



DÍOSPÓIREACHTAÍ PARLAIMINTE
PARLIAMENTARY DEBATES

DÁIL ÉIREANN

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(OFFICIAL REPORT—*Unrevised*)

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DÁIL ÉIREANN

Dé Máirt, 27 Eanáir 2015

Tuesday, 27 January 2015

Chuaigh an Leas-Cheann Comhairle i gceannas ar 2 p.m.

*Paidir.
Prayer.*

Ceisteanna - Questions

Priority Questions

School Staffing

114. **Deputy Charlie McConalogue** asked the Minister for Education and Skills her plans to provide schools with ring-fenced resource hours for the employment of those holding a recognised qualification in guidance counselling to enable all schools to provide every student with appropriate guidance as per section 9C of the Education Act 1998; and if she will make a statement on the matter. [3643/15]

Deputy Charlie McConalogue: This question is to ask the Minister whether she has plans to provide schools with ring-fenced resource hours for the employment of those holding a recognised qualification in guidance counselling, in order to enable all schools to provide every student with appropriate guidance, as is their obligation under section 9C of the Education Act 1998.

In the budget two years ago, this allocation for guidance hours was entirely removed, although the obligation for schools to continue to provide the service remains. It is high time that this decision was reversed and I ask the Minister to detail her plans, if any, in this regard.

Minister for Education and Skills (Deputy Jan O'Sullivan): I have no plans at the moment to re-introduce a separate allocation of resources hours to schools for guidance counselling.

If economic recovery continues, I hope the Government will be in a position to improve the standard staffing allocation to schools. However, I believe that it is desirable to give schools

some discretion on how to use these increased resources.

Guidance and counselling is a whole-school responsibility, with guidance counsellors playing their part within an overall team approach. Guidance counsellors have two distinct functions. The first is general career guidance and guidance on the educational opportunities a child or young person might pursue, while the second involves support for the well-being of students. The principal and leadership of a school have the best knowledge and experience to determine how exactly guidance resources and teaching resources should be allocated.

Deputy Charlie McConalogue: The very point is that by removing the resources, the Minister has removed the discretion of schools to ensure that guidance hours are provided. She has removed the resources and particular funding which had been provided in the past to do so. The Minister has left the responsibility with the schools which means that in order to provide the service, they must cut back other teaching services and also subject provision in many cases. However, schools have been unable to maintain the level of services. A survey by the Institute of Guidance Counsellors found an up to 70% reduction in one-to-one time between a guidance counsellor and students which had been provided previously. This is the impact on schools and the Minister should not push the responsibility onto already overstretched school management. The Minister needs to recognise the fact that the removal of resources for funding those posts means a reduction in the service being provided. It is impossible to provide the service in the absence of these resources. Schools need a commitment from the Minister to allocate funds to reinstate the service, because it is high time there was a recognition that the cut was not one which can be stood over and it needs to be addressed and reversed.

Deputy Jan O'Sullivan: The decisions made in recent years were not easy. Sometimes it was a case of deciding whether to reduce the overall allocation to schools or take specific measures. Schools are required under the Education Act to use available resources to ensure students have access to appropriate guidance to assist them in their educational and career choices. We have not removed the obligation on schools to provide guidance in this way. This obligation exists. As the economy improves - and it is improving - I will examine a range of areas where I believe we can begin to approve resources for schools. The most recent budget included the first increase in funding for education for many years and we will be working to ensure this continues. Resourcing schools is of particular importance, and I am conscious schools are having difficulty with the general resources they have at their disposal. It is something I want to address when we have more money in the economy.

Deputy Charlie McConalogue: Has the Department carried out an assessment on the impact this is having in schools? The Department has an obligation to ensure schools are equipped to provide a counselling service to students. Earlier, I referred to the survey by the Institute of Guidance Counsellors, which outlined the cut to one to one hours in particular. Have the Department and the Minister engaged with schools to find out what is the reality? This cannot be stood over as there is more pressure than ever on students and they require a service to be provided by professional guidance counsellors. This is very important but it has been drastically reduced. I urge the Minister to prioritise reinstating resources to allow schools provide this service. What actions has the Minister taken to assess the damage this cut has done? Without admitting and assessing the damage, faith in the Minister's intention to restore the service will be diminished.

Deputy Jan O'Sullivan: We constantly engage with schools on their obligations and the support and services they provide for students, and this will be ongoing. A range of supports

exist through the National Educational Psychological Service, NEPS, and other areas. We engage on a regular basis with representatives of management bodies on these issues. It is under ongoing monitoring. I certainly agree it is my obligation as Minister to ensure we have the necessary support for students in schools and for the schools themselves. The entire school has an obligation with regard to guidance and it is not only specific teachers. This is part of the Department's approach in terms of monitoring the situation. We hope we will be in a position to improve resourcing schools.

Schools Building Projects Expenditure

115. **Deputy Michael Fitzmaurice** asked the Minister for Education and Skills if she has negotiated a summer works grant scheme for which schools may apply; the size of the budget available for the scheme; when applications will be accepted; and if she will make a statement on the matter. [3486/15]

Deputy Michael Fitzmaurice: Has the Minister negotiated a summer works grant scheme for which schools may apply? What is the size of the budget available? When will applications be accepted?

Minister of State at the Department of Education and Skills (Deputy Damien English): The Deputy will be aware that spending of more than €70 million was approved for the 2014 summer works scheme to allow over 770 schools to undertake improvement works. This allowed for the funding of applications received under categories 1 to 6, which cover gas works, electrical works, mechanical works, toilet facilities and roof works. Schools which had applied under categories 7 to 10 were advised that their applications would be retained for prioritisation if funding for further summer works projects could be secured for 2015. I also wish to advise the Deputy that provision has been made in the 2015 allocation for the carryover costs of improvement works already approved in 2014.

The feasibility of making further funding available to facilitate consideration of those applications which were received under categories 7 to 10 under the 2014 summer works scheme is currently being considered. In view of the need to prioritise available funding for the provision of essential school accommodation, it is not possible for me to advance a new summer works programme in 2015, but the files on the applications under categories 7 to 10 were kept open and they are currently being reviewed. I hope that information is helpful to the Deputy.

Deputy Michael Fitzmaurice: This is unacceptable. Thankfully, we are supposed to have turned the corner. The most important issue for any country is to start with the basics, namely, with education. We are all aware of the cuts that affected all schools throughout the country during the recession. We must get our priorities right and decide where are we going. Schools, especially the smaller ones, throughout the country are on their knees. They need the leg up that would be afforded by this scheme. A few months ago there was the question of whether funding would be provided for the minor works grant. This drip-feeding of information leaves schools in a very precarious position. The Department of Finance should be contacted and more money should be made available. This is win-win situation in some cases. Schools could be made more efficient and could be run on smaller budgets if matters were done right.

Deputy Damien English: I agree with the Deputy. We on this side of the House would like to spend much more money on schools, and we tried as best we could during the tough years to

ensure that funding for education was protected and prioritised over that for other Departments. An additional €60 million has been allocated in the budget for education this year, because we recognise that, but it will only keep pace with demographics. We agree that we would like to have more money for the summer works scheme projects, but we do not have it at present. We have made and will continue to make a case for it. We are always chasing up extra money for resources. We recognise that it would be well spent, that it would be spent locally and that it would also provide jobs; there is no doubt about that. I agree with the Deputy that the arguments for it are very clear. The key point is that, unlike in other years, the applications are being kept open and, where funding for applications under categories 7 to 10 was not available, those applications are being kept on file and will be prioritised as money becomes available. That is a fair commitment. We would like and hope to get more money at some stage, but it would be wrong to say that we can open up the next round of the summer works scheme when there are still applications on file under categories 7 to 10.

There is no doubt that education is very important, but the number of young people coming through education is growing every year. It was good this year, in terms of funding, to have been able to keep up with demographic change, but it is about providing additional accommodation first. That must be the priority and summer works, essential repair works and minor repair works, in respect of which there have been some announcements, will be kept up as well. The priority has always been to make sure that places are available for new people coming into the system, of whom there have been quite a number in recent years. That has been a fair challenge for the Department of Education and Skills. We recognise that education is one of the most important areas and that the Department must be funded.

Deputy Michael Fitzmaurice: I understand that more children are starting in school and that there is more pressure on schools. We welcome the announcements regarding schools that are being built. That is not a problem. I have looked around the country, and there is a certain degree of waste here and there in all Departments. We put prefabs in place when we should have looked at the bigger picture. I urge the Minister of State to hit the Department for Finance for funding to ensure that some is made available, because otherwise it is a matter of being penny wise and pound foolish. The carrying out of some of these works will pay in the long term. I ask the Minister of State to try to secure additional funding to provide for this.

Deputy Damien English: Yes. We certainly will and we will keep making the case for it. The Deputy was not a Member at the time, but thankfully this Government adopted a common-sense approach, along the lines of the Deputy's comments, whereby prefabs were replaced with classrooms where possible. I do not have the figures in front of me, but every year for the past three years there have been major developments in removing prefabs and replacing them with permanent, stand-alone classrooms, something which should have been done years ago. Many of us in the House have mentioned this issue, but it took a new Government to start the process. The former Minister, Deputy Quinn, changed the model in his first year in office. There has been a serious spend on new classrooms to remove prefabs which were rented and were, as the Deputy said, a waste of money. Things have moved on.

We are trying to get money from wherever we can to fund new projects. The summer works scheme and other such schemes help to protect the existing infrastructure and provide a better place to educate our young people. I stress that the applications which were met involved gas works, electrical works, mechanical works, toilet facilities and roof works, and were major priorities. The other areas of priority include window projects, curriculum requirement projects and other structural improvements which are needed. Money was spent on essential areas. The

Deputy is correct and we will try to find more money where we can.

The applications made under last year's summer works scheme are still held in categories 7 to 10, which did not always happen. If money becomes available, it can be, it is to be hoped, dished out to the outstanding applications. In case there is any confusion, I wish to clarify that category 4 applicants for the previous summer works schemes relate to projects to facilitate access to schools for pupils with special needs. These applications are now considered under the Department's emergency works scheme, which is right. They get higher priority, something with which I think the Deputy would agree.

Special Educational Needs Service Provision

116. **Deputy Charlie McConalogue** asked the Minister for Education and Skills the way she proposes to address concerns that have been expressed regarding the school profiling element of the proposed new special needs model; and if she will make a statement on the matter. [3644/15]

Deputy Charlie McConalogue: How does the Minister propose to address the concerns that have been expressed about the school profiling element of the proposed new special needs model?

Deputy Jan O'Sullivan: The National Council for Special Education, NCSE, working group recommended the development of a new model for delivering teaching resources to schools to support students with special needs. It recommended that a school's special needs teaching allocation should be determined by a baseline component according to pupil numbers and a school's educational profile. This profile is to take account of the number of pupils with complex needs, the percentage of pupils performing below average in standardised tests and the social context and gender breakdown of the school. Following consultations with education partners last summer, my Department has developed a new model which could be used to allocate special needs teachers to schools. The Department last week engaged in a further round of consultations with stakeholders on the new model.

Deputy Charlie McConalogue: I am sure the Minister is aware, as she is consulting education partners and is talking to teachers and principals, as I am, that there is very genuine concern among teaching staff and school management about how this will work. In regard to the school profiling principals have been asked to undertake over the past couple of months, they have been asked to provide information which many find sensitive, such as whether families and students have medical cards and financial details and backgrounds on families. Many principals have found they are not in a position to ask for that type of personal information and have been informed that if they are not able to get it directly, they should make a guess as to the situation in their schools. As a result, there is genuine concern about how the information will be used. Many principals have told me they have given very honest answers to the best of their ability on the profiles of their schools, but they have concerns about whether other schools will do the same or be as accurate in their responses. They are also concerned about how the information will be used in the future.

There are serious deficiencies and a real difficulty in ensuring that teaching hours, in particular special needs teaching hours, are allocated to students promptly. It is important that any model which is proposed to replace that is one which is fair and in which schools, teachers and

parents can have confidence. What assurances can the Minister give on school profiling and the surveys teachers have returned to her in regard to how that will be used and that it will be fair system?

Deputy Jan O’Sullivan: I thank the Deputy for raising this issue because it is of great interest to parents, in particular, of children with special needs, as well as schools in general. As is the case with anything of this nature, we have to be very careful with the introduction of a new model. At the same time, it has been clearly identified by the National Council for Special Education that the current system, which in many cases requires a medical diagnosis to put facilities in place for children in schools, discriminates against parents who cannot afford a diagnosis. It also causes the problem mentioned by the Deputy whereby we want to have the resources in the school when the child goes there. We all agree that looking to change the model is good.

I acknowledge that there are concerns. We must find a way to figure out which schools will have the requirement for extra resource teachers. We want to give every school an element of resource hours for the children. We must try to find a way to provide those resources for the schools with particular requirements for complex needs, etc. The consultation is ongoing and we have not made a decision as to exactly how it will apply in schools. I am very keen to get the views of people particularly affected by this, as well as Deputies. If we are going to replace this model, we must ensure we can replace it with something better than what is currently in place and which is fair to all children.

Deputy Charlie McConalogue: The Minister has not dealt in any detail with what I asked her to do, which was to give reassurance to schools, teachers and families as to how the school profiling will be used. The process has started and the documentation has been returned to the Department. As I indicated, there are very real concerns about the validity and consistency of the process across the board and the purpose for which it will be used. In her final response, will the Minister give an assurance that the process will be fair to those who have that concern? Although a final decision on the implementation has not been made, the Minister has certainly decided to progress with it and to undertake school profiling.

The Minister mentioned difficulties with parents not being able to afford tests and diagnoses for children to ensure they can access resource hours. Unfortunately, that arises because the State is not providing enough resources to allow such testing. Often, it is only families which can afford to have a test carried out that can access those resource hours. There is an implementation timeline for the proposed new model. What are the current plans for introducing it?

Deputy Jan O’Sullivan: The Government has not yet taken a decision on whether it can be implemented for next September. I want to ensure we get it right so I have not yet made a decision on the timing. With regard to profiling, there is a certain amount of factual information relating to numbers of pupils with complex needs and the percentage of pupils performing below average in standardised tests. The area where concern is being expressed is a social context. We have asked schools to do their best in giving us information in that regard. The gender breakdown is there because evidence suggests there tends to be a higher percentage of boys than girls who need this kind of support.

The National Council for Special Education recommended that these criteria should be used to get a fix on a genuine way of assessing the needs of a particular school and to be fair to all children. We have asked that this be done in good faith to ensure we have accurate information before implementing any new model.

Pupil-Teacher Ratio

117. **Deputy Michael Fitzmaurice** asked the Minister for Education and Skills if the pupil teacher ratio in two, three and four-teacher schools will be reduced prior to the commencement of the new school year in September; and if she will make a statement on the matter. [3487/15]

Deputy Michael Fitzmaurice: I ask the Minister for Education and Skills about the pupil-teacher ratio, especially in schools with two, three and four teachers. The numbers in three-teacher schools has increased over recent years from 48 to 56. Is there a plan in the next school year to change it?

Deputy Jan O'Sullivan: My focus in budget 2015 was on obtaining the additional funding that was necessary to provide for demographic growth, as the Minister of State, Deputy English, said earlier. The last budget included an increase in spending on education for the first time in recent years, amounting to additional funding of €60 million during 2015.

This funding will be used to provide 1,700 additional teachers and SNAs for our schools as well as to fund prioritised reforms, such as implementation of the literacy and numeracy strategy, reform of junior cycle and the introduction of education focused preschool inspections. It was not possible to secure also the funding which would have been required to change the staffing schedule for primary schools, including small schools.

Since becoming Minister all of the education partners I have met have indicated their own set of priorities. In the school sector, these priorities include school leadership, pay restoration, reductions in pupil-teacher ratios, increases to capitation and the restoration of *ex quota* guidance counsellors in schools, which we dealt with earlier.

Outside of the schools sector, the list of demands includes funding of third level, investment in early years and investment in technology. It is not, and never will be, possible to satisfy all the demands of the education system at one time. However, I am determined that education should be prioritised for investment as our economy recovers. In my discussions with the various stakeholders in education, I will seek to agree a set of priorities for such increased investment into the future.

Deputy Michael Fitzmaurice: My first day in the House was budget day and I saw a beautiful document about the extra teachers to be employed around the country. The previous Minister increased the pupil-teacher ratio and some schools have lost teachers. To clarify the situation, is the Minister saying the teachers who were lost as a result of the increase in the pupil-teacher ratio will not be replaced? Are these 1,700 teachers to cater for the increase in the number of children going to school and for retirements and not specifically intended to reduce the pupil-teacher ratio?

Deputy Jan O'Sullivan: They are for the purposes the Deputy outlined. We have not made any change for the current year in terms of what was done in previous years. That has been factored into the allocation of teachers. However, I am looking to the future in terms of what we might be able to do, including in regard to small schools and the pupil-teacher ratio. In the context of what was decided in the last budget, there was not a specific proposal in regard to the numbers of teachers allocated generally in terms of the pupil-teacher ratio but specifically for the schools about which the Deputy spoke.

30 January 2008

Other Questions

Technological Universities

118. **Deputy Jonathan O'Brien** asked the Minister for Education and Skills if she has received the report from a person (details supplied) following the consultation process with stakeholders in Waterford IT and Carlow IT; and if she will provide an update on her plans to establish a technological university in the south east. [3352/15]

Deputy Jonathan O'Brien: Has the Minister received the report from Mr. Kelly on the consultation process to reinvigorate the proposed technological university and the merger between Waterford Institute of Technology and Carlow Institute of Technology?

Deputy Jan O'Sullivan: As the Deputy knows, Mr. Michael Kelly is leading a process of consultation with regional stakeholders, the governing bodies, staff and students in Waterford Institute of Technology and Carlow Institute of Technology in order to develop a shared vision for a technological university in the south east. I am pleased to report that Mr. Kelly has met with the governing bodies of both institutions and a series of meetings with a variety of stakeholders has been scheduled for the coming weeks. Mr. Kelly has not yet submitted a report but I expect to receive this report before the end of this quarter.

Deputy Jonathan O'Brien: I wish Mr. Kelly the best. He is a former chairman of the Higher Education Authority, so is highly qualified to chair this process. One of the criticisms in regard to the proposed merger was the terms of reference. Some people have questioned whether Mr. Kelly has adequate terms of reference to examine possibly all of the obstacles which have led to where we are now. Is it an open process? Is he confined to looking at a particular area? Will the Minister give us some information on exactly what his role will be? Will the recommendations be down to him or is he limited in what he can look at in terms of the proposed merger?

Deputy Jan O'Sullivan: The terms of reference are not designed to limit what he might believe would be helpful. They are primarily designed to guide him in terms of what we want him to do. For example, we gave him a timescale in which to report back and we indicated that he should consult widely, not just within the institutions but within the region as well. It has not come back to me that there are problems with the terms of reference. I do know if there is something specific or if he needs some leeway, to use that term. What I want to achieve is to make sure we get the process back on track and that the south east does not lose out in this very important area where there has long been a wish and an intention to have a university. My entire purpose is to ensure we get that process moving as quickly as possible.

Deputy Jonathan O'Brien: I was not raising the terms of reference that are being given to Mr. Kelly. The criticisms related to the terms of reference being used to establish technological universities. There were some discussions to the effect that those terms of reference were restrictive, and one of the institutions felt they would have hindered its growth if they had a merger. Is Mr. Kelly open to coming back with recommendations to change the original terms of reference in terms of the establishment of technological universities or is he looking solely at this particular project? Is it possible that he may report back that it is a non-runner? Will the Minister give us more information on that?

Deputy Jan O’Sullivan: I am sorry; I misunderstood. The terms of reference relating to the establishment of a technological university were set very carefully with outside expert advice on what would be required to be sure that we can stand over the quality and so on. Mr. Kelly does not have any leeway in that regard. There are very good reasons for those terms of reference. They are about ensuring that people can have confidence in the final outcome. They are not changeable by Mr. Kelly, but we will certainly engage with him regarding any other obstacles he may come up against.

I am not sure which elements of the terms of reference the Deputy is referring to, but there are requirements with regard to amounts of research and numbers of students.

Deputy Jonathan O’Brien: Yes.

Deputy Jan O’Sullivan: There are many requirements but they are carefully balanced to ensure we end up with an institution that is worthy of the title “technological university”.

Deputy Jonathan O’Brien: On the amount of money that has been spent on the proposed merger, the figure given to the Committee of Public Accounts, PAC, was €400,000. The answer was that that money could be saved through efficiencies and other sources, but what those other sources would be was not quite clear. There was mention of looking at other possible mergers and money being saved on those. I understand the Minister might not have the answer in front of her, but if she can she might revert to me on how the €400,000 that has been spent will be recouped.

Deputy Jan O’Sullivan: I will probably have to come back to Deputy O’Brien on that.

Deputy Jonathan O’Brien: That is okay.

School Enrolments

119. **Deputy Catherine Murphy** asked the Minister for Education and Skills her views on establishing a forum on school enrolment in north Kildare considering the major obstacles which have arisen in recent years; her views on whether such a forum is useful in establishing a full appreciation of parental choice in the area; if it will assist in achieving greater diversity, particularly with regard to Gaelscoil provision; and if she will make a statement on the matter. [3370/15]

Deputy Catherine Murphy: This question has a local focus. I am sure north Kildare is not exclusive in terms of the types of problem that have presented in my area every year for as long as I have been involved in politics. I dread it when they open the lists and parents find that their children will not get into the primary or secondary schools they would prefer. Too often, parents feel excluded from the process. They are included in some respects, but the focus of it is very narrow. We need to have a wider forum, and north Kildare might be the place to do a pilot under which the relationship between schools and parental choice could be explored to allow us to work towards eliminating this problem on an ongoing basis.

Deputy Jan O’Sullivan: Between 2012 and 2015, five new schools will have been established to meet demographic needs in the north Kildare area. This includes the establishment of a Gaelscoil and an all-Irish aonad in a new post-primary school to enhance provision through the medium of Irish in the area. The patronage of all these new schools was determined by

an open process in which the level of parental demand for each type of school was a key factor. In addition, parents in Celbridge were surveyed under the patronage divesting process to determine their views on alternative patronage choices in their area. Therefore, I have no plans to establish a forum on school enrolment in north Kildare. A recent nationwide demographic review carried out in my Department concluded that there is no additional primary educational infrastructural needs in the north Kildare area beyond that recently delivered or already planned and in train to meet the area's needs. An equivalent review at post-primary level is under way.

Deputy Catherine Murphy: As the Minister and the Acting Chairman, Deputy Keating, will be aware, seven primary schools in the north Kildare area, including some on the periphery of that area, feed into the second level Gaelcholáiste in Lucan. In 2015, not one single solitary student from those schools will be accommodated in Lucan because there is simply no space at the school there. The aonad that is being provided as a substitute for the Gaelcholáiste option that was available before now is completely unacceptable to the vast majority of people. Not one single solitary place will be available to the children who will come out of the seven sixth classes in these schools in September and want to go on and study entirely through Irish. Such an option has been available up to now. The aonad is a complete insult to people. The Minister really needs to stop listening to the officials in her Department on this issue and start listening to people in north Kildare. I do not know where she is getting her numbers from. The open process that took place in the case of the post-primary school in Maynooth was a very limited process.

People want to see diversity in primary school education. That diversity should include cultural diversity. I have surveyed all the north Kildare schools and Gaelscoileanna. The provision in those schools is totally inadequate. I know they have to exist side by side with the other schools. A sustainable solution must be found. The numbers being collected by the Department are wrong. We are going to put parents through unnecessary hardship as they worry about where their children will go to school. The Department will have to find a solution at the 11th hour. A much more comprehensive approach is needed. This area has one of the largest young populations in the country. That is why this is such a pivotal issue. The Minister is going to be inundated with correspondence from parents. She already is. I know I am. It is only the first school that has opened up. Essentially, all this argy-bargy will be going on. I believe the solution that will ultimately be found will include a third stream in Kilcock, for example. It will be resisted until the last minute. The forum is absolutely essential if we are to get any kind of understanding, rather than presuming everything is in place. The aonad is just an insult to parents who used to have a choice. The choice is being taken away and they are being told an aonad is the replacement. It is not good enough.

Deputy Jan O'Sullivan: I assure the Deputy that the situation remains under continual review. Obviously, what she has said today will be brought back to the Department. The post-primary review is under way. The Deputy raised the post-primary issue. I can come back to the Deputy on how that review is progressing, etc. It is under way. I acknowledge that County Kildare is very much a growing demographic area. When I served as Minister of State with responsibility for housing, that was a huge issue in the county as well. This issue is under constant review. One of the commitments my predecessor made, and I make as well, is that we want a place for every child. We do not want any child not to have a place. Obviously, that is our obligation. I will go back again after the Deputy has raised this issue today specifically in relation to County Kildare.

Deputy Catherine Murphy: There have been public meetings of hundreds of people who

want a choice for their children. I attended one such meeting in Kilcock last week. The point is being made about having a place for every child, but parents do not want just any place. They want a choice in education. For example, there are 160 applications for 52 places. It would have been 83 or 84 places with the three streams, as was the case last year. It is not that there is a shortage of children.

When it comes to cultural diversity and Irish being the country's first language, it is extraordinary that so many children will be denied their first-choice places next year, 100 years after the Easter Rising. I do not understand the Department's resistance. From my experience with my children in the early 1980s when Irish schools started to become established in north Kildare, the schools were fought all the way by the Department in terms of recognition and buildings. Now, parents are queuing to get their children into successful schools, but they are not being given the choice. This issue must be taken seriously. It is not just a question of denominational choice, but of cultural choice.

Deputy Jan O'Sullivan: The intention is to give people those choices. The Deputy described what happened in the past, but Gaelscoileanna and Gaelcholáistí around the country have been recognised, have their own patron bodies and are well established. There is no unwillingness on the part of the Government or the Department to support that choice.

The Deputy's point is that there are not enough places in the schools that parents wish their children to attend. The Department must update its data on this issue constantly and respond to it as quickly as we can. Generally, we are responding well to demographic changes and we are replacing prefabs. This is the Department's policy, but if growing numbers in a particular area are causing a problem, we want to deal with it. We have a great deal of data in terms of younger children and the likely demands in particular areas.

The Deputy has raised a serious issue. It is under ongoing review, so I will ensure that we are providing for the young people of north Kildare and Kildare in general.

Schools Building Projects Status

120. **Deputy Charlie McConalogue** asked the Minister for Education and Skills the up-to-date position with regard to approval for a new school for an area (details supplied) in County Donegal; if she will meet a delegation from the school to discuss progress towards a new school building as well as issues with regard to inadequate existing accommodation and road safety concerns; and if she will make a statement on the matter. [3358/15]

Deputy Charlie McConalogue: This relates to a building project for St. Mary's national school in Stranorlar in County Donegal.

Deputy Jan O'Sullivan: As the Deputy is aware, a building project for the school is being progressed within my Department's architectural planning process. I understand that the school's design team and school authority are working on the stage 2(a) report. A stage 2(a) stakeholders meeting will be arranged when the report is finalised. In these circumstances, I do not consider that convening a meeting as proposed would be beneficial at this time.

As the Deputy will also be aware, the school in question is one of a number of schools that it was not possible to include in the five-year construction programme. However, the school

project is being progressed to the final planning stages so that it will be well placed for further progression in anticipation of additional funds being available to the Department.

Deputy Charlie McConalogue: I thank the Minister for her response. I am disappointed that she will not agree to meet the school to discuss the project's future or to ensure that she is up to speed regarding the school's current facilities and its need for a new building. Unfortunately, approximately half of the school's classrooms consist of prefabs and the permanent classrooms have been in place for so long that they are small and still use school desks with ink wells. That should emphasise the need for an agreement on a new building.

This project was included in the previous school buildings programme. When former Minister Mary Coughlan was in office it was approved but the former Minister, Deputy Ruairi Quinn, removed it. On that basis, it is all the more important that the current Minister should agree to meet a delegation from the school. I know that the school's representatives have written to the Minister specifically requesting such a meeting. I have already tabled a parliamentary question asking the Minister to agree to meet the delegation. The representatives deserve that and it would also be useful for the Minister to meet with them. I know the school representatives are engaging constructively with departmental officials as well as with the design team working on the site, which has already been secured, to develop it towards planning.

It needs to go back into the schools buildings programme, however, so that funding will be there once planning permission is obtained. That is why it is important to meet the school representatives face to face, particularly as the school has been removed from the list. The Minister should discuss their concerns and the problems they are facing at the moment, with a view to ensuring that the school is placed in a new schools capital programme.

Deputy Jonathan O'Brien: I fully endorse what Deputy McConalogue has said. He has cited an example of the real issues that parents and teachers are facing whereby a school that was in the programme is no longer included. There can be various reasons for that, including planning issues, objections or the length of time involved. As I have said before, the idea of a five-year planning programme needs to be examined. We should also be developing ten and 15-year programmes so that schools know where they stand.

One of the biggest issues concerning a school building programme is that when a number of sites have been identified, it goes to planning stage and then objections are lodged, which delay matters. Sometimes it goes to An Bord Pleanála but these issues need to be dealt with. I recall that at a previous committee meeting, the Minister said that planning laws were being examined with a view to fast-tracking such proposals, without obviously compromising the planning system. Does the Minister have any further updates on that?

Deputy Jan O'Sullivan: On the Donegal school, I understand that the design team is finalising the stage two report. It would not, therefore, be appropriate for me to meet the school representatives until they have finalised that and given it to the Department. There will certainly be stakeholders' meetings but at this stage I do not think there is any point in me meeting them because the ball is in their court in terms of coming back on the design.

On the more general issue, I was opposition spokesperson on education in the past when the former Minister, Noel Dempsey, was in office. There was a long list of various stages that schools had reached and they could spend years in the early stages before moving up. It is felt that was less clear than what is in place at the moment. Currently, there is a five-year pro-

gramme and schools know whether they are in it. Therefore, they have more certainty about how quickly they will proceed.

