concern if GSOC were, in fact, subject to surveillance from any quarter and I am sure the House will welcome the fact that, notwithstanding the conclusions of its investigation, it has since reviewed the security of its IT and communications systems with a view to further enhancing their security. As the Taoiseach already stated this afternoon, should GSOC require any additional resources in this context, they will be provided.

At my meeting with the chairman of GSOC, I took the opportunity to underscore the importance of prompt reporting to me of issues of concern, as provided for under the legislation governing GSOC. I have to tell the House that the failure to make such a report is a matter of substantial concern to me. It is only fair to note that at our meeting the chairman expressed regret at the decision by GSOC not to make such a report. I have no doubt that the GSOC fully appreciates the need for public confidence in its actions, and that is why I welcome the fact it has agreed to appear tomorrow before a committee of this House to answer any questions about this matter.

I am, of course, aware of comments made by the Garda Commissioner last night following the issuing of a statement by the GSOC. All Members of the House have seen the questions raised by the Garda Commissioner. The GSOC is an independent body and it is for it to determine how to respond to those questions. I am assuming they may be addressed at the meeting of the Oireachtas petitions committee to be held tomorrow, if not before. It is unfortunate that
An Garda Síochána has found itself, during the last 48 hours, the subject of what appears to be completely baseless innuendo.

While no information has been furnished to me by the GSOC suggesting that An Garda Síochána was involved in any way in what gave rise to the concerns which arose in the GSOC about its security, it might be useful in this debate to address more general issues which have arisen in regard to the relationship between An Garda Síochána and the Garda Síochána Ombudsman Commission. An Garda Síochána has played a proud role in this State since its foundation. We should never lose sight of the brave men and women of the force who are often called on to take great risks to keep us safe. I believe the majority of people hold the force in high regard, based on their personal experience of dealing with individual gardaí. As Minister, I have been determined to defend the force from unjust attack.

Of course, no organisation is perfect, and when problems arise, they have to be addressed. Both as Minister and before, I have been a strong supporter of an effective mechanism for the independent examination of allegations made against members of An Garda Síochána, which is now the function of the Garda Síochána Ombudsman Commission. I believe this is not just in the public interest, but in the interests of gardaí themselves. It is a feature of oversight arrangements the world over that tensions can arise between organisations and bodies which exercise oversight over them, but it is in everybody’s interests that no one should lose sight of the fact that the interest of both organisations is common, namely, that persons exercise their powers in accordance with the law and that any wrongdoing is tackled effectively.

I have informed the House previously that I met jointly last year with the Garda Commissioner and the chairman of the GSOC and have put in place mechanisms in my Department to attempt to ensure any difficulties which might arise in regard to their co-operation with each other are resolved quickly. New protocols were put in place only in August last for the workings between the Garda Síochána and the GSOC.

I hope that what I have said today will put in perspective some of the claims which have emerged in recent days. In summary, concerns which the GSOC had in regard to the security of its communications have been investigated by it, no definitive evidence of unauthorised technical evidence or electronic surveillance was uncovered, it deemed no further action was necessary and took steps to review its systems with a view to further enhancing its security. I will, of course, be happy to report again to the House should anything further of significance emerge from the ongoing contacts between my Department and the Garda Síochána Ombudsman Commission.

**Deputy Niall Collins:** There is no doubt the last 48 hours have been a defining period in what is an exceptionally dysfunctional relationship between An Garda Síochána and the GSOC, which is all happening under the Minister’s watch. It is a very regrettable situation. To recap, we had the penalty points controversy which dominated the headlines and has served to damage the morale of the force. We also had the spat at the Committee of Public Accounts which did not do anything to improve the image. What we have seen in recent hours is deeply concerning. We have the Garda Commissioner publicly questioning, by virtue of his statement last night, the body which is charged with the independent oversight of An Garda Síochána, which serves to undermine the role of that entity. Today, we have the Garda representative organisations, the GRA and the AGSI, openly calling for resignations in the Garda ombudsman’s office. Yesterday, the Garda ombudsman was forced into an apology. All of that serves to undermine public confidence in the two institutions, the Garda Síochána and the Garda ombudsman.
There is no doubt the people have immense pride and respect for An Garda Síochána. That respect is hard-earned and is cherished by everybody. However, equally, the people want to know that the independent oversight body, the Garda ombudsman, is supported and properly resourced, with legislation to carry out its oversight remit. What we saw in recent hours was deeply disconcerting. We saw the shift in the focus from the questions that were raised in the newspaper on Sunday in regard to surveillance. A report had been prepared and this was reported in the newspaper. Questions were raised regarding whether surveillance had been undertaken, whether information was intercepted, whether the work of the Garda ombudsman’s office was compromised and whether some of the caseload which it is currently investigating is potentially compromised, as well as the prosecutions that may flow from that. What we saw instead was the independent office of the Garda ombudsman being dragged in to meet the Minister. We saw an effort by the Taoiseach, Deputy Enda Kenny, and the Minister, Deputy Shatter, to shift the focus away from the questions which were uppermost in people’s minds as to whether an event occurred and whether the independent office is under surveillance, and the story became why the Minister was not informed.

The Taoiseach was going around the country yesterday saying there was a requirement on the ombudsman’s office to report when, in fact, both he and the Minister know there is not a requirement to inform. The legislation explicitly states at section 80(5) that the Garda ombudsman’s office “may” inform the Minister. That then became the narrative over recent days. The Government turned the victim of the alleged surveillance and bugging into the villain, which has served fundamentally to undermine the position.

We have spoken about the morale of An Garda Síochána in the House on a number of occasions. The morale of rank and file gardaí is an issue. We know it, we have discussed it and we have addressed the issues. However, without conclusively dealing with this issue in terms of fixing the dysfunctional relationship that exists between the Garda Commissioner and the Garda ombudsman, that morale will be further eroded and further undermined.

We have discussed this on many occasions. It begs the question when the independent commissioners of the GSOC have to take to the public airwaves to ask for additional powers to be given to them. These are fairly reasonable powers on bread and butter issues. The commissioners want unfettered access to the PULSE system, which at present happens under supervision. They want to be able to receive complaints and look into matters which are referred to them directly by members of An Garda Síochána. The Garda Commissioner himself or herself, whoever is the officeholder, is not subject to oversight and to scrutiny under the present arrangement. In the North of Ireland and in Britain, chiefs of police are subject to oversight and to scrutiny, and MI5 and MI6 are also subject to a degree of oversight. However, we have the situation where our chief of police is not subject to any oversight. This weakens the hand of the GSOC when trying to deal with the issues before it, given the chief of the organisation that the GSOC is empowered to oversee is not subject to the same degree of oversight. This is something we, as an Oireachtas, and the Minister and Government, have to take very seriously.

During Leaders’ Questions today, the matter of the role of the office of the confidential recipient was raised. It was also raised last week by Deputy Mick Wallace in this House in regard to comments made in a transcript of a conversation with the whistleblower, Maurice McCabe. We did not get a response from the Taoiseach when it was raised by my party leader during Leaders’ Questions. I believe it is of fundamental importance, given that this person was appointed by the Minister to this office. It is on the public record that he was also a supporter of the Minister’s party. This is a very important officeholder. The whistleblower contacted this
man, and got the response he got, which he has transcribed. An audio of this transcript is also available and is held in the office of Maurice McCabe’s solicitor for safe keeping. The transcript states:

... and you go in there looking for the numbers and whatever else you want, you get it, and if the stuff was to get out into the public, the print media, it must come with what happens in the courtroom. I’ll tell you something, Maurice, and this is just personal advice to you, if Shatter thinks you’re screwing him, you’re finished.

It goes on:

If stuff is to get into print, broadcast media, it becomes public before the court and not any other way. If Shatter thinks it’s you, or if he thinks that it is told by the Commissioner or the gardaí, here’s this guy again trying another route to put you under pressure, he’ll go after you.

Deputy Timmy Dooley: He is some friend, Minister. He is some supporter.

Deputy Niall Collins: This was brought into the public domain last week, was raised again today and I am raising it now.

It is necessary for us to get a response in respect of the comments made by the confidential recipient to the whistleblower. It is simply not good enough. What we have seen in the Minister’s statement is a play on words in respect of what the GSOC statement said in respect of whether there was an alleged bugging offence. The Taoiseach quoted the GSOC report and said that no sophisticated evidence of technical surveillance was found. That was what he said this afternoon during Leaders’ Questions but that is not what the GSOC statement said. Yet he purported to quote from that report.

Why does the Minister not properly empower the GSOC to carry out its role and remit? What has he against setting up an independent panel of suitably qualified people to carry out a review into this? The question is being asked about whether the GSOC did not go to the Minister with the information in the first place. The reason it did not go to the Minister is because it could not trust him and because it has been looking for increased powers to carry out its remit. It did not go to the Minister and it could not go to the gardaí because it has oversight of An Garda Síochána. It would be proper to have an independent panel that includes a judge, an expert in surveillance technology and possibly some suitably qualified person from outside the jurisdiction to look into this and to make all the documentation available. It has been pointed out here that the report commissioned by the GSOC is its property and does not have to be made publicly available. This is a matter of fundamental importance.

The Oireachtas set up the Office of the Garda Síochána Ombudsman Commission through the Garda Síochána Act 2005. Unfortunately, the GSOC has told us that its ability to do its work is being compromised. It cannot ask the Minister for increased powers because it seems to be falling on deaf ears. We need to get all of the information out into the public domain as soon as we can. In his response to us, will the Minister undertake to address our party’s call to establish an independent committee, which has been made by other parties? Will he outline to us what are his intentions regarding the modernisation and updating of the 2005 Act in terms of additional powers for the GSOC? Can he tell us what is the situation regarding the confidential recipient of information from whistleblowers? Given the content of the transcript of his conversation with the whistleblower, is he a fit person to hold that office? Has the Minister concerns
about this because we have not heard from him? Can the Minister make any of the reports he has internally available to us to inform the public and have public discourse on it?

Deputy Pádraig Mac Lochlainn: The report in *The Sunday Times* was disturbing and alarming for citizens across this State. To put it kindly, we have had a problematic 18 months in terms of public confidence in the Minister’s ability to preside over and assist, depending on what body it is, the GSOC or An Garda Síochána. When previous issues came into the public domain relating to the GSOC, the Minister’s instinct was to defend the system. What I found remarkable was the fact that the Department wrongly briefed the Taoiseach yesterday and again today about section 80(5) of the Garda Síochána Act. It does not require the GSOC to pass on that information. It says it may pass it on. It is at the GSOC’s discretion.

The GSOC has a responsibility to report to this Oireachtas and does so, as the Minister knows, through the Oireachtas Joint Committee on Public Service Oversight and Petitions. The GSOC was established under the 2005 Act and followed the Morris tribunal in my home county of Donegal. This tribunal revealed gross abuses of power by some gardaí, from the rank and file up to senior level. It demonstrated the need for change in areas like the handling of informers and false arms finds. Another issue was the terrible ordeal of the McBrearty family. This is the context in which the Garda Síochána Act, the GSOC and the Garda Síochána Inspectorate were introduced. From the outset our party argued very strongly that the GSOC did not have the requisite powers to do its job. For example, it does not have oversight of the Garda Commissioner, as is the case with the ombudsman and the chief constable in Northern Ireland. The GSOC did not have access to the PULSE system to get directly to issues without somebody looking over its shoulder. Another issue related to the confidential recipient. Gardaí did not have the ability to report matters of major concern directly to the GSOC.

In case there is any doubt the GSOC did not have the requisite powers, we can see the issue in its own publication. Last year, the GSOC completed its public interest investigation into the handling of informers by An Garda Síochána and our intelligence services. It was a painstaking investigation that took years to complete although it did not need to take so long. In this report, the GSOC revealed the appalling lack of co-operation from senior Garda management with this very important investigation. What was it about? It concerned the dropping of charges against a major drug dealer without explanation and this person allegedly being handled by An Garda Síochána to entrap others. Those were the allegations in the public domain. They could not have been more profound yet in some cases, the GSOC never received documentation and in other cases, it took years.

What the GSOC revealed was outrageous. It also revealed that the lessons of the Morris tribunal had not been learned in respect of the handling of informers, which was a core issue at the tribunal, and the retention of contemporaneous notes where people could check what had happened and where it could be clearly demonstrated if one was innocent. These were significant issues. When that was revealed, the Minister did not say a word of criticism regarding senior management in An Garda Síochána but kept schtum. When he was challenged repeatedly by my party, he kept schtum. He said he was waiting on the response from the Garda Commissioner. It took months.

People will argue that the Minister has too close a relationship with the Garda Commissioner and that the system of policing in this State is not healthy. The relationship between Government and senior Garda management is too close. The Government has the ability to appoint senior Garda management, which is an issue. We need to see a truly independent po-
licensing authority with its own independent budget allocated, of course, from taxpayers’ money. That policing authority would then be accountable to this Oireachtas and a policing board, as is the case in Northern Ireland. We need to change our policing model, which is unhealthy. We have seen repeated examples of resistance to change and criticism - serious criticism in some circumstances.

This brings me to the penalty points debacle which we have seen played out in the Committee of Public Accounts. The two whistleblowers were pretty much vindicated by the report from the Comptroller and Auditor General.

6 o’clock

Let us go back to the start. Two officers discovered that the system was not working and that a considerable number of people were having their penalty points written off with no apparent explanation. It was one rule for the 70% of people who paid their penalty point fines and another rule for others. Basically, access to friends in certain places could get points written off.

This was a serious matter that the officers reported to the confidential recipient. The transcript read into the record by Deputy Wallace and repeated in the Chamber by Deputy Niall Collins was interesting. I understand that it may enter the public domain in the near future. The officers were stonewalled. The matter went to the Commissioner’s office, was investigated and ran on and on until the two whistleblowers eventually approached the relevant authorities. Under the Garda Síochána Act, they were permitted to take the matter to Members of the Oireachtas, as they did. They also brought it to the attention of the Road Safety Authority, RSA, the Comptroller and Auditor General and the Departments of Transport, Tourism and Sport and the Taoiseach.

Finally, the Minister made a decision. It was not to hold an independent inquiry into a serious matter with a significant amount of supporting documentation. Rather, it was to hold an internal Garda inquiry. The police investigating the police is not acceptable. There is no question mark over the integrity of the Assistant Commissioner, Mr. John O’Mahoney, but the perception was of police investigating police. It was a bad decision.

When the publication was reported, the Minister went out to the plinth and, with the Commissioner, was more interested in having a go at the whistleblowers and calling them reckless and wild than in actually dealing with the substantive issues. Of course, that could not be allowed to sit for too long. The subsequent report of the Comptroller and Auditor General revealed that one in five motorists accused of road traffic offences was getting off, that a half of all summonses were not being served and that the scale of the problem identified by the whistleblowers was real and even wider than they had believed.

This was a serious matter, yet the Minister still would not hold an independent inquiry. I challenged him in the Chamber on that after the report’s publication. I almost pleaded with him. The matter then went to the Committee of Public Accounts and the rest, as they say, is history. The Minister has finally referred it to the Garda Síochána Ombudsman Commission but considerable damage has been already done. The Minister must reflect on the model of policing and his relationships.

Our party is conducting a comparative analysis between the policing and ombudsman models of the State and the models in the North and elsewhere in Europe. When it concludes, we will introduce the Garda Síochána (amendment) Bill 2014, which will contain proposals for
change. Deputy Wallace did likewise last year and I commend him on the significant amount of work he did in that regard. I understand that others are also considering making proposals. We need fundamental change to both of our models.

Let us be clear - the overwhelming majority of members of the Garda Síochána are doing a fantastic job. There is no question mark over them. They are on the front line defending our communities. In many instances, they are heroes. However, they feel let down by the cutbacks and the station closures. This point takes me back to the relationship between the Minister and the Commissioner. The latter echoes the Minister’s language. He would call such measures “modernisation” or “smart policing” instead of acknowledging that they were really cutbacks - fewer Garda vehicles, stations and personnel. The number of gardaí will probably fall below the 13,000 template. It is an unhealthy relationship. We need change.

As the Minister knows, the GSOC will appear tomorrow before the committee I Chair. We will put questions to it and seek clarification. For example, why did the GSOC believe it needed to consult its sister organisation in Britain, why did it believe it needed to bring foreign security consultants into the State under the cover of darkness and why did it not trust the apparatuses of the State? One can come to only a single conclusion. We will tease through these questions tomorrow, but the conclusion is that there is a serious level of distrust between the Minister’s office, the office of the Garda Commissioner and the office of the three GSOC commissioners. This distrust must end.

Tomorrow, we will probe the protocols of co-operation to see how they are working. I understand there are ongoing difficulties in accessing documentation, but we will tease through that matter tomorrow.

When all of this is over and we have established the facts, what the citizens will need is an independent police force in which they can have confidence from top to bottom. They will need an ombudsman’s office that has all of the powers it needs to protect the public and to watch the watchers. Lessons need to be learned.

The only way to know definitively the level of the security breach at the GSOC is to publish the report of the security consultancy firm. I hope the GSOC will agree to facilitate that publication. When we see the report, we can have it independently verified.

We need an independent inquiry into this matter. The public will demand it and need to know the full facts. They feel distrust, as they have seen too many issues arise. The hearings of the Committee of Public Accounts did little for their confidence. I will leave it to the Government to suggest what form the independent inquiry should take, be it a judicial review or an international body, but someone who is truly independent of the GSOC, the Department and the Garda must examine the issue and make a ruling. For all of our sakes, I hope it will be found that spying did not take place.

Regardless of what happens, there must be fundamental change. Our party will put that to the Minister and engage constructively with him.

An Leas-Cheann Comhairle: The next speaking slot is being shared by Deputies Wallace, Clare Daly and Pringle.

Deputy Mick Wallace: Do we have seven and a half minutes each?
An Leas-Cheann Comhairle: Is it just the two Deputies?

Deputy Clare Daly: Deputy Pringle is taking the next slot.

An Leas-Cheann Comhairle: I have the wrong information. The Deputies have seven and a half minutes each.

Deputy Mick Wallace: At this stage, most people are of the opinion that all is not well in terms of how our police force is operating and how the Minister deals with it and the inspectorate. We realise that GSOC does not have much power or funding, but it has been treated poorly in recent days. Once the news broke, the urgency and eagerness of members of the Government in attacking the GSOC was disconcerting. I have met Mr. Simon O’Brien, Ms Carmel Foley and Mr. Kieran FitzGerald several times and found them to be professional. The GSOC would like to be a professional organisation, if only it were allowed to be.

Incidents are expected to blow over and often do. It has been 18 months since we raised the penalty points issue in the House. From the word “Go”, the Minister and the Garda Commissioner were eager to minimise and dismiss any allegation that we relayed from the whistleblowers. That was the Minister’s main concern. He eventually organised an internal inquiry despite the clamour for an independent one. Internal inquiries - gardaí investigating themselves - were never going to provide satisfactory answers.

The Minister did not handle the Roma issue well. He refused to allow the GSOC to engage in the matter. The GSOC asked to be allowed to examine the incredible episodes that occurred at the Corrib gas field. It requested permission to investigate under section 106, but the Minister refused.

In spite of his claims to the contrary, the Minister’s performance on “Prime Time”, dealt with by the Standards in Public Office Commission, which now wishes to wash its hands of it, did not give him a clean bill of health. The SIPO has stated that its remit does not allow it to investigate the issue any further. This also makes it plain that the SIPO does not have an appetite to hold the Minister for Justice and Equality to account. This was always going to blow over as well. Everything blows over, by the look of things, but it is not just about the Minister. There is a huge gap in public confidence today in how the Garda Síochána operates, how the Minister relates to the Garda Commissioner, and his refusal to give the GSOC the power that it should have. He completely diminished our efforts on a police Bill last summer, which contained the idea that there should be an independent police body as a buffer between the Minister and the Garda Commissioner. It makes sense and it is part of international best practice. This will probably all blow over again for the Minister, but the credibility of the Government is at stake as well.

It is not too long ago since the general election, when all the talk was about things being done differently. There would be transparency and accountability. That is not what we are getting. We are getting the opposite. In the last couple of days, the Taoiseach has been pointing the finger at the GSOC. What does this tell us? Where are we going? There seems to be no end to it.

Dr. Vicky Conway and Professor Dermot Walsh pointed out a long time ago that the relationship between the Minister for Justice and Equality and the Garda Commissioner is over-politicised. The Garda Commissioner is answerable to nobody other than the Minister. Given that they are such good buddies, he is effectively answerable to nobody. He is supposedly
answerable to the Dáil, but we in the Dáil have effectively no say in what goes on. The Cabinet makes the decisions and there is a small executive within that which make the serious decisions. To say that the Commissioner is answerable to the Parliament is a joke. He is answerable to nobody. The Minister is not giving the GSOC the power to hold the Commissioner to account. The GSOC has the power to investigate individual complaints from the public into individual gardaí. It cannot examine practices, policies and procedures of An Garda Síochána, or even look sideways at the Commissioner. Is this a healthy structure? Is this good enough? Does the Minister honestly think that the people are going to continue to believe in the Garda Síochána?

In the past, the Garda operated with the consent of the people. That is gone. The Minister has helped to erode it, and it is unfair to all the hard working gardaí in the country that they have been undermined. It is not the foot soldiers who are causing the problem but the hierarchy. It was not the foot soldiers who pressed the button on the PULSE system and terminated all the fixed charge notices but the hierarchy. It was not the foot soldiers who defended the hierarchy but the Commissioner and the Minister for Justice and Equality, who were prepared to defend them no matter what happened.

The Minister has been dismissive of any allegations coming from anybody that did not suit him. This has brought the whole issue into disrepute. The Minister carries a huge responsibility for undermining public trust and confidence in our police force.

Deputy Clare Daly: The Minister took an interesting tack in his contribution, roughly akin to asking people “to move along now, there is nothing to see here”. From his point of view, would that were so. I am sorry, but I do not think that history will be so kind to him. We have a scenario of a constant drip, which inevitably will lead to a situation where the damn will break. How many special debates will we have to sit through in the House on issues of Garda accountability? We have had special debates on the O’Mahony report, on the “Shattergate” incident, dealing with irrelevant information that he should not have had on Deputy Wallace, but which he chose to use, and on information today about a potential security breach in the GSOC, which he should have had but did not.

All of these issues are linked. The problem is not about a tension between the GSOC and An Garda Síochána. The real problem is the axis of power and the very unhealthy, close relationship that exists between the Minister and the Garda Commissioner. The tone has been set from that, and everything else that has happened has followed that relationship. The question we should be asking is whether the current scandal is a sign that things are getting better or worse. Nobody had ever heard of the GSOC a year ago but the dogs on the streets know what it is now. Its mission statement is a very good one. It is to provide and promote an efficient, fair and independent oversight of policing in Ireland. One would think that is a necessity in any country claiming to be a democracy and claiming to be policed by consent.

We must view the latest media storm, and the Government’s reaction to it, in the context of what has happened before now. For some period of time, the GSOC has consistently highlighted the problems it has encountered in being able to do its job, due to a lack of Garda accountability. The GSOC took an unprecedented step on the Kieran Boylan affair, who was a convicted drug dealer and whose handler has apparently been promoted to senior rank in the Garda Síochána. It made its point on that case. The GSOC held a press conference last year on its annual report, which outlined a range of issues. Its representatives spoke about an agreement that hundreds of minor disciplinary cases should be dealt with within 12 weeks, but claimed that this was rarely achieved. They claimed that the Garda do not operate the agreed protocols on getting access
to information, putting unnecessary barriers in the way before withholding information. They asked the Minister to change the legislation to give them more access, but the Minister did not do so. There were new protocols, but that was not what was requested.

Let us be clear. There is a perception that the Minister and the Commissioner work very closely, and that they are in many ways hand in glove. To me, that is a very unsuitable relationship. The Minister extended the Commissioner’s term of office beyond that which has been granted to any previous Garda Commissioner. The Minister backed up the Commissioner in his dealings with the whistleblowers. When Deputy Wallace tried to bring forward legislation that might have somebody else other than the Minister holding the Commissioner to account, he staunchly stood in the way of such change. As a consequence, we have a Commissioner who believes he owns the force, that they are his members and nobody else should challenge them.

The Minister’s comments today, along with the comments of other Government Members, suggests a case of “methinks thou dost protest too much”. They are falling over themselves to tell us how great the leadership of An Garda Síochána are, and how they have nothing to answer for in this case. Against such a backdrop, the question is not why the GSOC did not report what it thought was a security breach to the Minister or to the Garda Síochána, but why on earth would it do so. I do not know why this information ended up in the public domain but the Minister could do some work about sources in An Garda Síochána leaking information to the media. Shortly after we tried to bring the penalty points issue to light, I had an encounter with members of An Garda Síochána, during which I was arrested and handcuffed. The story was leaked to the media within 24 hours.

As a result of some of these episodes, I and a number of Deputies were contacted by people from across the country who have been victims of Garda malpractice. Many of them had no time for the Garda Síochána Ombudsman Commission, believing it to be an organisation that whitewashed Garda malpractice and operated as a fig leaf to cover up bad practice. I was not sure what to believe at the time but I have certainly changed my view of the Garda Síochána Ombudsman Commission. Despite being established without teeth, the individuals at the helm of the commission have tried to do their jobs and have gone beyond anything I have seen in the public service. Who are the individuals who have been denigrated in the media and by members of the organisations representing gardaí? Simon O’Brien was previously an assistant chief superintendent of the Garda Inspectorate and has a pedigree of international character and repute in dealing with issues of police accountability. Mr. O’Brien, Ms Carmel Foley and Mr. Kieran FitzGerald are not upstarts but people with an unrivalled record. I am satisfied that their decisions were taken in the interests of discharging their function, which, I remind the House, is one of overseeing An Garda Síochána.

The organisations representing gardaí are in open conflict with the body charged with overseeing them. Perhaps the Minister will have read the comments of P.J. Stone who stated today that he is satisfied that no gardaí were involved in any of the alleged surveillance. I am sure Mr. Stone would be equally satisfied that gardaí were not involved in the penalty points issue, the Donegal incidents and so forth. How does he know this when he has not been privy to any of the reports?

The Association of Garda Superintendents and Inspectors, AGSI, accused the Garda Síochána Ombudsman Commission of casting aspersions on the good character of the force and having no regard for the laws of the country. This is a crisis and the Minister is at its helm. The ASGI stated there is a question mark over the ability of Simon O’Brien to carry on in his posi-
tion on the Garda Síochána Ombudsman Commission. That is the tone that is being set on this issue. The question mark hangs over the Minister’s tenure and that of the Garda Commissioner. Contrary to what the Minister believes, this story will not move along because many questions and issues remain.

Deputy Anne Ferris: As with most other people, I was shocked to wake up on Sunday morning to the news that one of the most important offices of accountability in the State, the Garda Síochána Ombudsman Commission, had been bugged. The first question that came into my head was, “Who did this?” The second was, “How many innocent people will feel compromised by this security breach?” The third question, which was probably the first to enter the Minister’s head, was, “Why was nobody told about this?”

The most important of these questions is the first. Who attempted and possibly succeeded to access the e-mails, Wi-Fi and telephone lines of the Garda Síochána Ombudsman Commission and what other State organisations may have been bugged in this manner? If the independent statutory body with responsibility for civilian oversight of the State’s policing operations can be bugged, what other arms of law and order could have had their security and privacy infringed? Could Cabinet meetings, the Judiciary or Garda headquarters be bugged? This is beginning to sound like the plot of an old Hollywood movie, except this thriller is not being funded by the Irish Film Board to be filmed in scenic County Wicklow. This horror story is unfolding on the doorstep of our democracy.

The Garda Síochána Ombudsman Commission recently investigated a number of high profile cases which involved confidential information that could have had a value to parties willing to use illegal means to secure access to it. One such case involved allegations of Garda collusion with a named individual in the movement and supply of drugs. Another case was opened into matters arising from the investigation into allegations of child sexual abuse in the Catholic diocese of Cloyne. Other cases involve allegations of misuse of powers by gardaí. My point is that there is a range of potential culprits in this security breach. I trust the Minister will examine all possible reasons behind this covert operation.

In 2013, the American business publication, Forbes, voted Ireland the best place in the world in which to do business. In its 11 point rating system which rated 145 countries, Ireland was voted number one for personal freedom, number six for investor protection and number 21 for corruption. Given that the economy relies heavily on foreign direct investment, these ratings matter. Citizens require State organisations to be free from corruption and the effects of corruption. The most important response to this crisis will be to introduce whatever measures are necessary to ensure ongoing confidence in the policing system and its oversight body.

This leads me to the second question that came into my head on Sunday, namely, “How many innocent people will feel compromised by this security breach?” In 2012, the Garda Síochána Ombudsman Commission managed 5,018 allegations to the point of closure. The commission is the only complaints management organisation I am aware of which maintains profiles of complainants. If, for example I was to complain to the Environmental Protection Agency about a threat to the environment, I would be very surprised to learn that the agency was concerned about my ethnicity, housing status and educational qualifications. The Garda Síochána Ombudsman Commission gathers this type of information about those who make complaints about the behaviour of gardaí and publishes a profile of complainants in its annual report. I find this aspect of the commission’s reporting to be unnecessary and questionable. I hope the allegations made by complainants are investigated in a fair and open-minded manner,
regardless of the demographic profile of the complainants. I make this point because the Garda Síochána Ombudsman Commission holds substantial personal information about complainants.

Many ordinary people who made complaints about Garda operations during the period of this security breach may be concerned about the security of confidential interviews and statements they made. These individuals must be reassured, as must the wider public, that the independence, security and authority of the Garda Síochána Ombudsman Commission can be trusted.

This leads me to the third question that came into my head on hearing this news on Sunday, namely, “Why did the Garda Síochána Ombudsman Commission not report this serious security breach?” The Garda Síochána Ombudsman Commission is not a single person but consists of three persons, only one of whom is a former police officer. A second commissioner is a former civil servant and Director of Consumer Affairs, while the third, most surprisingly, is a former producer, reporter and researcher in RTE who has also worked on the “Prime Time” programme. What were the three commissioners thinking when, it seems, they collectively decided to conceal the bugging of the Garda Síochána Ombudsman Commission’s offices from the Garda, the Government and citizens?

Ireland needs the Garda Síochána Ombudsman Commission and the Garda, which, for the most part, enjoys the confidence of the Irish people, needs the commission to help it retain the high level of confidence it enjoys. If there is one lesson to be taken from this sorry mess, it is that the Garda Síochána Ombudsman Commission must be given whatever assistance is needed, whether new and more powerful laws, new leadership or a new structure - or all of these - to enable the body to do its job in a confident, open and transparent manner.