We are now working on the next five-year programme which is due to commence next year. In that context, we could have a discussion on whether we should give more information than what is in the five-year programme. However, we can only commit in terms of the capital envelope which we only get for five years. I do not want to mislead schools by putting them into a list which does not indicate that anything will happen.

As regards the planning issue, the Minister for the Environment, Community and Local Government, Deputy Alan Kelly, is responsible for that area. I have engaged with him concerning it. We want to keep the planning process absolutely transparent, as it should be. However, there is a case for avoiding unnecessary delays in the case of schools which are in the public interest. Those discussions are ongoing.

Deputy Charlie McConalogue: The Minister mentioned giving certainty to school building plans. Unfortunately, however, the uncertainty facing St. Mary's national school in Stranorlar is that it is not on the current five-year building programme which runs until the end of the year. As the Minister rightly indicated, the Department will be examining the following five-year programme. That is why it is important for the Minister to meet the schools' representatives directly, particularly in light of the fact that they were on the previous programme but have been dropped from the current one. They deserve to have such a meeting, although I know they have already had meetings with departmental officials. In addition, the meetings which normally occur to progress matters will also take place over the coming period. I am not asking the Minister to become involved in the architectural process or to make an input in respect of the plans but I am of the view that it would be entirely appropriate for her to meet the people involved directly. The principal at the school, Mr. Fintan Keating, his staff and the board of management have done great work in the context of the facilities there. Understandably, however, there has been much disappointment with regard to the fact that there is not much certainty regarding this matter at present. There are concerns with regard to whether, once the planning process has been completed and the project approved, the necessary funding will be available.

Other school building projects are far less advanced in the context of the planning and design processes than that to which I refer. However, the school in question is not included in the schools building programme. It is in that context that those involved with the school would like to meet the Minister. The school is located on the main arterial route between north and south Donegal and, in light of traffic volumes, parents have very real concerns about their children getting to school safely each morning. It is important that the Minister should recognise that fact. She and her Department will be putting the new schools building programme together and it is in that context that I ask her to reconsider her decision and meet a delegation from the school. I assure the Minister that I will continue to work with her on this matter and that I will also continue to raise it. The school in question needs a new building and I am of the view that it must be given top priority when the new building programme is drawn up.

Deputy Jan O'Sullivan: I reiterate that it would not be appropriate for me to meet a delegation while the design process is still in train. I am sure Deputy McConalogue will raise the matter again when that process has been completed.

The next school building programme is to commence in 2016. We are working on drawing up that programme at present. There are some schools with building projects that are ready to

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proceed. If we obtain funding in advance of the allocation for the new five-year programme, we will certainly consider the possibility of allowing such projects to proceed even if the schools involved are not included in the programme. If these projects are ready to proceed and if we have funding available which is not required for projects that are included in the current programme, I do not see any reason the former should not move ahead.

Acting Chairman (Deputy Derek Keating): As Deputy Coppinger is not present, Question No. 121 in her name cannot be taken.

Question No. 121 replied to with Written Answers.

Student Grant Scheme Administration

122. **Deputy Michael Fitzmaurice** asked the Minister for Education and Skills if the threshold relating to the third level grants scheme will be raised to accommodate the children of working persons, including teachers, who can no longer afford to pay for third level education due to the imposition of pension levies and the universal social charge; and if she will make a statement on the matter. [3338/15]

Deputy Michael Fitzmaurice: The purpose of this question is to ask whether the threshold for the third level grants scheme will be raised to accommodate the children of working people in middle Ireland who can no longer afford to pay third level fees as a result of the imposition of pension levies, the universal social charge, etc. Statistics I received in the past week indicate that 8% of people who work in the public service are in receipt of family income supplement, which is rather alarming. In the past, someone working as a teacher in my neck of the woods would have been seen as being comfortable financially. The sad reality now, however, is that these people cannot afford to pay their mortgages and so on.

Acting Chairman (Deputy Derek Keating): The Deputy can raise those points when the Minister of State has replied. The point of a Member's first contribution in respect of a question is to make some introductory remarks.

Deputy Damien English: The rates of grant and the income thresholds for the student grant scheme are announced annually as part of the budget process. No changes to the rates or thresholds were included in budget 2015.

The means test arrangements relating to the student grant scheme are applied nationally. In the case of both employed and self-employed applicants, gross income before deduction of income tax or universal social charge is assessed with certain specified social welfare and health service executive payments excluded. Therefore, all income is assessed from the same starting point, eliminating any distortion which might arise from different spending decisions.

Contributions to pension schemes and pension or retirement products, within the limits allowed by the Revenue Commissioners, are deducted in determining the reckonable income of an applicant as set out under the student grant scheme 2014. The reckonable income for the student grant at the standard rate generally observes the percentage changes in average industrial earnings for specified reference periods as provided for by the Central Statistics Office, CSO. The latter provides data to the Department on an annual basis in respect of the dataset of estimates of earnings per week by industrial sector. Analysis of the quarterly data identifies

any change to the income thresholds, which are subject to approval by the Department of Public Expenditure and Reform. What I am trying to say is that changes are based on evidence and research. There probably has not been a change in the past year or two.

The Deputy referred specifically to teachers and nurses. Naturally, the funding of education, especially third level education, is an issue for everybody, no matter what his job. Certainly in the past six or seven years, most people in this country have been affected by the changes across the board. We acknowledge that and accept that this is a difficult time. As I always say, we are trying to do our best to stretch the education budget, which includes the grant, as far as we can.

The question of further and future funding of colleges is being considered. A study is being carried out at present, and Mr. Peter Cassells is in charge of it. It will allow for the discussion we need to have on the future of education at higher level. The Deputy is correct to state that everybody is under pressure, including parents and the students going to college. Likewise, colleges and universities are under pressure trying to fund everything, yet we all have big plans for the future. We really must have a conversation in this House on how it will all happen. The study by Mr. Cassells will feed into that and will help us in this area. It is a major area. With so many predicted to go to college and university in the future, this is necessary. There are many pressures exerted on institutions owing to supply and demand, and this is a matter we must monitor for the future. There was no change in budget 2014; the last change was in budget 2013.

Deputy Michael Fitzmaurice: I am not talking specifically about teachers but about all the people working who may have large mortgages. These include young families who find the going tough as a result of the various cuts down through the years. It is a sad day if those going out to work every day are now being put in circumstances in which they cannot afford to send their youngsters to college. I have seen this happen. It is coming down the tracks for us next September and we need to do something to address it.

Deputy Damien English: We are not oblivious to that fact, and we share the Deputy's concern. That is why a priority for us on coming into government was to try to ensure the working person would not always be hit with increased charges. The Deputy will have noted that in the first three or four austerity budgets, for whatever reason the majority of changes in respect of charges and taxes affected income tax, which affects the working person. The Deputy specifically raised the issue of the working person. We have tried over the past three or four years to address this. It was not the plan originally agreed, so I am not discovering or taking credit for this, but the overall concept of trying to broaden taxes across the board so as not to hit the working person constantly was an objective. Not everyone likes that. Not everyone likes to have water, property or other charges, but having them means one is not constantly increasing income tax. It has to be always worth one's while to go to work, but that has not always been the case in this country. The Government is trying to ensure it is worth one's while at all times, and that means not always raising income tax and, if the opportunity arises, reducing it to try to create more jobs. It is a question of not increasing the rate always. I hope the Deputy understands what we are trying to do in that regard.

The overall funding of universities and higher education is being considered. We will all have to make decisions on that. It will not be a matter for one particular party; each one needs to have a strong position on it.

The Deputy asked about pensions. Contributions to pension schemes and pension or retire-

ment products, within the limits allowed by the Revenue Commissioners, are deducted in determining the reckonable income of an applicant. Similarly, a deduction for the public service pension levy is also allowed where it has not already been reflected in the pay figure shown on the person's P60. Pension contributions by means of a personal retirement savings account, PRSA, retirement annuity contract, RAC, or additional voluntary contributions qualifying for tax relief, appearing on a P21 or notice of assessment on the panel showing tax credits, can be deducted when calculating the reckonable income for student grant scheme purposes.

Deputy Charlie McConalogue: I thank Deputy Fitzmaurice for tabling this very relevant question. The Minister referred to not increasing income taxes but, of course, the Government did choose to increase the registration fee for those who do not receive a grant, as stated in the question. The registration fee is to increase from what the party of the Minister, Deputy Jan O'Sullivan, promised would be €2,000 to €3,000 this coming September. That charge is being placed directly on families, particularly working families, who are trying to send young people to college. This is making it increasingly difficult. It is now impossible for many of them, particularly if they wish to send more than one child at a time. Many families are facing the question of whether they will be able to send one or more children to college.

3 o'clock

I ask the Minister of State to comment on access to postgraduate courses. How exactly does the Government expect postgraduate students to be able to fund their way through college in light of the fact that the Minister removed the postgraduate grant during the time of this Government, meaning that one cannot undertake a postgraduate course unless one can afford to do so?

Deputy Jonathan O'Brien: This is one of those areas where we need to have a serious conversation, not only during Question Time. The Cassells report will look at the overall funding of higher education but we need to look at some of the policy decisions, and not only of this and the previous Governments. Let us do so on a non-political basis, if at all possible, because we are talking about education.

One of the factors with which nobody can argue is that if somebody coming out of post-primary education is unable to access higher education, whether due to economic reasons or whatever barrier is in place, the chances of that individual going back to education later in life decreases. That is something we need to rectify. The reality is that we are preventing people from accessing further and higher education based on their ability to pay. That is not a political point but a general education point. We all need to look at this issue seriously.

Deputy Damien English: The Deputies covered a couple of issues. I am glad Deputy O'Brien mentioned not only higher education, but also further education. We must get the message out that further education and training is just as important in some cases to one's access to a job or career as education through the higher education institutions. As most will agree, much work is going on in that area. Hopefully, we will get the message across that there is a choice and there is another route to a career or job with further education as well.

I agree with Deputy O'Brien, as I stated earlier, that we must have a grown-up conversation in this House about how we will fund, and guarantee access to, education in the future. The key, in my opinion, is guaranteed access to third level, further education or training for whatever it is one wants to do. Some countries have a range of such models and here it is very much based

on one's ability to pay or to access grant income. There is little access to student loans, if one wants to go that route, and in some cases it is difficult for a student to have that option. It will need a non-political conversation around that.

Deputy Jonathan O'Brien: The current system entrenches inequality.

Deputy Damien English: I did not design the current system. That is what I am saying. I agree with Deputy O'Brien that we must have a look at this. The Cassells report will be part of that. It will give us something to focus on regarding the figures.

I stress it must be a grown-up conversation. The parents of this country expect that and need to be told the truth, and we need to have a clear conversation on how this can happen. All of us here want people to get the education they desire and it is a matter of how that can happen.

As for any cuts in education, as Deputy McConalogue will be aware, when one is faced with a situation where the country has €30 billion less in taxes, and I will not say how it happened, one is left with €30 billion less in one's budgets and there will be changes in all Departments. I wish it did not happen.

Deputy Charlie McConalogue: What about the promises that were made?

Deputy Damien English: I am merely clarifying, I am not even picking anybody here.

Acting Chairman (Deputy Derek Keating): The Minister of State is passing the time.

Deputy Damien English: I am not even going there. I am merely saying let us face reality here. There was €30 billion missing, but matters are improving and there are more taxes coming in. This will give us the opportunity to do more in education as we want to do, but we must face facts. The funding was not there to continue what we would have liked to have done and that was why there were changes.

Deputy Charlie McConalogue: That is not what the Minister of State said at the last election.

Questions Nos. 123 and 124 replied to with Written Answers.

Acting Chairman (Deputy Derek Keating): The next question in the name of a Deputy present is Deputy Clare Daly's Question, No. 126.

Deputy Clare Daly: I did not expect it would be that quick.

Acting Chairman (Deputy Derek Keating): Sometimes timing is everything.

School Staffing

126. **Deputy Clare Daly** asked the Minister for Education and Skills in view of the resignation of the board of a school (details supplied) in County Limerick in June 2011, the previous and subsequent problems in the school relating to the alleged obstructive behaviour of a teacher at the school and the circumstances whereby Canon Law was invoked by the Limerick Catholic diocese to reject the decisions of the school board to dismiss the teacher concerned, the agreement between her Department and the patron of the school in relation to monitoring the behav-

ious of the teacher concerned; the number of agreed inspections which have taken place; if these inspections reported satisfactory progress; and if any child protection issues arise. [3359/15]

Deputy Clare Daly: This question relates to issues of child welfare and, at its essence, religious control of schools and who controls our schools. In light of a particular circumstance that I believe the Minister is aware of in Limerick where the board of management resigned on a number of occasions in relation to the behaviour of an obstructive teacher, it was deemed that the local parish priest had more influence than the board of management.

Deputy Jan O’Sullivan: In accordance with the Education Act 1998, teachers are employed by the school management authority of each individual school. In the case referred to by the Deputy, in 2009 the school management sought to dismiss the teacher concerned.

The Maynooth statute provided that “a clerical manager shall not dismiss a teacher or assistant, male or female, or give notice of dismissal, until the Bishop be notified, so that the teacher if she/he will, may be heard in her/his own defence by the Bishop”, and this statute was initiated in this case. The school was subsequently advised by the patron that permission to dismiss the teacher concerned was refused. Subsequently the bishops agreed to abrogate the Maynooth statute, section 264, section 2, at a general meeting in December 2010 and this was approved by the Congregation for Catholic Education on 29 March 2011 with effect from September 2011. There is no agreement between the patron and the Department in relation to monitoring the behaviour of the teacher concerned.

My Department is not aware of any child protection concerns regarding this school and should the Deputy have any such concerns, these should be reported to the Child and Family Agency. As there is ongoing litigation in this case I do not wish to comment further until this action is concluded.

Deputy Clare Daly: My understanding is that the litigation has completed and that the former principal has been exonerated in terms of her very responsible role in this situation where she sought in the best interests of her student to have an obstructive teacher removed. That stance was unanimously supported by the board of management in the school, but as the Minister indicated, it was not agreed by the archdiocese. The school board made an intervention to the Minister’s predecessor, Deputy Ruairí Quinn, but it was cited that he could not intervene due to canon law. That gets to the heart of a subject that has been very much in the news of late, namely, the erosion of a constitutional right to a secular education system whereby the Catholic Church should not have a right to impose its rules over various schools. The law is clear. The board of management is supposed to decide on the running of a school, but in this case the board of management resigned twice. The case ended up in the courts. The school lost and the principal was vindicated. At the root of the problem was the intervention of the church in the background, which is a completely inappropriate place for the church to be in education.

Will the Minister clarify the point about ongoing inspections? My understanding is that an agreement had been reached, and given that the teacher would not be dismissed, his behaviour would be monitored and the Department undertook that would be the case.

Deputy Jan O’Sullivan: There is ongoing litigation between the teacher concerned and the Minister for Education and Skills and, accordingly, I am not in a position to comment. The Department of Education and Skills lodged its amended statement of defence on 4 September 2014.

The Department carries out regular inspections but inspections can also be undertaken in specific circumstances. As part of its annual inspection programme, the Department conducted an incidental inspection in the school concerned on 5 June 2014. I do not know whether Deputy Daly has different information from mine on the legal proceedings, but the information I have is that the legal proceedings are ongoing.

Deputy Clare Daly: Will the Minister follow up the situation as I believe there have been developments since September and that while perhaps a hearing did not take place, an arrangement was reached outside of the courts? The position can be checked. The point is that the board of management, which is supposed to be the organisation that runs schools, twice decided that the teacher should be dismissed. The Department of Education and Skills did not uphold the lawful decision of the board and instead bowed to interference by the Catholic Church and the parish priest in the area who intervened, despite the resignation of two boards of management. My clear understanding is that seeing as the teacher was not dismissed, the Department gave an undertaking that his behaviour would be monitored. I accept that there have been follow-up inspections but the teacher's behaviour has not been monitored. I wish to put on record that we are not talking about sexual abuse. It is obstructive and inappropriate behaviour but not of that character.

Deputy Jan O'Sullivan: I am not unsympathetic to the general philosophy behind the matter raised by Deputy Daly, but because there is ongoing legal action on the specific case, I cannot comment on it. In general, if concerns arise about behaviour in schools, the Department inspects and monitors the situation and will give undertakings, when necessary, in such cases.

Acting Chairman (Deputy Derek Keating): Deputy Coppinger has arrived. I call Question No. 121 in her name.

Deputy David Stanton: I wish to raise a point of order. Is it not true under Standing Orders that a question falls if the Deputy asking the question is not present in the Chamber? Is it not the case that the question cannot be revisited?

Acting Chairman (Deputy Derek Keating): I had checked that point with the clerk.

Deputy Ruth Coppinger: I will allow the next question to be taken.

Acting Chairman (Deputy Derek Keating): It is my understanding that the question does not fall and therefore, it can be taken.

Deputy Ruth Coppinger: I do not intend to take the question.

Acting Chairman (Deputy Derek Keating): The next question is No. 125 from Deputy Paul Murphy.

Industrial Disputes

125. **Deputy Paul Murphy** asked the Minister for Education and Skills the measures taken by her Department to ensure that subcontractors used on school construction programmes are compliant with legislation and agreements in place covering pay and conditions in the sector, and that RCT1 contracts are not abused to undermine workers' pay and conditions; her views on the strike taking place at a college among workers employed by a company (details supplied);

and if she will make a statement on the matter. [3373/15]

Deputy Paul Murphy: I apologise for missing my slot. I wish to ask the Minister about the measures taken by her Department to ensure that subcontractors used on school construction sites are in compliance with the law and agreements concerning pay and conditions, in particular the use of so-called bogus subcontracting to enable minimum wage and other legislation to be subverted, and that RCT1 contracts are not being abused to undermine wages and conditions. In particular, I ask for her view on the strike in Lucan involving the JJ Rhatigan company.

Deputy Jan O'Sullivan: All school building projects which are funded from public monies, are required to use the forms of contract provided under the capital works management framework which includes a suite of public works contracts, standard conditions of engagement, model forms, suitability assessment questionnaires and guidance notes published by the Office of Government Procurement, OGP.

As the Deputy is aware, my Department appointed Contractors Administration Services, CAS, to conduct random audits on school building projects. CAS has been requested to carry out a full monitoring service for the duration of the contract at the school in question. Should irregularities be uncovered in terms of non-compliance with relevant employment law, enforcement and prosecution falls under the remit of the National Employment Rights Authority, to which my Department will report any discrepancies found. If the audit uncovers any other matters of concern regarding tax compliance or social welfare fraud, such matters will be referred to either the Revenue Commissioners and-or the Department of Social Protection, as appropriate.

I met all unions representing construction workers involved in the delivery of my Department's school building programme, including officials from Unite, late last year.

Deputy Paul Murphy: How long will this investigation take? The strike has been going on for almost four and a half months. The JJ Rhatigan company is not a minor company. It won about half of all the school building projects awarded in the previous phase. It is one of the top 100 companies in Ireland and one of the top builders in the country. We have evidence to suggest that workers on that site are being paid €5 an hour and they have been on strike for four and a half months. Is a Labour Party Minister going to stand over that situation? Is it not her responsibility to ensure that where State contracts are involved, at the very minimum the minimum wage legislation is enforced?

Deputy Jan O'Sullivan: I have engaged in discussions with Unite on that specific issue of the workers' rate of pay. The Deputy has provided a slightly simplistic way of describing it. In respect of the ongoing dispute at the site referred to by the Deputy, I understand that both parties have attended a Labour Court hearing, a construction industry disputes tribunal hearing and also a Labour Relations Commission hearing. I have written to both parties and I urge them to engage meaningfully in talks with a view to reaching a resolution. The parties are using the State apparatus for disputes resolution and that is the appropriate way to address the issue.

Deputy Paul Murphy: How long will the investigation take? On the point about the rate of pay, it is a simple matter of adding up the hours they have worked and the rate of pay and working it out in a simple mathematical equation, which gives the answer of €5 an hour. This is massive exploitation. Fourteen workers have been on strike for four and a half months in very difficult circumstances. This company is not paying its taxes as a result of this kind of fraud. When the next round of building projects come up, will the company be eligible to apply again?

Will we see the same circumstances again? Can we expect the Minister's Department to have rigorous enforcement to ensure that anyone working on school construction sites or any State building projects is properly paid according to the law?

Deputy Jan O'Sullivan: That is absolutely the determination of my Department and the reason we report anything untoward to the various relevant authorities. On a point of clarification, the CAS audit is being continued. It is a full monitoring service for the duration of the contract. On the question of the pay rate of €5 an hour, I wish to clarify that this is not straightforward, direct employment, whereby people are paid by the hour.

Topical Issue Matters

Acting Chairman (Deputy Derek Keating): I wish to advise the House of the following matters in respect of which notice has been given under Standing Order 27A and the name of the Member in each case: (1) Deputy Peadar Tóibín - the impact on local enterprise arising from the Ulster Bank's decision to close local branches; (2) Deputy Jim Daly - the need for discretion to be applied to education grant application decisions that fall marginally outside income guidelines; (3) Deputies Denis Naughten and Michael Fitzmaurice - maternity services at Portiuncula Hospital; (4) Deputy Terence Flanagan - the need for a fresh inquiry into the Stardust fire; (5) Deputy Dessie Ellis - the issues arising from the use of private security firms by landlords forcing evictions; (6) Deputy Michael McCarthy - the position regarding the Bandon flood relief scheme; (7) Deputy Lucinda Creighton - the deteriorating tax environment for productive investment in small and medium-sized enterprises here; (8) Deputy Billy Timmins - the implications following the recent Supreme Court judgment with respect to the Mahon-Flood tribunal; (9) Deputy Pat Rabbitte - to ask the Minister for Justice and Equality what measures can offer relief to residents living with anti-social behaviour in their neighbourhoods and if she is satisfied that the co-operation between the different agencies of State is adequate; (10) Deputy Jonathan O'Brien - the need to discuss the urgent matter of the under-utilisation of Cork Airport; (11) Deputy Brian Stanley - the need to support autism services in County Laois; (12) Deputy Micheál Martin - the failure to investigate the abuse of an individual, details supplied, by the Garda Síochána and the Health Service Executive; (13) Deputy Ruth Coppinger - the takeover bid by the IAG group for Aer Lingus; (14) Deputy Clare Daly - the need to discuss the IAG proposal to take over Aer Lingus and the threat to connectivity and jobs; (15) Deputy Paul Murphy - the takeover bid by IAG of Aer Lingus; (16) Deputy Kieran O'Donnell - the takeover bid by the IAG group for Aer Lingus and the need to maintain the Heathrow slots; (17) Deputy Mick Wallace - the need to discuss the latest revelations of widespread breaches of the penalty points system; (18) Deputy Billy Kelleher - the need for the Minister for Health to outline the action he will take to address Ireland's fall in a European health ranking survey, with specific regard to waiting lists; (19) Deputy Michael Moynihan - the need for the Minister for Health to make a statement on the shortage of kidney transplant surgeons; (20) Deputy Helen McEntee - the position in relation to the funding and provision of eculizumab; (21) Deputy Richard Boyd Barrett - the Greek election results and the implication for debt across Europe; (22) Deputy Joan Collins - the need for the Minister to clarify the Government's position on IAG's €1.3 billion takeover bid for Aer Lingus and the subsequent recommendation by the board of Aer Lingus.

The matters raised by Deputies Denis Naughten and Michael Fitzmaurice, Helen McEntee, Micheál Martin and Michael McCarthy have been selected for discussion.

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Deputy Ruth Coppinger: These matters are more important than Aer Lingus being sold off. It is like a county council chamber.

Leaders' Questions

Deputy Micheál Martin: I wish to ask the Taoiseach about the IAG offer to purchase Aer Lingus, the Government's attitude to that offer and also its policy and strategy with regard to the future of Aer Lingus, which is an issue of fundamental concern to many people throughout the country and to anyone with an interest in Ireland's economic development. There is a concern about the country's connectivity to the wider world and in particular the very valuable Heathrow slots which Aer Lingus has. There is a concern that if such a sale were to go ahead, the very valuable international global connectivity might ultimately be fatally undermined.

There are also very serious concerns about the employment implications of such a sale. Going on previous experience, up to 1,200 jobs could be lost in Aer Lingus if the sale were to go ahead. This is a matter of concern not just for the trade unions but also for the families and workers in Aer Lingus. There is also a concern about the wider knock-on effect on the domestic economy.

There are implications for regional policy. I refer to the impact that such a sale would have on Cork, Shannon and Knock airports. Shannon Airport has three flights a day to London and Cork Airport has four daily flights to London. These connections are of some significance to those airports and, more critically, to the hinterland and the regions supported by the airports in terms of tourism, in economic terms and in support of foreign direct investment. There is a need for multinational companies and Irish small and medium enterprises to have that kind of connectivity and access to Heathrow via the regional airports.

The Dublin-London route is the third busiest in the world and the busiest in Europe. This route has grown significantly and is of some considerable importance. Some time ago the Government formed a subgroup which included the Departments of Finance and Public Expenditure and Reform and NewERA. We heard a lot about NewERA during the Irish Water debacle. The job of this group, under the chairmanship of the Department of Transport, Tourism and Sport, was to examine the disposal of State assets and this particular issue. I understand the Minister stated economic, legal and strategic aviation advisers have been appointed. Has the Government made a decision on the offer? Has the Minister recommended that the Government sell its 25% stake or has he recommended against the sale of the 25% stake? The Government should reject the offer and should strategically hold on to the 25% shareholding. Will the Taoiseach outline to the House who are the advisers appointed by the Government? This should be public knowledge. I have not picked up this information and perhaps the Taoiseach will announce it. What decision has the Government made and what recommendation did the Minister make to the Cabinet this morning?

The Taoiseach: The answer to both of the Deputy's questions is "No"; the Government has not made a decision on the question of a bid by IAG for Aer Lingus, and the Minister for Transport, Tourism and Sport did not make a recommendation to the Cabinet in respect of the offer being considered. The Deputy outlined a number of important elements which concern our country in this regard. The Government is the guardian of the public interest and it must take into account much wider considerations than just the potential value or the amount that might

be realised by the sale of the shares owned by the Government. As Deputy Martin pointed out, there are considerations in respect of regionalisation, connectivity, employment and access to and exit from the country. We are an island.

The Minister for Transport, Tourism and Sport briefed the Cabinet this morning. He has established an interdepartmental group. The names of the advisers will be announced tomorrow when the tenders have been finalised and allocated. The Minister will make this announcement. The interdepartmental group covers the Departments mentioned by Deputy Martin. The answer to both of the Deputy's questions is "No".

The Minister did not brief the Cabinet with a recommendation. The discussions taking place will continue for some time. The offer is not yet formal and Aer Lingus is now in a period of reflection on an offer. Everybody understands the importance of this to our country, our economy and our people in terms of access, connectivity and regional implications beyond the valuation to be put on the airline in this regard. All of these matters must be considered very carefully and comprehensively by the Government. This is a matter of great interest, but the Government is only one component of the make-up of Aer Lingus. It is only one component because Deputy Martin's party privatised Aer Lingus more than ten years ago.

Deputy Finian McGrath: Take it back. Ring Willie Walsh.

Deputy Mattie McGrath: The Taoiseach is throwing in the towel before he starts. Typical.

The Taoiseach: It was a matter of exceptional public interest then, as is the situation now.

Deputy Micheál Martin: Since then a significant change took place to the benefit of the airline, as it turned around from being in a perilous position to being a very successful airline which has added significantly to our connectivity and to overall economic performance. The Taoiseach stated the Minister made no recommendation and that the Government has made no decision. Clearly the Government is not ruling out a sale to IAG. This is a fair conclusion to be drawn from the Taoiseach's remarks. Is he not persuaded by the strategic considerations, in particular the destiny and future of the Heathrow slots? Does he accept one cannot in any realistic way ring fence the slots if a sale goes ahead? Will he confirm the Government is actively considering a sale given the answer he has just provided? Otherwise it would have been ruled out at this stage.

This morning, I read in the *Irish Independent* that the Minister had appointed the advisers. I take it from what the Taoiseach stated the Minister has not appointed advisers in recent days. Will the Taoiseach clarify this?

The Taoiseach: It will be announced tomorrow by the Minister. As I said, the tender process-----

Deputy Micheál Martin: What is the veracity of the statements in today's newspapers to the effect he has appointed them?

An Leas-Cheann Comhairle: I ask Deputy Martin to conclude please.

Deputy Micheál Martin: I take it no advisers have been appointed.

The Taoiseach: I am telling the Deputy the Minister will announce it tomorrow when the tender process is completed.

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Deputy Micheál Martin: Is it fair to say no advisers have been appointed up to today?

The Taoiseach: As the Deputy knows, the interdepartmental group was appointed by the Minister some time ago. The advisers to the Government will be announced tomorrow by the Minister.

An Leas-Cheann Comhairle: I ask Deputy Martin to conclude his question.

The Taoiseach: The process is not completed. The Minister will make the announcement tomorrow.

Deputy Micheál Martin: Why is the Minister already on record as saying the advisers have been appointed?

The Taoiseach: The process of the tenders for the appointment of the advisers-----

Deputy Micheál Martin: It is in black and white.

The Taoiseach: -----is not completed.

Deputy Micheál Martin: This is a very important point. It was announced today that they have been appointed. The Minister announced to the media they were appointed. Now the Taoiseach is stating the tendering is not complete and will not be until tomorrow. Either they have been appointed or they have not.

The Taoiseach: They have not been appointed.

Deputy Micheál Martin: So what was said today was wrong. Obviously the Taoiseach wanted me to give way to allow him to interject, which I very agreeably did.

Deputy Bernard J. Durkan: This is a questions and answers session. On a point of order-----

Deputy Michael Healy-Rae: The new Taoiseach is on his feet.

Deputy Mattie McGrath: When is the noise nuisance Bill coming in?

An Leas-Cheann Comhairle: The Deputy knows there are no points of order during Leaders' Questions except from the leaders. I ask Deputy Martin to conclude.