**Deputy Billy Kelleher:** I welcome the contributions made to this debate and the Minister’s decision to outline what he knows and shed some light on the unseemly events of recent days. There is no doubt that the Garda Síochána enjoys the overwhelming support of the population. It is a highly effective force because it is a community police force of the people for the people. It would be highly regrettable if we were to allow anything to fester that would undermine the confidence of people in the Garda. Unfortunately, things were allowed to fester, not only in the context of the alleged surveillance of the Garda Síochána Ombudsman Commission, but also in the context of the penalty points issue, including further allegations made recently at the Committee of Public Accounts and allegations made by Deputies Mick Wallace and Clare Daly in the House. Serious allegations were made and it is a matter of regret that the Minister prevaricated for such a long time before referring them to the Garda Síochána Ombudsman Commission. They should have been referred to the commission to have them investigated because, regardless of what findings would have been made, confidence would have been restored in the Garda.

Another issue arises which has not been referred to in this debate and is being avoided in its entirety. I refer to a transcript of the conversation between Mr. Oliver Connolly, the confidential Garda recipient, and Garda Maurice McCabe, which took place on 9 February 2012. Some very serious allegations are made in that transcript.

**Deputy Charles Flanagan:** That has nothing to do with this matter.

**Deputy Billy Kelleher:** They are very serious allegations. Deputy Flanagan is very tetchy. He was very quick when on radio this morning to dump on the Garda Síochána Ombudsman
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Commission. The Director of Public Prosecutions is never called in to explain if it decides not to inform the Minister about issues. There was no obligation on GSOC to inform the Minister about this. No such obligation is provided for in the Act because, as in the case of the DPP, the GSOC is inherently independent. We do not constantly call on the DPP to come before us to explain its decisions.

The key issue in terms of confidence in An Garda Síochána is why the transcripts to which I referred have not been investigated or referred to the GSOC. There are issues at stake here. We have provided in law for “a confidential recipient”, in respect of persons who have concerns and fears of repercussions if they expose particular issues. Mr. Oliver Connolly was appointed to that position. Mr. Connolly, who is a supporter of Fine Gael and, the Minister, Deputy Shatter, with which I have no difficulty, is quite damning in the transcripts in the context-----

Deputy Charles Flanagan: Deputy Kelleher hopes that if he throws enough muck some of it will stick.

Deputy Billy Kelleher: I am stating the facts. The confidential recipient, Mr. Connolly, states in the transcript concerned:

What I’m saying to you is, if stuff is to get into print, broadcast media, it becomes public before the court and not any other way. If Shatter thinks it’s you, or if he thinks that it is told by the Commissioner or the gardaí, here’s this guy again trying another route to put you under pressure, he’ll go after you.

Throughout the transcript the confidential recipient appears to be almost encouraging Maurice McCabe not to pursue this matter. If anything comes out of this particular debate it should be that these particular transcripts should be referred for further investigation. That the Minister is allowing this matter to continue to fester is regrettable. All of us in this House want to ensure everybody has confidence in An Garda Síochána and can support it day-in and day-out. That issues are being are allowed to fester and undermine the relationship between the Irish people and An Garda Síochána is also regrettable.

The Minister must act because he is implicated in this issue. That a particular person tried to convince Maurice McCabe that the Minister for Justice and Equality “may go after him” cannot be allowed to go unchecked. An investigation of this matter must be undertaken. It goes to the heart of what we are talking about. This issue should also be referred to the GSOC for analysis and report.

Deputy Gerald Nash: I thank the Minister for his statement, which has helped to clarify some matters. However, some questions remain to be answered. I am sure we all agree that even the faintest possibility of an attempt having been made to spy on the Garda Síochána Ombudsman Commission is an extraordinary matter. It is not, therefore, surprising that this matter has generated so much public concern.

I am mindful of how sensitive this issue is. We all need to be careful not to exacerbate or aggravate an already difficult situation. The reaction from some quarters has not been very helpful. I am reminded of the old adage that the only exercise some people get is jumping to conclusions. There are, however, a series of questions which I feel need further clarification. Does the Minister know if an attempt was made to breach the security of the Garda Síochána Ombudsman Commission? It is clear from the Minister’s meeting yesterday with GSOC that security was not compromised. It is still unclear, to me at least, whether such attempt was
made. The Minister has not in his statement definitively ruled that out.

With regard to the three technical and electronic anomalies referred to by the Minister, I accept and understand that the Wi-Fi device was not used by the GSOC. Surely, however, the fact that it had been connected to an external link should of itself raise concerns. I also fail to understand the reason the GSOC would have the Wi-Fi device included in its routine security check if it was never used. If it is not used, why check it? I would welcome more clarity on the issue of the conference call phone. Was this a potential weakness found in the system or had there been an unsuccessful attempt to intercept calls? We need to know more about that.

The third anomaly of UK mobile telephone calls being vulnerable to interception is also problematic. While I accept that, as the Minister said, staff members of the GSOC would not have used such telephones, it is possible that visitors or witnesses, possibly from outside of this jurisdiction - for example, Northern Ireland - used them. Surely this too could be a cause for concern to arise. What steps does the Minister intend to take if it becomes clear that an attempt was made to breach the security of the GSOC? In other words, is this the end of the investigation and the end of the matter as far as the Minister is concerned or does he reserve the right to extend the investigation of the issues involved or re-open this matter at some later stage if additional information becomes available?

This issue needs to be handled carefully. Regrettably, as was stated earlier, there has not been a great history thus far of co-operation and trust between An Garda Síochána and the Garda Síochána Ombudsman Commission. There are a number of examples of this. It is important that the integrity of both organisations and of the individuals within them are protected, at the very least until such time as we are in possession of all of the relevant facts. We should not draw any conclusions at this stage. It is not at all helpful for anybody to point the finger at An Garda Síochána, even though the instinct may be to do so. It is also not appropriate for the Association of Garda Sergeants and Inspectors to be demanding resignations from the GSOC. It is a time for cool heads and not for upping the ante.

If an offence has been committed or there is suspicion that an offence has been committed there are a number of organisations or individuals with the means or motive to have committed that offence. As pointed out by the Minister, the GSOC has made it clear that there is no evidence whatsoever of any Garda misconduct in this regard. We do not at this stage know definitively that an offence has been committed. We also do not know, if an offence has been committed, who committed it or why. This is a very sensitive matter that will, if we are to avoid dangerous and damaging blows to the morale and integrity of An Garda Síochána and the Garda Síochána Ombudsman Commission, require skilled management by all involved.

I suggest that the Minister at this stage remain open to potentially involving third party investigators in any probe or examination of the issues that may be required further down the line. This may not be the end of this issue. This type of approach would serve to avoid any suggestions of bias, real or imagined, on anybody’s part or of any prejudice or scapegoating of the investigation. It is important that this matter is cleared up as soon as possible so as to ensure that no State organisation is left with a shadow hanging over it.

**Deputy Aengus Ó Snodaigh:** The Garda Síochána Ombudsman Commission is, in the scheme of things, a fledgling organisation. It was established on foot of the 2005 legislation, came into being in 2007 and took a while to get its house in order. It is important to reflect on the reasons it was established. It was established in response to the Morris tribunal and the ab-
solute failure and incompetence of the then Garda Complaints Board, owing to a lack of powers and so on, to address many of the issues brought to its attention down through the years.

There was considerable hope when the Garda Síochána Ombudsman Commission was set up that it would be properly resourced and independent and that it would be able to carry out investigations without being hampered in any way by the force it was investigating or those making complaints to it. I remember arguing at the time with the then Minister, Mr. McDowell, that he had not gone far enough in the legislation and that the commission should have been properly resourced along the lines of the model implemented on foot of the Patten report in the North. That was the position of the Government at the time. This is why I find it strange that Fianna Fáil is so critical now of the Minister calling for all manner of things to strengthen the commission. Fianna Fáil was in government and hampered it from the start. I welcome the party’s conversion and I hope the Minister can be converted to a position whereby we can have a commission with the required resources and which is on a par with, if not better than, anything we have in the North, where the police ombudsman is seen as a standard internationally.

Key questions remain to be answered by the Garda Síochána Ombudsman Commission and I hope it will be able to answer some of them tomorrow at the Joint Committee on Public Service Oversight and Petitions. We are keen to ensure that people have trust and faith in the organisation, that they believe there is nothing untoward happening and that if and when they make complaints, they are made with full trust in the organisation. The GSOC has a report and I hope it will be able to present the report of the analysis of the security sweeps of its buildings. I hope this is presented tomorrow to the Minister, the committee and perhaps the Garda.

The wording the commission has presented and the wording of the Minister are contradictory. The commission stated it could not conclusively explain the security or technical anomalies and that they were not a security risk. The Minister said there were technical anomalies and that what was at issue was the potential risk or vulnerability. However, there is no evidence to suggest that this is all they were and there is no evidence to definitively state that nothing untoward happened. The GSOC ended its investigation on the basis that no further action could be taken. That is the nature of the type of questions that arise with modern technology and telecommunications.

It was not a routine sweep and that is one of the key elements. A routine sweep suggests that once or twice a year the organisation carries out a sweep. The Minister alluded to the fact that a sweep was only done twice since the founding of the organisation. This means something triggered the commission’s need to carry out such a sweep and to address any questions arising. The sweeps of the telecommunication systems and the examination of the security of the databases were triggered by something and we need to find out why they occurred. Was it because the commission was frightened as a result of some of the cases it has taken, some of the bad publicity it was subject to or some of the problems it had in trying to get access to information? These questions need to be answered and I hope the answers will come from the commission tomorrow.

Without these answers it will be difficult for the commission to work. Criminal and commercial organisations in this country have been investigated by the GSOC as part of its role in investigating An Garda Síochána. We should not say that there are no elements within An Garda Síochána who could be rogue as the contrary has been shown. An Garda Síochána as an organisation is not a rogue organisation - I have full faith in it - but rogue elements have been shown over the years, whether through the Morris tribunal, the heavy gangs in the 1970s and
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1980s, the latest penalty points debacle or the questions raised earlier by others relating to Kieran Boylan and so on. There are suggestions that some members of An Garda Síochána, like members of many organisations in the country, have turned rogue and they need to be exposed.

The GSOC was set up to ensure those involved in any way in criminality within An Garda Síochána are exposed and that they do not end up besmirching others within the force. I am keen to ensure the public does not lose faith in An Garda Síochána or the GSOC, that we can have the faith required and that their work can continue without the distraction that today’s events have created.

Deputy Thomas Pringle: The revelations in recent days that the security systems of the GSOC communications have been breached came as a shock to everyone. That the body charged with the investigation and oversight of our policing could come under attack by unknown persons should warrant a major investigation. More shocking is the twist that the story has taken in the past 24 hours. The focus of the narrative has changed to the question of why the GSOC did not report to the Minister its concerns in respect of the security of its work, a clear case of blaming the victim to deflect from the crime. We have been treated to our Taoiseach wrongly quoting a supposed obligation on the GSOC to report to the Minister, thereby trying to cast doubt in the public mind on the issue. Again today during Leaders’ Questions the Taoiseach repeated his assertion. Surely someone in his Department has read the relevant section of the Garda Síochána Act 2005 at this stage and corrected him? Section 85 of the Act clearly states that the Garda Síochána Ombudsman Commission “may make” any other reports that it considers appropriate rather than “shall make”.

Too often in this country we see the focus of serious complaints and revelations being switched around and the person or body making the complaint becoming the accused. In a functioning democracy the reaction of the leader of the State to such serious reports would be to initiate an investigation to be carried out by an independent body without delay to get to the bottom of the issue and to find out where culpability lies, if any. Yet, once again we see the reaction of those who should be charged with maintaining trust in our institutions. They go on the attack and question the integrity of the commission rather than taking the reports seriously and dealing with them. Today the Association of Garda Sergeants and Inspectors called for the chairperson of the commission to resign, a call made without knowing the full facts of the incident. A banana republic would hardly be an appropriate description of the reactions of these institutions to these events.

Given the history of the GSOC one can only come to the conclusion that there is only one body in the State with an interest in knowing what is going on behind closed doors in the commission. Let us consider the report of the handling of informers of An Garda Síochána, the report on the difficulties of having gardaí co-operate with investigations, the penalty points controversy and the disclosing of information in respect of Deputies Wallace and Daly by gardaí to the Minister and the media. These highlight the type of State we are living in.

Given that the Garda is charged with operating as the secret service of the State there is a serious potential for the abuse of power to take place and my concern is that this is what is occurring. We have a secret service with no democratic oversight in respect of which answers to questions are denied because the actions of a secret service are actually secret.

Today, the narrative has moved on. The official view is there is nothing to report or investigate. According to the Taoiseach’s comments today there has been no compromising of the
GSOC database and no evidence of any information having been compromised. Therefore, the thinking goes, there is no incident. How can we believe this? There is a major crisis under way and a serious challenge to our democracy. The least we should expect is that our Government would be concerned about it. It should be clear to everyone that there is an urgent need to have this incident investigated fully and independently to restore confidence in the administration of justice. We should be assured that the commission can carry on its work in providing oversight of and accountability for the Garda.

The Garda should be at the forefront of calls for an investigation to clear itself of any suspicion rather than attacking the commission. Once again we see gardaí placing loyalty to the force above the public interest. Any investigation would have to examine who has the means and the motive to covertly spy on the GSOC, and perhaps that is what they are afraid of finding out. I call on the Minister and the Government to initiate a comprehensive independent investigation into whether the ombudsman’s office was bugged. Only an external investigation can achieve that and restore all our trust.

Deputy Lucinda Creighton: Yesterday John Mooney, the journalist from The Sunday Times who uncovered the surveillance operation on GSOC went on RTE’s “Prime Time” and announced that the Department of Justice and Equality was in crisis. I believe that the reactions of the Taoiseach yesterday and the head of the AGSI today demonstrate that this is undoubtedly a crisis of confidence in the administration of justice in this country and an enormous public distortion of facts by some of the highest offices in the land.

The Taoiseach yesterday announced that it is a requirement of the law that the GSOC report to the Minister for Justice and Equality in the event that something of unusual or extraordinary importance happens. This interpretation of the law is inexcusably wrong and the Taoiseach’s statement represents an astonishing attack on the independence of the Office of the Garda Síochána Ombudsman Commission. While the GSOC may now regret not informing the Minister about the bugging, it is not now, nor was it ever, under any legal obligation to do so. The Taoiseach needs to make this absolutely clear to the public and he should apologise for this misleading intervention. As others have pointed out, section 80(5) of the Garda Síochána Act 2005 clearly states that the GSOC “may”, and not “shall”, make reports to the Minister in certain exceptional circumstances.

In a further outrageous attack on the GSOC, the head of the AGSI has called for its chairman, Simon O’Brien, to consider his position. His call for the chairman’s resignation followed from the Taoiseach’s same distortion of the law that the GSOC had an obligation to make a report to the Minister for Justice and Equality concerning the surveillance operation they uncovered. Clearly, it did not. The head of the AGSI also accused the GSOC of disrespecting Irish laws by not reporting the suspected crime to An Garda Síochána. This is again completely unfounded and misleading. Unless the GSOC suspected an offence had occurred that was a relevant offence for the purpose of the Criminal Justice Act 2011, which imposes duties on all citizens to report certain crimes, there was absolutely no legal obligation on the ombudsman to report the suspected crime. For the head of the AGSI to come out and call for his head is a gross abuse of his public position and represents either a deliberate or ignorant distortion of Irish law.

The GSOC chairman may well have to account for his statements tomorrow at the Oireachtas committee hearing, particularly in light of the direct accusation on “Prime Time” last night by John Mooney that he did not believe GSOC’s statement concerning the events that prompted the particular security sweep in the first place. However, the public statement by the Taoiseach
yesterday, which was followed by the statement today of the head of the AGSI, has brought the independence of the GSOC into question. That is a serious situation in which we find ourselves. This is an abuse of, and an interference in, the workings of the GSOC and it is not the first time that members of the Government have tired to directly interfere in the work of independent bodies in this State. However, it is completely unacceptable. The flagrant public attacks on the independent institutions of our democracy represent an abuse of power like no other witnessed in recent times. I call on the Minister to ensure these attacks come to an end and to ensure the confidence of the entire Government as well as the Garda in the GSOC is clearly articulated in order that the reputation of, and public confidence in, the GSOC can be restored. That is what is required and I hope the Minister will ensure that happens.

Deputy Dara Calleary: Since Saturday evening, when this story first broke, there has been an enormous vacuum in the context of information relating to the allegations made and, unfortunately, because of that vacuum, the reputations of all the agencies involved - the Garda, GSOC and the Department - have been undermined. We cannot be expected to come to the House as public representatives and accept the view expressed by the Minister and the Taoiseach that there is nothing to see here and we should move on. In light of the damage that has been done to the GSOC, the Garda and the Department, the only way to resolve this is through an independent investigation to examine the statement of the GSOC, the response of the Garda and the core issue involved. Public confidence has been undermined but perhaps the Minister is closeted from that. I heard his party colleague, Deputy Charles Flanagan, on radio this morning relating conversations he had with members of the public about this story. An independent investigation is the only way forward to fully restore public confidence and the relationship between all the agencies.

The Minister and the Taoiseach have made definitive statements about the bugging issue, which will be dealt with at tomorrow’s committee meeting. The matter of who informed the Minister or who should have informed him is legally irrelevant because the GSOC’s job is to inform the Houses of the Oireachtas. However, it is an indication that there is a confidence issue not only between the Garda and the commission but between the Minister and the commission when its members did not feel it appropriate to inform him of their suspicions or of the ongoing investigation. Perhaps the Minister needs to reflect on his relationship with an important body overseeing an agency under this Department’s aegis.

The perception that the GSOC was bugged that hung around for three days is still out there and it must be comprehensively dealt with not by the Minister, the Garda and the GSOC because they have stakes in this, but by independent, technically qualified people who can assess the original investigation and the sequence of events. Otherwise, we cannot move on. These is no sense in imagining that at the conclusion of the debate, public concern about this will be allayed; it will remain. When reputable journalists such as John Mooney are moved to make the comments they have about the Department and its relationship with the GSOC over the past number of days, the Minister has a bigger problem, which cannot be alleviated by statements in the House.

The difficulty is what while the Taoiseach and the Minister have stated they are confident there was no bugging, they cannot say that definitively. None of us is qualified to say that and given the technical knowledge and skills available to those who want to engage in such an operation, they cannot say that. The fact remains that during a check, three technical and electronic anomalies were found. We do not know how dangerous they were or whether other damage was done because of them. We can only take the word of the Minister, the GSOC and
the Taoiseach that the databases were not compromised. For us to fully accept that and put it in context, the report the Minister made to the Cabinet earlier must be put on the record of the House in order that we can see for ourselves. The only alternative is to establish an independent investigation.

During his contribution, the Minister said he had put a huge effort into trying to resolve the clear differences between the Garda and the Commissioner, in particular, and the GSOC and that is welcome. It is an important that there is a healthy working relationship between both. However, one common theme is the serious lack of confidence among rank and file gardaí in the Minister. The fact that the chairman of the GSOC refused to communicate with the Minister suggests his staff do not have confidence in him either.

7 o’clock

That is the one matter which appears to bring these two sides together. If we are to restore the position which obtained on Saturday afternoon in terms of the credibility of the GSOC, An Garda Síochána and the Department, the only way to do so is by establishing a qualified independent investigation into all the relevant issues and all the actions taken by the various players involved.

An Ceann Comhairle: Am I correct in saying that Deputies Ross, Finian McGrath and Luke ‘Ming’ Flanagan wish to speak on this matter?


An Ceann Comhairle: The Deputies will be the final contributors prior to the Minister replying. They have five minutes each.

Deputy Shane Ross: I find this matter disturbing, particularly in light of the damage being done not as a result of this debate but rather on foot of the incidents that have occurred in the past two days. I also find disturbing the absolute - and perhaps deliberate - lack of clarity which obtains as a result of contradictory and vague statements being made, a lack of information being provided and the use of technical terms that we do not understand. The Minister for Public Expenditure and Reform, Deputy Howlin, indicated this morning that he does not understand the situation and does not know what is going on. I doubt whether he has been enlightened by what happened subsequently today. I endorse what Deputies Niall Collins and Calleary said to the effect that, as a result of public disquiet and concern about what is happening, there is a need for an independent investigation. Public confidence in the GSOC and the Garda is diminishing by the hour. The confidence the public has in this House, politicians or the Government to provide a remedy in respect of this matter has diminished to the point where it is now close to zero.

Instead of adopting partisan positions in the context of the warring parties, it would be better if the Government were to say that it wants to detach itself from this matter and put in place a credible investigative body. As Deputy Mac Lochlainn said, the membership of such a body should include individuals from outside the State. Indeed, its entire membership could be made up of such people. When it has concluded its investigation, the body could inform us what - in its unbiased opinion - really happened.

What we have witnessed in the past 24 hours is unprecedented. There has been an outburst of megaphone diplomacy involving the Garda Commissioner, the head of the GSOC, politicians and individual gardaí who are the heads of Garda representative associations. What some
The so-called mistake here relates to why the GSOC did not report to the Government or the Garda with regard to what happened or in respect of the results of its investigation or of the operations it set in motion in order to discover whether its offices had been bugged. Why did the GSOC decide not to report? There are two reasons for this. First, because it concluded - as the Government has apparently done - that there was nothing to report and nothing had happened. The GSOC could not report if there was nothing to report. The second reason for the GSOC not reporting is that it did not trust those to whom it was supposed to report. I am of the view that both reasons are unsatisfactory. The impossible and unacceptable scenario - the abyss - is that the GSOC did not trust the Garda or the Government enough to report to them. It is my guess that regardless of whether it had anything to report, the latter is the case. I am of the view that relations between this independent body and the establishment have broken down to such an extent that the former does not trust the latter.

I am also of the view that the GSOC expected that if it had reported, it would have received precisely the reaction to which it has been subjected to date, namely, it would be attacked with relish. The reaction in question has been unseemly. As Deputy Clare Daly said, this body has proved itself to be independent and honourable in the past. It may not have been particularly effective but one is beginning to realise that this may be because it has been continually frustrated. That is why there is a case for calling for an independent inquiry. There is no justification for allowing the Garda to investigate those responsible for overseeing its activities.

**Deputy Finian McGrath:** I welcome the opportunity to contribute to this important debate. This is a strange little country, particularly when - according to the Government, the Minister and many others - the victim of a crime is being placed in the dock and blamed for an alleged offence. Just imagine one’s house being burgled and one being obliged to apologise to the burglar. That is what is happening in this instance. This has the potential to be a national scandal. It is certainly a national disgrace. We need to know all of the facts and we must be provided with all of the details regarding what actually happened. Above all, we need to discover the truth in respect of this particular incident. What has happened is not on and it is not reflective of either good policing or good practice.

I wish to make it clear that I am standing with the Garda Síochána Ombudsman Commission in respect of the unlawful surveillance of its activities. Many of us have for a long period supported the principle of having a watchdog in place in respect of the Garda. More than anything else we have demanded accountability, professionalism, impartiality and equality in law for all of our citizens. That to which I refer is what this debate is about but sadly it is not happening on the Minister’s watch. During the past three years I have raised with him many cases involving citizens who were let down and to whom grave injustices were done. This is a matter up to which we must face. I was recently contacted by the mother of Shane O’Farrell from Magheraboy, Carrickmacross, County Monaghan, who was killed in 2011. Mr. O’Farrell’s family suffered not only his loss but also many injustices in respect of his death and the investigation into it. The family has supplied detailed information to the Minister and the Joint Oireachtas Committee on Justice, Defence and Equality in respect of this matter, which I have raised previously in the Dáil. I take this opportunity to call again on the Minister to investigate new
evidence relating to the killing of Shane O’Farrell. I also call on him to support Mr. O’Farrell’s family which wants truth, account and, above all, justice. There are many other cases in respect of which action is required.

I have major concerns regarding the future of the Garda Síochána Ombudsman Commission, particularly in the context of the attempts that are being made to undermine the organisation. We were promised reform, change and accountability. Now, however, good and fair people are being hammered and whistleblowers are being taken out. This is another national scandal. Good and decent gardaí are doing their best - against the odds - but they are feeling the pressure. It is important to foster a good relationship between citizens and gardaí.

What is happening is not on and it is certainly not good enough. I demand action and I support the call made by colleagues for the establishment of a proper inquiry. Our justice system must work in a fair and balanced way. I am sick and tired of paying fines or taking the hit in respect of penalty points when a cosy elite of insiders walk away scot free. A good police force does not demand respect, it earns respect. The same is true of all public service organisations, the Minister and the Government. I say to those opposite to be fair and honest. If they cannot honour those principles, they should not remain in government. The Minister stated that the GSOC has concluded that no definitive evidence of unauthorised technical or electronic surveillance of its offices was found. Was there authorised surveillance? I ask that question in the public interest. This debate is about public confidence and about the partnership between the citizens of this State and the Garda Síochána which is being eroded. GSOC is an independent body and this must remain the case. We must ensure there is good policing practice in this country. Of course I accept the point that not all big organisations are perfect but blatant injustice must be tackled. Some 90% of the public on the north side of Dublin support GSOC as a body that represents the interests of the citizens of this State. They want the facts and the truth but above all, they want justice.

Deputy Luke ‘Ming’ Flanagan: I say, well done, that this matter has been included on the agenda so the House can debate it. My fear was that the Government would run away from it. The fact that I have speaking time shows that many of the Government Deputies who had an opportunity to speak in this debate ran away from it.

The Minister, Deputy Shatter, regularly accuses Deputies Mick Wallace and Clare Daly of being negative and damaging to the Garda Síochána. Even if that were true - which it is not - I am afraid he has now become the champion of damaging the Garda Síochána. So far as I can see, the Minister knows that Deputies Daly and Wallace are actually trying to do the right thing but he just wants to spin it against them. However, at this stage, it has spun so much that it is now starting to spin against the Minister.

If GSOC thinks twice before going to the Garda Síochána, then what confidence can the general public have? A rape victim or someone who has been beaten up will read in the paper that GSOC thinks twice before going to the Garda Síochána. What the hell confidence can they have in going to the Garda Síochána? I believe GSOC was correct not to contact the Minister immediately because it would have got the same reaction as now; at least it got the information out.

Deputies Clare Daly, Mick Wallace, Joan Collins and I have an avalanche of people coming to us to report dire things that have been done to them by corrupt gardaí. We have had gardaí come to us about things that corrupt gardaí do. It is time the Minister did something about this
because if he is really worried about the Garda Síochána’s reputation being damaged, he should listen to Deputy Finian McGrath who said that 90% of the people in his area know what to believe. It the same all over social media: people do not believe the Minister nor do they believe that what has been said by this Government is true. Everyone makes mistakes and mine are well documented and I got a boot for them and I deserved it. The Minister is going to have to face the music on this one. To quote his own words, the soap box from which he is operating is on shifting sands.

**Minister for Justice and Equality (Deputy Alan Shatter):** I thank the Deputies who contributed to the debate. I thank those who said something constructive and those who made other sorts of contributions to which I will refer. I am interested in one thing only, the truth of the issues that arose, whether GSOC was bugged. It would be completely unacceptable for any surveillance to be conducted on its offices. I have the height of respect for GSOC which, as I have already said, is a very important organisation. GSOC investigated the matter and I reported to the House on the outcome of that investigation. I tried in my opening statement to set out the facts as known to me as dispassionately as I could. I hoped these would be assessed calmly, that hyperbole might be avoided and that the matter would be put into some context. Instead there has been all sorts of wild claims and allegations. Deputy Calleary said I had some stake in all of this. My only stake as the Minister for Justice and Equality, is that the public retain the highest respect and confidence in both An Garda Síochána and GSOC and that each carries out its functions appropriately with integrity and addresses issues comprehensively when issues of concern arise.

I will address points made by Deputies. I have genuine difficulty in understanding the calls made here for some form of public inquiry into this matter. Is it the position of Deputies that such an inquiry is necessary even though GSOC has concluded that no definitive evidence of unauthorised technical or electronic surveillance was found? Is it the position of Deputies that they think GSOC, whose security is at stake, was wrong to conclude that no further action was necessary or reasonably practical? Is it their position that they are more concerned about security at the offices of GSOC than GSOC is? Is it their position that GSOC is not capable of making this determination? In professing their support for GSOC are they saying the statement issued by GSOC is untrue? I ask for some reality to be brought to this debate. It is a particular pity that some Deputies took this opportunity to weave what is an entirely false narrative concerning me, GSOC and the Garda Commissioner. I have a relationship with the Garda Commissioner that is appropriate and correct in my position as Minister for Justice and Equality. I also have a good relationship with GSOC that is appropriate and correct in the context of its independent function and with which I should not interfere. On any occasions I have met with members of GSOC to address issues of concern we have addressed them constructively.

Deputy Niall Collins is completely wrong on a number of points he raised. It is difficult to stomach Deputy Collins’s criticism of the aspects of the Garda Síochána Act 2005 which provided for the creation of GSOC and the inadequacies in that legislation when it was his party in Government which introduced it. For once, Deputy Ó Snodaigh and myself have something on which we can agree. Deputy Niall Collins detailed issues with regard to GSOC and its legislation that should be addressed-----

**Deputy Niall Collins:** It was proven that it is not fit for purpose.

**Deputy Alan Shatter:** He is being disingenuous. Ten days ago, before this controversy developed, I announced that we intended to amend the GSOC legislation and that I would
bring proposals to Government in that regard. In its reports GSOC has indicated some issues it wishes addressed. That legislation will be brought to Government at some point during the course of this year and will come before the House. The second issue arising is that of access to the PULSE system. On Monday week last, I announced that there would be direct access by GSOC to the PULSE system, not only in the context of dealing with the ticket charge issue which has been referred to it but also for future investigations. That is very different to the approach taken by Deputy Collins’s party when in government. I do not make these decisions on a precipitative basis. I made them having considered issues that have arisen during my term of office. Deputy Collins made reference to the chairman of GSOC being forced into an apology. I did not force the chairman of GSOC into anything. I read a newspaper report and I asked him if he would come to my Department to brief me on what occurred. One of the first things he did was to apologise to me that I had discovered this information in a newspaper and that I had not been briefed. I have listened to the dramatic persona of my former colleague, Deputy Lucinda Creighton, criticising the fact that mention was made that I should have been briefed. Other Members of this House have raised this issue. I am very puzzled. This information has appeared in a newspaper and I knew nothing about it. Had I not sought a briefing I would have been criticised by Members of this House because I am accountable to this House for these issues. Should I have been briefed? We have had a debate that has lasted almost two hours on an issue which everyone acknowledges is of importance. Reference has been made to the administration of justice as important to the integrity and the public perspective of GSOC and also to the public perspective of An Garda Síochána. I could not think of an issue that is more important to be brought to the attention of the Minister for Justice and Equality under section 80(5) of the relevant legislation which states: “The Ombudsman Commission may make any other reports that it considers appropriate for drawing to the Minister’s attention matters that have come to its notice and that, in its opinion, should, because of their gravity or other exceptional circumstances, be the subject of a special report to the Minister.” Have we just spent two hours debating something Members of this House do not believe are of gravity or give rise to exceptional circumstances?