Deputy Micheál Martin: Will the Taoiseach confirm a sale has not been ruled out by the Government and that it is actively considering the sale of the 25% share?

The Taoiseach: As I said to the Deputy, Aer Lingus is now in a period of offer. This morning, the board of Aer Lingus issued a statement which briefly referenced IAG's intentions regarding the future of the company and indicated Aer Lingus would operate as a separate business with its own brand, management and operations, and would continue to provide connectivity to Ireland while benefiting from the scale of being part of a larger IAG group. The Minister briefed the Cabinet on the up-to-date situation. The Aer Lingus is now in an offer period. The working group appointed by the Minister will engage with IAG in the coming days to consider all of the implications of the offer being made. I must be very careful about what I say. This is the position. Aer Lingus is now in an offer period. The appointed persons arising from the tenders will be announced tomorrow by the Minister. The Government, as the guardian of the

public interest, must take into account the wider implications of any such offer, taking into account the issues of conductivity, regionalisation, employment and workers and their rights and the implications contained in the offer from IAG. The working group, together with those who will be appointed tomorrow, will engage with IAG, and the Government will consider this very carefully, very thoroughly and very competitively as is its duty being the guardian of the public interest.

Deputy Gerry Adams: Concerns about the potential sell-off of Aer Lingus will not have been assuaged by the Taoiseach's answer. My concern is the Government will follow the example of Fianna Fáil on this issue, as it has on so many other issues. When Fianna Fáil privatised Aer Lingus, Sinn Féin opposed it tooth and nail, and an Teachta Martin was a very prominent member of the Government at the time. The Taoiseach acknowledged that direct air services, air route conductivity and other elements are vital for investment, tourism and business on this island. Tens of thousands of jobs throughout the island rely on global air connections. Let us be very clear. The recommendation from the board that the airline be sold to IAG cannot go ahead without the Government's approval and the Taoiseach should not approve this sell-off. A likely outcome could well be major job losses and the end of important air connections, including the strategically important Heathrow slots. It is also reported, and the Taoiseach might be able to comment on this, that senior executives at Aer Lingus would earn more than €30 million from their bonus share schemes if a sell-off proceeds. If that is true, the Government is facing a choice of either rewarding wealthy businessmen at the expense of Irish citizens or defending Irish national interests.

I repeat that this sell-off cannot go ahead unless the Taoiseach agrees to it, and he has the authority and the responsibility to block it and build upon and expand the work that has been done in Aer Lingus. Will he take this opportunity? I ask him to revise his earlier answer and assure citizens, airline workers and business people across this State and the island of Ireland that he will not support the sell-off of a company which is of such hugely important strategic significance.

The Taoiseach: I have already answered Deputy Martin in this regard. The Government has a duty of care to consider carefully all the indicators that might be contained in this particular offer, which is the third offer. Our Government must also take into account services and connections via Heathrow, competition in the air transport market, jobs in the Irish aviation sector, the Aer Lingus brand, the question of the impact on the economies of the region and so on but, as I said to the Deputy and to Deputy Martin, the board of Aer Lingus has met and it has issued a statement to the effect that it is willing to consider the offer being made by IAG. The working party, the interdepartmental group set up by the Minister and the personnel to be appointed by tender will engage with IAG over the coming days and weeks.

Given the rules that apply to the stock market, I am not in a position because of those rules to say anything, but we take into account very carefully all the issues that apply here, and all the issues are relevant to the Government and its job in being the guardian of the public interest in this case. That is the process that is ahead and, as I said, the Government will pay great attention and give comprehensive consideration to all the issues that arise from the offer being made. The Deputy is right in that if a decision were to be made in this regard in any way, it would have to have the approval of Dáil Éireann. These matters will be given very careful consideration both by the Minister in weighing up all the issues involved and taking into account the shareholding responsibility of the Ministry for Finance. The Government will weigh up all those options, taking those issues very seriously into account, particularly connectivity, workers' em-

ployment, regional impact and the future for our country in respect of this particular matter.

Deputy Gerry Adams: The Taoiseach says he is prevented from giving a clear answer on this issue because of the rules of the stock market. I do not want to interrupt the Minister for Health.

The Taoiseach: Gabh mo leithscéal.

Deputy Gerry Adams: The Taoiseach said that he is prevented from giving a clear answer because of the rules of the stock market, but he does not have a mandate from the stock market, he has a mandate from the people of this State. He also said that a decision on this cannot be passed unless the Dáil supports it, but the Government has a thumping majority in the Dáil and can do whatever it wants in this Chamber. What about the workers? IAG would not be seeking to buy this company unless it was profitable and it is profitable not least because of the efforts of the workforce. The Government needs to be loyal to the workforce. It needs to stand by the workers. There is a clear need at this time of recovery to ensure that it is a balanced recovery, not a two-tier recovery, and that the current employment levels at Aer Lingus are maintained, expanded and built upon. This is hugely important for the local economies of the regions involved. There are 3,900 citizens employed by Aer Lingus and there are huge fears that there would be a negative effect for those in Dublin, Shannon and Cork airports.

An Leas-Cheann Comhairle: Thank you, Deputy.

Deputy Gerry Adams: Críochnóidh mé anois. It is also believed that if IAG were to take over, most of the senior decision-making posts, the executive posts, would be transferred to London. The State, through its stake in Aer Lingus, has the potential and the duty to be an advocate for its sustainable development in the interests of its customers, its workers and the island as a whole. IAG does not have those same interests. Like any other private multinational conglomerate, its objective will be to get the maximum profit from its share. I invite the Taoiseach once again to put Irish interests first and commit clearly now to opposing any sell-off of Aer Lingus. I remind him of what I said in my opening sentence, namely, that he does not have a mandate from the stock market, he has a mandate from the people of this State.

The Taoiseach: I agree with Deputy in respect of his first sentence.

Deputy Michael Healy-Rae: That is a new one.

The Taoiseach: We do not have a mandate from the stock market but we do have a mandate from the people, and that mandate is to take into account the future of the people, their recovery in terms of our standard of living, our economy and what that means. The Government is obliged by virtue of that mandate to take into account all the issues that arise-----

Deputy Michael Healy-Rae: It is wearing down. It is a thin line now.

The Taoiseach: -----following the offer made by IAG to the board of Aer Lingus.

I am interested in Deputy Adams's comment about the workers. I have already made this a fundamental issue in terms of the workers with regard to regionalisation, connectivity and what it means.

I think I heard the Deputy say yesterday evening that he did not want any change in the status of AIB, which would mean that he does not want moneys back for the taxpayer when they

put it in there.

Deputy Gerry Adams: We want our debt paid.

The Taoiseach: The Deputy indicated that he does not want anything to do with direct re-capitalisation, which is the same thing.

Deputy Peadar Tóibín: The Taoiseach has never applied for it.

Deputy Gerry Adams: When will the Taoiseach apply for it?

Deputy Patrick O'Donovan: You were never really good at maths.

Deputy Gerry Adams: The Taoiseach is running out of time.

A Deputy: Let a few months pass and he will apply for it.

The Taoiseach: Deputy Adams does not want anything to do with the European Union and yet he is concerned about workers. In effect, what he was saying with his economic theories of last night is very different from his economic theories of today-----

(Interruptions).

Deputy Peadar Tóibín: Wait for the Greeks to do it.

The Taoiseach: -----and that will not stay the course.

Deputy Gerry Adams: We will see.

The Taoiseach: I agree with the Deputy that this Government was given a mandate by the people-----

Deputy Gerry Adams: Tell that to the people who flew out on Aer Lingus and have never come back.

The Taoiseach: -----and that mandate is to take into full consideration all the implications-----

Deputy Gerry Adams: Tell that to the people you forced out of this country, some half a million people.

The Taoiseach: -----way beyond the question of €300 million or anything else. It has to do with the future of our country and its economy, with the future of our people-----

Deputy Dessie Ellis: Dismiss it then.

The Taoiseach: -----and taking into account all the implications arising from the offer made by IAG in respect of the board of Aer Lingus.

Deputy Peadar Tóibín: Terry Prone wrote that speech.

The Taoiseach: The Government will very carefully consider that and the Minister, Deputy Donohoe, will brief the Cabinet, as appropriate, and as I said to Deputy Martin, the names of the personnel to be appointed will be announced tomorrow following the tender process being completed later this evening.

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Deputy Dessie Ellis: It belongs to the people and not to the Taoiseach or any Government.

An Leas-Cheann Comhairle: I call Deputy Coppinger on behalf of the Technical Group.

Deputy Ruth Coppinger: I assume the Taoiseach will not be joining the Anti-Austerity Alliance in sending heartiest congratulations to Syriza and to the millions of unemployed workers and oppressed people of Greece who have elected it to power. I make this assumption because of his lacklustre response to the election of the first anti-austerity government in Europe. His remarks about Europe drifting to populism puts him at odds once again with the working class people of this country who shouldered the debt burden he foisted on their shoulders and who are delighted to see that the debt issue is being placed centre stage once again. People wonder exactly whose side the Taoiseach is on. The Taoiseach and his Government have been at pains to create a distance between Ireland and Greece. The Tánaiste was at it again last night on television. Rather than showing solidarity over the years with the other bullied pupils in the troika classroom, they joined in their mockery, with even the Minister for Finance making snide remarks about feta cheese two years ago. Why have they consistently lined up with the right-wing austerity governments of Europe rather than with the poor people of Greece who have been reduced to scavenging in dustbins and for leftovers in fruit markets for food?

A Deputy: That is what they would be doing if you were in government.

Deputy Ruth Coppinger: Why is the Taoiseach more at home with the global elites and the billionaires representing the 1% who gathered in Davos and with whom he rubs shoulders each year?

Deputy Simon Harris: Nationalised debts.

Deputy Ruth Coppinger: Why did he immediately reject the idea of a debt conference, as raised by Syriza? Surely that would be an opportunity to outline the injustice of the savage austerity imposed on the people of Ireland, Greece, Spain, etc. It would be a chance to show how all of this was done to salvage the rule of the international banks and tycoons. It would be an opportunity to audit wealth and separate out the odious bank debt that was heaped on workers and the unemployed throughout Europe.

Does the Taoiseach agree that if the troika does not agree to dramatically write down the debts of Greece and Ireland we should refuse to pay those debts, that this is not our debt and that the €8 billion we will be forced to pay this year would be better put into our public services?

Deputy Patrick O'Donovan: What about the rest?

Deputy Ruth Coppinger: Will he now call on the IMF and the European elites to respect the mandate given to Syriza?

Deputy Bernard J. Durkan: Well done, Joe.

An Leas-Cheann Comhairle: Order, please.

Deputy Ruth Coppinger: Will he and the Labour Party take note of the fate that befell other parties that made excuses about why they had to impose these debts on people? I refer to parties such as PASOK, which has now been annihilated. Will he also recognise that what is coming down the line with the potential election of Podemos in Spain will be reflected in Ireland if he continues with the hated water charges he is trying to foist on the population? Will

he accept that this will be reflected in Ireland? The Anti-Austerity Alliance will work to ensure that the radicalisation and politicisation of people who are fighting the water charges will be reflected with anti-austerity candidates in every constituency to take on the likes of his party.

The Taoiseach: The place for negotiation in respect of concessions or changes to the regime that is imposed on any country is at the European Council and various Councils of Ministers. In the case of Ireland, when this Government was elected we were told repeatedly, by the Fianna Fáil Party in particular, that one would not be able to change the troika programme as laid out. However, because the Government set out a strategy for constructive engagement, we were able to deal with promissory notes, interest rate reductions, changes in the programme such as a reduction in VAT, the use of the proceeds of any sale of a State asset for sustainable employment, and so on. That has amounted to €50 billion in structural changes over the next ten years. This would not have been possible if there had not been the capacity to negotiate with our colleagues at a European level. We have chosen that path and we are in a very different place from where we were three and a half years ago, given the low interest rates at which we can now borrow and the changes taking place in Ireland.

I do not think any other country has been able to negotiate a deal such as the one whereby Ireland has been approved by everybody for a buy-out of the €18 billion IMF loans-----

Deputy Mattie McGrath: We will get a halo for you.

The Taoiseach: -----or has been able to deal with the situation as far as promissory notes are concerned for many years ahead.

I have sent a message of congratulations to the Greek Prime Minister and wish him and the cabinet he is appointing today well. I look forward to working with him at the European Council which will take place, I understand, in the next fortnight. Our economies are very different and Ireland is being held out as a country that is making real progress. In Davos last week we were described as being in a fragile position, and one in which there is no room for any kind of complacency in respect of the path we are now on.

Deputy Timmy Dooley: He is looking for a new coalition partner.

The Taoiseach: The places to make arrangements for negotiations on debt and structural changes are the ECOFIN meetings, European meetings with various Councils and the European Council. Ireland has proven to be remarkably successful to date, and we intend to continue that. We understand the scale of the challenges facing the people of Greece, such as the unemployment rate of 25%, which is as high as 50% among young people, and the enormous scale of its debt. I wish the Prime Minister and his new Cabinet well. They face daunting challenges and there is no doubt they will engage - constructively, it is to be hoped - with the European authorities in the days and weeks ahead.

Deputy Ruth Coppinger: Stretching the debt over a long period of time will not reduce it. It will, in fact, increase it. Everybody knows that if one extends a mortgage it simply means one pays more. All that the Government has achieved is to put the burden on children who have not yet been born. In contrast, at least Syriza has raised the prospect that a totally unsustainable debt, which was foisted on the people of Greece and Ireland, could be challenged in some way, something the Taoiseach and his Government have failed to do in any way whatsoever.

Deputy Bernard J. Durkan: That is not true.

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Deputy Ruth Coppinger: It is quite incredible that the Taoiseach does not seem to realise that last weekend in Davos he lined up with the wealthy and vested interests. Amazingly, there were flags flying at half mast for a Saudi tyrant, yet he was very lukewarm about the election of the first anti-austerity regime in Europe.

Deputy Finian McGrath: Human rights.

An Leas-Cheann Comhairle: Can we have order, please?

Deputy Ruth Coppinger: Syriza has shown up the complete failure of the Labour Party and Fine Gael to stick by their pre-election promises of burning bondholders, with slogans such as “It’s Labour’s way or Frankfurt’s way.” They have been found out by a left-wing government in Greece which will stick to its promises, refuse to accept debt being placed on the shoulders of working class people and demand that the wealth in society be shared to alleviate the burden on workers and the unemployed in Greece, Ireland, Spain and other countries.

The Taoiseach: As I said, we have been able to renegotiate changes to the value of €50 billion in the case of Ireland, so it is not true to say that nothing has been done.

Deputy Peter Mathews: Where has that come from? Explain the €50 billion.

The Taoiseach: That all happened because we chose the path of engaging constructively with the institutions at a European level. While the private sector was involved in the debt restructuring in Greece in 2012, that was because of the scale of its debt, at 175% of GDP. Ireland’s peaked at 123% and has now fallen to 111%, and will fall rapidly in the time ahead.

Deputy Peter Mathews: The overall debt here is bigger than Greece’s.

Deputy Timmy Dooley: The banking expert.

The Taoiseach: Our burden has been helped significantly by the policies adopted and approved by our European colleagues in respect of the lengthening of the maturities for the EFSF and EFSM debt, the reduction in interests rates on that debt, the promissory note deal and the facilitation of the buying out of IMF loans of €18 billion.

Deputy Peter Mathews: What about household and private debt?

The Taoiseach: All of these have meant that our interest rates have fallen drastically and are now at an average of about 1.25%. Ireland is seen as a good and safe place to invest in, and from that point of view the Government is focused on continuing to keep our public finances in order, creating jobs and providing opportunities for our people.

One of the implications of the ECB decision on quantitative easing last week was the extra benefit Ireland now offers in the hospitality sector, particularly to people from Britain and the United States. The cost of money for business is lower and there is extra credit. It is to be hoped that, in respect of banks, there will lower charges for consumers. We will continue to engage at an international level in a way that has proven to be a record for us. I will be happy to engage with the Greek Prime Minister and his people in respect of how Ireland has been able to achieve that. We are at a point where the economy is strengthening but it is still fragile.

Deputy Finian McGrath: Have the debt conference over here.

Deputy Mattie McGrath: Give him a lesson.

The Taoiseach: It needs another three to five years of stability in order to have the benefits felt by everybody in the country.

Deputy Mattie McGrath: He is giving a lecture.

The Taoiseach: That is our focus. I wish the new Greek Government and its prime minister very well in an unprecedented and challenging position for him and his people

Ceisteanna - Questions (Resumed)

Cabinet Confidentiality

1. **Deputy Micheál Martin** asked the Taoiseach the position regarding the programme for Government commitment on Cabinet confidentiality; and if he will make a statement on the matter. [37632/14]

The Taoiseach: As I have stated in the House on a number of occasions, Cabinet confidentiality is provided for in the Constitution and I have no plans to legislate on the matter.

Deputy Micheál Martin: Will the Taoiseach explain why it is in the programme for Government that legislation relating to Cabinet confidentiality will be changed? It is in black and white and I have asked the Taoiseach about this before. Will he explain why he bothered putting this into the programme for Government at the outset? What was the objective and the intention behind its inclusion? Why did the Taoiseach feel it necessary to include it? In light of the Taoiseach's reply, will he formally remove this from the programme for Government? It is in the section dealing with political reform.

Deputy Joe Higgins: It is on page 19.

Deputy Micheál Martin: It states:

We will radically overhaul the way Irish politics and Government work. The failures of the political system [...]. Government is too centralised and unaccountable. We believe that there must also be a real shift in power from the State to the citizen.

These were the heady days of 2011. The next line states "We will legislate on the issue of Cabinet confidentiality" and other issues. Will the Taoiseach explain what was meant by "We will legislate on the issue of Cabinet confidentiality" in the programme for Government?

The Taoiseach: The intention in the discussions that took place about the formation of the Government was that it would be possible to legislate for Cabinet confidentiality. As I stated on a number of occasions, it is contained in Article 28.4.3° of the Constitution. The Government is not proposing to legislate for Cabinet confidentiality. I think that is the third or fourth time I have answered this question for Deputy Martin.

Deputy Micheál Martin: No. When negotiating a programme for Government, parties outline their objectives. They might list X, Y and Z, indicating that they will deal with freedom of information or the Official Secrets Act, which the Government indicated it would amend, for certain reasons. For some reason, both parties agreed to formally insert a commitment as

follows: “We will legislate on the issue of Cabinet confidentiality.” What would the legislation do with respect to Cabinet confidentiality? What was the intention behind those who put the programme for Government together? Why was the line inserted and why did the Taoiseach sign off on it? I take it he signed off on every sentence with the then Tánaiste, Deputy Gilmore. What was in his mind?

We know Cabinet confidentiality is provided for in the Constitution. Everybody knows that and the Taoiseach knew it before the Government was formed. Why was this included? Must we reach the conclusion that the Taoiseach did not know what he was doing when the line was inserted and he did not have the foggiest notion of why it was put in? He still does not have an idea. It is a formal item in the programme for Government which states: “We will legislate on the issue of Cabinet confidentiality.” All I want to find out is what this is for and why has it not been done. Somebody must have had the intention to do something and now the Government has decided not to do it.

Nobody in this House is any the wiser about the intentions or objectives of the Government with respect to Cabinet confidentiality when the programme for Government was put together. Was it meant to relax Cabinet confidentiality? Was there to be a constitutional amendment relating to Cabinet confidentiality? We know the banking inquiry cannot breach it because of the format that has been designed and was proposed to the House by the Government. What was the intention? Was the proposed legislation with a view to a referendum on relaxing Cabinet confidentiality? Will the Taoiseach enlighten me in any shape or form on the motivation behind the provision in the programme for Government, or the objectives which the Taoiseach, Tánaiste and others in the Government had at that time? It is a very straightforward question.

The Taoiseach: I would say it was a good intention-----

Deputy Gerry Adams: The road to hell.

The Taoiseach: -----that people would keep matters that are discussed at Cabinet to themselves.

Deputy Sean Fleming: He has given up on it.

The Taoiseach: The Deputy knows this well himself. He served in many Governments with the same constitutional provision and that did not seem to keep people quiet either. The intention was not to remove the constitutional provision or amend it. It was probably to embellish the fact that people should keep confidential matters discussed at Cabinet.

Deputy Micheál Martin: So it was to be reinforced?

The Taoiseach: It was a good intention and it will not be legislated for.

Deputy Micheál Martin: That is very strange as the Labour Party, while in opposition for years, would have railed against Cabinet confidentiality. It articulated strongly against it because it was too restrictive, it prevented inquiries and it was always used as a basis for not getting answers to questions. Now the Taoiseach is saying the Labour Party was conspiring with him to legislatively reinforce and re-embed Cabinet confidentiality, the Government was concerned about leaks from previous Cabinets and was determined that no member of the Cabinet should leak information. Laws were to be passed to ensure this would not happen. Is that what the Taoiseach is now saying? Was the Labour Party in favour of that? I doubt it very much. I

would like to form a view that the Taoiseach did not know what he was doing. Clearly, he did.

The Taoiseach: I do not want to waste any more time on it. I have already stated it is a provision in the programme for Government that is not being carried through. We do not intend to legislate for Cabinet confidentiality.

Deputy Micheál Martin: Were there any more good intentions?

Deputy Gerry Adams: The Taoiseach stated quite bluntly, “I have no plans” to legislate on Cabinet confidentiality. The appropriate piece from the programme for the Government states:

We will radically overhaul the way Irish politics and Government work. The failures of the political system over the past decade were a key contributor to the financial crisis and the system must now learn those lessons urgently. Government is too centralised and unaccountable. We believe that there must also be a real shift in power from the State to the citizen. We will legislate on the issue of Cabinet confidentiality.

In reply to Teachta Martin, the Taoiseach indicated that the real intention was not to remove the Cabinet confidentiality aspect of the Constitution when it is clear from the preceding paragraphs that was the intention. The Government indicated it would overhaul the way politics and the Government would work because of the failures of the past and so forth.

The banking inquiry is under way and there are good bits in it. For example, documents which Ministers relied on come under the compellability umbrella and are not subject to Cabinet confidentiality. We have seen individuals questioned on decisions, which is to be welcomed. Some of the information, particularly around the 2008 meeting during which the crucial decision on the banking guarantee was made, is off limits because of Cabinet confidentiality. The citizens of this State who are saddled with a debt they did not incur are potentially being denied important information. That is one of the reasons the Government had this in the programme for Government.

If this was at the behest of the Labour Party, one might argue it was very naïve. Who knows? It rolled over on all the other commitments it made. The Taoiseach indicated this arose from good intentions, and the road to hell, as the Taoiseach knows, is paved with good intentions. I can see this only as a “Pat Rabbitte promise”.

4 o'clock

It is not a serious commitment in the programme for Government. Will the Taoiseach explain to the Dáil what exactly is the purpose of commitments in the programme for Government, including an unambiguous commitment to legislate on the issue of Cabinet confidentiality, when he can come to the House some time later and simply say he has no plans to legislate on this matter?

The Taoiseach: Deputy Adams spoke about clarity. If the intention was to remove the constitutional provision on Cabinet confidentiality, the insertion in the programme for Government would have said that the Government would hold a referendum on the abolition of the article concerned.

Deputy Gerry Adams: The Taoiseach gave a commitment on the voting age and on presidential elections.

30 January 2008

The Taoiseach: When the discussions were taking place on putting together the Government and on its programme, one of the issues was legislating for Cabinet confidentiality. As the Deputy is aware, it is provided for in Article 28.4.3° of the Constitution. The Constitution is the highest legal edifice in this country, and this is already in it. As I said to Deputy Martin, the Government is not proceeding with that particular element of the programme for Government.

Deputy Adams made a comment about a particular Deputy. The programme for Government was an agreed position on a range of areas between the two parties. I do not agree with the Deputy that this was the work of any one particular Deputy, so he might withdraw his reference to Deputy Rabbitte when he replies next.

Deputy Micheál Martin: It would be excusable if it was the work of one Deputy, but it is worrying that is the work of more than one.

The Taoiseach: The Deputy mentioned the banking inquiry. The issues being addressed by the inquiry are of great importance to the public, and the Department of the Taoiseach will co-operate fully with it. I can assure the Deputy that the Department intends to provide the committee with as much information as is lawfully permitted and with as few redactions as possible. In responding to requests from the banking inquiry, my Department must have regard to the law. Cabinet confidentiality, as the Deputy is now aware, is a fundamental principle of our system of government, and Article 28.4.3° provides for that, except in very limited circumstances, which do not include the banking inquiry legislation. It is likely that some records may have to be withheld or adapted in order to ensure that the constitutional provisions regarding Cabinet confidentiality are adhered to.

The Department of the Taoiseach will liaise very closely with the Office of the Attorney General regarding any requests that come from the banking inquiry committee with a view to ensuring that as much transparency as is possible is provided. Therefore, it is far too early to draw any conclusions as to whether provisions on Cabinet confidentiality will be a serious impediment to the work of the inquiry. Let me assure the Deputy that the Department of the Taoiseach will be as open as possible to any requests from the banking inquiry.

Deputy Joe Higgins: The Taoiseach has enlightened us on an entirely new departure in Irish politics. He has now cast establishment party leaders - Taoiseach and Ministers - as gifted artists who shower embellishments on their citizenry instead of a solid plan as to what they will do to try to improve the circumstances of the people and the country. Can the Taoiseach share with us what other embellishments are contained in this very weighty document? Since he has shown himself, along with others, to be such a gifted artist and embellisher, we can assume that there are quite a lot of embellishments in this document, but he might point them out to us now so that we do not waste our time trying to call him to account any more for what is to be implemented under it.

We used to take for granted that the political party programmes of the establishment in the election phase were largely an embellishment, but in terms of what a government or the parties going into government put together, we used to have some hope that there would be some reality to it. This impinges on the banking inquiry. The Taoiseach's programme for Government - perhaps he will tell me this is also an embellishment - states that the Government is too centralised and unaccountable. It further states that the failures of the political system were a key contributor to the financial crisis, that the system must now learn those lessons urgently and that the Government would legislate on Cabinet confidentiality. There was a clear logic in this.

The Taoiseach set up a banking inquiry, although, of course, too late. The legislation totally circumscribes its membership. The only benefit is that people who were central to the blowing up of the bubble pre-crash can be called in and questioned. However, the Cabinet meeting around the bank guarantee, for example, is absolutely critical. We do not know yet what answers we will be given when the people who were central actors in that are called before the committee and questioned. How long will that confidentiality cover? It was a night of long phone calls, was it not? The extent of those discussions will obviously be very central to what people want to find out through the banking inquiry. I am afraid, in light of what the Taoiseach said, that he will point blank refuse to have any change of Cabinet confidentiality. This writes the whole thing off as a pretty useless embellishment.

The Taoiseach: The Constitution did not always have an explicit provision on Cabinet confidentiality. That was provided for in 1997 following a referendum. It was the Seventeenth Amendment of the Constitution. It was published on 1 May 1997, following the general election, restored to the Order Paper by the incoming Government on 10 September 1997 and, subsequently, enacted on 14 November of the same year. The relevant Article of the Constitution, Article 28.4.3°, states:

The confidentiality of discussions at meetings of the Government shall be respected in all circumstances save only where the High Court determines that disclosure should be made in respect of a particular matter -

- i. in the interests of the administration of justice by a Court, or
- ii. by virtue of an overriding public interest, pursuant to an application in that behalf by a tribunal appointed by the Government or by a Minister of the Government on the authority of the Houses of the Oireachtas to inquire into a matter stated by them to the public importance.

It took quite a long time to get the banking inquiry set up. Deputy Higgins said it was too late, but I do not agree. It is an important issue in respect of the people of the country-----

Deputy Joe Higgins: Why did the Taoiseach not set it up in the first year?

The Taoiseach: As I said, in so far as the banking inquiry committee is concerned, my Department will be as open and transparent as it can be in accordance with the law. That means a small number of documents may be withheld or redacted. Obviously, the Department will liaise with the committee in respect of the requests it makes.

I do not know what information the Deputy has about the bank guarantee that he knows it was a night of long phone calls. Obviously, he will have an opportunity to give his information about that in due course.

It is not a case of showering the citizenship with embellishments. It is not a case of that at all. This was an agreed intention in respect of the programme for Government, and it is not being followed through in terms of legislating for confidentiality. It is already in the Constitution and I am happy that, with those two provisos, it is a very good reason, as endorsed by the people in 1997.

Deputy Micheál Martin: That is not correct. Cabinet confidentiality was in place long before 1997. What happened in 1997, and I stand corrected, was that there was an amendment

to facilitate the breaching of Cabinet confidentiality in circumstances of a tribunal of inquiry going to a High Court in matters of public interest and getting access to Cabinet documentation. If I am not mistaken that was in regard to the tribunals of inquiry. The Taoiseach is incorrect in saying that it is something that just came along in 1997. That speaks to the error in setting up the banking inquiry within this House because the Taoiseach took away that facilitation. If he had gone a tribunal of inquiry or a Leveson-type inquiry route, and there was legislation published amending the Tribunals of Inquiry (Evidence) Act 1921, the 2005 Act, he would have retained that facility for a banking inquiry to go to the High Court to get permission to breach Cabinet confidentiality, get access to the Cabinet memorandums and allow former Ministers to speak at an inquiry without being fettered by the rules of Cabinet confidentiality, which all the Cabinet I have met would be more than happy to do. In fact, it would add value to such an inquiry. The fact that that is not now available is a limiting factor in getting at the full truth, and I can never understand why the Government decided to go down that particular route.

I do not know why the Taoiseach put in that we will legislate on the issue of Cabinet confidentiality because prior to his Government coming into power most Opposition parties had been saying for ten years that they wanted to relax Cabinet confidentiality and create situations where people should be able to find out what happened in Cabinet on certain occasions. That is why the referendum on the 1997 constitutional amendment took place. The Taoiseach has created an impression that it was creating Cabinet confidentiality for the first time.