If there was any reality to the possibility that someone targeted GSOC’s offices and bugged them and if it had a worry about this, surely that is an issue to be brought to my attention. Surely that is an issue the Minister of the day should be informed about. Indeed, I think in retrospect it acknowledges that information should have been given. It is no more dramatic than that but I would have expected, either during the course of the investigation or when it concluded the investigation on the basis that there was no purpose in continuing with it because nothing was coming out of it, I would have been informed and would not have read about in the Sunday newspapers. I think that is reasonable because Members of this House expect me to report to this House. There is very substantial reform under way. There is no bad blood between me and GSOC. There is a narrative people want to develop here but it was reasonable to comment that I would have expected to have been informed of these particular issues.

We need to keep all of this in context. We have heard mention of there being a crisis. What I am concerned about is to ensure there is no doubt in the public mind as to the integrity of the approaches by GSOC in the context of its offices, the privacy and confidentiality of information and that there are systems in place to guarantee that information cannot be wrongly accessed. Listening to some of the contributions in the House this evening, it is as if the initial statements were neither made by me nor GSOC but the plain truth of it is that there is no definitive indication at all, despite GSOC’s own investigation, that anything was compromised. I am relying on the information GSOC has given me. I have no other means to report to the House. This is
what I have been told by GSOC. It has made a public statement. I spent two hours with Mr. Simon O’Brien seeking as much information as possible to be in a position to inform the House and to try to be satisfied that GSOC was in a position to conduct its business confidentially and appropriately under statute and in the public interest. If I did not engage in that way, I would not be doing my duty.

I have no beef with GSOC. I think it is regrettable this matter emerged in the manner in which it did. Deputies have correctly referenced that it has cast a shadow over An Garda Síochána in circumstances in which it seems to be entirely unfair because there is no evidence, there are no facts or there is no material available to indicate that An Garda Síochána had any hand or part in any of this. GSOC has investigated it and has reached conclusions.

What is it that is to be the subject of an inquiry? It gets a headline and a little bit of drama from Deputy Ross and others but apparently there is nothing to be inquired into. Deputy Mac Lochlainn and I disagree about some things and agree about others but I very much welcome the fact GSOC will appear before the Joint Committee on Public Service Oversight and Petitions tomorrow and that there will be opportunity for any questions that need to be asked to be asked. If some additional information becomes available, of which I am unaware and that casts further light on this, I will welcome it. That is right and it is why we have a Joint Committee on Public Service Oversight and Petitions so that a group like GSOC or the ombudsman can come into that committee in a transparent way and address issues that arise and are of concern, and this, of course, is an issue of concern.

GSOC may have had concerns about vulnerabilities in its offices but I have not been informed of anything to indicate anything was compromised, any conversations were overheard, any files were accessed or any data were in any way interfered with. If it was different, I would tell the House and it would be appropriate that I do so.

Deputy Daly said something of some interest. There has been a lot of toing and froing on the ticket charge issue on which I will not comment anymore because arising out of the further developments, it is now with GSOC and I hope it fully investigates it and that its investigation brings a degree of closure to this once and for all. However, Deputy Daly wants different standards in different areas. She talked about investigating sources in An Garda Síochána breaking stories to the media. She wants some people investigated but not others. I do not want to get into the ticket charge issue but the information that appeared in the media arose out of a leak from a member of the Garda Síochána. He may be right but GSOC will deal with it all. I am not entering into it. However, it appears that some things that appear in the media are acceptable but others are not.

I am very curious about this other matter that is floating around which Deputy Wallace raised last Thursday after I had left the House following Question Time. He could have raised when I was in the House and I would have thought more of Deputy Martin in terms of the manner in which he raised it. There is a reference to some transcript to which I am not privy. I do not know anything about the meeting which took place nor do I know how the transcript was created. I do not know whether it was an agreed transcript of a conversation which allegedly took place between the confidential recipient and Sergeant McCabe. I do not know selectively what is being quoted from it. All I can say to Deputies is that there is no question in any circumstances of me threatening anyone or authorising anyone to threaten anyone and the suggestion is absolutely outrageous. However, I understand this is something Deputies Wallace and Daly have been trying to peddle for the best part of two years. I have never been privy to the
Indeed, the confidential recipient is supposed to be operating on a confidential basis. It is not appropriate that I start to access private conversations which allegedly took place between a confidential recipient and a member of the Garda Síochána but I would make it absolutely clear that no one would have my approval or *imprimatur*, whether a confidential recipient or any one else, to issue any threat to any individual who, in good faith, was reporting on any issue. It is outrageous that Deputy Wallace should suggest that.

Unfortunately, from the Opposition side, there has been more heat than light in addressing this matter. I hope some additional light will be shone on it at the Joint Committee on Public Service Oversight and Petitions tomorrow. My objective is that matters cool down in the sense that if there are now difficulties in the relationship between An Garda Síochána and the Garda Síochána Ombudsman Commission that they are resolved. They were resolved last summer. I listened to one person suggest that they continued into September or October. They were resolved and protocols were entered into and relationships, as I understood them, were now on good terms with both bodies dealing, as they must do independently, with issues of concern that arise. I will do my best to ensure that relationships are restored. I hope in so far as there is any remaining ambiguity about this particular matter that it is fully cleared up at the committee hearing tomorrow.

**Early Childhood Care and Education: Motion [Private Members]**

**Deputy Robert Troy:** I move:

That Dáil Éireann:

notes that:

— child care provision in Ireland encompasses a mixed model of provision with services delivered through the community, private and public sector; there are approximately 4,300 child care centres in Ireland; the number of staff employed in the child care sector in Ireland is around 21,000;

— there are 405,000 households in Ireland with children under 10 years of age, of which 266,000 households have children under five;

— the birth rate in Ireland is the highest in the EU and projections suggest growth in the number of children under five in the period to 2016;

— a wide diversity of child care arrangements are used in Ireland and 77% of pre-school children are cared for by parents or relatives;

— non-parental child care is very important for families with working parents and 68 per cent of couples with pre-school children where both are working full-time use such child care; and

— the annual cost of full-time child care for two children is €16,500 per year;

further notes that:
— current child care funding policy is absent of any supports for working families who do not avail of the community child care subvention scheme;

— the early childhood service infrastructure is under-utilised due to inconsistent access to child care funding schemes and non-regulation of the paid childminding sector;

— subsidised child care places are not equally accessible in all areas of the country; and

— the number of children of less than five years old will increase between 2011 and 2016 by around 4%;

agrees that:

— the link between child care and unemployment can be seen by noting that couples with a child dependent are less likely to exit the Live Register and are more likely to become long-term unemployed than other groups;

— support for child care for working families is likely to increase labour market participation;

— targeted child care support incentives linked with employment and focussed on lower income families offer significant economic benefits by incentivising those on the margin of employment;

— the current community child care subvention scheme reinforces the segregation of children from low income families in community child care services and undermines the principle of inclusion; and

— there is a lack of incentive for paid childminders to become tax compliant and register with the Child and Family Agency, CFA, due to the inaccessibility of child care funding schemes for home-based child care service providers;

accepts that:

— the cost of child care in Ireland suggests that average weekly expenditure on child care is a significant burden for families;

— the cost of child care in Ireland is the second most costly in the OECD in net terms as a percentage of wages;

— for sole parents the average cost of child care is estimated to be 45% of average wages; and

— the barriers to employment as a result of child care costs are particularly severe among lower income groups;

and calls on the Government to:

— introduce a new child care incentive to target specific groups where child care costs are a barrier to labour market participation;

— provide a direct payment to families related to the cost of child care, through
Dáil Éireann

the family income supplement scheme, FIS;

— widen the range of child care options available to low income working families supported under the FIS to include privately managed child care services including registered childminders;

— introduce a tax break for working families with children whose income is marginally above the FIS limits; and

— ensure that only expenditure on tax compliant child care providers registered with the CFA are eligible for any initiatives introduced.

I would like to share time with Deputies Ó Cuív, Keaveney and Browne.

I welcome the opportunity to propose this motion on early childhood care and education on behalf of my party. I understand this is the first time the current Dáil has had a comprehensive debate on this critical issue, which faces many families throughout the country. Fianna Fáil believes early childhood care and education is grounded in certain principles. We believe children should be valued and respected as young citizens and enjoy a childhood in which they are cherished and supported by their families and by the wider society. We believe investment in early childhood care and education is more than just a financial investment; it is a statement of commitment and respect for every child’s right to education regardless of age, ability or background in Irish society. We believe the provision of high-quality services for children can bring significant benefits in areas like welfare development and educational attainment. We believe the early childhood sector should be valued as a core component of Ireland’s employment, economic and enterprise infrastructure that will play an essential role in enabling people to return to work as the economy improves.

As my party’s spokesperson for children, I wish to pursue policies and legislative changes which will ensure children get the best start in life to enable them to reach their full educational potential. I launched Fianna Fáil’s discussion paper on early childhood care and education, Investing in Tomorrow, in September of last year. The main purpose of the development of this document was to promote an informed conversation between parents, stakeholders and policy makers on the further development of early childhood care and education in Ireland. I suggest it has been a successful undertaking, given that since the paper was published, I have spoken with many child care service providers, early childhood support organisations, academics, students and parents who have enriched my awareness of the challenges that face all stakeholders in Ireland’s early childhood sector. The feedback on the content of the document from early childhood stakeholders has been positive. They like the practicality of the vision, objectives and recommendations proposed in the document. They believe that it puts forward a vision for early childhood care and education that is rational and responsive to the needs of parents and children.

Early childhood education is a fundamental component of Ireland’s education system. The learning and development that takes place in early childhood provides an essential cornerstone for lifelong learning and educational attainment. Effective early childhood care and education plays a significant role in reducing educational underachievement, particularly for children who are faced with barriers to learning, and reduces or eliminates the need for later educational and social interventions. Child care provision in Ireland encompasses a mixed model of provision, with services being delivered through the community, private and public sectors. There are
approximately 4,300 child care centres in Ireland. This is more than the combined number of primary and second level schools. Approximately 21,000 staff are employed in the child care sector in Ireland. By contrast, there are approximately 32,000 full-time equivalent teaching staff in our primary schools. Therefore, this sector deserves significant attention. It is estimated that approximately 50,000 children are looked after each day by approximately 19,000 childminders, most of whom are unregulated. At the end of 2011, just 257 childminders - or approximately 1% of the total - had been notified to the HSE and were therefore subject to the HSE inspection process. While Ireland’s focus on early childhood care and education has undoubtedly improved and all developments are to be welcomed, we are less advanced than our European counterparts with regard to investment and policy implementation for children under the statutory school age.

My party is committed to progressing the regulation, quality and affordability of early childhood care and education as an important early intervention measure, which benefits not only young children and their parents but society and the economy as a whole. The previous decade witnessed many positive developments in early childhood care and education. There was a clear commitment to investing in children under various Fianna Fáil-led Administrations. There was very limited capacity in the child care sector before 2000, but between 2000 and 2010 the State, initially in partnership with the EU, invested €425 million in capital funding in the creation of child care places throughout Ireland. The equal opportunities child care programme, which ran between 2000 and 2007, created approximately 40,000 child care places. Its successor, the national child care investment programme, created 25,000 new child care places between 2006 and 2011. As a result of these two programmes, we now have an extensive early childhood physical infrastructure in place.

The introduction of the free preschool year in 2010 by the then Minister of State with responsibility for children, Barry Andrews, was a monumental advance for early childhood education in Ireland. The State invests approximately €175 million in the scheme every year. Approximately 95% of children participate in it. To be fair to the Minister, Deputy Fitzgerald, she has always acknowledged how positive this development was. The wording of the Government amendment to the motion before the House acknowledges that “the annual cost of child care to parents is reduced by over €2,370 when a child is participating in the free pre-school year” and mentions the findings from the Growing Up in Ireland study indicating that one in four parents who availed of the free pre-school year said they would not have been able to send their child to pre-school had it not been for the scheme and that this rose to more than one in three among more disadvantaged families. We must bear in mind that the scheme, which covers three and a half of hours of care a day for 38 weeks of the year, does not provide an answer for parents who are working full-time.

My party is committed to strengthening the fundamentals that have already been achieved. We want to ensure previous investment is not lost and existing infrastructure is protected, sustained and progressively improved. Our discussion paper on early childhood care and education, Investing in Tomorrow, focuses on five key areas in which service provision for preschool children in Ireland needs to be improved. We believe it is essential that standards of quality are improved to protect the welfare of children in early childhood services. It is imperative that all aspects of the sector are regulated, inspected and brought under the aegis of child protection legislation. It is unacceptable that large parts of the early childhood sector, including paid childminders and school age child care services, sit outside the regulatory system. The associated problem of the high cost of child care in Ireland is actively driving working parents to avail
of lower cost unregulated child care services for their children. If real and tangible progress is to be made in improving standards of quality in early childhood care and education, Fianna Fáil recommends that there should be an increasing incremental investment of GDP over the next ten years in the key areas highlighted in the discussion paper.

It is important for the early childhood care workforce to be supported and professionalised in order to raise standards of quality. National and international research has established that the skills and qualifications of adults working with young children are critical factors in determining the quality of young children’s early learning experiences. It is proposed that a professional early childhood training fund should take a whole-service approach to training and professional development. This approach should not be exclusive to training that takes place at FETAC levels 5 and 6. We are in favour of enabling the inclusion of children with special educational needs in early childhood services by supporting an inclusion agenda that ensures every child with a disability or special educational need is supported and enabled to access early education provision. Fianna Fáil has proposed the development of a national inclusion policy for the early childhood sector and the provision of a range of practical supports, including a second full free preschool year, to promote equality of opportunity for children with special needs.

The provision of accessible and affordable child care to working parents is a key consideration in enabling working parents on low incomes to access or remain in the workforce. One of our key recommendations is that the Government should commission a cost analysis of child care in Ireland. This analysis should focus on cost relief proposals for working parents, such as an increase in paid maternity leave as a means of alleviating child care costs in a child’s first year and the development of a joint transferable paid parental leave plan between parents. It was disappointing that budget 2014 continued on the path of the Government’s previous budgets by cutting the supports to working parents. There was a reduction in child benefit in 2013 and this year we had the cut to maternity benefit. This cut came about only one week after the Minister, Deputy Fitzgerald, published the report of the expert advisory group on the early years strategy which recommended an extension to the maternity leave from six months to 12 months and which the Minister said she favoured.

We are, however, encouraged by our decision to highlight this area in the discussion document, as it is now the focus of an international economic report launched by the Minister before Christmas, commissioned by the Donegal County Childcare Committee and conducted by the Indecon International Economic Consultancy Group. The independent nationwide report, entitled “Supporting Working Families - Releasing a Brake on Economic Growth”, examines potential policy options to address the child care obstacles that exist as a barrier to employment.

The Government needs to systemically address the cost of child care for working families through cost relief incentives for working parents and this is the main focus of this evening’s Private Members’ motion. According to the report, typical full-time child care costs range from €730 to €1,100 per month, and a two-child family would spend €16,500 annually on full-time child care. With 266,000 households with children under five years of age, the report illustrated that these costs are a barrier to the workforce. A significant proportion of parents, 26%, with children at nine months of age indicated that they were prevented from returning to work or training as a result of child care arrangements. These barriers to employment are particularly severe among lower income groups, with 56% from this group indicating that child care prevented them from looking for a job.

In support of this argument, it is worth considering the wider picture. The birth rate in Ire-
land is the highest in the EU and projections suggest growth in the number of children under five in the period to 2016. A wide diversity of child care arrangements are used in Ireland and 77% of preschool children are cared for by parents or relatives. Non-parental child care is very important for families with working parents and 68% of couples with preschool children where both are working full-time use such child care. The number of children of less than five years old will increase between 2011 and 2016 by approximately 4%.