I would also make the point to the Taoiseach that there has been very little discussion on the Central Bank (Amendment) Bill that will come before us on Thursday. The Taoiseach must have known about this before he set up the banking inquiry. That has extraordinary limitations on what the Central Bank can reveal or what the members of the inquiry team can get from the Central Bank in terms of documentation because of European Union directives. One of the institutions that is central to any investigation will be extremely limited now in terms of the documentation that could be accessed by the committee of inquiry. There is a question mark in terms of 60% of the documents. Even if it accesses those documents it will not be able to name corporates or individuals. It can only deal with the material from the documents in aggregate, which is a phrase used by the parliamentary legal adviser to both the inquiry team and the Committee on Procedure and Privileges.

This is a very serious issue for the operations of the inquiry but no one has focused on it. The Government produced it last week to the Committee on Procedure and Privileges and it was explained to our Whip that there are huge restrictions in terms of what can be revealed from the Central Bank, and huge limitations to the powers of the inquiry team members in terms of the questions they can ask, how they can ask the questions and the documentation they can access. Apparently, they will all have to go to a central storage facility. They can only access them without getting copies of them, and they will have to pluck bits and pieces from them. It is very unsatisfactory from what I have heard so far and the least the Taoiseach could do is to undertake for someone from the Oireachtas to make a comprehensive presentation on that issue to the Members of the Oireachtas before we consider the Bill on Thursday, because along with that there will be an amendment to Standing Orders to the effect that members of the banking inquiry - Deputies and Senators - could be subject to sanctions if they treat the material wrongly or mention either corporate names or individuals. That is my understanding. That is how it has been explained to us by our Whip. It was explained to him that there is a proposal from the Government side to amend Standing Orders to penalise any members of the inquiry team into the future if they treat that material wrongly or contravene the legal restrictions that will be on

them.

In the context of the issue of Cabinet confidentiality, it appears the way that inquiry was set up was to reinforce Cabinet confidentiality and not relax it or facilitate Members who would love to be of a view that, for example, the memorandums at the time and the memorandums of the meeting the following morning would be revealed, and also that all legal advice given to the Government at the time would be revealed, and other such advice. My understanding is that much of that will not be made available to the inquiry team, and that is potentially very undermining of its work.

The Taoiseach: That is a statement the Deputy has made. My information is that the Constitution did not always have an explicit provision on Cabinet confidentiality-----

Deputy Micheál Martin: It did.

The Taoiseach: -----and that that was inserted in 1997 following a referendum.

In the two cases mentioned here where there is the interest of administration of justice by order of a court or where, in terms of an inquiry or a tribunal, there is an overriding public interest, the issues relevant to Cabinet discussions can be disclosed in those situations as contained in Article 28.4.3o.

Deputy Martin is well aware of the sensitivity in terms of the triggering of the holding of an inquiry into the banking situation. It is not being directed by the Cabinet but is the setting up of a specific committee to deal with the CPP in the setting up of its terms of reference and the circumstances in which questions can be raised, the nature of those questions and the material to be provided, and how that should be dealt with. Clearly, the members of the committee and of the inquiry into the banking matter operate on their own without direction from either Government or from individual parties. There is a very clear position for them to be able to do their duty and carry out their responsibilities in respect of the banking inquiry.

Deputy Micheál Martin: But we are being asked to pass the Central Bank (Amendment) Bill this week.

The Taoiseach: If the Deputy is inquiring about the Central Bank (Amendment) Bill and looking for a presentation on that, we can provide that in respect of the detail of the question he is asking.

Deputy Micheál Martin: The entire House should get a presentation because the House passed the terms of reference-----

The Taoiseach: It did.

Deputy Micheál Martin: -----for setting up the banking inquiry. It is reasonable to say that at that stage people should have been made aware-----

The Taoiseach: The members who serve on the inquiry-----

Deputy Micheál Martin: -----of the limitations on what could come from the Central Bank. I do not think anyone is aware of the extraordinary limitations now in place, and that will be in place. All I am asking is that a comprehensive presentation would be made to all Members of the House, including legal advice and everything else because every Member of the House

voted. That is only reasonable because they did not get that information at the time.

Deputy Peter Mathews: They are used to voting with their eyes closed.

Deputy Micheál Martin: I appreciate the-----

An Leas-Cheann Comhairle: I call Deputy Adams and Deputy Higgins to ask a brief question. We are not making much progress on this question.

Deputy Gerry Adams: I used the term “a Pat Rabbitte promise” in my earlier question to the Taoiseach and he asked me to withdraw the name of an Teachta Rabbitte. I used that term to describe this commitment in the programme for Government because, famously, when an Teachta Rabbitte, who was then a Minister, was asked about all the promises the Government had made and then broke, he said that that is the type of thing one says during an election campaign. The use of the term “a Pat Rabbitte promise” is absolutely appropriate in terms of describing the promise to legislate on the issue of Cabinet confidentiality and the Taoiseach’s assertion today that he has no plans to legislate on Cabinet confidentiality. I will not withdraw the use of an Teachta Rabbitte’s name.

Deputy Joe Higgins: It is not every day that a Taoiseach would come into this House and vindicate the view of those who think that everybody in Government is a shower of - it is a word that begins with a P and finishes with an S - artists, even though the Taoiseach used the word “embellishments”.

The Taoiseach: Philosophers.

Deputy Richard Boyd Barrett: There are very few of those.

Deputy Joe Higgins: This is an important question. Does the Taoiseach not agree that Cabinet confidentiality should come very much behind the need and the right of citizens to know what happened in Cabinet at crucial times, for example around the time of the bank guarantee?

The Taoiseach: That is allowed for in the constitutional amendment that was inserted back in 1997, which refers to-----

Deputy Micheál Martin: Yes, but not by the Oireachtas.

The Taoiseach: -----an inquiry that has been approved by the Houses of the Oireachtas or by a Minister to deal with matters “of an overriding public interest”.

Deputy Micheál Martin: No, it has to be a tribunal.

The Taoiseach: Deputy Adams took a circuitous route in failing to withdraw his remark. He mentioned a promise made by the former Minister, Deputy Rabbitte. De Valera promised a long time ago to drain the Shannon, and it did not happen either. The point I am making is that this matter was discussed during the formation of a programme for Government after the general election. Deputy Adams referred to what the former Minister, Deputy Rabbitte, said about “what you do at election time”, but this was after the election when the people sat down to put this together.

Deputy Gerry Adams: It is all a matter of time. The Taoiseach’s timing is great.

The Taoiseach: I have said to Deputy Martin that we do not intend to proceed ahead with

this element of the programme for Government by legislating for Cabinet confidentiality. It is already in there.

Programme for Government Implementation

2. **Deputy Micheál Martin** asked the Taoiseach the position regarding the implementation of the programme for Government; and if he will make a statement on the matter. [37633/14]

3. **Deputy Gerry Adams** asked the Taoiseach the position regarding the implementation of the programme for Government; and if he will make a statement on the matter. [39840/14]

4. **Deputy Joe Higgins** asked the Taoiseach his views on the implementation of the programme for Government; and if he will make a statement on the matter. [43818/14]

5. **Deputy Gerry Adams** asked the Taoiseach the position regarding the implementation of the programme for Government.. [44836/14]

6. **Deputy Richard Boyd Barrett** asked the Taoiseach if he will report on the implementation of the programme for Government; and if he will make a statement on the matter. [47832/14]

The Taoiseach: I propose to take Questions Nos. 2 to 6, inclusive, together.

The programme for national recovery, which was published in 2011, is a five-year plan that sets out the Government's detailed and ambitious work programme to restore the country's finances by building on a platform of strong economic management, job creation and a comprehensive reform agenda. Much has been achieved since then. Ireland successfully exited the bailout programme in December 2013. The Irish economy has returned to sustainable growth. Some 80,000 new jobs have been created since the first jobs action plan. Unemployment continues to fall and is now at its lowest rate since 2009. The number of homeowners in mortgage arrears is falling. More than 89,000 permanent restructures have been achieved. The Government has set out a range of measures under the Construction 2020 strategy to get the property market moving, to generate building activity and to increase supply, thereby easing the pressure on those in negative equity. A major programme of public service reform has delivered significant pay savings, increased working hours, increased efficiencies through use of shared services and centralised procurement. A new Civil Service renewal plan has been launched. The significant reform in how services are delivered has already seen the streamlining of local government structures, the establishment of a new Court of Appeal to reduce waiting periods for complex cases and the overhaul of bankruptcy legislation.

Last July, the Government published its statement of priorities for the period from 2014 to 2016, which sets out the key priorities that will continue to drive forward the agenda for the economic and social recovery of Ireland. These additional actions, building on the commitments in the programme for Government, will ensure the recovery translates into meaningful and positive change that affects the lives of people and communities. In March of each year, the Government publishes an annual report in which it sets out the progress it has made in implementing the commitments made in the programme for Government. It has published three reports to date, reporting progress on 80% of those commitments. Work is under way on the fourth report. This will incorporate the progress made on the additional commitments set

out in the new statement of the Government's priorities. As in other years, this report will be published in March. As a Government, we have and will continue to work hard to implement the commitments in the programme for Government to ensure Ireland remains firmly on the path to full recovery in the time ahead.

An Leas-Cheann Comhairle: We have four Deputies wanting to ask questions.

Deputy Micheál Martin: I appreciate that, a Leas-Cheann Comhairle. I thank the Taoiseach. I submitted this question because I have been puzzled for quite a long time about the enormous gap between the reality on the ground regarding the implementation of the programme for Government and the actual programme itself. Nowhere is this more evident than in the "health and mental health" section of the "fairness" chapter of the programme for Government, which begins by saying "this Government is the first in the history of the State that is committed to developing a universal, single-tier health service, which guarantees access to medical care based on need, not income". That was supposed to happen under this programme during the duration of this Government. The programme for Government continues:

This Government will introduce Universal Health Insurance with equal access to care for all. Under this system there will be no discrimination between patients on the grounds of income or insurance status. The two-tier system of unequal access to hospital care will end. The Universal Health Insurance system will be designed according to the European principle of social solidarity: access will be according to need and payment will be according to ability to pay.

It contains a promise that the Government "will act speedily to reduce costs in the delivery of both public and private health care and in the administration of the health care system". I am sure the Taoiseach is aware that the cost of private health care has soared in the past four years. The programme for Government also promises that "a Special Delivery Unit will be established in the Department of Health". That was set up but has now been run down. The programme also talks about "reducing waiting lists". We saw today's survey across Europe, which illustrates that public faith in statistics pertaining to waiting lists has collapsed. The programme for Government states that "a Patient Safety Authority, incorporating HIQA, will be established" but the Taoiseach has informed me that this will not happen now. The programme also states:

The Health Service Executive will cease to exist over time. Its functions will return to the Minister for Health and the Department of Health and Children; or be taken over by the Universal Health Insurance system. Staff will be deployed accordingly.

There is a whole page of commitments in the programme for Government with respect to primary care. In light of the promise that "Universal Primary Care will remove fees for GP care and will be introduced within this Government's term of office", the entire population should be looking forward to the removal of fees before the Government's term of office comes to an end. This section of the programme continues:

The legislative basis for Universal Primary Care will be established under a Universal Primary Care Act. Universal Primary Care will be introduced in phases so that additional doctors, nurses and other primary care professionals can be recruited. During the term of this Government, GP training places will be increased. GPs will be encouraged to defer retirement and will be recruited from abroad, and the number of practice nurses will be increased [and so on] Access to primary care without fees will be extended in the first

year to claimants of free drugs under the Long-Term Illness scheme Access to primary care without fees will be extended in the second year to claimants of free drugs under the High-Tech Drugs scheme at a cost of €15 million.

None of this has happened, of course. The Government has reversed its position in respect of the latter two promises. The section of the programme dealing with the proposed new GP contract provides that “under Universal Primary Care, GPs will be paid primarily by capitation”.

A full page of the programme for Government deals with universal hospital care. It promises that “a system of Universal Health Insurance (UHI) will be introduced by 2016, with the legislative and organisational groundwork for the system complete within this Government’s term of office”. I will not go through all the issues because I know others want to contribute. This section of the programme states that “Exchequer funding for hospital care will go into a Hospital Insurance Fund which will subsidise or pay insurance premia” and that “The legislative basis for UHI will be established by the Universal Health Insurance Act.”

The next page of the programme, which deals with hospitals, refers again to the hospital insurance fund. I went through all of these matters with the Taoiseach previously. This section of the programme states that “the Minister for Health will be responsible for hospitals policy” and suggests that insurers will “take over the running of hospitals” and “negotiate directly with hospitals to help control costs”. The programme also speaks about the pathway to universal hospital care and the “legislative basis” for it.

The next page of the programme for Government, page 6, deals with care of older people and community care. It states:

Investment in the supply of more and better care for older people in the community and in residential settings will be a priority of this Government. Additional funding will be provided each year for the care of older people. This funding will go to more residential places, more home care packages and the delivery of more home help and other professional community care services. The Fair Deal system of financing nursing home care will be reviewed.

This page of the programme for Government also sets out the Government’s plans for integrated care, cost control and health administration. The following page deals with capital developments in health and mental health. It promises to “review the Mental Health Act 2001” and “end the practice of placing children and adolescents in adult psychiatric wards”. That has happened in some instances, although much of that work was done before this Government came into office.

In terms of bioethics, there was to be legislation on assisted human reproduction and stem cell research. I have written to the Taoiseach and asked him during Leaders’ Questions about the Government’s implementation in this regard. The bottom line is that little has been implemented. There comes a point at which the Government needs to be honest with the people and the Oireachtas. There is no point in printing an Alice in Wonderland-type programme for Government that will never see the light of day in terms of implementation. We have had reversal after reversal, breach of promise after breach of promise and a shambles of a scenario, as witnessed in today’s damning indictment by the European survey.

I asked the Taoiseach about one line in the programme for Government relating to Cabinet

confidentiality and read a couple of pages in a short section dealing with health. None of this has happened and there has been no attempt to make it happen. When the Minister, Deputy Varadkar, took over for the former Minister, Deputy Reilly, the current Minister stated that he would ditch much of this. The Taoiseach then took him to task and told him that he should not and could not ditch it. Will the Taoiseach confirm that none of this will happen before the Government's term comes to an end? The vast majority of commitments in health simply will not happen. It makes a mockery of the concept of a programme for Government. It is meaningless, and this is only one section. I could go through sections on education and so on, but the health section is a disgrace in terms of what it says will be done compared with what has actually happened and what the Government is doing. One need only consider the crisis in accident and emergency, the 800 people in beds who could not be discharged because of the lack of home care packages and the fact that this year's Estimate has reduced the number of beds in the fair deal scheme by 1,400 compared with 2013's figure. Some 1,400 fewer beds will be provided in 2015 than were provided in 2013 despite what the programme for Government says about more beds and more packages. The thing is a complete farce and the Taoiseach should acknowledge that.

The Taoiseach: If the Deputy wants a detailed response from the Minister for Health, he will get it in respect of many of the things he has commented on here. In respect of the Department I have myself, which is the Department of the Taoiseach, there were 44 commitments entered into in respect of the programme for Government and 40 and four in the revised statement issued last July. Three quarters of those have been completed or are substantially complete and work is ongoing in the other eight or ten.

The Deputy also mentioned the survey produced from a European perspective during the course of the week. As I understand it, this was based upon analysis of different surveys carried out by organisations as distinct from figures produced by the HSE. While the Deputy has always decried the references that parties have made to the Dutch health system, it is interesting to note that it comes out on top in most of these assessments. Ireland can be seen to perform well in patient outcomes - as well as France, Belgium and Denmark and better than the United Kingdom. These include important objective measures, Deputy Adams, such as death from stroke or cardiovascular diseases, cancer survival and infant deaths.

Deputy Micheál Martin: Those were all strategies from before the current Government came to power.

The Taoiseach: Ireland comes joint first when it comes to access and appropriate use of medicines and performs better than average on prevention, such as vaccination and smoking prevention.

Deputy Micheál Martin: That is all from before the Taoiseach's time.

The Taoiseach: We perform poorly in access and waiting times as well as patient rights and information. I think that has been acknowledged and accepted by the Minister, who is working at that now.

In many ways, the survey confirms that the Irish health system is actually very good once one can get access to it. That has always been the challenge here. I suppose that, at the end of the survey, it is also worth noting that some of the measures are very subjective. Our worst score in this survey is for our low rates of abortion. Many people would see that as a matter of

opinion and ethics rather than something to be scored on in a survey.

The White Paper on Universal Health Insurance was published and the programme of health reform was progressed, including the roll-out of the concept of money follows the patient, the opening of many primary health care centres around the country on a continuing basis,-----

Deputy Micheál Martin: GPs are-----

The Taoiseach: -----the establishment of the hospital groups, which will eventually move into hospital trusts, the progress that was eventually made on the national children's hospital, which will go for planning permission as one of the most major pieces of infrastructure in the country for very many years, and of course the difficult enactment of the Protection of Life During Pregnancy Act.

There are many other areas where progress clearly has been made, but I am the first to admit the challenges that are there for the Department of Health and the HSE. That is an ongoing challenge. I hope that the efforts now being put in place by the Minister for Health and by the Minister of State will regularise the delivery of health systems and health services that will deal with the challenges that are out there in a way that people will get their medical attention as rapidly as possible and based on their needs. It has never been something that one can just deliver overnight, as Deputy Martin is well aware. I suggest that we can get him a more comprehensive response to all of the many issues that he has raised on the four pages.

Deputy Micheál Martin: I got those responses. According to all of them, nothing that I have mentioned will happen.

The Taoiseach: In respect of-----

Deputy Micheál Martin: Many of the legislative measures and proposals in the programme will not happen. There has been a change in policy. The programme for Government should be realistic.

The Taoiseach: It is true to say, though, that, in respect of the Department of Health, the entire question of universal health insurance is one that is contingent upon a whole range of things happening, like money follows the patient. The issue that has been outlined on so many occasions, the legislative base for it, the insurance companies, the negotiations directly with hospitals, the setting up of hospital groups evolving into hospital trusts, the provision of an adequate community series of health services from home care packages to nursing homes, all of these areas-----

Deputy Micheál Martin: Less is being made available. Does the Taoiseach not know that?

An Leas-Cheann Comhairle: I must make some progress.

The Taoiseach: We have been upfront about it,-----

Deputy Micheál Martin: The Taoiseach is not being upfront about it. There is less.

The Taoiseach: -----saying that the introduction of universal health insurance is not possible in the lifetime of this Government because all these segments have to be put back into place. The White Paper has been published. Obviously, there will be a follow-through on that. Many of those issues that Deputy Martin read out are contingent upon the entire process

of universal health insurance - competing insurance groups, people having the right to choose between the insurance companies, the requirement for hospitals to compete with one another on an equal footing, the compensation for public hospitals and so on. It is not a sort of black and white series of issues that one can just put together like that. It is an evolution of an entire series of structural changes in the interests of the people and of the taxpayer so that they might get the very best quality of health service delivered to them as locally as is possible.

An Leas-Cheann Comhairle: I will have to group questions because we are running out of time. Deputies Adams, Higgins and Boyd Barrett are next.

Deputy Gerry Adams: I commend and thank the Taoiseach for the unusually clear way in which he dealt with the question about Cabinet confidentiality. Under the programme for Government, that was to be legislated for, but the Taoiseach has stated that he has no plans to legislate. He could be of some service to the State if he entered the Chamber one day with the programme for Government and took the same approach. That would save all of us a large amount of time. I commend this suggestion to him.

I will deal as briefly as I can with two important issues contained in the programme for Government, one of which is health. There is a range of measures and promises to provide for a new health system. The results of this are evident in the Euro Health Consumer Index, which sees the placement of our health services drop by eight points from 14th to 22nd. Furthermore, it finds that the Government's waiting list data "lacks credibility". Last Friday, the Minister for Health produced his health priorities. His seven priority areas and 85 specific actions or deliverables are basically the same, and as many as were in the programme for Government for almost four years. Clearly, therefore, the programme for Government is not delivering on matters concerning health.

In respect of economic recovery, the programme states that, as a long-term goal, "The Government is committed to tackling Ireland's economic crisis in a way that is fair, balanced and which recognises the need for social solidarity". That commitment has not been delivered upon, however, for the 500,000 taxpayers who have been forced to flee overseas. Neither has it been delivered to the one third of our children who live in poverty, nor to the one third of citizens who cannot afford the basics. Instead, we have had water charges, property tax, cuts to child benefit, and extensive cuts to health and welfare. Thousands of vulnerable families have been traumatised by the Government's disgraceful handling of the medical cards issue.

I will not take up time because two other Teachtaí Dála want to contribute. I wish, however, to commend what I said previously. There is only so much the Taoiseach can do in a Government's term of office. Would he therefore not be better off telling us the things he is not going to do? That would allow us to focus on the things he is going to do.

Deputy Joe Higgins: The Taoiseach should learn from the history of implementing previous programmes for government, particularly concerning his target of raising €2 billion through the sale of State assets. Does he agree that traditionally the privatisation of State assets has been extremely destructive for our economy and for the public? The Telecom Éireann privatisation debacle, for example, was sweated by a succession of vulture capitalists. There was then a huge under-investment in broadband which is still a problem. Similarly, Team Aer Lingus resulted in the disaster of losing 1,300 highly skilled jobs after a few years of privatisation in the airmotive industry.

Will the Taoiseach rule out the sale of the State's share of Aer Lingus? A major international capitalist getting its hands on this crucial sector is a huge threat to jobs and the facilities at Heathrow. An island nation should have control over its air transport facility and, therefore, the Taoiseach should rule out selling the rest of what was the national airline. In fact, he should move towards re-nationalisation.

Deputy Richard Boyd Barrett: In the section dealing with the economy, the programme for Government states that, "The parties to the Government recognise that there is a growing danger of the State's debt burden becoming unsustainable and [I want to underline this bit] measures to safeguard debt sustainability must be urgently explored". That is a clear injunction.

Many of us are extremely disappointed and depressed by the Taoiseach's - to put it mildly - muted response to the election results in Greece. They are a beacon of hope to people who have been victims of austerity right across Europe. They have been battered for six years with what Paul Krugman rightly called "the fantasy economics of the troika". "Fantasy economics" is one of the Taoiseach's favourite phrases. Paul Krugman said it was the troika who were guilty of fantasy economics in believing that one could batter an economy, cut its public services to pieces, slash people's incomes, and have any other result than creating a nightmare for that society. How right he is.

When someone is finally willing to challenge the failed consensus of austerity, as the people of Greece have now been willing to do, and ask the question, "Can we explore debt sustainability?", the Taoiseach fails to endorse that call. In failing to do so, he is breaching his own commitment in the programme for Government to "urgently explore any opportunity to improve debt sustainability".

We are effectively acting as the scabs of Europe in breaking solidarity with debtor countries which have been crippled by austerity. In doing so, however, the Taoiseach is also breaking promises made in the programme for Government. In light of his commitments in the programme for Government, I ask the Taoiseach to reconsider the question of a debt conference and urgently exploring debt sustainability.

The consequences of that failure to explore debt sustainability are most acutely felt in sectors of society where the most vulnerable are at risk. As has been mentioned already, the state of our health service is one of the starkest examples of that. It is a serious breach in the Taoiseach's government commitments.

In the programme for Government's section on health, it states, "We must reduce the cost of achieving the best health outcomes for our citizens and end the unfair, unequal and inefficient two-tier health system". How does the Taoiseach square that with the fact that the Minister for Health had to admit last week that, in order to deal with the crisis in accident and emergency departments, waiting lists will lengthen, including those for non-emergency surgery? People who are already waiting intolerable periods for important operations, will now have to wait longer.

I do not know if the Taoiseach listens to his car radio but we are bombarded, literally every day, with advertisements from the Mater Private Hospital and the Blackrock Clinic saying, "Come to us. You can get immediate treatment. Whatever it is you need, you can get, if you can pay for it." Those who cannot pay, however, will be on public waiting lists for even longer because health budgets have been slashed.

That is a clear example of where the Taoiseach has failed in a commitment to end a two-tier

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health system wherein by dint of having money one can get decent health services, but otherwise one will languish on a waiting list or on a trolley. What will the Taoiseach do to fulfil that promise?

The Taoiseach: Deputy Adams raised issues he has raised before. I know he has to put on his-----

A Deputy: Angry hat.

The Taoiseach: -----public political face when he does his orations to the people. He will appreciate, however, that emigrants are returning to Ireland with new experience to avail of new job opportunities here. He recognises that unemployment has fallen from 15.2% to 10.6%. He also knows that unemployment lists have fallen consecutively for 30 months.

Deputy Michael Healy-Rae: What about all the people who have gone away?

Deputy Tom Hayes: They are on their way back through Kerry airport.

The Taoiseach: He does recognise that interest rates have fallen from 15% to an average of 1.25%. He also recognises that while there is ferocious demand for housing at the moment, property prices are beginning to rise. He recognises a much stronger public confidence, as is evident in so many sectors. However, as I have said openly, that recovery is fragile. It cannot be fully completed if there is any complacency or any situation whereby we will lose those hard won gains.

Deputy Higgins mentioned the sale of State assets. He is quite right that the sale of Telecom was accompanied by loud shrieks and calls from all over the world at the time. It was subsequently asset stripped. This Government has made it clear that any State asset would be sold only in the interests of the public and the taxpayer. When the troika was here, the agreement was that the majority of the moneys realised from any sale of State assets could be spent on the development of sustainable employment. If the Government examines the possibility of selling any State asset, such a sale will only proceed following careful consideration and will be in the best interests of taxpayers and the Irish people in general.

I answered questions earlier about Aer Lingus, a company which the Government does not own and in respect of which it must take into account a much broader set of circumstances other than a mere valuation of the extent of its shareholding of 25.1%. Deputy Higgins is well aware that the Government is but one component of the ownership of Aer Lingus since the company's privatisation by a previous Administration.

I must inform Deputy Boyd Barrett that I do not agree with Mr. Krugman's assumptions. This country has come through an extraordinarily difficult period. As stated earlier, Ireland chose to follow a route of constructive engagement and negotiation and this has resulted in our being able to achieve changes of the order of €50 billion through changes in the terms of the promissory notes, interest rate reductions and approval to buy out €18 billion in loans borrowed at higher rates from the IMF. Said buy-out will save taxpayers €1.2 billion in interest charges over the period of those loans. It is through negotiation that changes such as those to which I refer are hammered out, agreed and approved. This means that the challenge accepted by the Irish people is now being vindicated and is evidenced by our being in a much stronger position, with confidence rising. I reiterate, however, that all of this is quite fragile. The programme for Government states that we must explore measures relating to debt sustainability. There has

been an ongoing battle in this regard in the form of a series of consultations with the European institutions. Putting together a banking union, developing supervisory mechanisms, etc., form part of the negotiating process. Of course, the option of lodging a claim for direct recapitalisation, which has been on the table since June 2012, remains open to the Government if it considers this the appropriate and best course of action to take in the interests of Irish taxpayers. As the Deputy is aware, there are other options to be considered and evaluated.

Far from offering a muted response in respect of the debt issue, we have proven that the progress made to date has been in the interests of both our people and our country. Deputy Boyd Barrett was not present when I stated that I had already sent a message to the new Prime Minister of Greece wishing him and his Cabinet well. I hope the enormous challenge faced by the Greek people can be met. We were lectured by many individuals to the effect that we would not be able to change one iota of the troika programme, but that did not prove to be the case when the Government engaged in negotiations over many of the elements contained in the programme. The elements to which I refer remain extremely difficult for our people. That is why I have made the point that Ireland needs to hear the European Central Bank's side of the story. I hope the Joint Committee of Inquiry into the Banking Crisis will be able to capitalise on the progress made in this regard in order that the latter can actually happen.

These are extremely important issues. I would like to think that as the year progresses we will establish a budgetary committee in the Houses and that the parties in opposition will be able to debate - in open forum - the challenges the economy faces and set out their stalls in respect of the budget for 2016, which will be introduced next October. Such a committee would enable everybody to have access to the relevant statistics and allow people to outline their priorities and the choices they propose to make.

Deputy Micheál Martin: So the Taoiseach is up for a debate. Will he be appearing on Vincent Browne's television programme?

The Taoiseach: Those in opposition will find that outlining such priorities is not always as simple as it sounds.

Deputy Tom Hayes: Deputy Martin might not be appearing on Mr. Browne's programme.

The Taoiseach: They can lecture us from the opposition benches about what should be done. Did I not hear Deputy Adams saying last night that he would give back all of the water contributions, amounting to €3 million?

Deputy Micheál Martin: Will the Taoiseach go on Vincent Browne's programme for a debate?

Deputy Michael Healy-Rae: Not at all. He is afraid.

The Taoiseach: Deputy Adams would want to get his figures right.

Deputy Micheál Martin: "Tonight with Vincent Browne" has been waiting four years for the Taoiseach to debate these issues. Is the Taoiseach providing confirmation that he intends to go on television to debate them?

An Leas-Cheann Comhairle: That concludes Questions to the Taoiseach.

(Interruptions).

Written Answers follow Adjournment.

Order of Business

Deputy Peter Mathews: On a point of order, today is the 70th anniversary of the liberation of Auschwitz. On 27 January 1945, the last prisoners remaining in Auschwitz were released. I call on the Taoiseach to lead the House in a minute's silence to remember the 1.1 million souls - men, women and children - who died in Auschwitz. We owe it to those who were killed to remember them in this Parliament today.

An Leas-Cheann Comhairle: I will ask the Taoiseach to deal with that matter in the context of the Order of Business.

Deputy Peter Mathews: I am inviting the Taoiseach to lead the House in a minute's silence.

An Leas-Cheann Comhairle: This matter is not relevant in the context of the Order of Business.

Deputy Peter Mathews: It is relevant to today's events.

An Leas-Cheann Comhairle: I call the Taoiseach.

The Taoiseach: Yesterday, a very appropriate and moving Holocaust memorial ceremony was conducted in the Mansion House by the Lord Mayor of this city on behalf of the people of Ireland in respect of those who were murdered in Auschwitz during its obnoxious and horrendous existence and those survivors who were freed on this day 70 years ago.

Deputy Peter Mathews: The Parliament needs to remember those who died.

The Taoiseach: Yesterday's ceremony was a moving, fitting and appropriate recognition and commemoration of what was a truly terrible time for humanity worldwide.

Deputy Peter Mathews: The House should remember those who died. What is the Taoiseach's answer to my request?

The Taoiseach: It is proposed to take No. 20, motion re ministerial rota for parliamentary questions; No. 21, motion re proposed approval by Dáil Éireann of the terms of the agreements between the European Union and Canada, the Republic of Moldova, Georgia and the Hashemite Kingdom of Jordan, back from committee; No. 49, statements on European Council, Brussels, pursuant to Standing Order 102A(2)(b); No. 22, motion re proposed approval by Dáil Éireann of the terms of the association agreement between the European Community and Georgia, back from committee; No. 23, motion re proposed approval by Dáil Éireann of the terms of the association agreement between the European Community and the Republic of Moldova, back from committee; and No. 24, motion re proposed approval by Dáil Éireann of the terms of the association agreement between the European Community and Ukraine, back from committee. It is proposed, notwithstanding anything in Standing Orders, that the Dáil shall sit later than 9 p.m. tonight and shall adjourn on the adjournment of Private Members' Business, which shall be No. 189, motion re housing affordability, which shall take place on the conclusion of Topical Issues and which shall, if not previously concluded, adjourn after 90 minutes; Nos. 20 and 21 shall be decided without debate; No. 49 shall be taken immediately following the Order of Business and

the proceedings thereon shall, if not previously concluded, be brought to a conclusion after 85 minutes and the following arrangements shall apply: statements shall be made by the Taoiseach and by the main spokespersons for Fianna Fáil, Sinn Féin and the Technical Group, who shall be called upon in that order and who may share their time, and shall not exceed 15 minutes in each case; a Minister or Minister of State shall take questions for a period not exceeding 20 minutes; and a Minister or Minister of State shall be called upon to make a statement in reply which shall not exceed five minutes; Nos. 22, 23 and 24 shall be debated together and taken immediately following No. 49, and the proceedings thereon shall, if not previously concluded, be brought to a conclusion after 20 minutes and the following arrangements shall apply: the speech of a Minister or Minister of State and of the main spokespersons for Fianna Fáil, Sinn Féin and the Technical Group, who shall be called upon in that order, shall not exceed five minutes in each case, and such Members may share their time; and the order shall resume thereafter with Topical Issues.

Tomorrow's business after Oral Questions shall be No. 25, motion re proposed approval by Dáil Éireann of free trade agreements between the EU, Colombia and Peru. It is proposed, notwithstanding anything in Standing Orders, that the proceedings in relation to No. 25 shall, if not previously concluded, be brought to a conclusion at 12 noon tomorrow and the following arrangements shall apply: the speech of a Minister or Minister of State and of the main spokespersons for Fianna Fáil, Sinn Féin and the Technical Group, who shall be called upon in that order, shall not exceed ten minutes in each case, and such Members may share their time; the speech of each other Member called upon shall not exceed ten minutes in each case, and such Members may share their time; and a Minister or Minister of State shall be called upon to make a speech in reply which shall not exceed five minutes.

5 o'clock

An Leas-Cheann Comhairle: There are five proposals to be put to the House. Is the proposal for dealing with the late sitting agreed to? Agreed. Is the proposal for dealing with No. 20 and No. 21 agreed to? Agreed. Is the proposal for dealing with No. 49 agreed to? Agreed. Is the proposal for dealing with Nos. 22 to 24, inclusive, agreed to? Agreed. Is the proposal for dealing with No. 25 agreed to? Agreed.

Deputy Micheál Martin: The Euro Health Consumer Index has been published and it shows Ireland has slipped from 14th to 22nd in its rankings. By any objective standard, a drop of eight places is dramatic and a damning indictment of the Taoiseach's stewardship over key elements of the health service. I refer in particular to the fact that official waiting list data have lost all credibility among the public and patients. From that perspective, the report is deeply disappointing. It marks a serious reversal in patient and public confidence and this comes following a series of crises in our health system. Hospital chief executives have issued warnings about patient safety over the past 15 to 18 months, in terms of both maternity and acute hospitals. There was a trolley crisis over Christmas. With over 601 patients on trolleys, all records were broken. Waiting times and waiting lists must also be borne in mind.

I ask the Taoiseach to facilitate a debate in this House on the report. It is interesting that the Minister for Health, Deputy Varadkar, has recently changed the targets. The targets keep on changing. Before the Government came into power, the target waiting time for inpatient surgery was six months for adults and three for children, as per the treatment purchase fund operation. In most specialties, the targets were achieved. The former Minister for Health, the Minister, Deputy James Reilly, changed the target back to 12 months, knowing there was a lim-

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ited number above 12 months. He then wanted to declare a success a year later if he reduced the figure. Then the special delivery unit was set up and it has not worked out. My understanding is that it is now being run down within the Department. No one is in control or in charge of it. Those who were seem to be leaving or have left.

The Minister for Health, Deputy Varadkar, has now stated the target for inpatient or day-case procedures has increased from eight months to 18 months. Since 18 months is the new waiting-list target, no wonder the public has lost confidence, as is evident in the report.

There is a Bill on the Order Paper that the Government has said it is anxious to introduce, the health information Bill. Can the Taoiseach indicate the exact schedule for that Bill? Clearly, the public has seen through the cynical manipulation by the Government on health and the fact that it has been neglected in recent budgets, and it has been deliberately and in some cases fraudulently undermined by successive Ministers. Does the Taoiseach accept the findings of the report? Will he make time available to discuss its outcome?

The Taoiseach: The health information Bill to which the Deputy refers is due later in the year. It is fair to say the report deserves further analysis and study. As I stated, it is based on surveys carried out by various organisations. Deputy Martin conveniently forgets to recognise that, even in the survey, Ireland performs very well by comparison with countries such as France, Belgium and Denmark, and actually performs better than the United Kingdom. As I said already, that includes important objective measures, such as those on deaths from stroke or cardiovascular disease, cancer survivors and infant deaths, in respect of which-----

Deputy Micheál Martin: That is because cardiovascular disease progress started well in advance of the Government entering office, and the same applies to cancer.

The Taoiseach: -----Ireland actually performs very well. We come first in terms of access and appropriate use of medicines, and we are better than average with regard to prevention measures such as vaccination and smoking prevention, which is obviously of interest to the Deputy.

Clearly, the survey, for what it is worth, shows that we perform poorly in respect of access and waiting times, as well as in respect of patient rights and information. These are areas of priority already identified by the Minister. The Bill to which the Deputy refers is due later in the year.

Deputy Micheál Martin: Can we have a debate on it?

The Taoiseach: The report warrants some further analysis and discussion. I do not object to its being debated here but we have got a lot to do. I am not objecting to it now but the study demands some analysis. Perhaps later on, we will be happy to debate it; it deserves a proper set of replies from here.

Deputy Tom Hayes: I thought Deputy Martin got enough last week or the week before.

An Leas-Cheann Comhairle: Order, please.

Deputy Gerry Adams: Tá trí cheist agam, ceann amháin faoi reform of the direct provision system, ceann eile faoi the public health (alcohol) Bill agus ceann deireanach faoi the water services Bill.

The Minister of State at the Department of Justice and Equality, Deputy Aodhán Ó Ríordáin,

promised legislation last month to reform the current direct provision regime, which he described as “inhuman”. He compared it to the treatment of women in the Magdalen laundries. I have been in some of these centres, certainly the one in my constituency. It was not a pleasant experience. Members of the Joint Committee on Public Service Oversight and Petitions, chaired by Teachta Pádraig Mac Lochlainn, are today visiting some of these centres. The Taoiseach will know that 4,000 people live in the most difficult circumstances. Almost half have been in direct provision for five years and I understand one person has been in direct provision for 14 years. As someone who has been in prison, I regard it as an open-air prison. There is a constant state of anxiety and stress. The Minister for Justice and Equality has revealed that 61 asylum seekers have died in direct provision since 2002, and 16 of these were under the age of five. These people came here in search of a new life in the same way that Irish people have gone throughout the world. The asylum seekers arrived in this State only to be treated in a most deplorable way. When can we expect the promised legislation to reform the direct provision system?

The purpose of the public health (alcohol) Bill is to provide for minimum unit pricing for the retailing of alcohol products and to regulate the marketing and advertising of alcohol, particularly in respect of sports sponsorship. We all know about the dreadful human and financial cost of alcohol abuse in Irish society. We have recognised for a long time that sponsorship of sports by alcohol companies encourages this culture. When the Government promised to bring forward a plan to break the connection between alcohol and sports sponsorship, there was widespread support but there has been considerable speculation recently that the Government is about to renege on its commitment. Can the Taoiseach confirm whether and when the Bill will be published? When will it end the link between sports sponsorship and the alcohol companies?

The crisis over water charges and Irish Water has taken a new twist with the publication of the draft report by the European Commission, which has raised fundamental questions over Irish Water’s financial position as a result of the Government’s shambolic handling of this matter. A major question arises in this regard. Deputy Pearse Doherty actually warned about this and asked whether the water conservation grant is, in effect, an Exchequer transfer. If Irish Water fails the market corporation test and EUROSTAT rules it is not independent financially, the future of the company will be in grave doubt. When will the water services Bill be published?

The Taoiseach: The legislation is being reformed in respect of the question of direct provision. I expect that the Minister for Justice and Equality and the Minister of State will bring the heads of the Bill dealing with the question of a single procedure before the Government in the next few weeks. As Deputy Adams will be aware, there is a working group, under Mr. Justice Bryan McMahon, looking at all of these issues and that will report in March. There has been an increase in applications for asylum of 51%. Deputy Adams will be aware that there are 2,000 cases where a judicial review is being taken and there are 800 persons with detention orders where they cannot be sent back to particular countries.

In respect of the alcohol issue, the intention is to put the existing code of practice on a statutory footing and the question of sponsorship in respect of alcohol is one that is still the subject of discussion between Departments. The question of the existing code being put on a statutory footing will proceed while those discussions continue to take place.

In respect of Irish Water, there is no question of the Government rowing back on its intention to provide the water subsidy grant. The Government is happy to believe that Irish Water will pass the market corporation test. I regard the Commission’s intervention here as being

unhelpful. It is not a matter for the European Commission. It is a technical matter that is assessed by EUROSTAT. The European Commission has enough to do in respect of directives, red tape and bureaucracy, and getting on with effective progress on issues that affect citizens of all member states. The market corporation test is one for EUROSTAT and the Government is happy that Irish Water will pass that market corporate test.

Deputy Gerry Adams: When will the water charges Bill be published?

The Taoiseach: In the next few weeks, I would assume. I will advise Deputy Adams.

An Leas-Cheann Comhairle: I appeal for brevity. A lot of Deputies are offering.

Deputy Mick Wallace: I want to ask the Taoiseach a few questions about the motion regarding the proposed commission of investigation into matters considered by Mr. Seán Guerin SC. Given that a commission of investigation can only be established by order whereby the terms of reference must be discussed in the Dáil, am I to take it that the commission has not been established? Can the Taoiseach confirm - yes or no - whether the removal from the Dáil schedule today of the motion regarding the proposed commission of investigation into matters considered by Guerin was as a result of a court order or a letter from Deputy Shatter's solicitor? Can the Taoiseach confirm whether the Government sought and received legal advice from the Attorney General's office as to whether the matter can be debated in the Dáil?

The Taoiseach: As far as I understand it, this is a matter that is listed for tomorrow. Clearly, the Government decided to have a commission of inquiry and the Government's intention is to set up the commission of inquiry. The Government has approved the terms of reference for the Guerin inquiry. I understand that the Ceann Comhairle has a view on this in respect of Standing Orders, but the matter is listed for tomorrow and the Government fully intends to set up the inquiry as envisaged.

Deputy Mick Wallace: Is there a debate tomorrow then?

The Taoiseach: I understand the Ceann Comhairle has ruled on this matter. The Government agreed to have a commission of inquiry. The Government put forward its terms of reference. The Ceann Comhairle has made an intervention in respect of the Standing Orders. The intention of the Government is to go ahead with the implementation of the Guerin inquiry.

Deputy Micheál Martin: What is the intention?

Deputy Denis Naughten: There are approximately 150,000 homes throughout Ireland that receive their public water supply through lead piping, which is deemed unacceptable on health grounds. In the context of the proposed water services Bill, is it acceptable that the majority of these residents are now paying for water? When I question the Minister for the Environment, Community and Local Government on this, I am told that there are discussions between the Minister and Irish Water on the replacement of lead piping and the Minister has no responsibility or accountability to this House on it. Will the Taoiseach ensure that the Minister is accountable to answer why residents must pay for water that is coming through lead pipes that is deemed unsafe, and why the only solution on the table at present is to introduce into the water orthophosphate, another chemical costing €50 million a year? All 1.3 million customers in Ireland will have to drink this particular chemical to address the problem.

The Taoiseach: Deputy Naughten is well aware that one could not have implemented the

solution to many of these problems under the old system. For instance, in east Galway and west Roscommon, the solution for the longer-term comfort of the people is to bring water from Lough Mask, and that was impossible under the old local authority system where it was based on county boundaries.

Irish Water has put forward solutions to the question of lead pipes. This is not acceptable. As Deputy Naughten will be aware, it has gone on for years for those in Galway, Limerick and other locations throughout the country. That is why the case is being made, not only to invest to fix but also to invest for the future. I will have the Minister respond to Deputy Naughten on the particular issue raised.

Deputy Bernard J. Durkan: On promised legislation, I ask the Taoiseach the current whereabouts of and prospects for the Garda Síochána (compensation for malicious injuries) Bill, when it is likely to come before the House, whether the heads of the Bill have been cleared and whether it is expected that the Bill will be passed in the current year.

The Taoiseach: The heads of that Bill in respect of malicious injuries have not yet been cleared but it is expected later this year.

Deputy James Bannon: Proper insurance cover is important to many families, whether it be for their car, their property or their home. When can we expect the insurance Bill to come before the House? It has been listed for quite some time. Are there sufficient staff in the Attorney General's office to draft the legislation in the programme for Government?

The Taoiseach: It is always a challenging issue. There are 41 Bills on the list to be dealt with during this session. Many of those staff are specialist and are involved heavily in very intricate work on a number of these Bills. Deputy Bannon mentioned the insurance Bill. The heads have not yet been cleared but that is due for later this year.

Deputy Willie O'Dea: In reply to Deputy Martin today, the Taoiseach outlined the procedures set out by the Government to advise on the sale of its share in Aer Lingus. Can the Taoiseach give us any indication of how long that process will go on for? How long will we be waiting for a decision on this, one way or the other, from the Government? Can the Taoiseach confirm that if the Government proceeds to sell its share in Aer Lingus, legislation will need to be brought into this House to authorise that?

The Taoiseach: Deputy O'Dea will be well aware that if that were to happen, approval would have to be given by the Houses of the Oireachtas. The Minister briefed Cabinet this morning and has made public comments on this already. Obviously, IAG has made an offer and the board of Aer Lingus has issued a statement to the effect that it is willing to consider the offer. There is a waiting period now. The Minister set up an interdepartmental group. After the completion of tenders this evening, he will appoint specialists tomorrow and they will engage with IAG.

I am quite sure it will take a week or two before the details and implications of what the offer means become fully understood and are analysed. Obviously, the Government has to take into account all of the issues we mentioned today, such as regionality, jobs and future connectivity. From that point of view, I would think one would probably have a report in two to three weeks.

Deputy Ray Butler: I ask the Taoiseach about the publication of two Bills, the family law Bill to provide for pension adjustments in the context of separation agreements and certain oth-

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er reforms in family law, and the trust Bill to reform and consolidate the law relating to trustees so as to deal better with and protect trust assets. When is publication expected?

The Taoiseach: Neither of the Bills to which the Deputy referred is on the list of 41 Bills due to go through the Houses in this session. The heads of those Bills have not been cleared by Government, so I cannot give him a date for their publication, but I will advise the Deputy of progress as we get to that point.

Deputy Thomas P. Broughan: I do not know why the Government did not just say “No” to the sale of Aer Lingus, given the issues of which it is aware in terms of connectivity and slots, among other issues. It is unbearable to listen to the hypocrisy of Fianna Fáil, which sold the majority of the national airline, our flag carrier. Will it be possible for us to have a discussion over a number of hours in this House to allow ordinary Deputies to express their views on the matter?

Second, there is no timeframe for the criminal justice (victims rights) Bill, which is on the C list. When will it be published? I have campaigned in a number of general elections in Dublin North East, now Dublin Bay North. The Taoiseach gave a commitment to meet the Stardust relatives committee at an early date to talk to them about that very important legacy issue. We have addressed many legacy issues in this House, but the Stardust committee feels very strongly that the issue has still not been addressed. Could the Taoiseach meet the relatives in the coming weeks?

The Taoiseach: I answered the question asked by Deputy O’Dea and others in respect of the Aer Lingus proposition. The Government will be cognisant of all of the issues that must be considered in the context of the offer made by IAG.

The Government must comply with an EU directive on victims’ rights by December of this year, and the Bill is expected in the second half of the year.

Deputy Peter Mathews: On Friday, when the Taoiseach was in Davos, the Dáil debated a Private Members’ Bill to introduce a section into the Constitution to safeguard every single Member of Parliament, in the Dáil and in the Seanad.

An Leas-Cheann Comhairle: Could we deal with the matter when we vote on the Bill?

Deputy Peter Mathews: The Minister of State-----

An Leas-Cheann Comhairle: I am sorry, but many Members wish to speak. Could we deal with the Bill when we come to the vote?

Deputy Peter Mathews: I am sorry, but this is extremely important.

An Leas-Cheann Comhairle: I know, but it is on the Order Paper.

Deputy Peter Mathews: The Taoiseach had one speaker in the debate, who said in his opening remarks that the Government would be voting against a Bill whose substance he did not even address in his speech. The Minister of State, Deputy Paul Kehoe, did not address the 27 words in the proposed new section of the Constitution. There are 27 words. Today is 27 January. Today is Auschwitz Day. It was a shame that the Taoiseach missed the opportunity to show one minute’s respect for the 1.1 million people who died there.

An Leas-Cheann Comhairle: Deputy Mathews, I am sorry.

Deputy Peter Mathews: I do not enjoy doing this, a Leas-Cheann Comhairle.

Deputy Paul Kehoe: This is outrageous.

Deputy Peter Mathews: I do not enjoy doing this.

An Leas-Cheann Comhairle: Deputy, please resume your seat. The Chair is on his feet.

Deputy Peter Mathews: I do not enjoy doing this.

An Leas-Cheann Comhairle: The Deputy must resume his seat.

Deputy Peter Mathews: I will. There can be no vote on something that was not debated.

An Leas-Cheann Comhairle: We will deal with that.

Deputy Peter Mathews: The Bill was not debated by the Minister of State.

An Leas-Cheann Comhairle: Deputy Mathews, please.

Deputy Peter Mathews: No other Deputy on the Government side contributed to the debate.

An Leas-Cheann Comhairle: Deputy Mathews should resume his seat. We will deal with the matter.

Deputy Peter Mathews: I will resume my seat for the sake of respecting the Houses, but this is actually tyrannical.

An Leas-Cheann Comhairle: I call Deputy Troy. He should be brief, as we are almost out of time.

Deputy Peter Mathews: There is no answer, as usual.

Deputy Paul Kehoe: The Deputy should light a candle.

Deputy Robert Troy: Today, more than 50 nurses and midwives went outside the Midland Regional Hospital in Mullingar on their lunch break to protest at the conditions in which they work.

An Leas-Cheann Comhairle: The Deputy should ask a question on legislation, please.

Deputy Robert Troy: They provide an invaluable service. Since the Government has come to power, the bed capacity has decreased, activity has increased because of the downgrading of Roscommon hospital and Navan hospital-----

An Leas-Cheann Comhairle: The Deputy can raise-----

Deputy Frank Feighan: Deputy Troy should stop running down Roscommon hospital. I am sick and tired of hearing him do so.

An Leas-Cheann Comhairle: Please, Deputy.

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Deputy Robert Troy: The budget-----

(Interruptions).

Deputy Robert Troy: A Leas-Cheann Comhairle, could I please finish without interruption?

An Leas-Cheann Comhairle: Order, please.

Deputy Robert Troy: The resources-----

An Leas-Cheann Comhairle: Deputy Troy has the floor.

Deputy Robert Troy: Resources have not been increased to match. If they had, 50 people would not have had to give up their lunch break today to protest in the rain at the state of the health service.

An Leas-Cheann Comhairle: What is Deputy Troy's question?

Deputy Robert Troy: I wish to ask about the health reform Bill. When will the Government introduce legislation and live up to its promise that the money will follow the patient-----

Deputy Mattie McGrath: Never.

Deputy Robert Troy: -----and that the health service will improve? What we have witnessed and what has been proven by a report received in the past 24 hours is that the health service has disimproved since the Government came to office. Could I make a comment in regard to the matter?

An Leas-Cheann Comhairle: There can be no comments.

Deputy Robert Troy: The 50 people who were outside in the lashing rain today were there to take a stand on the conditions in which they must work and the people who are lying on trolleys in corridors with no dignity whatsoever.

An Leas-Cheann Comhairle: Could the Taoiseach respond on the health reform Bill?

Deputy Robert Troy: That is what the Government has done for the health service in Midland Regional Hospital in Mullingar.

An Leas-Cheann Comhairle: Could the Taoiseach respond to the question on the health reform Bill?

The Taoiseach: Deputy Troy made allegations that people had fallen off trolleys in Mullingar hospital. I commend the nurses on the work they do.

Deputy Robert Troy: I did not actually say that.

Deputy Micheál Martin: The Taoiseach has an awful habit of doing that.

The Taoiseach: They are entitled to put forward their views on conditions. I will bring the matter to the attention of the Minister for Health. Deputy Troy constantly gets quite hysterical on such issues, but that is his right if he wants to play the game at home.

Deputy Micheál Martin: The Taoiseach played the game on the back of a truck before the election in Roscommon.

An Leas-Cheann Comhairle: Quiet, please.

The Taoiseach: The Minister's focus is on improving the health services.

In respect of Deputy Mathews, I might say that the President of Ireland, *Úachtarán na hÉireann*, represented all our people in the Mansion House on Sunday. He represented everybody.

Deputy Peter Mathews: I am talking about doing something in this House.

The Taoiseach: He was accompanied by the Minister for Foreign Affairs, who is in Auschwitz today as part of the commemoration of the Holocaust.

Deputy Peter Mathews: Why do we not remember them here?

The Taoiseach: Does Deputy Mathews not understand that according to *Bunreacht na hÉireann*, *Úachtarán na hÉireann* represents all our people?

Deputy Peter Mathews: Deputy Enda Kenny is the leader. He is the Taoiseach.

Deputy Micheál Martin: Could I make a point of order?

Deputy Peter Mathews: I dare you to do so, Taoiseach.

Micheál Martin: That concludes the Order of Business. Tomorrow I will call the Deputies I could not call today, if they are present.

Deputy Micheál Martin: Could I quickly make a point of order? The Taoiseach said earlier, with regard to the motion that was scheduled to be taken today on the establishment of an inquiry following the Guerin report, that there had been an intervention by the *Ceann Comhairle* based on Standing Orders and that that was the reason the debate would not be held today, and possibly not tomorrow. Is it possible for all Members of the House to get a communication on the reason such a significant debate has been pulled at such short notice? That is proper procedure and practice. We would like to know if something is going on behind the scenes. Was it pulled for scheduling reasons? The Taoiseach said the *Ceann Comhairle* had made an intervention on the matter. What was nature of the intervention and what are the challenges and problems in terms of having a debate on the establishment of the inquiry? We should remember that the matter was tabled for discussion last Wednesday. We were all waiting for the debate today. I had intended to participate in it and I was not aware of the intervention until now.

The Taoiseach: The debate was always to be on Wednesday. The question is not about the establishment of the inquiry. It is about the debate on the inquiry. The Chief Whip has informed all the Whips of the discussions and of the position of the *Ceann Comhairle* in this matter.

An Bille um an gCeathrú Leasú is Tríocha ar an mBunreacht (Comhaltaí de Thithe an Oireachtais) 2014: An Dara Céim (Atógáil) [Comhaltaí Príobháideacha]

Thirty-fourth Amendment of the Constitution (Members of the Houses of the Oireachtas) Bill 2014: Second Stage (Resumed) [Private Members]

An Leas-Cheann Comhairle: Rinneadh vótáil a lorg Dé hAoine seo caite, an 23 Eanáir

2015, ar an gceist go ndéanfaí an An Bille um an gCeathrú Leasú is Tríocha ar an mBunreacht (Comhaltaí de Thithe an Oireachtais) 2014 a léamh an Dara hUair. De réir Bhuan-Ordú 117(1A), ní foláir an vótáil sin a thógáil anois.

A division was challenged last Friday, 23 January 2015, on the question that the Thirty-fourth Amendment of the Constitution (Members of the Houses of the Oireachtas) Bill 2014 be read a Second Time. In accordance with Standing Order 117(1A), that division must be taken now.

Cuireadh an cheist: “Go léifear an Bille an Dara hUair anois.”

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

<i>The Dáil divided: Tá, 32; Níl, 83.</i>	
<i>Tá</i>	<i>Níl</i>
<i>Boyd Barrett, Richard.</i>	<i>Adams, Gerry.</i>
<i>Broughan, Thomas P.</i>	<i>Bannon, James.</i>
<i>Calleary, Dara.</i>	<i>Breen, Pat.</i>
<i>Collins, Joan.</i>	<i>Burton, Joan.</i>
<i>Cowen, Barry.</i>	<i>Butler, Ray.</i>
<i>Daly, Clare.</i>	<i>Buttimer, Jerry.</i>
<i>Donnelly, Stephen S.</i>	<i>Byrne, Catherine.</i>
<i>Fitzmaurice, Michael.</i>	<i>Byrne, Eric.</i>
<i>Flanagan, Terence.</i>	<i>Cannon, Ciarán.</i>
<i>Fleming, Sean.</i>	<i>Carey, Joe.</i>
<i>Fleming, Tom.</i>	<i>Coffey, Paudie.</i>
<i>Healy, Seamus.</i>	<i>Colreavy, Michael.</i>
<i>Healy-Rae, Michael.</i>	<i>Conaghan, Michael.</i>
<i>Kelleher, Billy.</i>	<i>Conlan, Seán.</i>
<i>Kirk, Seamus.</i>	<i>Conway, Ciara.</i>
<i>Lowry, Michael.</i>	<i>Coonan, Noel.</i>
<i>McConalogue, Charlie.</i>	<i>Corcoran Kennedy, Marcella.</i>
<i>McGrath, Finian.</i>	<i>Costello, Joe.</i>
<i>McGrath, Mattie.</i>	<i>Coveney, Simon.</i>
<i>McGrath, Michael.</i>	<i>Creed, Michael.</i>
<i>McGuinness, John.</i>	<i>Crowe, Seán.</i>
<i>Martin, Micheál.</i>	<i>Deasy, John.</i>
<i>Mathews, Peter.</i>	<i>Deenihan, Jimmy.</i>
<i>Moynihan, Michael.</i>	<i>Doherty, Pearse.</i>
<i>Naughten, Denis.</i>	<i>Doherty, Regina.</i>
<i>Ó Feargháil, Seán.</i>	<i>Donohoe, Paschal.</i>
<i>O’Dea, Willie.</i>	<i>Dowds, Robert.</i>
<i>Ross, Shane.</i>	<i>Durkan, Bernard J.</i>
<i>Smith, Brendan.</i>	<i>Ellis, Dessie.</i>
<i>Timmins, Billy.</i>	<i>English, Damien.</i>

<i>Troy, Robert.</i>	<i>Farrell, Alan.</i>
<i>Wallace, Mick.</i>	<i>Feighan, Frank.</i>
	<i>Ferris, Anne.</i>
	<i>Fitzgerald, Frances.</i>
	<i>Fitzpatrick, Peter.</i>
	<i>Gilmore, Eamon.</i>
	<i>Harrington, Noel.</i>
	<i>Harris, Simon.</i>
	<i>Hayes, Tom.</i>
	<i>Heydon, Martin.</i>
	<i>Howlin, Brendan.</i>
	<i>Humphreys, Heather.</i>
	<i>Humphreys, Kevin.</i>
	<i>Keating, Derek.</i>
	<i>Kehoe, Paul.</i>
	<i>Kelly, Alan.</i>
	<i>Kenny, Enda.</i>
	<i>Kenny, Seán.</i>
	<i>Lawlor, Anthony.</i>
	<i>McCarthy, Michael.</i>
	<i>McDonald, Mary Lou.</i>
	<i>McEntee, Helen.</i>
	<i>McFadden, Gabrielle.</i>
	<i>McHugh, Joe.</i>
	<i>McLellan, Sandra.</i>
	<i>McLoughlin, Tony.</i>
	<i>Maloney, Eamonn.</i>
	<i>Mitchell O'Connor, Mary.</i>
	<i>Mulherin, Michelle.</i>
	<i>Murphy, Catherine.</i>
	<i>Murphy, Dara.</i>
	<i>Murphy, Eoghan.</i>
	<i>Neville, Dan.</i>
	<i>Nolan, Derek.</i>
	<i>Ó Caoláin, Caoimhghín.</i>
	<i>Ó Snodaigh, Aengus.</i>
	<i>O'Brien, Jonathan.</i>
	<i>O'Donnell, Kieran.</i>
	<i>O'Donovan, Patrick.</i>
	<i>O'Mahony, John.</i>
	<i>O'Sullivan, Jan.</i>
	<i>Quinn, Ruairí.</i>
	<i>Rabbitte, Pat.</i>

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	<i>Ring, Michael.</i>
	<i>Ryan, Brendan.</i>
	<i>Stagg, Emmet.</i>
	<i>Stanley, Brian.</i>
	<i>Stanton, David.</i>
	<i>Tuffy, Joanna.</i>
	<i>Twomey, Liam.</i>
	<i>Varadkar, Leo.</i>
	<i>Walsh, Brian.</i>
	<i>White, Alex.</i>

Tellers: Tá, Deputies Peter Mathews and Mattie McGrath; Níl, Deputies Paul Kehoe and Emmet Stagg.