I highlight the following drawbacks with current child care funding policy. Supports for working families who do not avail of the community child care subvention scheme are non-existent. The early childhood service infrastructure is underutilised due to inconsistent access to child care funding schemes and non-regulation of the paid childminding sector. The current CCSS reinforces segregation of children from low income families in community child care settings and undermines the principle of inclusion.

The Indecon report highlighted that the link between child care and unemployment can be seen by noting that couples with a child dependant are less likely to exit the live register and are more likely to become long-term unemployed than other groups. Support for child care for working families is likely to increase labour-market participation. Targeted child care support incentives linked with employment and focused on lower income families offer significant economic benefits by incentivising those on the margin of employment. There is a lack of incentive for paid childminders to become tax compliant and register with the Child and Family Agency due to the inaccessibility of child care funding schemes for home-based child care service providers.

In proposing this motion tonight, I call on the Government to expedite policy initiatives to reduce barriers to employment arising from child care costs with a particular focus on solutions for families most in need, bearing in mind the financial constraints. The Government now has at its disposal an evidence-based report with a full cost analysis on providing supports for working families. This can be achieved through adjustments to the family income supplement scheme for long-term unemployed and for current family income supplement recipients and a limited tax break for working families with incomes marginally above FIS payments.

I look forward to hearing contributions from all side of the House. I hope the Minister will take our motion in the spirit it is intended and will consider it favourably. I commend the motion to the House.

Deputy Éamon Ó Cuív: I compliment Deputy Troy on his contribution to this debate and I hope the Minister will join in the debate in an open-minded way to address one of the most acute issues in our society.

During the affluent times we had a much greater child benefit and also had the early childhood supplement. As a result of cutbacks, child benefit has been vastly reduced and the early childhood supplement has been abolished. We introduced the free preschool year, but, as Deputy Troy pointed out, while that is very good for the children, it does not resolve the dilemma faced by parents who have to or want to go to work.

Over the past five or six years the group which has suffered most in the downturn of the economy is the group with big mortgages and young families. They have been hit by the treble whammy of high child care costs, reduced incomes and very large mortgages. We need an holistic approach to the issues. The Government has introduced a number of measures that have
posed further difficulties for lone parents regarding the support they get.

I have long argued that we should look at the family income supplement in a more holistic way than we have in the past. An advantage of a scheme such as the family income supplement is that it only helps those who are in employment. In addition, apart from the carer’s allowance, it is the most generous in the method of assessment - it disregards the USC, PRSI, union subscriptions and any income tax paid. We could go further with the family income supplement and could target the assistance to those who most need it. People on equal incomes are facing very different pressures in our society. Those in the older age group, who are at the peak of their careers and have their mortgages largely paid, do not face the same pressures faced by working families with young children and large mortgages.

Many people, who entered the workforce and were lucky enough to get jobs since the downturn in the economy, did not take on mortgages given that very few houses have been sold in the past five years. The day-to-day financial pressures on them are smaller. I have long argued that the mortgage cost should be taken into account in the means test for family income supplement. Doing that would not give a huge write-off of mortgages to everybody across the board but would focus on the future. It would clearly signal that people with children and who have a roof over their heads are not as mobile as anyone else in society. They face many challenges that are not faced by people without young children. Over the years in my clinics I have listened to the challenge faced by parents living in rented houses asking why they cannot get a house at the same side of town because they do not want to take the children out of school and move them again. If as a society we are serious about the future, stability is incredibly important for children and, as a consequence, for their parents. I ask the Minister not to leave the issue as simply the subject of this debate, rather I hope over the course of tonight and tomorrow night new ideas will be put forward throwing out some options that might be worth examining that could be targeted and that would deal with a problem we all know exists.

It has become fashionable in recent times to treat all people as if their circumstances were equal but that is not true nor is it right. People in different circumstances face totally different challenges. If we believe in the rhetoric of what we say about the importance of children in their own right and the importance of their welfare for their future, and if we believe in the importance of children in terms of their possible contribution to society in the future, it is well worth investing and targeting support for children. In this regard, we must support the parents of children. When I hear people say the mortgage issue is equal across the board, I do not believe that is true. The challenge in regard to the mortgage issue faced by many families where there are children is much greater than in other circumstances.

When I was Minister for Social Protection I noted some fascinating statistics. In the past when we talked about female participation in the workforce, we tended to talk about the high end of the scale and not focus enough on the challenges faced by people in relatively modestly paid employment who are trying to rear children, to pay for child care and hold down a job at the same time. One of the fascinating facts regarding the number in receipt of illness benefit is that up to the age of 30 the number of men in receipt of the benefit exceeds the number of women, but as the age profile increases there is a huge increase in the number of women in receipt of the benefit and it reaches the point where twice as many women as men are in receipt of it, and as the age profile increases into the fifties the number of women in receipt of it decreases and more men than women are in receipt of it. There is a rational explanation for this related to the fact that many women find themselves in the impossible position where the cost of child care is nearly equal to the cost of going to work. I have been always a great advocate of the idea
that we would recognise that reality and that we would provide extended paid maternity leave or a home-maker’s allowance or benefit which would allow a woman to draw a stamp to stay at home with her children for a certain period and then return to the workforce. However, there is no point in expecting people, if they are on modest wages, to return to the workforce if the cost of child care is so utterly prohibitive that they would have very little take home pay when they factor in the cost of travelling to work and other expenses.

My colleague has sparked an interesting debate. He has put forward constructive ideas. This is a case where we all know in our hearts and souls that change and targeting is needed. We could all work together to bring about a radical new proposal that would help one of the groups in our society who face the most challenges at present. All of us who know people in this situation, and every Deputy does, would recognise that if we were to get together and bring forward policies for radical change, which could be done in a cost effective and targeted way, we would do a great long-term service to our society. I suggest that we do not simply leave this issue as the subject of a three-hour debate. It should be referred for further discussion to the Oireachtas committee that deals with this issue in order that an all-party joint committee report could be drawn up, using the ideas put forward by my colleague and ideas that no doubt will be put forward by the Minister. In that way, a cross-party proposal could be agreed and we could then try to persuade the people who hold the purse strings to release them in a targeted way and work to resolve this issue.

Deputy Colm Keaveney: I thank Deputy Troy for having the commitment to bring forward this Private Members’ motion. Early child care, in cost and quality, is one of the key concerns for both working families and for families who rely on welfare. The provision of child care is interdependent with employment and the improvements of financial supports that are available from the welfare system. I argue that it is critically important that we consider the incentive for working families to remain at work or to return to work from unemployment.

Studies have shown that investment in child care results in the reduction of poverty and increases the educational opportunities for children as they progress through their lives. Given that child care is still the predominant role played by women in Irish society, I also argue that the current system is an inhibitor to women fully participating in the workforce. Arguably, it is causing significant inequality in our society and certainly in our economy in terms of the outcomes and effects of not having a policy that is geared towards families in this respect.

Government action is needed to address the cost of child care for working families, including those seeking employment. That means we need an intelligent distribution of supports to help us tackle the significant cases of various welfare traps that currently exist. I argue that alongside the need to reduce the cost of child care, there is a need to improve the regulation of early child care provision, as set out by previous speakers, and that those working in the sector would have an opportunity, through such regulation, to integrate with the core values informing comprehensive policies in this area. I hope the Minister will accept that targeted supports through tax breaks or adjustments in the family income supplement or direct payments to families who are on the border of family income supplement could deliver more cost effective child care for those on the margins, as has been said by previous speakers. If this were done correctly, we would also encourage the providers of the service who currently are unregulated into a regulated, tax compliant sector. These measures would place a cost on the public purse at the outset but over the course of time revenue would be generated for the Exchequer from tax compliance, increased employment and increased participation in the labour force.
As we develop a fully integrated system of early childhood education and care, I argue strongly that the inclusion of children with special educational needs within that system is critically important. Our party supports a policy of inclusion in that every child with a disability or special educational need is enabled to access early childhood education provision and is integrated into an inclusive system rather than the notion that a child would be put into a specialised setting unless the child has needs that would require such a setting. The benefits of such integration and inclusion are manifold. For the child with a disability or special educational need, he or she grows up and is included in the same social life as his or her peers and is not “hidden away” as used to be practice in the past. These children, and the adults they will later become, are entitled to play a full and wholesome part in society. Under this motion we should consider how we can best assist to provide for children with disabilities in the future. For other children, the benefits are to socialise and to start life seeing those with a disability or a special education need in mainstream life as a full member of society. I have seen this in my own children, where their friends in school include children with Down’s syndrome and without any reflection, question or analysis, they regard their colleagues as full and wholesome members of society.

8 o’clock

This is far healthier and is a great attitude. The notion we would exclude children with disabilities is one from the old school. Much progress has been made in the area but much remains to be done.

As with our schools, so with our early childhood settings. We cannot allow only a small number of child care providers to share a burden that essentially requires them to be the service providers in this area. Whether it is on the grounds of income, ethnicity, membership of the Traveller community, disability or special educational needs, our early childhood service providers must work towards a total inclusion strategy. I would argue that, unfortunately, the current community child care subvention scheme reinforces the segregation of children from low income families in child care settings. This only serves to undermine the principle of social inclusion and, ultimately, social cohesion.

With regard to the inclusion of children with special needs, we should consider integrating current supports from the HSE at a discretionary level, given they are available at varying levels across the country. The pattern of regional variety in service provision to families with children with special needs was only too evident last week when we saw the outcome of the investment in early intervention teams for children with disabilities. We cannot, as a society, tolerate that families in this situation face a lottery with respect to the availability of supports. The rights of a child in Cork, Galway or Dublin are no less than that of a child in any other area in that they have a right to be fully included in regard to access to public services.

Any proposals and recommendations developed should help to enable the full implementation of the EPSEN Act 2004 and the development of an inclusion policy for the early childhood sector. Responsibility for the provision of special needs assistants to mainstream pre-school services must rest with the HSE through its disability support services. The expansion of a flexible model of early childhood provision is recommended, and we would strongly support any initiative from the Minister in this area. This would enable a system of dual placement with regard to specialist and mainstream provision and would see the enhancement of an integrated model of professional supports and services for the individual learning and support needs of the child.
In line with reducing the challenges faced by children, I would argue that the extension of the free pre-school year, which was addressed by previous speakers, has been of enormous benefit to families in society. I believe we should accelerate the roll-out of a second pre-school year for children. It is important that the extension of this second pre-school year be done on the basis of need first, and then be expanded on a resource basis to allow families and children to fully participate. In the development of childhood services, early expenditure pays dividends for the future and prevents the greater cost to the Exchequer of not investing in the educational outcomes of the child at the primary stage.

With regard to the care of children, it is essential that we move towards a system of shared parental leave equal to the European norm. Ireland is one of the few countries that does not provide fathers with some form of leave outside of emergency or force majeure leave, and we propose they would have leave, outside of a collective bargaining arrangement, on the birth or adoption of a child. We need to bring forward legislation, such as the Parental Leave Bill 2013, which has passed Second Stage in the Seanad. This Bill provides that a pregnant employee and the father of that pregnant employee’s child shall not be permitted to take maternity or paternity leave at the same time but that they shall be permitted to share between them a minimum period of the maternity leave. I call on the Government to facilitate the passage of this legislation. It is a worthy measure and I believe it would help tackle the latent sexism that exists in the economy and within some companies. It would provide greater flexibility for families in making childhood arrangements.

To conclude, the motion relates to an issue of concern to families and would bring multiple economic and educational benefits. It is an entirely positive motion, lacking in any political attack. I concur with its motives and, in that light, I would encourage the Government Deputies to consider supporting it.

Deputy John Browne: I welcome the opportunity to contribute. I compliment Deputy Robert Troy for putting forward the motion, which gives us an opportunity to debate and to make suggestions on how we can move the issue forward. During my time in this House, we have come a long way in regard to developments such as special needs assistants and child care facilities. In my own county, child care centres have been developed in recent years in a number of remote areas like Askamore, Monaseed and Inch, close to Gorey, as well as in some of the towns.

As our motion points out, child care provision in Ireland covers a mixed model of provision, with services delivered through the community, the private sector and the public sector. There are approximately 4,300 child care centres in Ireland and the number of staff is approximately 21,000 to 22,000, some full-time, some part-time, but all doing a good job in providing the services. There are 405,000 households in Ireland with children under ten years of age, of which 266,000 households have children under five. We are told the birth rate in Ireland is the highest in the EU and projections suggest growth in the number of children under five in the period to 2016, and the number of children of less than five years old will increase between 2011 and 2016 by some 4%. Therefore, the motion is timely and it is important we would plan for this increase in the number of children from now up to 2016.

There is a wide diversity of child care arrangements in use in Ireland, with more than three quarters of pre-school children cared for by parents or relatives. The cost of child care in Ireland is a significant burden for families. As Deputy Troy pointed out, a recent Indecon survey carried out for Donegal County Childcare Committee last year estimated the annual cost of full-
time child care for two children at €16,500 per year. A lady who came to my clinic last week works in a Government Department and is not highly paid, but she pays in the region of €700 per month for child care in addition to paying a mortgage and trying to survive and provide her family with a decent quality of life. The cost of child care in Ireland is the second most costly in the OECD in net terms as a percentage of wages, and for lone parents the average cost of child care is estimated to be 45% of average wages.

The early childhood service infrastructure is in many ways under-utilised due to inconsistent access to child care funding schemes and non-regulation of the paid child-minding sector. In addition, subsidised child care places are not equally accessible in all areas of the country. This is an area the Minister will have to seriously consider for the future.

The motion calls for the introduction of a new child care incentive to target specific groups where child care costs are a barrier to labour market participation. In doing so, we believe it is essential to direct any incentives to low income families in order to support employment. To further target this, it may be best to look at unemployed families with children under five, given 68,000 families were in that position in 2011, although this number has probably increased substantially by now.

The Fianna Fáil motion also suggests the provision of a direct payment to families related to the cost of child care through the family income supplement scheme. This has been one of the more successful schemes. It has been continued by different governments and is an important scheme in terms of ensuring families have a decent standard of living. I imagine it would be possible through the family income supplement scheme to make a direct payment to families utilising this scheme. It is an area the Minister should look at.

In recent times, different Government Ministers and Deputies have been talking about the Scandinavian system. It is this Government’s intention to develop such a system in this country. We would certainly welcome that because the Scandinavian system is held up as a model for the rest of Europe. I ask the Minister when she replies to outline her thoughts on the Scandinavian system and where the Government is in respect of the introduction of a similar system in Ireland.

I welcome the motion and thank Deputy Troy for putting it down. I know he has a deep interest in this area and it is important that all sides of the House work to provide a better child care service for young people. We could talk here for ages, particularly about children with special needs. I remember how a number of years ago, the first special needs assistants in the country were employed in Enniscorthy vocational college. We had one special needs assistant for three people in wheelchairs, one of whom was my daughter. We have come a long way from that situation and now it is nearly one for one. Certainly, there is a need to ensure people with special needs are catered for in whatever new child care system the Government decides to adopt.

**Minister for Children and Youth Affairs (Deputy Frances Fitzgerald):** I move amendment No. 1:

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

“recognises the importance of:

— quality early years interventions in supporting the emergence of best outcomes for
young children, including in relation to school-readiness and cognitive and behavioural development; and

— affordable and accessible childcare to support low and middle income working families and to incentivise labour market activation;

notes:

— that an estimated €260 million will be expended in 2014 by the Department of Children and Youth Affairs on early years programmes;

— the provision of substantial child income supports for 600,000 families through child benefit and for a further 42,000 low-paid working families through family income supplement, totalling €2.2 billion per annum;

— the importance of Government support for the universal pre-school year in maintaining the early years sector in the face of the greatest economic collapse in the country’s history;

— that the annual cost of childcare to parents is reduced by over €2,370 when a child is participating in the free pre-school year;

— the increased investment by Government to preserve the universality of the free pre-school year despite increased costs arising from increased demand;

— the findings from the “Growing Up in Ireland” study indicating that “one in four parents who availed of the free pre-school year said they would not have been able to send their child to pre-school had it not been for the scheme” and that “this rose to more than one in three among more disadvantaged families”;

— the burden which childcare costs can place on low and middle income working families;

agrees:

— on the ongoing need to support the achievement of high quality standards in early years services;

— that the Government’s focus on jobs and growth as the best means of recovering living standards will in turn further contribute to take-up of childcare;

— on the need to implement such quality improvements as a critical precursor to any future expansion in universal childcare provision, including the possible introduction of a second free pre-school year if resources allow; and

— that child income supports play a key role in sharing the costs of child rearing with families, including childcare costs;

welcomes the implementation of the Pre-School Quality Agenda including:

— the publication of pre-school inspection reports, with 2,530 reports now available online;

— the ongoing recruitment by the Child and Family Agency of early years inspectors
to fill current vacancies;

— the allocation of €0.5 million in 2014 to allow the recruitment of further early years inspectors and to strengthen the national inspection services;

— the allocation of €2.5 million in 2014 to support the establishment of a new National Quality Support Service;

— the enactment, through the Child and Family Agency Act 2013, of amendments to the Child Care Act 1991 allowing for the introduction of statutory registration of early years services, the introduction of pre-prosecution enforcement functions for early years inspectors and the increase in penalties on foot of convictions at District Court level;

— the introduction of a new system of statutory registration of early years services commencing in 2014;

— the announced increase in qualification requirements for early years staff from September 2014; and

— the allocation of additional funding in 2013, 2014 and 2015 to support the training and upskilling of early years staff; and supports:

— the development in 2014 of an Early Years Strategy which will set out an overall approach to the improvement of quality in the early years sector;

— the carrying out during 2014 of a review of the aims of the targeted childcare schemes with a view to considering how any future expansion of the schemes, as resources allow, should be targeted to align with Government policy;

— the continued provision of in-work supports for low-income working families and assistance for unemployed parents to access employment, training or education programmes; and

— continued co-operation between the Departments of Social Protection and Children and Youth Affairs in relation to childcare and family income supports.”

I am pleased to open this evening’s debate on behalf of the Government in the Dáil and to move the counter motion on child care. The estimated total population of 0-19-year-olds in Ireland 1.28 million in 2013, which represents an increase of 11.7 per cent since 2001. The estimated population of 0-4 year olds increased by 33.86% over the period.

I am very pleased to open this debate on behalf of the Government and to move the amendment on child care. The estimated total population of 0-19 year olds in Ireland was 1.28 million in 2013, which represents an increase of 11.7% since 2001. The estimated population of 0-4 year olds increased by 33.86% over the period. At a time when other western countries are experiencing reducing birth rates, Ireland’s child population is growing. In 2010, we had the highest number of births ever recorded. These are our future citizens, workforce, innovators, artists, creators, carers, leaders and sporting heroes.

The Government’s recently published medium-term economic strategy statement rightly recognises that “our increasing child and youth population is a significant resource for our country” and that “ensuring the best possible outcomes for this group is therefore an important
element in our future economic planning.” That is a very important statement and one that is not recognised or made often enough. Of course, as Deputies who have contributed to this debate so far have said, this means starting early. Since coming to office, I have consistently highlighted the importance of investing and supporting quality interventions in the early years of children’s lives. I am glad to say there is an increasing body of Irish data on this issue. We are very data-rich about Irish children now where previously we relied on data from the US and elsewhere. We have invested heavily in and now have our own research so we have very detailed information on precisely how Irish children are doing. This evidence increasingly quantifies the benefits of early years interventions in terms of improving children’s outcomes in areas of school-readiness and cognitive and behavioural development. The Growing Up in Ireland studies are quite fascinating in terms of what they tell us about how well children can do in school if one intervenes early and how their cognitive and emotional development is improved by that early intervention. That is why I established the early years strategy and asked the group to look at all of the initiatives we need to take across a range of Departments in respect of early years. The group published its report recently which was entitled Right from the Start.

At the same time, economists have begun to quantify both the return to the State and society from investment in the early years interventions, as well as the potential costs to taxpayers associated with unaddressed problems in early childhood. Deputies Browne and Ó Cuív made the point that if we do not invest early, we are storing up problems at a later stage. We can avoid many of those problems and costs if we do the right thing at an early enough stage. It is very clear that in Ireland, we have much to gain from early intervention.

I welcome this discussion. We have had discussions on child care in Topical Issue debates and frequently in the committee. It is good to have a discussion in the Dáil of early intervention, the range of child care supports we have in Ireland, the direction we are going in and the direction in which I would like to see us moving. That is what I intend to address tonight.

If we want to improve literacy and numeracy, which is critical, we must start early. If we want to disrupt the crisis of childhood obesity - a quarter of our three year olds are overweight or obese - we must start early. Put simply, early intervention works and the early years matter. There has been surprisingly little focus on the early years from a policy point of view in Ireland given the importance of those years. This is why this Government has protected the free preschool year. Deputies have commented on that and I will discuss it further. This is why this Government, along with Atlantic Philanthropies, is investing €30 million in the new area based childhood, ABC, programme supporting early interventions in 13 communities around the country and supporting, hopefully, in the longer term the development of at least 12 other areas where we are currently offering mentoring and support so that the same kind of services can be developed in those areas as we progress. Based on the work that is already being done on the early intervention programmes, we know what successful early intervention means and the kind of services one needs to give parents and very young children who have difficulties. We have the research from those three pilot projects in the Dublin area. We have very detailed research about what has actually worked. This is one of the reasons why we have established the new Child and Family Agency with an enhanced focus on prevention, early intervention and family support. This is why this Government is bringing in free GP care for children aged five and under. I recently attended and spoke at a conference in Brussels on health inequalities. It is very clear that the sort of universalism which that proposal encompasses is the right way to go in terms of getting the services to young children at an early stage and making sure one can address whatever problems they may have. GPs are in a unique position to do that.
Late last year, I published the report of the expert advisory group on the early years strategy, which is appropriately named Right from the Start. By setting out such a comprehensive range of recommendations for the continuum of service and support for Ireland’s youngest children and their families from early childhood health, to supporting parents - we have many parenting programmes throughout the country for which there is huge demand and in which there is huge interest - to ensuring quality in early years provision, this report brings a much needed focus to areas of policy which for far too long were undervalued. I understand that the Joint Oireachtas Committee on Health and Children, of which Deputy Troy is a member, is to meet with members of the expert advisory group on 6 March 2014 for a discussion of its recommendations and I look forward to this feedback from the committee as my Department works to finalise the early years strategy.

In addition to supporting quality early interventions for childhood development, I am very conscious of the importance of child care in supporting parents engaged in employment, education and training. Many parents entrust their children to the care of relatives, friends or neighbours. However, many parents rely on early years services which currently provide day care services. Nearly 1,000 of these are community-based services and the remainder are commercially operated. Each of them faces different demands. Through both the community childcare subvention, CCS, and the childcare education and training support, CETS, programmes, which I will discuss further, my Department provides child care subvention to low-income working families, on which the motion moved by Deputy Troy focuses, and to those engaged in education, training and community employment.

It is also important in the context of this debate to refer to the very significant level of expenditure which this Government has managed to maintain in direct cash payment to children and families which this year is expected to amount to €2.2 billion. It is interesting to examine the Mangan report and compare the direct income paid to families in Ireland with the amounts paid in other European countries. It can be argued that some of those countries have other services, but it is striking that Ireland is fourth out of 27 countries in terms of direct cash payments to parents. This is where we have invested much of our support to families in recent years. This funding will provide for child benefit payments to 600,000 families and family income supplement, FIS, payments to a further 42,000 low-paid working families. This helps share the cost to families of child rearing, including child care.

None the less, the Government fully accepts that we still have major issues with the affordability and accessibility of child care for working families. This is due to a variety of factors, including the focus on direct cash payments instead of subsidised care, which is the approach taken by other countries. Deputy Browne mentioned the Nordic model, under which the state subsidises the development of accessible, affordable child care to a significant degree. Historically, both parents in those states have worked outside the home for a longer period than has been the case in Ireland. Their system is also targeted somewhat, with parents paying some of the cost. It is a different model than ours, but we must base our model’s development on the initiatives that we have already taken and I am unsure as to whether the full Nordic model is what Irish parents want. Rather, they would like flexibility and choice in the child care to which they have access.

As Deputy Troy indicated, the average weekly cost of a day care service is approximately €165. While this is a significant burden on low-income working parents, it is interesting to note that our information suggests that child care costs have reduced considerably. In 2008, for example, the average weekly cost was closer to €230. However, I agree that improving access
to affordable, quality preschool and child care services is an objective that all Deputies share. Tonight’s debate presents a valuable opportunity to reflect on this objective and on how we might go about addressing the inherent challenges it presents, particularly in the current climate of borrowings of €1 billion per month and people’s calls for more resources. As the economy improves and resources become available, this is an important sector for us to develop and support.

A major challenge is that of supporting and ensuring the achievement of quality standards in preschool and child care services. Delivering quality improvements remains a prerequisite for any future expansion of preschool and child care support. Funding poses a considerable challenge. In 2014, my Department will spend €260 million on preschool and child care programmes. This represents a small fraction of the total of what is spent on direct cash payments to families.

I acknowledge that the funding available in the child care Estimates was once much higher, as Deputy Ó Cuív mentioned. In 2008, however, Deputy Troy’s party, Fianna Fáil, abolished the early child care supplement while in government. It was worth €1,100 per year to parents of children aged under five years. In doing so, Fianna Fáil gave back to the Exchequer more than two thirds of the annual €480 million budget. Even a fraction of that money would have gone a long way towards extending free or subsidised child care provision, not to mention the fact that not one cent was reinvested in quality supports or new inspectors. This is the reality. Almost €300 million fell away from the child care sector.

The funding of €260 million available to me this year goes a long way towards funding a range of preschool and child care supports, some of which I have briefly referenced. For the benefit of the House, I will outline in more detail the current supports being provided by my Department as well as the measures being implemented and funded to improve quality. I will discuss how this relates to future possible developments aimed at improving access to affordable, quality preschool and child care services.

Through the early childhood care and education, ECCE, programme, all children have access to one free year of quality early years services. More that 68,000 preschool children benefit from this, representing 95% of all qualifying children at an annual cost of €175 million. The programme is delivered through more than 4,300 services and consists of three hours of early learning provision per day for five days each week over the course of 38 weeks. Funds permitting, one would like to see this programme developed in terms of the number of weeks and a second year. Findings from the “Growing Up in Ireland” longitudinal study prove the success of the current year in aiding young children’s readiness for, and transition to, primary school. Further findings from “Growing Up in Ireland” indicate that one in four parents who availed of the free preschool year claimed that he or she would not have been able to send his or her child to preschool had it not been for the scheme and that this figure increased to more than one in three among more disadvantaged families. I agree with Deputy Troy that this programme has been a success. The Government has succeeded in maintaining the preschool year as a universal and free programme despite the increased costs arising from the growth in the number of children in recent years.

I have consistently outlined my position that I would support the introduction of a second universal preschool year. This proposal was endorsed in the recent report of the expert advisory group on the early years strategy. The introduction of a second year would benefit children’s educational and developmental outcomes and prove significantly beneficial for children with
special needs who attend our preschools. Some incorrect figures have been provided, but the majority of children with disabilities participate in the preschool year. Some do so over the course of two years because that suits them best. The key problem is the provision of supports in terms of personal care. We are working with the HSE and the Departments of Health and Education and Skills to try to improve the situation, given its importance. I take the points made by a number of Deputies in this regard.

A second preschool year would have economic benefits for families and the State. It would represent approximately €2,500 worth of free child care to parents and likely generate 4,000 to 5,000 new positions, mostly part-time. The current year already supports 7,000 jobs. For every ten or 11 additional child care places we provide, we will create one new job. This is a clear example of how investment in preschool child care services not only supports parents’ labour force participation, but in itself represents a direct source of employment. The OECD also commented on the economic benefits of introducing a second year.

The introduction of a second preschool year would require considerable additional funding, however. I hope that this proposal is one that the Government can continue to work towards as our public finances recover. I will certainly do so.

In the meantime, delivering improvements in preschool quality standards and staff qualifications is a prerequisite for any further extension of universal child care provision, including any proposal to introduce a second free preschool year. We are making progress on that issue of quality and standards.

I acknowledge the great efforts of front-line professionals and the high standards to which many of them work. The sector needs to be assured that all services will be supported and regulated to ensure high standards across the board. While there are some examples of poor practice, we must work with those services because quality is a must. Last year I outlined an eight point preschool quality agenda. I had to start from scratch with much of this work. There had been a huge focus on the bricks and mortar of child care facilities. I reopened the child care capital programme - previously closed by Fianna Fáil - allocating nearly €8.3 million in 2012 and 2013. None the less, my focus is very much on supporting the people who make up the staff of these facilities and to improve quality standards. In the past eight months we have seen unprecedented progress in the implementation of the preschool quality agenda.

I have moved to address the serious issue of vacancies in the early years inspectorate in some parts of the country. Five of these posts are being filled and arrangements are under way to increase further the number of inspectors in place. In addition, the Child and Family Agency is expected to spend a further €1.1 million in 2014 to recruit more early years inspectors to strengthen the national inspection system. This expenditure will be met from increased registration fees, which will be payable by services as part of the new regulatory environment, and from additional funding of €500,000, which I have secured for this purpose. As part of the arrangements for establishing the new agency, I had been working for some time with the children and family services of the HSE - now the Child and Family Agency - to standardise and improve the resources and work practices of the early years inspectorate.

In January, Part VII of the Child Care Act 1991, which governs the regulation of early years services, was replaced with new legislative provisions brought in as part of the Child and Family Agency Act 2013. Deputies who took part in the debate on that Bill will be aware that it included the introduction of a new registration system for early years services, as well as new
powers which can be used by the inspectors before the stage of prosecution. Inspectors will now be able to impose improvement orders on services which, if not complied with, can result in de-registration of the service. In addition, the fine which can be imposed on a service on foot of a successful prosecution has been increased to the maximum fine permissable.

There are also new qualification criteria for staff working in the service. There has been a great take-up by the sector of the training that is available, leading to increased qualifications, including the minimum qualifications we are seeking. To provide for these and other changes, I will shortly be introducing new regulations, accompanied by national quality standards. These will provide the basis against which services will be inspected and reported on. The intention is to support services to work towards higher standards of quality while providing clearer criteria against which to measure and report on their existing levels of compliance.

We now have a more transparent situation. More than 2,500 reports have been published online. These reports were carried out over the years and the new inspections are regularly being put online. It is also my intention to begin work later this year on new regulations for after-school care, an area which, up to now, has been unregulated. I would encourage parents to ask to see reports from the services which they are using, if they are not online. We will also work later this year on new regulations for after-school care, something Deputy Troy mentioned and which is certainly needed. It has gone unregulated up to now. We will also be introducing the new national quality support service for early years services. An additional funding provision of €2.5 million has been allocated in 2014 to provide for that, which is a landmark development in this area. My Department and I are continuing consultation ahead of making decisions on the structure of this new service. The new service will have a new practice manual, which will bring the key principles of Síolta and Aistear together in a more user-friendly way. This is being developed by the National Council for Curriculum and Assessment.