Question declared lost.

Faisnéiseadh go rabhthas tar éis diúltú don cheist.

Question declared lost.

Ministerial Rota for Parliamentary Questions: Motion

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

That, notwithstanding anything in the Order of the Dáil of 25 September 2014, 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 Transport, Tourism and Sport, shall be set down to Ministers in the following temporary sequence:

Minister for Finance

Tánaiste and Minister for Social Protection

Minister for Arts, Heritage and the Gaeltacht

whereupon the sequence established by the Order of 25 September 2014 shall continue with Questions to the Minister for Public Expenditure and Reform.

Question put and agreed to.

Aviation Agreements: Motion

Minister for Transport, Tourism and Sport (Deputy Paschal Donohoe): I move:

That Dáil Éireann approves the terms of the following agreements—

(i) Agreement on air transport between the European Community and its member states, on the one part, and Canada, on the other part, a copy of which was laid before Dáil Éireann on 11 December 2014;

(ii) Common Aviation Area Agreement between the European Union and its member states, of the one part, and the Republic of Moldova, of the other part, a copy of which was laid before Dáil Éireann on 11 December 2014;

(iii) Common Aviation Area Agreement between the European Union and its member states, of the one part, and Georgia, of the other part, a copy of which was laid before Dáil Éireann on 7 November 2012; and

(iv) Euro Mediterranean Aviation Agreement between the European Union and its member states, of the one part, and the Hashemite Kingdom of Jordan, of the other part, a copy of which was laid before Dáil Éireann on 12 December 2012.

Question put and agreed to.

European Council: Statements

The Taoiseach: I am pleased to have this opportunity to inform the House about discussions at the December European Council and to look ahead to the informal meeting of Heads of State and Government on 12 February.

I note that the first Latvian Presidency has recently begun. This will also be the first full Presidency since the changes in the Union's institutions in the autumn, and it is shaping up to be a very busy one. Latvia's Presidency priorities are grouped under three main themes, namely, a competitive Europe, a digital Europe and an engaged Europe. The underlying and continued focus on stimulating growth and job creation is extremely welcome and reflects the expectations and priorities of Europe's citizens. The Latvian Presidency has also pledged to drive forward urgent work on counter-terrorism, and I will return to this later in my statement. As we in Ireland well know, an EU Presidency can be a daunting prospect for a small country, but is also extremely rewarding. I wish Latvia well and assure it of Ireland's full support in delivering on our common priorities.

Let me reflect on the last meeting of the European Council, which took place in December. This meeting sought to agree the tools for addressing one of the key challenges facing the Union today, which is the low investment levels which continue to stymie growth. We also returned to consider the evolving situation in Ukraine. In addition, our conclusions touched on the fight against tax avoidance and aggressive tax planning, as well as the functioning of economic and monetary union. The December meeting of the European Council was the first to be chaired by the new President of the European Council, Donald Tusk. Deputies will have seen that the conclusions are focused and succinct, avoiding repetition of statements already made and positions already agreed in Council. I know that President Tusk intends to continue this approach,

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to minimise time spent on drafting and maximise the time Heads of State and Government can spend on strategic discussions.

The focus of our December meeting was on efforts to boost investment, based on a comprehensive plan brought forward by Commission President Juncker, who has personally attached a very high priority to this issue. Boosting investment in the real economy is critical for growth, and for bringing down the persistently high levels of unemployment which continue to plague so many countries in the Union. In my contribution to a panel discussion at the World Economic Forum in Davos last week, I spoke of the critical importance of European governments and institutions working closely together. The investment agenda is one practical area where close co-operation between the Commission, the European Investment Bank, EIB, and member state governments can make a real and positive difference, not least given the inter-dependence of member state economies. The European Council gave its strong political backing to President Juncker's investment plan. This does not mean that every element was agreed; this was not the intention. However, there was consensus with regard to the broad outline of the new approach.

The European Council set the ambitious goal of having the new European fund for strategic investments, EFSI, up and running by the middle of this year. The aim is to mobilise €315 billion in new investments between 2015 and 2017. The European Council clarified that the EFSI will complement and be additional to ongoing EU programmes and traditional EIB activities. This was an important point, and something which Ireland raised ahead of the meeting.

I do not pretend, and neither does President Juncker, that this investment plan is a magic solution which can single-handedly solve the problems of stagnating growth and high unemployment in Europe. However, it is one important aspect of a broader policy mix, which also includes structural reforms, prudent fiscal policy and monetary policy. With regard to the latter, I am very encouraged by the decision of the ECB last week to expand its balance sheet through large-scale asset purchases, including the purchase of sovereign debt in the secondary market, otherwise referred to as quantitative easing. This should create upward pressure on inflation and lead to improved financing conditions for households and firms, thus supporting investment and job creation. I hope that the move will help restore much-needed confidence in the euro area economy.

Since December, work has been moving ahead quickly on the European fund for strategic investments, EFSI. A legislative proposal to facilitate the establishment of the fund was published by the Commission on 13 January. This is being considered in detail by experts in Brussels, including from our Department of Finance. The intention is to reach agreement at the ECOFIN meeting in March in order that negotiations can open immediately with the European Parliament. I have asked my Department to work with other relevant Departments towards a coherent and well-co-ordinated approach to the new investment plan, including early shortlisting of options. This has begun and will continue over the coming weeks, closely aligned with deliberations in Brussels and preparations for the March meeting of ECOFIN.

While we should be careful to avoid unrealistic expectations, there may be opportunities to develop synergies between the new investment plan and the Ireland Strategic Investment Fund established by the Government last year. I have also asked my officials to ensure that careful consideration is given to any potential in the area of infrastructure investments by State bodies, as well as to the implications for Ireland of a refreshed Commission guidance on making best use of existing flexibility in the Stability and Growth Pact. I will be happy to keep the House informed in the period ahead.

While much of the media attention in relation to the investment agenda has been focused on the EFSI, the European Council also called for progress in other important areas which can provide a supportive environment for economic growth through investment and trade. For example, we called for speeding up the adoption of Union legislation in the Single Market area and the enhancement of efforts to remove barriers.

The European Council also called on the Commission to present a comprehensive energy union proposal well in advance of the March 2015 European Council. The crisis in Ukraine and the challenge of climate change have underlined the need to reduce European reliance on imported energy and to secure the energy future of the EU. Increased energy efficiency is also a key component of the Union's strategy.

The European Council called for the further strengthening of the multilateral trading system and the conclusion of bilateral trade agreements with key partners. Needless to say, concentration was focused on the transatlantic trade and investment partnership, TTIP, agreement. We encouraged the Commission and US negotiators to make every effort to conclude an ambitious, comprehensive and mutually beneficial agreement by the end of this year. While this deadline is looking increasingly challenging given the many complicated issues under discussion, TTIP remains a priority for the new Commission and the Latvian Presidency. The Irish Presidency also played an important role in the process when it helped to secure the Commission mandate to open negotiations. The Government will continue to support efforts to conclude the talks in the shortest time. The United States is one of our most important trading partners and improved access to the US market will benefit Irish companies and, in particular, small and medium enterprises, SMEs. We owe it to ourselves to work towards this ambitious outcome rather than settling for a lesser agreement which fails to realise the full potential of our trading partnership with the US.

In regard to taxation, conclusions were adopted which stressed the need to advance efforts in the fight against tax avoidance and aggressive tax planning. As Deputies will be aware, Ireland has engaged actively with these discussions at the OECD and we will participate constructively in EU efforts while maintaining the firm position that matters of direct taxation remain a member state competence. There is a commitment to return to taxation issues at the June European Council, and I will keep Deputies fully briefed in advance of and following that meeting.

Moving on to external relations, the Minister of State, Deputy Murphy, will update members shortly on our discussions and decisions in regard to Ukraine. Unfortunately, the situation on the ground has deteriorated. EU Heads of State and Government today issued a joint statement condemning the killing of civilians during the indiscriminate shelling of the city of Mariupol at the weekend, and noting evidence of continued and growing support given to the separatists by Russia. We have asked the Foreign Affairs Council, which meets on Thursday, to assess the situation and to consider any appropriate action, in particular on further restrictive measures. The Minister, Deputy Flanagan, will participate actively in these discussions.

I also raised at the European Council the horrendous attack which took place on the school in Peshawar, Pakistan on 16 December. More than 140 people lost their lives in this barbaric attack, the vast majority of them children. The High Representative, Ms Mogherini, released a statement on behalf of the EU which expressed our collective shock and confirmed the EU's commitment to tackling the threat posed by terrorism and our readiness to further assist the Pakistani Government.

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Since the last meeting of the European Council, we have also witnessed tragic events here on European soil. On the Sunday after the attacks in Paris, I had the opportunity to convey directly to President Hollande Ireland's sympathy with and support for France and her people at this very difficult time. The attacks were a very stark reminder of the very real threats to our common European values and way of life, but they also highlighted the enormous value of unity and solidarity among the member states in addressing these common challenges. We must continue to work closely together to protect and preserve our fundamental values and freedoms from the scourge of terrorism.

On 12 February, Heads of State and Government will gather for an informal meeting in Brussels. The overriding focus of that meeting will be to consider how we can work together to counter the threat posed by terrorism and extremism. Our discussions will be informed by work already taken forward through the Foreign Affairs Council on 19 January and by an informal meeting of the Justice and Home Affairs Council later this week.

As Deputies will be aware, there is considerable concern across Europe and elsewhere at the phenomenon of individuals travelling to conflict areas in the Middle East and the consequential threat posed to national security. The recent events in Paris and also in Brussels are just the latest and most serious manifestations of the threat posed by foreign fighters. Even countries with highly sophisticated intelligence resources are finding it difficult to predict and counter attacks. At the Foreign Affairs Council, Ministers were united in their resolve that the 28 members of the Union would stand together in the face of the threat posed by terrorism and extremism. The Council considered a number of practical steps to improve the EU's counter-terrorism capacity, mainly aimed at improving the coherence and effectiveness of our efforts. It was agreed, for example, that there will be heightened co-operation with Europe's near neighbours, including on policing. Consideration was given to how we can strengthen communications with the Arab world, which is vital in addressing the root causes of extremism.

Issues to be considered at the informal Justice and Home Affairs Council later this week are likely to include the need to strengthen the borders of the EU; the adoption of an EU passenger name record system, which continues to be held up in the European Parliament; improved police and judicial co-operation; measures to improve control of firearms; and measures for countering extremism and radicalisation on the Internet. Let me emphasise that Ireland, like all other EU member states, favours a strengthened EU role in this area but one that is simultaneously fully respectful of human rights principles. We must avoid, in our determination to stand up to and defeat the scourge of terrorism, the pitfall of undermining the very rights and principles that are the cornerstones of our democratic societies.

In addition to considering counter-terrorism measures, the informal meeting will provide an opportunity for a first discussion since the appointment of President Juncker and President Tusk on the strengthened co-ordination of economic policies to ensure a smoother functioning of economic and monetary union, EMU, and the avoidance of future crises. Together with Mario Draghi as President of the European Central Bank and Jeroen Dijsselbloem as President of the Eurogroup, they will present a report to the June European Council.

Although the situation in Greece is not formally on the agenda, it will be on everyone's mind. It will also be a first opportunity to engage with the new Prime Minister of Greece, Alexis Tsipras. I wish him well in the huge challenges he faces. There are undoubtedly difficult choices ahead for the new Greek Government and it is important for it to choose the path of constructive engagement. I hope that any negotiations will result in a politically and

economically sustainable basis for Greek recovery within the framework of euro area rules and commitments.

I also wish to inform the House that next week I plan to travel to Brussels for bilateral meetings with President Tusk and President Juncker. This will be an important opportunity to renew what are already very close personal relationships with the Union's new leaders and to convey Ireland's views on the issues of priority to us and to the Union. I will be happy to report back to the House on both of those meetings.

I thank Deputies for their attention and look forward to hearing views from the floor.

6 o'clock

Deputy Micheál Martin: Events in the past month have made largely irrelevant the outcome of the last European Council. The items which were formally adopted had been agreed in advance and discussions did not move any major issue forward significantly. In fact, the Council did not discuss the major economic and political developments which were in train back in December and have come to the fore since then.

The victory of Syriza in last weekend's Greek election represented a substantial cry from the people of Greece to be shown a more hopeful future. As the parties campaigned, as outsiders always do, Syriza promised that the answer to Greece's problems was quite simple and the enemy clear. The idea that all Greek austerity was avoidable and was imposed from outside is manifestly and cynically dishonest, and we heard some of that commentary today. Unlike the situation in Ireland, Greece's debts were incurred solely to pay for normal budgetary items and none of these bills was imposed on Greece. However, it is absolutely true that more must be done to assist Greece and the rest of the eurozone to return to more sustainable and fairer growth. There are certain realities in terms of the Greek debt-to-GDP ratio that have to be dealt with. This is something which I and Fianna Fáil's spokespeople have repeatedly called for over the past three years.

We should note that Mr. Tsipras and his party spent much of the last month sending envoys through Europe to stress that Syriza is absolutely committed to keeping Greece in the eurozone and that it does not have an agenda which is a threat to foreign lenders or investors. In a meeting with investment funds in London they are reported to have said that they do not intend to take unilateral action on Greece's debts. There is an underlying reality in regard to Greece's debts which is that no matter what is done with the debts, nothing in the new Government's programme is achievable without continued foreign borrowing. It understands this and its actions will reflect this.

It is the responsibility of Europe and individual states to engage actively and constructively with the new government in Athens. This should be done in the context of an overall settlement of debt-related issues within the Union and the adoption of a credible growth agenda. As I have said for a number of years, there are parts of Europe where fiscal reality means that there has been no credible alternative to tightening budgets. What there has been, and continues to be, an alternative to is the failure to help countries to stimulate growth and the avoidable austerity of countries with low debts and falling spending.

While the idea of a debt conference is good and one which I support, it will not solve all of Greece's problems. The short and medium-term impact of its debts is relatively low because the money it has borrowed from international lenders is on very long terms with very low interest

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rates. What Greece needs is a pathway back to investment and this can only really come from international support. Part of this may come from the outcome of a debt conference and that is why we support the holding of one, but only if the concerns of all countries are on the agenda.

Ireland should be willing to be flexible about how the €350 million it has lent to Greece is returned and the terms of this loan. However, Ireland should not lose sight of the core point, namely, that it remains the most unfairly treated of all of the countries which either received a bailout or have seen steep increases in debts in recent years.

In the coverage here in recent weeks, a point missing most of the time is that Greece has already received preferential treatment to that received by Ireland. Its loans have been lengthened to dramatically lighten financing needs in the next decade and the interest rates have been reduced to effectively nothing. In addition, all profits which the European Central Bank makes on Greek bonds are returned to Greece. If these policies were applied to Ireland, it would make a significant difference to our budget.

We got the benefit of many of the changes negotiated by Greece, but because our Government was so busy spinning these as great victories, it has never sought full equality. In the case of the promissory notes, the Taoiseach will remember that when that particular deal was announced in an avalanche of self-praise, my party pointed out that it would only benefit Ireland if bonds were held by our Central Bank to maturity. This is because it can return to the Exchequer all profits on these bonds.

Last month, it was revealed that the Central Bank has actually speeded up its sale of Irish bonds, and the new situation is that the entirety of the promised windfall will be lost and the bill actually increased. The refusal of the Minister for Finance to explain fully the likely cost of the promissory notes deal suggests that this is something which he knows will undermine the official story. After two years of posturing, the Government last month quietly admitted that it is not even asking for a relief of bank-related debt. Even though the ECB's determination to avoid a European Lehman Brothers has been shown to be central to the scale of debts incurred by our Government, the Taoiseach will not say this in public. If Greece can seek to revise terms, then Ireland, with its stronger case for relief, must do so.

To start with, we need the Government to be willing to state this in public. The idea that this will associate us in some way with Greece's wider economic problems is nonsense. There are underlying strengths in our economy which are well understood. The skills of our people, our broad export-focused industrial base and our pro-job creation policies have been built up over many years and lie at the heart of a return to growth. It is because they are long term, and not a product of a few years of one Government, that they have a credibility internationally which will not be challenged by looking for fair treatment on debt.

Some two years ago the Minister, Deputy Noonan, and the Minister, Deputy Howlin, were willing to envisage €30 billion in debt relief. Today they are looking for nothing. Hanging around to see what others get and hoping that it will be extended has failed. It has delivered nothing extra to Ireland and the policy of hyping everything has delivered the Government nothing politically. This is a moment when Europe must engage with the deep disillusionment of many of its citizens. Ireland must play its part and start seeking full justice for its case.

Since the Council met last December, the European Central bank has launched its programme of quantitative easing. This is extremely welcome and it should not have taken six

years to happen. The quantitative easing programmes of the Bank of England and the US Federal Reserve worked. They delivered higher growth and employment and provided a more secure environment for a return to investment. Due to the constraints placed on the plan by those who would have preferred to do nothing, its impact may be lower than if President Draghi had been given more freedom, but it is still welcome.

It shows the ECB beginning to work more like a true central bank, one which is focused on the interests of all part of the eurozone and not just the most powerful. I welcome the fact that, after three years of being pressed on this, the Taoiseach finally asked the ECB to co-operate with our banking inquiry. Only those who put politics first deny the central role which the failed and abandoned ECB policies had in increasing the scale of Irish debt and the requirement for a bailout. The Trichet presidency of the ECB was disastrous for Europe and Ireland.

I welcome the indications that the European Court of Justice will shortly rule that the ECB should not participate in any troika-like arrangements. It has no legitimate role to play in fiscal and social policies and was a regressive force in opposing the burning of bondholders which was supported by the IMF. Ultimately, as the troika repeated time after time, individual measures were open to amendment by the Irish Government and that its concern was hitting overall targets. It was not the troika which forced our Government to implement a decisive shift to unfair and regressive policies; that was the choice of Fine Gael and Labour Ministers.

As the CSO figures have shown, the impact of the Government's policies is that inequality and deprivation have grown by every measure. What has also been seen is a new phenomenon of deprivation being experienced even by families with reasonably paid jobs. They have been hit by the policy of piling up new charges, without concern for ability to pay and the weighting of four out of four budgets to give the largest benefit to the wealthiest in society. Equally, they have been hit by the refusal to engage with the mortgage and household debt crisis. Fattening up the banks for a pre-election sale has taken priority over helping the over 100,000 families in severe trouble and the net economic impact of this has been devastating. If this is to be a moment when Europe discusses a credible approach to debts and investment, then our Government needs to start demanding fairness for our country and needs to start showing fairness in its policies.

The escalation of violence in Ukraine has at its core the continued work of Russia to destabilise and further partition a neighbouring country. President Putin said yesterday that it was the duty of Kiev to support Russia, rather than to seek accommodation with Europe. The entire rebel effort is funded, organised and in many cases carried out by Russia. The only people who deny this are those who are wilfully blind to Russia's behaviour and who are disinterested in the rights of nations which want to be free of former imperial powers. The efforts of the High Representative Mogherini to start a discussion about lifting sanctions on Russia were unacceptable and my party welcomes the strong reaction of President Tusk and many governments which forced its abandonment. It is unfortunate that there are still many apologists for Russia's behaviour and those who are willing to parrot its anti-Ukrainian propaganda.

The government in Kiev is a mainstream democratic government that enjoys overwhelming democratic legitimacy. It is implementing policies which are endorsed by its citizens. It needs two things most of all now. It needs us to be resolute in saying to Russia that it should get out Ukraine or there will be no let-up in sanctions. It also needs a far more generous international support programme. This is a democratic country which is under attack by a neighbour which wants it to be a servile and undemocratic puppet. The economy is devastated by the conflict

which outside aggression has caused and by the lasting impact of the policies of a past government. The economic and social burden being carried by the Ukrainian people is too high and it is our duty to support a much more generous financial aid package. It has been an incredible feature of the past 12 months that we have had to listen to voices which pretend to support the rights of nations to be free but have refused to speak clearly against Russian aggression. Instead, they have promoted the lie that Europe and America are somehow to blame. The House should note that, yet again, Sinn Féin representatives have stood in the European Parliament with those seeking to attack the Ukrainian Government and excuse the Putin regime. They supported their group when it put down a series of outrageous motions opposing a proposal to condemn Russian aggression and support the rights of the Ukrainian people.

I endorse the Taoiseach's comments on the challenge of Islamic fundamentalism and, in particular, the recent terrorist attacks in Paris. I note the resolve of the European Union and all member states to work in solidarity, particularly in terms of security, policing and a sharing of knowledge and information in dealing with a very fundamental and serious threat to the freedom and liberty of individuals and the safety and security of our citizens.

The House should note that since we last debated European matters, the European Parliament has taken a position which would be directly damaging for Ireland's economy if it were allowed to proceed. The vote seeking a break-up of Google is a classic example of Europe spending time on grandstanding rather than constructive work. It is noteworthy that representatives of Sinn Féin and some other Irish MEPs were present for the vote but refused to support one of our most important investors. This has the potential to be a repeat of the long and pointless engagement with Microsoft in the past. As has been seen with the incredible changes in the web browser sector, Microsoft's contention that change was inevitable was true. Europe wasted an enormous amount of time, energy and money based on the false premise that Microsoft had a permanent monopoly on browsing. The idea that Google will never face competition unless it is broken up is nonsense. A much better approach would be to support a proper increase in funding to support innovation in information and communications technology. There is a fundamental need for the European Union to be far more outward-looking in its economic policies, particularly with regard to competition, state aid and its attitude to globalisation and the emergence of key companies in the technology sector. It should have a broader perspective than it has shown to date.

Deputy Gerry Adams: As the Taoiseach noted, the European Council meeting took place in December and much has happened since. Not least of these events was the historic and groundbreaking election in Greece. I congratulate the new Greek Prime Minister, as the election result was a victory for hope over fear, which opens up a real prospect of democratic change not just for the people of Greece, but for citizens right across the European Union. The new Greek Government is seeking to renegotiate Greece's debt burden. Despite the impression created by the scaremongering of some, including the Taoiseach, it is not threatening a unilateral default. The Greek Prime Minister, Mr. Tsipras, has called for Greece's debt burden to be considered within a broader restructuring of sovereign debt in the eurozone. He has also raised the demand for a European debt conference. This is a proposal which the Tánaiste said "has some merit", although when I asked the Taoiseach last week for his position, he bluntly rejected the idea. Why did he do so and did he consult with the Tánaiste about this? Did she know the Taoiseach would rule out this initiative? It makes absolutely no sense for a Taoiseach and Government of a state with a debt-to-GDP ratio of 111% to say "No" to a debt conference.

The citizens of this State should not have to depend on Greece to propose something which

is so obviously in the interests of this State and its citizens. The Taoiseach's negotiating track record in the EU and on Ireland's debt has been utterly pathetic. He has committed at every turn to repaying every cent of the toxic Anglo Irish Bank debt and completely surrendered on the recapitalisation of the pillar banks. The Government has refused to negotiate in any serious way at an international level in the best interests of the Irish people and, instead, it has inflicted widespread hardship on Irish citizens and damage to this society, leading to inequality in communities across the State.

The latest Central Statistics Office statistics indicate that the number of children in poverty has risen to 140,000 and that the Government will miss anti-poverty targets, with more than a third of young people in the State experiencing enforced deprivation. Sinn Féin has never indicated that the Irish people should have to pay private bank debt. It is not the people's debt but that of a small elite who caused the financial and economic crisis. The reality is that €62 billion in loans were in the hands of just 190 people. It was not about Paddy going mad, as the Taoiseach famously said at Davos one time. There was a small golden circle, and 50% of the loan book of Anglo Irish Bank was held by just 20 individuals. Irish Nationwide was a similar example. The original bank guarantee was introduced by the previous Administration but it was renewed at least twice by this Government. Ordinary people have paid and are paying the price. The Government turned private debt into sovereign debt, and this has left a legacy of debt for generations to come.

The Fine Gael and Labour parties, despite their election rhetoric, rolled over on this issue. Interestingly enough, the Government rubbished our notion of separating sovereign debt from banking debt - burden sharing - but it is now EU policy. We will continue to push for the European Union to honour its obligations for unfairly forcing this debt on Irish people. The Government has had the option to apply for retrospective recapitalisation of bank debt in AIB and Bank of Ireland but so far it has not been achieved. Why is that? Meanwhile, at the most recent visit to Davos, the Taoiseach advised European leaders to press on with the austerity agenda and ignore growing demands for a more thoughtful and sensible way to deal with European debt. He dismissed democratic demands as populism but the Taoiseach has no mandate to act as an adviser to the EU elite and its friends. His remarks make it clear that this Government is ideologically wedded to austerity and has no interest in seeking a better, fairer deal for Irish citizens.

We support the growing cause for a debt conference that will make debt sustainable and fair. There is a need for an honest debate based on proposals rather than scare tactics from a Government which has demonstrated it is not prepared to consider alternatives to what it has already promoted. Can the Taoiseach outline any logical reason he will not support a debt conference? The ECB's move on quantitative easing last week was welcome, and Deputy Doherty has argued that cause for a long time in this Chamber and outside it, but it is only one part of what is needed for economic recovery. The two other parts are a change in fiscal policy and a debt conference. Providing extra credit to over-indebted countries will not make their debt any more sustainable and it is a measure of this State's status that the Central Bank of Ireland did not even have a vote on this matter. Will the Taoiseach reflect on his rejection of this initiative and, having done so, will he, as the Tánaiste suggested, see that such a conference has some merit and, accordingly, on behalf of the Irish people, will he support a debt conference? Will he ask for relief of unfair bank debt and will he raise these matters in his meetings next week with President Tusk and President Juncker? Will he take the opportunity to apply for retrospective recapitalisation of pillar banks, as he promised and as he predicted so long ago?

Deputy Seán Crowe: These post-European Council statements relate to the meeting on 18

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December but, along with the Taoiseach, I wish to express my condolences to all those killed and injured in the recent attacks in Paris as well as in Pakistan and Ukraine. I hope that at the next Council meeting the Taoiseach will inform President Hollande of the condolences and the messages of sympathy of all parties in this House.

As my colleague, Deputy Adams, has outlined, the election in Greece on Sunday was historic and it is fitting that we formally congratulate Syriza on its victory. The message coming from these benches is that the Government needs to seriously reconsider its position on the merits of a debt conference and the call for such a conference. The Syriza victory also came in the face of EU opposition and the unprecedented interference of European Commission President Jean-Claude Juncker into this domestic election. For many, the Syriza win was a victory for hope - something the current EU system is still not offering the majority of citizens of member states.

Last month the European Council also discussed the need to fight tax avoidance and aggressive tax planning. Was Ireland's tax regime discussed? Will the Minister of State, Deputy Dara Murphy, respond to that question? Was there any discussion about whether Apple's specific tax arrangements with Ireland are legal? Just before the European Council, the new EU Competition Commissioner said there is reasonable doubt about whether Apple's tax arrangements with Ireland are legal and that the investigation into the case remained open and this is despite the Minister for Finance, Deputy Noonan's remarks in November that he expected the case to be dropped.

Ireland is not alone in regard to specific tax arrangements. The Netherlands and Luxembourg are also facing investigations into how their tax arrangements with global multinationals may have been a form of illegal state aid. Ironically, the Luxembourg scandal directly involves the current European Commission President, Jean-Claude Juncker. It is alleged that Mr. Juncker, when he was Prime Minister of Luxembourg, played a key role in the affair and, in fact, was the architect of Luxembourg's tax avoidance system. Harmful tax practices are now supposedly at the top of the Commission's agenda, but the Commission is being led by one of the alleged prime culprits.

The European Parliament also attempted to launch a full inquiry into sweetheart tax deals with some multinational companies. More than a quarter of MEPs - many in defiance of their own party leaders - called for a thorough probe into alleged state-facilitated tax avoidance across the EU. The large number was sufficient to trigger a formal request for a committee of inquiry. Fine Gael's four MEPs voted against a European Parliament committee of inquiry into the Luxembourg leaks scandal two weeks ago, which is very disappointing. Mr. Juncker is also a member of the EPP, along with Fine Gael, but what Irish people would really like to know is what Government MEPs fear from such an inquiry. Do the Government MEPs have anything to fear from such a probe into the Irish tax system and supposed sweetheart deals? Why is there no political desire to tackle corporate tax avoidance schemes? With European citizens continuing to face enforced austerity policies, surely it is more important than ever that companies pay their fair and equal share of tax.

The Taoiseach mentioned Ukraine which was also discussed at this European Council meeting. We know that unfortunately the fighting has got worse in eastern Ukraine since the meeting and 30 civilians were reported dead after mortar fire struck the outskirts of Mariupol city last weekend. According to the UN, more than 5,000 people have been killed in fighting since the rebels seized large swathes of the Donetsk and Luhansk regions last April and more than 1 million people have been displaced. It is now being reported that EU Foreign Ministers will hold

an extraordinary meeting on Thursday to consider imposing further sanctions on Russia. Can the Minister of State provide any more detail on that? Does Ireland support further sanctions against Russia?

Some 70 years ago today the Auschwitz concentration camp was liberated by the Soviet Red Army and last Sunday was the annual Holocaust Remembrance Day. The genocide carried out was one of the most horrific crimes ever committed in Europe or the World. Unfortunately, we are currently seeing a resurgence of far right groups in Europe and anti-Semitism, including violent attacks, have seen a sharp increase in recent years. We also have seen the growth of many of such political parties across Europe. Does the Minister of State agree that collectively we must unite to eliminate anti-Semitism from society and never forget the horrors that led to the Holocaust and murder of so many millions of innocent people?

With this in mind and in remembering the violent attacks in Paris, I hope that combatting anti-Semitism, Islamophobia and other forms of sectarianism and racism can be discussed at the next European Council meeting. Perhaps the Minister of State will respond to that.