I believe what I have outlined represents a comprehensive response from my Department and this Government to addressing quality standards in early years services, an issue which was not adequately tackled up to now. Despite the constraints on public spending, I have secured an additional €4.5 million in 2014 to support the sector in implementing these quality child care improvement measures. This investment in the sector and the reforms I have overseen will provide a strong foundation for the expansion of preschool provision and child care supports, including a hoped-for second free preschool year and the development of targeted child care supports, to which I will now turn.

The early childhood care and education, ECCE, programme is a universal programme. I recognise the need to target additional resources to disadvantaged and low-income parents in order to help them with the cost of their child care. The two programmes which do that are the community childcare subvention, CCS, scheme, and the childcare education and training support, CETS scheme. Together these schemes have a total funding allocation of €70 million for 2014 and are being used throughout the country. The CCS scheme is available in 950 community-based early years services throughout the State and 25,000 children avail of subsidised child care places. Parents qualify for the higher rate of subsidy of €95 per week where they hold a medical card or qualify for family income supplement. Parents qualify for a lower rate of subsidy of €50 per week where they hold a GP visit card. In addition, parents who are seeking employment can avail of the €50 per week subsidy for part-time child care. This is an important aid to parents.

The CETS scheme is available for parents who are returning to work, education or train-
Some 2,500 children avail of child care places which are subsidised at a rate of €145 per week. Parents qualify if they attend certain training or educational courses and are required to contribute a maximum of €25 per week towards the cost of the place. As the total cost which a service is permitted to charge for one of these places is capped at €170 per week, this scheme is open to both not-for-profit and for-profit services. Deputy Troy mentioned that in his motion, the community child care scheme is not, and that is the appropriate decision.

I have also been working with the Department of Social Protection to test the demand for and effectiveness of new child care schemes targeting certain categories of clients of that Department. This year, in collaboration with the Department of Social Protection, we will provide an additional 1,800 subsidised places for community employment, CE, workers under the CETS scheme. An allocation of €9.5 million is being provided in 2014 for these schemes. It is clear that we recognise the need to support parents who are having difficulty with the cost of child care and that these schemes operate throughout the country and are available to many parents.

As has been my approach with the free preschool year, sectoral reforms and improvements need to be made before new initiatives can be rolled out. I will be adopting the same approach to the child care schemes which are being implemented by my Department. The Government is committing significant resources to the CCS and CETS schemes. However, my Department and I are to begin a review and evaluation of the two schemes as they currently exist with a view to considering how best to structure future child care support to support low income working families and to incentivise labour market activation, which could eventually be expanded to more families as resources allow.

I acknowledge the recent report by Indecon, commissioned by Donegal County Childcare Committee, which looked at many measures and which are addressed in the Fianna Fáil motion. As I indicated when I launched the report, I will examine the findings and recommendations from Indecon when conducting the review of the two departmental schemes to which I referred.

The State has invested heavily in the capital development of Ireland’s preschool and child care services and it is important that we sustain this infrastructure to meet the needs of children and their parents. The introduction of the ECCE programme and continued investment in child care schemes, which reduce the cost of child care for parents, have helped to sustain the preschool and child care sector, including the jobs of more than 20,000 people which it employs. Many of those employed in the sector have emphasised to me how important it has been in this difficult economic period that the child care sector has been sustained and is viable. I am aware, however, of the broader challenges facing the sector and the needs of those working in it, including issues related to career development and salaries.

In the past six years, in particular in the period from 2008 until 2010, demand for child care declined dramatically as take-up of child care places was affected by reductions in disposable income, the downturn in employment and emigration.

I hope the position I have outlined with respect to the preparation of Ireland’s first ever early years strategy, the implementation of the preschool quality agenda, the review I have announced of targeted supports and the laying of building blocks for future expansion in preschool and child care supports will cumulatively provide a sustainable future for the sector, support parents and families and, most important, improve outcomes for our youngest children.

In light of the considerable investment that the Government continues to make in preschool
and child care services, I am pleased to propose the Government’s amendment.

Deputy Caoimhghín Ó Caoláin: I welcome the opportunity to address this motion on the important subject of child care. I am pleased to confirm that Sinn Féin will support the motion tabled by Deputy Robert Troy.

Child care is a right and policy must be geared to the needs of children and families, rather than solely to the needs of the labour market. The State still has one of the lowest rates of child care provision in the European Union. Many families on lower incomes either cannot get child care or must pay a disproportionate amount of their income on weekly child care bills. The lack of quality, affordable child care prevents many women who wish to do so from working outside the home. There is an absolute and urgent need to develop and implement a comprehensive strategy for child care provision.

While some progress has been made since Sinn Féin first raised this demand in 2004, this Government, as with its predecessor, has been far too slow to act. Sinn Féin, in our policy document, Education and Childcare – Reaching our Full Potential, proposed State-led provision of regulated comprehensive child care to be made available to all, equally and as of right and funded by general, direct and progressive taxation. This would include universal early childhood education and care, universal preschool for children aged from three to five years and an after-school child care system.

In addition, greater recognition is needed of the economic and social value of parents providing full-time care directly. All parents who wish to spend the first year caring for their child full-time should have an entitlement to do so. Employers should provide more flexibility for working parents to provide child care directly, when necessary and without penalty. We also propose that full-time family caring should be recognised by the pension system through gender neutral carers’ credits.

We have called for a phased introduction of universal child care as a right, including immediately providing for a universal preschool session of 3.5 hours per day, five days a week for all children aged between three and five years; expanding child care investment to increase capital, staffing and operational funding; establishing a single accrediting body to inspect, evaluate and register all early childhood care and education providers; establishing a national pay scale for early childhood care and education workers; introducing universal training and accreditation for child care workers; and expanding supports for parents providing full-time care, including through the introduction of one year at 100% of pay and two weeks’ paid paternity leave entitlements as an interim step towards four weeks’ leave to harmonise these rights on an all-Ireland basis.

These recommendations were made at the height of the so-called boom years when the country was in a much stronger financial position. It is obvious that if they had been accepted and implemented at that time, we would not be in the current position, families would not have to contend with all they have to contend with and there would not be the same need for this motion. As far back as October 2000 - 14 years ago - during a Dáil debate on the national development plan, I called for the entire amount of revenue due from the banks in unpaid DIRT tax to be earmarked for the provision of accessible and affordable child care services. This would have ensured that children were properly cared for in the context of a growing economy where increasing numbers of people were experiencing great difficulty meeting the demands of family and work. The more things change, the more they stay the same. The experience of working
families and stay-at-home mothers who wish to return to the labour market has changed little in the intervening years.

The recent Indecon report commissioned by the Donegal County Childcare Committee offered further significant insight into the economic and social impact of policy decisions in this sector. The report, which is entitled Supporting Working Families: Releasing a Brake on Economic Growth, confirmed what many of us recognise to be the reality, namely, that high childcare costs are putting one quarter of parents off returning to the workplace or seeking opportunities to commence employment, with most low income families finding the cost impossible to meet. The report indicates that a two child family faces an annual bill of €16,500 for full-time child care, with the average full-time cost over a ten month period estimated at €9,150 for one child and €16,470 for two children. This places Ireland at the second highest point in the scale in terms of costs across all OECD member countries.

The report recommends that targeted child care initiatives should focus on lower income families, with members who are either in employment or unemployed but anxious to secure employment. This should be done among several other initiatives. We are losing the services of one quarter of potential workers because of the prohibitive cost of child care.

Indecon found that a child care amendment to the current family income supplement would be a good policy initiative to encourage unemployed parents back into employment and assist lower income parents to remain in employment. It makes the case that any labour market policy initiatives should consider the current employment status of the targeted groups. The report also points out that employment focused child care policy initiatives should be aimed at either encouraging parents to enter the labour market or increasing their working status from part-time to full-time. These are specific areas of recommendation and the report is most helpful in that regard.

Indecon also strongly recommends that beneficiaries of the incentive be restricted to tax compliant and HSE registered child care providers. It also makes the point, on which I would strongly reflect, that whatever steps are taken in this extremely important area, their impact must be monitored, evaluated and assessed. After three years, a detailed report should be prepared in order to give the full facts as to the success or otherwise of the initiatives involved. Consideration of the recommendations is critical. This is a major issue. We must establish what steps are now being proposed by the Minister.

I raised these matters with the Minister in our most recent exchange at Question Time at which time I welcomed, as I have done on many occasions, her commitment to examine not only the report’s recommendations, but the child education and training support and community child care subvention schemes to see if there is a better way of organising the services to facilitate parents who want to get back to work. This will require the engagement of other Departments, most notably the Department of Social Protection. I urge that the greater economic and social benefit of such positive moves be recognised when considering the merits of such changes.

I would further encourage the Minister to reference the experience in the North of Ireland, where the Executive recently published its strategy for affordable and integrated child care entitled, Bright Start. As is so often the case, and this is especially true in relation to the subject of child care, one does not have to reinvent the wheel. We should seek to work towards best practice. I am aware that exploratory trips have been taken to Scandinavia to learn from their
vast experience. Others have travelled this road before and can show the way. It is a matter of recognising the importance of the issues at hand and having the political will to see improvements implemented and realised. I commend such engagement and consideration to the Minister.

I again welcome this motion and the opportunity to address this most important issue.

**Deputy Sandra McLellan:** I welcome the opportunity to speak on this motion and thank Deputy Troy for bringing it before the House.

Good quality child care that provides positive experiences and promotes children’s opportunities to develop is a starting point for lifelong achievement. Unfortunately, this has yet to become the reality for families in Ireland. With rising costs and tough economic conditions, many people are experiencing financial pressures and child care costs has become a second mortgage. Sinn Féin supports much of what is in the motion but we will not take lectures from Fianna Fáil on child care. In government, Fianna Fáil did nothing to assist middle and low income families to access quality, affordable child care.

Sinn Féin believes that child care is a right and policy must be geared to the needs of children and families rather than solely to the needs of the labour market. This State still has one of the lowest rates of child care provision in the EU. Child care costs almost one third of the average disposable income of a double income family. It has become the second mortgage. Many families on low incomes either cannot access child care or must pay a disproportionate amount of their income on massive weekly child care bills. The lack of quality affordable child care prevents many women who wish to do so from working outside the home. There is an urgent need to develop and implement a comprehensive strategy for child care provision. The provision of affordable and quality child care is a priority for Sinn Féin. The difference between Sinn Féin and other parties is that Sinn Féin when given the opportunity does deliver.

In September of last year, Sinn Féin launched Bright Start, which is the Northern Assembly’s programme for affordable and integrated child care. Bright Start and its key first actions aim to address the need for a programme of affordable and integrated child care. Sinn Féin believes that work is a sure path out of disadvantage and wants Bright Start to help as many people as possible in taking that path. To enable us identify the priority needs of people living here, we have listened to parents and child care providers. Despite not having any tax raising powers in the Assembly and an ever-decreasing budget from the Tory Government in London, the first actions of the Bright Start strategy will include the creation of 3,000 places for school age child care targeted at families in need and 2,000 places in the school estate. It will also support a rural child minder package to create an additional 1,000 places in rural locations and develop a scheme to improve outcomes for disabled children.

We believe this Government should have the following goals and should work to achieve them within the lifetime of this Dáil: to support the provision of the best care for all children; to enable all parents to reconcile their child care needs with participation in the labour force, education and training; to enable all parents to exercise their choice to care for their children full-time up to one year old; to enable all parents to access affordable child care for their children; to establish universal State provision of preschool for all children from the age of three to five years; and to establish a universal provision of early childhood care and education based on the best international models.
Sinn Féin will be supporting Deputy Troy’s motion.

An Leas-Cheann Comhairle: The remaining five minutes is being shared by Deputies Maureen O’Sullivan and Thomas Pringle.

Deputy Maureen O’Sullivan: At the heart of tonight’s Private Members’ business is the creation of a more level playing field for parents in respect of child care. I want to acknowledge the work of Deputy Troy and the manner in which the motion sets out the various services that are provided through the community and private and public sectors, the number of staff employed therein and the number of children in child care of one form or another. I also acknowledge the fine work being done by the community child care facilities and after school clubs in my constituency of Dublin Central.

I recently received a letter from a constituent which I believe is relevant to tonight’s debate. The letter outlines the stress which the woman and her family are under as a result of the cost of child care. It states that 44% of the family’s net income is spent on crèche costs for three children. Both parents work full-time, one in the public sector and the other in the private sector. The letter states that they have been sensible, pay their mortgage and live a quiet life because all of their money goes on crèche fees. The Minister has acknowledged the relatively high cost of child care and has stated that she is aware of the difficulties in this regard. The constituent asks in her letter that crèche fees be taken from their gross rather than net pay. The Minister said that this proposal was considered in the context of the targeted child care supports but that the issues do not favour child care tax relief because it would not support parents working in the home, it could be seen as discriminatory and that the reliefs would favour the better paid. The stay-at-home parent is not paid but he or she also does not have child care costs. The term “better paid” is relative because it is precluding people who are in genuine need of help with child care costs in order to remain in full-time employment. If they remain in employment, they pay their taxes to the State and are able to pay their property tax, etc. Coming out of employment would result in their becoming a burden on the State. I believe that the introduction of some tax credit is a better and more economic alternative than adding to the numbers of people already unemployed. Tax credits means more spending power for the family.

The Minister outlined the various programmes available. The woman concerned cannot access the CCS programme because she is not in receipt of social welfare; the CETS programme is for trainees and students and while she does avail of the ECCE programme she must pay for the first half hour and the final hour and a half of the child’s stay at creche. The Minister stated that she is reviewing all child care supports and that her aim is affordable quality preschool care, which is everybody’s concern. I hope recognition will be given to those parents who are in the middle group, want to and are working, and do not want to have to give up their employment.

Deputy Thomas Pringle: Child care costs and the availability of places in affordable child care are the biggest barriers to women in particular in accessing the workforce. Every week in my clinics I meet women, lone parents and married, who are being put under pressure by the Department of Social Protection to actively seek work but who cannot access not only affordable but any child care that would allow them to access work if there was any work out there for them. They are being told this is not acceptable.

While I support this motion, I believe the measures proposed are only stop gaps and are not sustainable child care solutions.
Child care costs account for 29% of a couple’s net income and 51% of lone parents’ income. In the European Union the comparable figure are 9.8% and 9.9% respectively. A family in this State with two children in full-time child care will spend over €16,000 per year providing for it.

The use of relatives is the most common form of non-parental child care in the State with only 27% of children being cared for in centre-based care. This clearly shows that cost is a major factor for parents in accessing child care.

The solution to this problem is not a piecemeal system of supports for children, a system of social welfare provision and tax breaks as outlined in the motion. Such a system will only continue to fragment child care provision in the State and will not provide for long-term solutions. We need a system in which preschool and child care services are provided along the lines of the education system in the country. An integrated child care and education system is the only long-term and sustainable solution.

The only way operators in the private and community child care sector can reduce their costs is through low wages. This means most staff in the child care sector, many of whom have studied and attained qualifications, are working for the minimum wage and, in some cases, even less. The OECD identified wages as an issue in a recent report:

Competitive wages attract a strong professional staff that is more likely to be satisfied with their jobs, perform well and make long-term career commitments leading to lower staff turnover rates. The latter generally results in stronger relationships between staff and children, calmer, less aggressive child behaviour, and improved language development. Staff with low wages are more likely to take on second jobs, lowering their performance through greater fatigue and less commitment.

If we want to provide quality child care and a decent standard of living for child care workers we need a new model based on public provision and one which is integrated into the education system.

Debate adjourned.

The Dáil adjourned at 9 p.m. until 9.30 a.m. on Wednesday, 12 February 2014.