Deputy Catherine Murphy: I am sharing time with Deputies Healy, Clare Daly and Wallace.

As was said by others, much has happened since December, not least the weekend election in Greece which is part of a trend throughout Europe. Calls for a European debt conference ought to be heeded by this Government. Looking back, it is difficult to believe that the last time such an international conference of creditors took place was the London debt agreement of 1953. I have made this point in the Chamber on several occasions. That agreement reduced Germany's external debt by about 50%. The IMF has essentially controlled international debt since then and, as such, the kind of progressive thinking which saw the value in allowing Germany to thrive economically by freezing its huge debts from a combination of the Treaty of Versailles, the Nazi era and the post-World War II debts has vanished. We need to retain that vision for the good of the Continent as a whole. It is an historical irony that the biggest beneficiary of debt forgiveness now leads the charge against easing the debt burden of several of the original creditors, namely, Greece, Spain and, indeed, Ireland.

The Taoiseach has on numerous occasions come into this House and said we cannot have defaulters marked across us as it will ruin us for all time. Germany was one of the biggest defaulters and it is now the powerhouse of Europe. That should tell us something. It is not just about what happened in Greece. The German debt campaigner, Jürgen Kaiser, noted that few sovereign debt restructurings have so clearly marked the transition from critical indebtedness to a situation where debt is no longer an obstacle to economic and social development and that the agreement remains one of the few historical examples of how circumspect and sustainable a debt workout can be, if the political will exists. However, the political will has been absent. The one-dimensional thinking has forced the populations to rethink the political direction of Europe. We saw an example of that at the weekend in Greece, and I hope we will see more of it, but our Government must sit up and take note of that change in direction because we should be an ally of those who are calling for that debt conference. I hope that will be taken up in a future setting, if not the next Council meeting.

Deputy Mick Wallace: The biggest story in Europe at the moment is the success of Syriza in Greece and I, too, congratulate it. The challenges it faces will be great given the powers that are stacked against it. It is a symbol that many people in Europe today are not happy with the

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powers of the banks and the wholesale sacrifice of our collective social good in the name of so-called free market forces. We have seen an anti-social, neoliberal agenda imposed across Europe and here, and at this stage many people in Europe have seen enough of it.

It is also indicative that this week Ireland will ratify the European Union-Ukraine Association Agreement that has been at the centre of the troubles in Ukraine. The agreement is part of a wider narrative about the role of powerful but unelected forces such as the IMF, the European Central Bank, ECB, and the fossil fuel industry interfering in wide-ranging policies of sovereign states. If people want to live in a society that is worth believing in or a sovereign democracy that is worthy of the name, they need to have independence from these unelected powers.

The agreement is just the next stage in the struggle for control of a country whose political, financial and infrastructural problems are being used as a pretext to exploit the situation for private gain. Ukraine is a pawn in what is essentially a colonial stand-off between Russia and the West as the United States and the EU attempt to dig their teeth deeper into the former Soviet bloc. People have forgotten that over 20 years ago when Gorbachev did the deal with the West, they agreed that they would not impose on the countries around the Soviet Union in the interest of peace, but that is exactly what has gone on for the past 20 years, and they have gone even further into that area and destabilised the region.

The trade deal ignores the fact that tensions between East and West inside Ukraine are far from resolved, with many commentators arguing that the pro-Russian eastern region will lose out massively as a result of the agreement, causing further destabilisation. Like all the international trade deals of late, they are not so much about trade as writing into law the primacy of the rights of corporations above those of citizens. We are also looking at the TTIP coming our way.

The Ukraine agreement will do away with restrictions on trade and production, the purpose of which is to protect the citizenry. It will also facilitate the export of Ukrainian shale gas to Europe by the biggest polluter in the world, Shell, Chevron and friends, regardless of the consequences for the communities getting “fracked” or the planet being cooked. Shell has signed the biggest shale gas contract in Europe, a €10 billion deal in Ukraine where it will drill 15 test wells.

The question for us today is why, in the name of God, we are taking part in this expansionist economic war between Russia, the EU and the US. What do we have to gain? Is it for lower prices on dirty gas that we should not even be burning or a pat on the head from the US? Why take part in sanctions against Russia and protest its abuses against the human rights of Ukrainians when that is obviously not the Minister’s concern? Saudi Arabia has chopped the heads off over 2,000 people since 1985 for offences such as witchcraft and discussing atheism in public, and we have no problem doing business with it. Israel murdered 500 children in Palestine last summer, and we do not have a problem doing business with it. The Minister, Deputy Bruton, made the answer to these questions clear to me here last year when he said that trade missions were no place to discuss these kind of issues, which means that where there is money to be made there is no place for human rights. Following that logic, what hope is there for the people of Ukraine?

Ratifying this trade deal will only subject Ukraine to unfettered exploitation by unaccountable corporations, destabilise the region further and entrench us more deeply as partisans in a new cold war that we should have nothing to do with.

Deputy Clare Daly: The election of Syriza has been a fantastic shot in the arm for hard-pressed citizens throughout Europe by raising the prospect of a Europe that could be run in the interests of the millions rather than the millionaires. I, too, pass on my best regards to the new government and the Greek people.

It is against that backdrop that I was appalled to hear the comments of the Minister for Foreign Affairs dismissing the prospect of a debt conference on the basis that it is not in Europe's interest. What Europeans is he talking about? Such a conference would certainly not be in the interests of the big bankers and bondholders but it most definitely would be in the interests of the ordinary citizens of Europe, not least Irish people as well as our Greek and Spanish peers. That vision of hope that the Greek Government has given us is something that people the length and breadth of this country will seek to emulate in the next general election.

It is illustrative to read Paul Krugman's article in *The Irish Times* today in which he said we have to look at the roots of the political earthquake in Greece and realise that it comes from the troika's programme there. These are the people who unleashed a human nightmare of 28% unemployment and 60% youth unemployment in Greece. Those situations exist not because the Greek Government did not listen to the troika, but because it did, and these are the same forces who are telling the new government that it has to be reasonable and realistic. As Krugman says, if anything, the problems that will face Syriza is that it is not radical enough and it needs to take that situation forward, and we should be doing everything we can to support it.

There has been a nauseating hypocrisy, which was dealt with by Deputy Wallace, in regard to how this Government has slavishly followed EU foreign policy. It is a violation of our neutrality and not something in which I believe the Irish people are interested. We are very quick to impose sanctions on Russia, like everyone else, for the illegal annexation of Crimea and the deliberate stabilisation of Ukraine but, as Deputy Wallace said, we have no problem dealing with Saudi Arabia, which nearly makes ISIS look good. Ten people were publicly beheaded in Saudi Arabia this year alone. It is nice not to see flags being flown at half mast here. It would be an outrage to women and human rights activists that we would go along with that.

We stand idly by and allow Israel bomb people in Gaza. We have no problem with what is going on in Egypt and so on but it is an entirely different matter when it comes to Russia. What sickening hypocrisy. If we are serious and neutral, why would we not be consistent across the board? The reality is that the conflict between NATO and Russia has been going on for decades but the imminent pressure behind it now is that NATO has basically taken over all of eastern Europe, encircling Russia with military bases. If that was happening on the Canadian or Mexican border, we would have a far greater level of aggression and fatalities than currently is the case. Instead we have an anti-Russian agenda-----

Deputy Micheál Martin: That is not true.

Deputy Clare Daly: -----which is basically forcing Ukrainians into a deal with the EU. If we were really neutral, we would be supporting the Ukrainian people in their ability to internally sort things out for themselves-----

Deputy Micheál Martin: That is what we are doing. The apologists-----

(Interruptions).

Deputy Clare Daly: ----and not slavishly follow the EU agenda which, as Deputy Wallace

accurately put it, is also about gas, financial resources and so on. It has nothing to do with human rights or self-determination. It is a scandal, yet again, that this Government goes along with the same slavish adherence to US and EU foreign policy.

Deputy Seamus Healy: The election at the weekend of the anti-austerity Syriza party in Greece is a significant development not only for Greece and the Greek people, but also for all of Europe, and particularly for the programme countries including Ireland, Spain and Portugal. I heartily welcome the victory. The Greek people have supported all those in Europe suffering from unjust austerity imposed by the troika. They have opened the door for the long-suffering Irish people. We must grasp this opportunity with both hands immediately. If Ireland does not join Syriza in supporting and preparing for a European debt conference to write down debt of all programme countries, it will face another 20 years of austerity. The 1952-53 European debt conference, which halved the German debt, gave a moratorium on repayments and extended the repayment period when it started to 50 years, offers a precedent. Another initiative of that nature is absolutely necessary for Ireland, Greece and the other programme countries.

It is regrettable that the Taoiseach, the Minister for Finance and the Minister for Foreign Affairs and Trade have said in recent days that Ireland does not want a debt write-down. I assure them that the 1.4 million Irish people who are affected by deprivation and the 376,000 families that are living in consistent poverty in this State - both figures are taken from last week's CSO statistics - want a debt write-down. The same thing can be said of the 211,000 children who live in consistent poverty in this country, the 90,000 families on housing waiting lists, the 350,000 people who are unemployed, the 83,000 people who are on schemes and the almost 100,000 people who have emigrated.

If we do not get the debt write-down we seriously need, we will continue in austerity for the next 20 years. That is due to the fiscal treaty, about which we are hearing nothing now. When the fiscal treaty clicks in after the next election, it will impose ongoing austerity for 20 years. The structural deficit will cost us €4.5 billion. After that, the reduction to 60% of GDP will cost approximately €3 billion a year for 20 years. This country needs and wants a write-down. The Government, the Taoiseach and the Tánaiste should support Syriza and the other programme countries in calling for a European debt conference.

An Leas-Cheann Comhairle: We will now move on to questions to the Minister of State, Deputy Dara Murphy. This part of the debate will last for a period not exceeding 20 minutes.

Deputy Richard Boyd Barrett: I would like to repeat a question I asked the Taoiseach earlier. I did not get much of an answer. It has been asked again by other Deputies. Maybe the Minister of State, Deputy Dara Murphy, can enlighten us. Why on earth is the Government not joining Syriza and the people of Greece in supporting the idea of a debt conference? It is absolutely beyond belief. Frankly, it is economic treason, to use a phrase that the former Tánaiste once used in a different context. Next year, we will have to pay €8 billion in interest on a debt that was inflicted on the people of this country because of the activities of bankers, bondholders, developers and the political establishment here. That figure is slightly less than this country's entire education budget. Such moneys could be used to provide a decent social housing programme, reverse the cuts that have been inflicted on the health service and stimulate a real economic and job creation programme in this country. However, the Government has said it is not interested and would prefer to have to fork out this money, thereby starving the public services and inflicting misery and suffering on the people. The effect of what it is doing in the process is to scab on the Greek people's fight for debt relief.

For the first time in a number of years, there exists a real prospect of a united front of the victims of austerity across Europe, particularly in Greece, Portugal, Italy and Spain, where very soon we will see a similar election result to the one we saw in Greece. The same thing applies to the so-called central countries. I ask Members to believe me when I say that most Germans are not to happy with Angela Merkel's economics and politics. There is a real chance of a revolt against what Dr. Paul Krugman has rightly described as the "fantasy economics" of the troika, which believed the imposition of cruel and vicious austerity would somehow produce economic growth and jobs. It has produced the exact opposite. It has produced Europe-wide stagnation and brought Greece to its knees. Now that we finally have a chance to look in another direction, the Government is saying it is not interested. How can it possibly justify saying that? It beggars belief.

I wish to raise an issue that we will discuss again in the context of the motion on the association agreements. It is beyond belief that the situation in eastern Europe is getting close to terrifying. I refer not only to the serious political and economic crisis in Russia but also to the alarming rise of the far right in a number of places in Europe, including Ukraine. Figures in the far right have been included in the Ukrainian Government. Shock troops have been used to terrorise Jewish people and whip up ethnic divisions in Ukraine. On Holocaust remembrance day, we should be considering where all this stuff led in the 1930s and 1940s. We are seeing alarming echoes of all that happening again. What is the EU doing? It is involved in an expansionist agenda. It is competing with an equally rotten, corrupt, totalitarian and brutal regime in Russia. I do not think anyone who is criticising the policy of the EU and NATO with regard to Ukraine is a supporter of Russia or Mr. Putin, whose regime is rotten.

The point is that two big powers are playing geopolitical games over the heads of the Ukrainian people. Sadly, this is happening against a background in which opinion polls in Ukraine in recent years had consistently shown that sectarian or ethnic differences between Russian speakers and Ukrainians were breaking down. The majority of people in the east and the west of Ukraine actually wanted independence. They were overcoming some of the historic divisions that existed in that country. However, the interference of the EU and NATO on one side and Russia on the other has stirred up a hornet's nest that threatens to worsen the alarming situation in Ukraine and right across eastern Europe. Why are we a party to this? As a neutral country with a credible reputation, Ireland should make it clear that it is standing not with either of these two expansionist powers, but with the self-determination of the Ukrainian people.

Minister of State at the Department of Foreign Affairs and Trade (Deputy Dara Murphy): I will begin by dealing with Deputy Boyd Barrett's rather long question. Some other questions were asked by Deputies Martin, Adams and Crowe, as well as by the various Technical Group speakers, during the first part of this debate. Obviously we have a new Government now in Greece. It is very much at the early stage. We have to welcome the clear statement by the new Greek Prime Minister, particularly in the latter stages of the election campaign, that he wishes to negotiate. We have heard demands for negotiations today. While it is important for the new Greek Government to focus clearly on its specific challenges, some of which we have in common, I emphasise that the Irish and Greek economies and debt situations are very different. Regardless of how much the parties on the hard left might like to see similarities where they do not exist, we need to be careful not to allow the differences to be blurred.

Deputy Richard Boyd Barrett: The principle exists.

Deputy Dara Murphy: The private sector was involved in the restructuring of Greek debt

in 2012. It was recognised at that time that Greece could not pay. Our debt burden has been significantly eased by policies adopted by our European colleagues through the self-same negotiation. These included the promissory note deal, lengthening of maturities on the European Financial Stability Facility, EFSF, and European Financial Stabilisation Mechanism, EFSM, debt and facilitating the early repayment of our IMF debt. These responses were specific to our respective and different situations. If there are developments in a Greek context that could be of wider interest to Ireland, it is something that we would be willing to explore. Given the differences between our situations, however, it is difficult to see what they could be.

Of immediate and more important interest to Ireland is the overall fiscal and monetary stance of the eurozone. I agree with Deputy Martin, who suggested that the quantitative easing measures of recent weeks were overdue and welcome. In that regard, we wish to see those member states that have greater fiscal room for manoeuvre using it effectively.

Deputy Micheál Martin: I will put a number of questions to the Minister of State. One relates to the Government's tendency to wait for other countries to negotiate on debt issues. For example, the substantial reduction in interest rates was essentially the work of the then Greek Government, which sought and secured four times what our Government requested.

Regarding retrospective recapitalisation, the Ministers, Deputies Noonan and Howlin, referred to approximately €30 billion in debt relief two or so years ago. Now, they are looking for nothing. The formal position is that the Government is not seeking a retrospective deal. People discuss the potential sale of AIB, but that was never envisaged in the former Tánaiste, Deputy Gilmore's talk of a seismic change - the breaking of the link between sovereign and banking debt - after the June 2012 summit. The Government stated that the pathway had been created and the door had been opened for substantial retrospective recapitalisation of debt.

It is a fact that Europe, particularly the ECB, was adamant that no bank would fail after the failure of Lehman Brothers in the US. In guaranteeing Northern Rock, the UK gave an implicit guarantee of the wider British banking system. There were similar guarantees across Europe, including in Germany. The orthodoxy was that no bank could fail and no bondholders should contribute. Consequently, Ireland was treated unfairly. As such, there is a case. There will be renegotiations of the Greek situation, although it involves a different debt structure and the circumstances are somewhat different. None the less, debt as a percentage of GDP in Greece is 175%, which is unsustainable. Therefore, something must happen, just as something happened previously. For example, any profit made from the ECB's holding of Greek bonds will revert to the Greek Government.

There is an opportunity for a broader, pan-European discussion about debt sustainability. I am curious about why the Government has quietly dropped any real push for retrospective recapitalisation of the banks. It would essentially be debt relief. Ireland should get something back for the decisions it took at the behest of the ECB and under the policy framework. Long after the bank guarantee, the debts of unsecured and unguaranteed bondholders were honoured. Even in recent times, billions of euro were paid to such bondholders because that was the prevailing orthodoxy at ECB level.

Separate to the issue of AIB, what is the Government's position on seeking relief on banking debt and would it support a European debt conference in the near future? The negotiations that will undoubtedly start with the Greek Government will provide an opportunity for the Irish Government to become proactive in its own negotiations.

Regarding the Ukrainian situation, I was taken aback by the commentary in the House just now to the effect that everything was essentially the fault of Europe, the West and the Ukrainian Government. Has anyone thought about the citizens of Ukraine? They voted in a general election. Have Members any empathy with the citizens of states formerly controlled by Russia? Be they Polish, Czech or so on, they do not want to return to that regime. It is not a question of NATO or geopolitics. While those have always been in the backdrop, the fundamental issue is the sense of liberty that people in these states have enjoyed for the first time in a long time.

Deputy Peter Mathews: Hear, hear.

Deputy Micheál Martin: This is why there is a degree of paranoia and anxiety in many of the former states of the Soviet Union that are now free and in the EU. The most overriding consideration that many of them have is to avoid returning to what they experienced. These are legitimate issues. What is happening in Ukraine is not satisfactory and what Russia is doing cannot be ignored by Europe. This is not to follow any line slavishly. It is a question of whether we should allow this situation or messing with the Baltics to continue.

Deputy Peter Mathews: Hear, hear.

Deputy Micheál Martin: What is happening to the Baltic states is provocative, dangerous and unnecessary. Europe must be on its guard. Of course, there is no perfect policy, but the degree of naivety regarding the Russian agenda is breathtaking in how it has been articulated by a number of parties and Independents in the House. Will the Minister of State comment on this point?

An Leas-Cheann Comhairle: Three other Members - Deputies Mick Wallace, Clare Daly and Seán Crowe - wish to speak. I ask them to be brief, please, as we only have a few minutes left.

Deputy Mick Wallace: I will try to be brief. I have two questions for the Minister of State, which I referred to in my contribution. Why is it okay to trade with Saudi Arabia, which cuts off people's heads every month, and Israel, which murders children in Palestine, but it is not okay to trade with Russia? If we were interested in having peace in eastern Europe, would it not be a good idea for the EU to encourage the US to sit down with Russia and have a chat about how what was happening in Ukraine was terrible for the country's people? Could these three powers get together and agree not to intervene in Ukraine and to leave the country to its people? Interference by Russia, the US and the EU in Ukraine is causing terrible misery for its people.

Deputy Clare Daly: The Minister of State was at pains to point out the differences between Ireland and Greece in response to Deputy Boyd Barrett's question, but he stated at the end of his contribution that, if there were developments for Greece, we might be happy enough to tag along. When will the Irish Government see itself as a sovereign that can make a stand on the world stage and develop ideas and strategies of its own instead of kowtowing and picking up the crumbs that someone else delivers for us-----

Deputy Peter Mathews: Hear, hear.

Deputy Clare Daly: -----which is what the Greeks did for us previously? Why do we not stand by them and help them instead of piggy-backing on anything they might get?

The Minister of State will be aware that, next week, the eighth round of the Transatlantic

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Trade and Investment Partnership, TTIP, negotiations between the EU and the US will take place in Brussels.

7 o'clock

It is an important agreement that could see this country being tied up and our democratic rights undermined by matters such as investor dispute settlements. However, not a single discussion has been tabled by the Government on this matter. When will we see a discussion on that?

My final question concerns Ukraine and what Deputy Martin tamely calls “messing in the Baltics”. There certainly is messing in the Baltics and it is most definitely going on on two sides, not one side. The point that has been raised is that we have shackled up with one of the sides perpetrating that proxy war. The victims of it are the people of Ukraine. An expansionist and interventionist approach is being nurtured to suit Western agendas, as of course there is with Russia’s agenda also. As a neutral country, however, we should not be taking one side over the other.

Deputy Seán Crowe: The new EU High Representative for Foreign Affairs, Federica Mogherini, has said it is time to move away from slogans to policies that might actually work. Whether we are talking about Ukraine or other conflicts, we need to examine that idea, although I do not think there is any simplistic answer. As regards Ukraine, rather than the Hobson’s choice of going with Europe or Russia, the way forward would have been to develop the whole region. That is an alternative view.

Was Ireland’s tax regime discussed at the European Council meeting? A statement after the Council referred to it and one company, Apple, was mentioned in relation to Ireland but it went off the agenda afterwards. We do not get a sense of what is going on at these Council meetings.

I presume that sanctions against Russia will be on the agenda again, so what is Ireland’s position in that regard? Do we support the idea of such sanctions? Would the Minister of State not accept that falling oil and gas prices are probably having a greater effect on Russia than European sanctions, limited as they are?

We began by discussing the attacks in France and other countries, as well as the rise of anti-Semitism and Islamophobia. In our own country, there has been a rise of sectarianism and racism. I suggest that Ireland could raise these matters at the next European Council meeting.

An Leas-Cheann Comhairle: I call on the Minister of State to conclude.

Minister of State at the Department of Foreign Affairs and Trade (Deputy Dara Murphy): I have a concluding statement but if I read it, I will not get to answer any of the questions that have been raised. To answer Deputy Crowe, the issue of our individual tax arrangements was not discussed at the European Council and there was consequently no discussion on any company based here. We defend our tax system rigorously. We have obviously made moves in support of international discussions on base erosion and profit shifting, BEPS, with respect to the double Irish and the stateless nature of some arrangements.

Deputy Clare Daly mentioned the TTIP negotiations and we are strong supporters of the advantages that could arise for Ireland, the EU generally and indeed for the United States. Half the world’s GDP comes from trade between Europe and the United States of America. Her spe-

cific question was about state dispute settlement arrangements. We must welcome the fact that European Commission President Juncker has asked Vice President Timmermans to specifically examine this issue. If Vice President Timmermans does not support the inclusion of these, they will not form part of the TTIP arrangements.

We had this two weeks ago from elements of the Technical Group during the debate on the terrible events in Paris. They are seeking to suggest that because there are other atrocities or civil breaches around the world, we in Europe should not play our part in identifying significant issues. The way Russia has treated the people of Ukraine, international law and the EU is deserving of sanctions. I attended the Foreign Affairs Council in July immediately after flight MH17 was downed, having left European airspace. I saw the pain and suffering reflected in Vice President Timmermans at that point. It is vital that Europe acts in a unified way-----

Deputy Richard Boyd Barrett: Did you go to Palestine? What about the fate of Gaza?

Deputy Dara Murphy: -----with respect to trying to reduce the crisis and uphold international law. In that regard, it is frankly ridiculous to try to introduce other issues which are irrelevant.

It has always been the case that there would be a scale towards sanctions. That has been the Irish position. Unfortunately, however, more recent events would suggest that unless we see an improvement and maybe an acceptance of the Minsk agreement from the Russian side, there is no immediate chance of that scale working to reduce sanctions.

The other main area that was addressed by most speakers concerned the Greek elections and Greek debt. There has been significant action - independent of other nations and given the uniqueness of our position - by the Irish Government to date. There was some talk of innovation. The most innovative piece of financial engineering we have seen to date was in the construction of the promissory note, which was of huge benefit to the Irish people. We have now seen a saving of €50 billion through the extension of terms, a reduction of interest rates, and the renegotiation of terms with the IMF. To suggest in any way that Ireland has not achieved through negotiation the most that it could for the Irish people is absolutely ridiculous.

Deputy Martin correctly pointed out that Greek debt now stands at 176% of GDP, which is the highest in the eurozone. Our debt is now at 111% and continues to fall. We must remain focused on the measures and not be distracted in some regards by what is happening in Greece with measures that have continued to have Ireland for a long number of months as the fastest growing EU economy with the fastest falling rate of unemployment. Confidence has been restored after many years of uncertainty caused by the fact that we had inherited an unsustainable debt burden. We will of course continue to examine ways of reducing that burden in the future.

EU Association Agreement with Georgia: Motion

Minister of State at the Department of Foreign Affairs and Trade (Deputy Dara Murphy): I move:

That Dáil Éireann approves the terms of the Association Agreement between the European Union and the European Atomic Energy Community and their member states, of the

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one part, and Georgia, of the other part, signed at Brussels on 27 June 2014, a copy of which was laid before the Dáil on 9 December 2014.”

These motions were considered last week by the Select Committee on Foreign Affairs and Trade. The Minister for Foreign Affairs and Trade, Deputy Charles Flanagan, very much appreciated the discussions with members of that committee on these important agreements.

These three association agreements respond to the desire of the peoples of the countries in question to strengthen their ties to the EU on the basis of shared European values. The agreements are ambitious in scope and would replace the EU’s current partnership and co-operation agreements with these three countries. They will also deepen political and economic relations with the three countries on the basis of common values in the context of the EU’s Eastern Partnership.

As was mentioned during the select committee’s discussion with the Minister, these agreements are mutually beneficial to the European Union and the three countries concerned. Respect for democratic principles, human rights and fundamental freedoms is an essential element of the agreements. If any party is in breach of its obligations on respect for human rights, appropriate measures, including the suspension of the trade aspects of these agreements, can be taken in response. Georgia, Moldova and Ukraine will be gradually integrated into the EU’s Internal Market through the creation of deep and comprehensive free trade areas. Co-operation with the EU on reforms in some 28 policy areas is also an important feature of the agreements. The EU will assist the three countries with the implementation of the agreements, providing assistance with the modernisation, for example, of their agricultural sectors and better regulation of their financial services. In 2014, the EU made available €131 million each to Georgia and Moldova and €365 million to Ukraine in this regard.

The agreements were signed last year at European Council meetings. The three countries concerned - Georgia, Moldova and Ukraine - have already ratified them, as have ten EU member states. The ratification process is well advanced in most other member states and the European Parliament has also given its approval. Some parts of the agreements where the EU has exclusive competence are being applied on a provisional basis, pending ratification by all concerned parties. It is important to state that the agreements do not infringe on the sovereignty of Moldova, Georgia or Ukraine in any way. They are the result of lengthy and detailed negotiations into which the three countries entered freely. These negotiations were conducted by the European Commission on behalf of the EU on the basis of a mandate agreed by the member states, including Ireland. Georgia is the only country in the Caucasus region which has concluded such an agreement and opinion polls show that people there are strongly supportive of what is being done. Moldova ratified its agreement prior to recent parliamentary elections and the EU is committed to supporting its reform endeavours.

The EU’s relationship with Ukraine has, despite the adversity of the ongoing crisis there, developed and deepened substantially. At Maidan Square and in the recent parliamentary elections, the people of Ukraine have made their voices heard on their desire for this association agreement. The EU has been at the forefront of international efforts to find a peaceful solution to the conflict in eastern Ukraine. The security situation there remains extremely volatile and the recent escalation of violence which has claimed many innocent civilian victims is deeply worrying. I am particularly concerned by the horrific attack on the city of Mariupol at the weekend. High Representative Mogherini is convening an extraordinary meeting of the Foreign Affairs Council on Thursday, which the Minister, Deputy Charles Flanagan, will attend, to

consider the EU's response, including possible further restrictive measures. The EU has consistently called on all sides to fully implement their commitments under the Minsk agreements and to take no action which might undermine the objective of a negotiated and peaceful end to the crisis that we all wish to see.

The association agreements will provide a long-term basis for the EU's relationship with Georgia, Moldova and Ukraine, based on shared European values and mutual interests. Closer economic integration with the EU will in time create opportunities for Ireland to forge stronger political and economic relations with these countries.

On behalf of the Minister for Foreign Affairs and Trade, I commend these motions to the House.

Deputy Brendan Smith: I welcome the opportunity to contribute once again on the subject of the association agreements with Georgia, Moldova and Ukraine. The tensions and conflicts in the region to which the Minister of State refers cannot be glossed over, despite the positive impact on relations - both trade and political - that will result from these agreements between the European Union and the three countries involved.

The European Union has served as a shining example of how increased co-operation in the area of trade can result in a consolidated and lasting peace between neighbours. Internally, membership of the European Union has resulted in a previously unknown peace between neighbours who would have viewed each other as enemies. Externally, these association agreements allow a pathway to increase trade, consolidate peace, enhance the rule of law and improve bilateral relations outside our borders. These positive elements can only be celebrated. However, we must sound a note of caution. Unfettered enthusiasm for continually increasing the EU's sphere of influence on our borders must not undermine those with whom we seek to do business. We must be careful in our endeavours and prudent in our approach to these agreements. We must ensure that the interests of the European Union's citizens and those of the people with whom we are seeking these agreements are protected.

I have no doubt that this agreement will benefit the people of the Ukraine but I question whether things could have been handled in a more prudent manner. The current conflict in eastern Ukraine must be of grave concern to the international community. Obviously, the EU is not the aggressor here. It is for others to defend their positions with regard to the horrific conflict we are currently witnessing. Nonetheless, there is a responsibility on the EU and its institutions to ensure peace and stability and element of buy-in on the part of the people. These aspects must come into consideration at all times in the development of agreements of this nature.

With regard to what occurred after the signing of the association agreement with Ukraine, let me be clear on our position. Fianna Fáil believes the result of the referendum regarding Crimea becoming a part of the Russian Federation was illegitimate and has far-reaching consequences for the concepts of national territory and sovereignty in Europe. The latter must be a matter of concern to us all. We welcomed the European Council's strong condemnation of the annexation of Crimea and Sevastopol to the Russian Federation and support the decision not to recognise the annexation. We also support the European Council decisions to extend the visa ban and asset freeze on senior members of the Russian Government and the sanctions that were subsequently imposed. We support the wish of the strong majority of Ukrainian people to be part of the European democratic mainstream. What we will not support - we strongly urge caution in this regard - is Europe pushing too hard and too fast with an association agreement

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which causes a fracture in a neighbouring country. I am sure the EU would acknowledge that its strategy in this regard could have been more prudent and careful and that matters could have been handled better. The fact that the Union - in the aftermath of a meeting between it, Russia and Ukraine - has agreed to postpone the free trade aspect of the agreement with Ukraine until January 2016 is an acknowledgement of this. In any event, lessons must be learned from this experience by those at the highest level of the EU's political leadership.

Sadly, and from what we know, a significant number of lives have been lost in eastern Ukraine. Much of what is happening in that part of the world is not being reported in full. As indicated at the meeting of the select committee, my party and I will be voting in favour of these agreements. I am of the view - my party leader reiterated this earlier - that the frameworks which have been outlined will result in an increased peace and improved living standards for the people of Georgia, Moldova and Ukraine and the citizens of the European Union.

I was surprised when the new High Representative requested a discussion in respect of lifting the sanctions that have been imposed on Russia. I am glad the initiative she seemed to be about to undertake in this regard was not progressed in any way. When we had the opportunity to meet the new High Representative, I thought she was going to take a very positive, prudent and careful approach in terms of ensuring that the EU will enjoy improved relations with the countries to the east of its borders. There are so many potential benefits for all in the context of concluding agreements such as those under discussion. However, we must do our homework on them well in advance and we must adopt a prudent and careful approach. As citizens of the European Union, we must also ensure that we try to secure and safeguard the basic civil and human rights of those who are currently denied them.

Deputy Seán Crowe: I thank the Whips for agreeing to the debate on this issue. I raised it at a meeting of the Joint Committee on Foreign Affairs and Trade and, although only a small period is set aside for the debate, I welcome the opportunity to discuss the proposed association agreements.

Sinn Féin is not in favour of these association agreements because they comprise a Hobson's choice that does little to improve the socio-economic development of the countries involved and nothing to de-escalate recent tensions in the region. In principle, we are not against the further expansion of the EU. We fully supported the improved relationship between the EU member states and countries that border the EU. This is not just important but vital, given the long and historic divisions and conflicts that have bedevilled the many peoples of the region.

As a party, we have no objections to improving visa regimes operating between the EU and these countries. We certainly do not wish to tell other countries how to conduct their international affairs. Moving in a direction towards the EU is a matter for their electorates. However, we do stand opposed to the insidious EU economic agenda that undermines the sovereign powers of states, seeking to end state involvement in economic development, and moves towards the breaking up or selling off of successful state-owned assets.

Association agreements used to be focused primarily on political commitments and co-operation but recently they have also contained deep and comprehensive free trade agreements, DCFTAs. These three association agreements have DCFTAs at their heart. They lock countries into so-called economic changes based on privatisation and cutting wages and worsening working conditions under the guise of stabilising market conditions. We opposed that element in Ireland's bailout and in the current TTIP negotiations, and we will oppose it in the EU's free

trade agreement with Colombia, to be debated in this Chamber tomorrow. We oppose it in these association agreements.

We are in favour of improving trade with the countries. They are some of the most disadvantaged in Europe, but we cannot support what is essentially a political Hobson's choice and the economic provisions on which the agreements are based.

The Ukraine association agreement agrees to remove subsidies that affect trade and it is the first free trade agreement to include specific provisions on trade-related energy issues. In the agreement, the parties commit themselves to let market prices prevail on the domestic gas and electricity markets and not to regulate prices for industry. Neither party will impose prices for exporting energy products which are higher than domestic prices, yet gas and fuel subsidies comprise one of the main ways in which people are able to heat their homes in the winter. Surely removing these subsidies will ensure many poor people will literally freeze to death in the bitter Ukrainian winter. Rules on non-discriminatory access to the exploration and production of hydrocarbons are a nod to EU firms to exploit Ukraine's natural resources for their own corporate gain.

Georgia is a minor trade partner of the EU and has a considerable trade deficit with regard to the Union. The association agreement will not change that. In fact, Georgia has attracted EU attention chiefly as a transit route for energy supplies from the Caspian Sea, as reflected in the association agreement's energy security chapter.

Russia has repeatedly threatened Moldova about the risk of losing out on trade with Commonwealth of Independent States, CIS, markets if Moldova goes ahead with the EU agreements. It has also banned agricultural exports from Moldova. A country as poor as Moldova should not be faced with this Hobson's choice.

The agreements aim to expand to the countries in question the Common Foreign and Security Policy of the EU, including the common security and defence policy. Sinn Féin stands in opposition to this and to attempts to incorporate the countries into NATO. All three countries contain breakaway territories that neither Russia effectively controls nor directly supports. These association agreements do not fully take account of this and do not seek to try to resolve any of the conflicts or de-escalate the recent tensions in these regions. The EU knows that and that is why it suspended the full implementation of the Ukrainian association agreement from September 2014 until December 2015.

These association agreements are attempts to move closer to one bloc of countries at the expense of others. This either-or, take-it-or-leave-it type of deal is unhelpful economically, socially and politically.

Deputy Paul Murphy: Right now there is a nightmare in Ukraine. That is clear and indisputable. Over 2,000 people have been killed in the conflict, which is currently escalating. Living standards are plummeting dramatically and GDP fell last year by 7.5%. Significant attacks have taken place on democratic rights and the Communist Party was banned. In the west of Ukraine under the Kiev Government there has been a rise of fascist forces, including on the streets. This association agreement is part of the reason. It sums up the imperialistic and expansionist policy of the EU. It, on the one side, and Russian imperialist ambitions on the other, are responsible for the treatment of the people of Ukraine, regardless of ethnicity, simply as pawns in a great power game and their being put in an extremely difficult set of circumstances.

These association agreements reflect how the so-called European neighbourhood policy works. The policy, summed up in the European Commission's own document, is about establishing a ring of friendly countries around the EU. That means a ring of friendly countries that are not in the orbit of Russia but instead in the orbit of the EU. The entire European neighbourhood policy, both in the east and south, is about the assimilation of countries without them entering the EU. They sign up to all the new liberal rules of the EU, including free trade agreements, but do not actually get to enter the Union. They accept the dominance of the dominant capitalist classes within Europe. At the heart of the association agreements are the DCFTAs.

The European Commission states the DCFTA with Ukraine is one of the EU's most ambitious bilateral agreements yet. What does it mean to be deep and comprehensive? It means it is not just about customs tariffs, just as TTIP is not primarily about customs and tariffs. It is about a restructuring of the economy, including through the changing of procurement law, giving European multinationals access to Ukrainian public services, EU rules on intellectual property, EU rules on competition law, and driving a process of neoliberalism and austerity that is greatly embraced and already being implemented by the Ukrainian Government of the oligarchs. We should oppose and block this agreement. Instead of accepting it, there should be support for a united movement of the Ukrainian people against the rule of the oligarchs, recognising the democratic rights of all.

Deputy Richard Boyd Barrett: The last thing the people of Ukraine need is this agreement. The initial discussions on it helped to prompt the conflict in Ukraine and split the Ukrainian people apart.

Deputy Dara Murphy: The ambassador is present. The Deputy is speaking to the people of Ukraine.

Deputy Richard Boyd Barrett: I did not interrupt the Minister of State.

Deputy Dara Murphy: The Deputy did, actually.

Deputy Richard Boyd Barrett: In 1991, when there was a referendum on independence in Ukraine, 84% of people turned out. Even in the industrial regions in the east, where there are mostly Russian speakers, the vote for independence was never lower than 83%. Even in Crimea, a bastion of Russian influence, 54% were in favour of independence. As I mentioned earlier, the biggest linguistic category that has grown in recent years, up until the conflict started, comprised those who spoke both Russian and Ukrainian. Therefore, all the divisions were breaking down. What ruined this was the economic shock therapy of privatisation, which enriched a small number of corrupt politicians and the oligarchs, who gained fantastic wealth at the expense of a brutally impoverished population, to the point that in Ukraine last year income per capita was €3,900 per year, by comparison with Hungary, where it was €12,560. In Poland, it was €13,432 and in Russia it was €14,612. Life expectancy in Ukraine is almost ten years less than in Hungary, Poland or Russia. All of that is a result of the devastation of economic shock therapy of privatisation and neoliberal dogma that was enforced, benefiting the oligarchs, who had been former communist party hacks and *apparatchiks* and now become the new entrepreneurs of Ukraine, in getting fantastically rich at the expense of all of the Ukrainian people, whether they were ethnically Russian speakers or Ukrainian speakers.

This agreement will only further that situation and encourage those on both sides who are turning the population against one another in the most horrendous way, whether by whipping up

nostalgia for Stalinism or, on the other side, whipping up nostalgia for Nazism and creating heroes of those who collaborated with the Nazis during the Second World War. We should reject both Russian and European interference in Ukraine and let the Ukrainian people themselves sort this out.

Question put:

<i>The Dáil divided: Tá, 58; Níl, 19.</i>	
<i>Tá</i>	<i>Níl</i>
<i>Barry, Tom.</i>	<i>Adams, Gerry.</i>
<i>Breen, Pat.</i>	<i>Boyd Barrett, Richard.</i>
<i>Buttimer, Jerry.</i>	<i>Broughan, Thomas P.</i>
<i>Byrne, Eric.</i>	<i>Colreavy, Michael.</i>
<i>Calleary, Dara.</i>	<i>Crowe, Seán.</i>
<i>Cannon, Ciarán.</i>	<i>Daly, Clare.</i>
<i>Carey, Joe.</i>	<i>Doherty, Pearse.</i>
<i>Coffey, Paudie.</i>	<i>Fitzmaurice, Michael.</i>
<i>Conaghan, Michael.</i>	<i>Fleming, Tom.</i>
<i>Conlan, Seán.</i>	<i>Healy, Seamus.</i>
<i>Connaughton, Paul J.</i>	<i>McGrath, Finian.</i>
<i>Conway, Ciara.</i>	<i>McLellan, Sandra.</i>
<i>Corcoran Kennedy, Marcella.</i>	<i>Mathews, Peter.</i>
<i>Coveney, Simon.</i>	<i>Murphy, Paul.</i>
<i>Creed, Michael.</i>	<i>Ó Caoláin, Caoimhghín.</i>
<i>Dowds, Robert.</i>	<i>Ó Snodaigh, Aengus.</i>
<i>Doyle, Andrew.</i>	<i>O'Brien, Jonathan.</i>
<i>Durkan, Bernard J.</i>	<i>Stanley, Brian.</i>
<i>Feighan, Frank.</i>	<i>Wallace, Mick.</i>
<i>Fitzgerald, Frances.</i>	
<i>Fitzpatrick, Peter.</i>	
<i>Griffin, Brendan.</i>	
<i>Harrington, Noel.</i>	
<i>Harris, Simon.</i>	
<i>Healy-Rae, Michael.</i>	
<i>Humphreys, Heather.</i>	
<i>Kehoe, Paul.</i>	
<i>Kelleher, Billy.</i>	
<i>Kenny, Seán.</i>	
<i>Lawlor, Anthony.</i>	
<i>Lynch, Ciarán.</i>	
<i>McCarthy, Michael.</i>	
<i>McEntee, Helen.</i>	
<i>McFadden, Gabrielle.</i>	
<i>McGrath, Mattie.</i>	

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<i>McGrath, Michael.</i>	
<i>McHugh, Joe.</i>	
<i>Maloney, Eamonn.</i>	
<i>Martin, Micheál.</i>	
<i>Mitchell O'Connor, Mary.</i>	
<i>Murphy, Dara.</i>	
<i>Naughten, Denis.</i>	
<i>Neville, Dan.</i>	
<i>Nolan, Derek.</i>	
<i>Ó Fearghail, Seán.</i>	
<i>O'Donnell, Kieran.</i>	
<i>O'Donovan, Patrick.</i>	
<i>O'Mahony, John.</i>	
<i>O'Sullivan, Jan.</i>	
<i>Rabbitte, Pat.</i>	
<i>Reilly, James.</i>	
<i>Smith, Brendan.</i>	
<i>Stagg, Emmet.</i>	
<i>Stanton, David.</i>	
<i>Tuffy, Joanna.</i>	
<i>Twomey, Liam.</i>	
<i>Varadkar, Leo.</i>	
<i>Walsh, Brian.</i>	

Tellers: Tá, Deputies Emmet Stagg and Paul Kehoe; Níl, Deputies Aengus Ó Snodaigh and Richard Boyd Barrett.

Question declared carried.

EU Association Agreement with Moldova: Motion

Minister of State at the Department of Foreign Affairs and Trade (Deputy Dara Murphy): I move:

That Dáil Éireann approves the terms of the Association Agreement between the European Union and the European Atomic Energy Community and their member states, of the one part, and the Republic of Moldova, of the other part, signed at Brussels on 27 June 2014, a copy of which was laid before the Dáil on 9 December 2014.

Question put:

<i>The Dáil divided: Tá, 58; Níl, 19.</i>	
<i>Tá</i>	<i>Níl</i>
<i>Barry, Tom.</i>	<i>Adams, Gerry.</i>
<i>Breen, Pat.</i>	<i>Boyd Barrett, Richard.</i>
<i>Buttimer, Jerry.</i>	<i>Broughan, Thomas P.</i>
<i>Byrne, Eric.</i>	<i>Colreavy, Michael.</i>
<i>Calleary, Dara.</i>	<i>Crowe, Seán.</i>
<i>Cannon, Ciarán.</i>	<i>Daly, Clare.</i>
<i>Carey, Joe.</i>	<i>Doherty, Pearse.</i>
<i>Coffey, Paudie.</i>	<i>Fitzmaurice, Michael.</i>
<i>Conaghan, Michael.</i>	<i>Fleming, Tom.</i>
<i>Conlan, Seán.</i>	<i>Healy, Seamus.</i>
<i>Connaughton, Paul J.</i>	<i>McLellan, Sandra.</i>
<i>Conway, Ciara.</i>	<i>McGrath, Finian.</i>
<i>Corcoran Kennedy, Marcella.</i>	<i>Mathews, Peter.</i>
<i>Coveney, Simon.</i>	<i>Murphy, Paul.</i>
<i>Creed, Michael.</i>	<i>Ó Caoláin, Caoimhghín.</i>
<i>Dowds, Robert.</i>	<i>Ó Snodaigh, Aengus.</i>
<i>Doyle, Andrew.</i>	<i>O'Brien, Jonathan.</i>
<i>Durkan, Bernard J.</i>	<i>Stanley, Brian.</i>
<i>Farrell, Alan.</i>	<i>Wallace, Mick.</i>
<i>Feighan, Frank.</i>	
<i>Fitzgerald, Frances.</i>	
<i>Fitzpatrick, Peter.</i>	
<i>Griffin, Brendan.</i>	
<i>Harrington, Noel.</i>	
<i>Harris, Simon.</i>	
<i>Healy-Rae, Michael.</i>	
<i>Humphreys, Heather.</i>	
<i>Kelleher, Billy.</i>	
<i>Kenny, Seán.</i>	
<i>Lawlor, Anthony.</i>	
<i>Lynch, Ciarán.</i>	
<i>McCarthy, Michael.</i>	
<i>McEntee, Helen.</i>	
<i>McFadden, Gabrielle.</i>	
<i>McGrath, Mattie.</i>	
<i>McGrath, Michael.</i>	
<i>McHugh, Joe.</i>	
<i>Maloney, Eamonn.</i>	
<i>Martin, Micheál.</i>	
<i>Mitchell O'Connor, Mary.</i>	
<i>Murphy, Dara.</i>	

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<i>Naughten, Denis.</i>	
<i>Neville, Dan.</i>	
<i>Nolan, Derek.</i>	
<i>Ó Fearghail, Seán.</i>	
<i>O'Donnell, Kieran.</i>	
<i>O'Donovan, Patrick.</i>	
<i>O'Mahony, John.</i>	
<i>O'Sullivan, Jan.</i>	
<i>Rabbitte, Pat.</i>	
<i>Reilly, James.</i>	
<i>Smith, Brendan.</i>	
<i>Stagg, Emmet.</i>	
<i>Stanton, David.</i>	
<i>Tuffy, Joanna.</i>	
<i>Twomey, Liam.</i>	
<i>Varadkar, Leo.</i>	
<i>Walsh, Brian.</i>	

Tellers: Tá, Deputies Emmet Stagg and Joe Carey; Níl, Deputies Aengus Ó Snodaigh and Richard Boyd Barrett.

Question declared carried.

EU Association Agreement with Ukraine: Motion

Minister of State at the Department of Foreign Affairs and Trade (Deputy Dara Murphy): I move:

That Dáil Éireann approves the terms of the Association Agreement between the European Union and the European Atomic Energy Community and their member states, of the one part, and Ukraine, of the other part, signed at Brussels on 21 March 2014 and 27 June 2014, a copy of which was laid before the Dáil on 9 December 2014.”

Question put:

<i>The Dáil divided: Tá, 59; Níl, 19.</i>	
<i>Tá</i>	<i>Níl</i>
<i>Barry, Tom.</i>	<i>Adams, Gerry.</i>
<i>Breen, Pat.</i>	<i>Boyd Barrett, Richard.</i>
<i>Buttimer, Jerry.</i>	<i>Broughan, Thomas P.</i>
<i>Byrne, Eric.</i>	<i>Colreavy, Michael.</i>
<i>Calleary, Dara.</i>	<i>Crowe, Seán.</i>

<i>Cannon, Ciarán.</i>	<i>Daly, Clare.</i>
<i>Carey, Joe.</i>	<i>Doherty, Pearse.</i>
<i>Coffey, Paudie.</i>	<i>Fitzmaurice, Michael.</i>
<i>Conaghan, Michael.</i>	<i>Fleming, Tom.</i>
<i>Conlan, Seán.</i>	<i>Healy, Seamus.</i>
<i>Connaughton, Paul J.</i>	<i>McGrath, Finian.</i>
<i>Conway, Ciara.</i>	<i>McLellan, Sandra.</i>
<i>Coonan, Noel.</i>	<i>Mathews, Peter.</i>
<i>Corcoran Kennedy, Marcella.</i>	<i>Murphy, Paul.</i>
<i>Cowen, Barry.</i>	<i>Ó Caoláin, Caoimhghín.</i>
<i>Creed, Michael.</i>	<i>Ó Snodaigh, Aengus.</i>
<i>Dowds, Robert.</i>	<i>O'Brien, Jonathan.</i>
<i>Doyle, Andrew.</i>	<i>Stanley, Brian.</i>
<i>Durkan, Bernard J.</i>	<i>Wallace, Mick.</i>
<i>Farrell, Alan.</i>	
<i>Feighan, Frank.</i>	
<i>Fitzgerald, Frances.</i>	
<i>Fitzpatrick, Peter.</i>	
<i>Griffin, Brendan.</i>	
<i>Harrington, Noel.</i>	
<i>Harris, Simon.</i>	
<i>Healy-Rae, Michael.</i>	
<i>Humphreys, Heather.</i>	
<i>Kelleher, Billy.</i>	
<i>Kenny, Seán.</i>	
<i>Lawlor, Anthony.</i>	
<i>Lynch, Ciarán.</i>	
<i>McCarthy, Michael.</i>	
<i>McEntee, Helen.</i>	
<i>McFadden, Gabrielle.</i>	
<i>McGrath, Mattie.</i>	
<i>McGrath, Michael.</i>	
<i>McHugh, Joe.</i>	
<i>Maloney, Eamonn.</i>	
<i>Martin, Micheál.</i>	
<i>Mitchell O'Connor, Mary.</i>	
<i>Murphy, Dara.</i>	
<i>Naughten, Denis.</i>	
<i>Neville, Dan.</i>	
<i>Nolan, Derek.</i>	
<i>Ó Feargháil, Seán.</i>	
<i>O'Donnell, Kieran.</i>	
<i>O'Donovan, Patrick.</i>	

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<i>O'Mahony, John.</i>	
<i>O'Sullivan, Jan.</i>	
<i>Rabbitte, Pat.</i>	
<i>Reilly, James.</i>	
<i>Smith, Brendan.</i>	
<i>Stagg, Emmet.</i>	
<i>Stanton, David.</i>	
<i>Tuffy, Joanna.</i>	
<i>Twomey, Liam.</i>	
<i>Varadkar, Leo.</i>	
<i>Walsh, Brian.</i>	

Tellers: Tá, Deputies Emmet Stagg and Joe Carey; Níl, Deputies Aengus Ó Snodaigh and Richard Boyd Barrett.

Question declared carried.

Topical Issue Debate

Maternity Services

Deputy Denis Naughten: I thank the Leas-Cheann Comhairle for giving me the opportunity to raise this important issue. I acknowledge the presence of the Minister for Health. I welcome the establishment of an independent investigation into the issues surrounding the care of seven babies at Portiuncula Hospital in Ballinasloe.

8 o'clock The least the parents deserve is to know the truth about what happened in the cases of each of the seven children. I reassure expectant mothers that Portiuncula Hospital has been audited on a number of occasions since the initial review began and has come through each one. Expectant mothers have nothing about which to be concerned with regard to their care in the hospital.

I wish to raise a specific issue of concern which needs to be included in this investigation. This is the fact that HSE management was made aware of the staffing, supervision and training concerns of staff and midwifery management as far back as July 2013. Midwives in Portiuncula Hospital have consistently highlighted the lack of inadequate staffing at the maternity unit. Instead of having one midwife to 28 births, last year Portiuncula Hospital operated on a ratio of one midwife to 54 births, which is almost half the number of midwives required.

In July 2013 the staffing situation was so serious the matter was brought directly to the attention of the group chief executive officer, Bill Maher, the group chief operating officer, Tony Canavan, and the group clinical director, Dr. Pat Nash. The correspondence informed all three that funding was needed to appoint midwifery trainers in all of the maternity hospitals in the

group. The communication circulated to the three most senior managers of the hospital group stated these appointments were important to ensure recommendations and learning from recent reports were applied. This took place less than one month after the HSE report into the tragic death of Savita Halappanavar found the key factor in her death was inadequate assessment and monitoring. It was well before the spike in the number of babies transferred from Portiuncula Hospital to Dublin for therapeutic cooling in 2014.

Deputy Michael Fitzmaurice: I sympathise with all of the families who have suffered in this. I reiterate Deputy Naughten's comments that Portiuncula Hospital in Ballinasloe is a good hospital. Let expectant parents not be afraid. However, we need a proper and transparent investigation which is not biased in any way and the end game of which is not to try to close the hospital. We have seen enough of this through the years. We want to learn from mistakes. I urge the Minister to let this be completely independent. Do not involve in any way the people who have brought out reports. Do not use the people who want to do hatchet jobs on hospitals, particularly those in the west. Let those involved be open and transparent.

It is a sad day when media outlets, such as *thejournal.ie*, are those who inform parents, and someone from the health services cannot pick up a phone, drive to a house or write a letter to inform them. Will the Minister ensure this is done right? We should learn from mistakes. Staffing is a major problem, as Deputy Naughten stated. My children were born in the hospital in Ballinasloe and I cannot but give it the utmost praise. No Deputy wants what usually comes out of these investigations, which is a finding that a hospital may not be safe after which an attempt is made to close it. Portiuncula Hospital is needed for Roscommon and east Galway. It has had a credible reputation throughout the years so let us get it right.

Minister for Health (Deputy Leo Varadkar): I thank Deputies for raising the issue and affording me once again the opportunity to extend my sympathies to the families involved. I know this is a very difficult time for them, but I have been advised that the HSE is in contact with them and they will be offered the necessary supports.

While I am of course very concerned to learn of the events in Portiuncula Hospital, I take some reassurance from the fact that a quality and risk management process highlighted a potential problem and the Saolta University Health Care Group acted promptly to review the situation. Protective measures were very swiftly implemented to provide patient safety assurance and an intensive ongoing monitoring process has been put in place.

An external review of practices and processes will now be commissioned to ensure the ongoing safety of maternity services at Portiuncula Hospital. The review will incorporate a more detailed review of the individual cases.

I have no desire to add to the concerns of any woman who may be expecting a baby and I urge others not to do so. I thank the Deputies for their helpful comments in this respect. I believe it is very important to reassure women, and their families, that maternal and perinatal health statistics indicate that Ireland continues to be a safe country for a woman to give birth in, and our safety record compares favourably with other developed countries. The European health consumer index published this morning, which was critical of some aspects of our health service, pointed out that when it comes to perinatal deaths Ireland is in the best and safest group. I share the view of Deputies that we must seek to improve the services we provide, and in this regard a number of initiatives have recently been implemented or are being developed.

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The Department, in conjunction with the HSE, is working on the development of a new maternity strategy. Developing the strategy will help us identify how we can improve the quality and safety of care provided to pregnant women and their babies. We want to ensure that women are provided with the right care, in the right setting, by the right staff, at the right time.

I note the launch last November of the Irish maternity early warning system, IMEWS. This national clinical guideline will assist in the early identification of deterioration and ongoing monitoring of a woman's condition. This development makes Ireland one of the first countries in the world to introduce a national maternity early warning system.

A sum of €2 million in additional funding has been provided in the national service plan for 2015 to address current pressures in maternity services through the recruitment of additional obstetricians, midwives and other front-line staff. In this context it is important to note that while of course we would like to have even more staff, we have more consultant obstetricians and substantially more midwives than ever before at a time when birthrates are decreasing. A new national maternity office will be established within the HSE acute hospitals division in 2015, and a national review and evaluation of maternity services will be undertaken.

I reassure women and their families that Ireland is and remains a safe place in which to give birth. While perinatal and maternal deaths in Ireland are few, I know this is of no consolation to those families who have suffered a loss. I assure them that we will seek to continue to increase the safety and quality of services provided to mothers and their babies in our national maternity service.

Deputy Denis Naughten: I am disappointed with the response that it will be purely focused on Portiuncula Hospital. I understand the management of the Saolta University Health Care Group was made aware by the hospital itself of the transfer of the babies from Portiuncula Hospital for therapeutic cooling after the first two babies were transferred and after the second two babies were transferred. Why did it fail to act on the concerns expressed by staff? We need clarity on the management of the care of each baby, which the parents deserve. They also deserve to know why they were not informed of the inquiry until they were told by the media. We also need to know why the resource concerns raised by the midwives in the hospital, and by local and group management, seem to have been ignored. This is the key question. If those concerns were addressed would there be a need for this inquiry? This needs to be answered.

It was the staff in Portiuncula Hospital who raised this issue. They are the people who pushed for a review to take place. Therefore they should not be scapegoated. We need a proper independent inquiry which not only examines what happened in Portiuncula Hospital but why senior management failed to act when these issues were brought to its attention.

Deputy Michael Fitzmaurice: Everything will be done to resolve this and an independent inquiry will take place, but the one thing the people, particularly those in Ballinasloe and its surrounding area, need to hear the Minister state is the hospital will continue to deliver babies. A sad reality in Ireland in recent years, before the Minister took over, was that when a hospital cried for help because of staff shortages and being under pressure the type of thinking in senior management in the HSE has been to try to close it. This must change. The front-line staff in the accident and emergency department in Portiuncula Hospital were under horrendous pressure last Christmas. That must be addressed. People, regardless of where they live in Ireland, deserve a health service. As well as ensuring that the inquiry will be independent, I urge the Minister to confirm that this hospital will continue to provide services and that its staff need not

be wary or wondering about its continued operation. The wondering that is prevalent about it at present is not helpful in the situation.

Deputy Leo Varadkar: To the best of my knowledge the terms of reference have not been yet decided. I welcome the Deputy's suggestions as to what might be in them. The inquiry will be independent and will be led by people who are outside the Saolta hospital group and it will also include a patients' advocate.

The reason some of the families were informed through the media was due to the fact that it was leaked to the media. I do not know who was responsible for that leak but it is very regrettable because the hospital and the other authorities should have been given time to contact the families, but sometimes things are just too good a story for them to avoid publication. I know that at least one media outlet decided not to break the story in deference to the families' wishes but, unfortunately, others did not take that approach.

In regard to the therapeutic cooling, it is important to bear in mind that while the rate of therapeutic cooling was higher in Portiuncula than in Galway, it was not outside the international range of norms and it was not that in itself that created concerns. It was the subsequent review of the cases that threw up concerns.

On staff ratios, I do not know offhand what the midwife to birth ratios are in Portiuncula or whether they are very different from other hospitals or larger hospitals. However, one aspect needs to be pointed out. In medicine and in midwifery the more cases one sees, the better, and then one is more used to seeing a difficult case when it arises. If a centre, and I not speaking particularly about Portiuncula, has 1,500 or 2,000 births, which is probably five or six a day or two or three in each shift, one is less likely to know what to do when that one in 700 cases arises. Sometimes having more staff does not necessarily make services better. What we need are senior staff and we have a difficulty getting and retaining senior staff, particularly at registrar and senior house officer, SHO, level, in smaller centres. That is a reality we face across the country. We need to be honest with people about that and the difficulties that can arise from that. When one looks at inquest reports from maternal deaths and neonatal deaths, the deciding factor is not that the staff were too busy to do their jobs, it is that they made a mistake in reading a cardiotocography, CTG, or detecting a foetal heartbeat or something else. That can often be down to lack of experience and lack of case volume rather than there not being enough staff. Certainly, what I can say, and I will be straight about this, is that there are no plans to discontinue maternity services in Portiuncula. That is not part of this Government's agenda.

Medicinal Products Availability

Deputy Helen McEntee: I thank the Ceann Comhairle for accepting this issue and I thank the Minister for coming into the Chamber to take it.

I acknowledge the presence of Mr. John Duggan, his wife, Aileen, and his brother, Stephen, who are in the Gallery. John is a sufferer of paroxysmal nocturnal haemoglobinuria, PNH, the disorder that I am about to outline. I want to acknowledge they are here and that they have gone through a lot to get here.

PNH is an extremely sensitive and tough issue. I feel helpless in this respect as I do not have a medical background and while I am doing my job as a Deputy, we are talking about a

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life-threatening illness and a young man's life. PNH is an extremely rare and debilitating blood disorder. It is essentially characterised by the breakdown of red blood cells. Mr. John Duggan who is from Bellewstown in County Meath was diagnosed with this rare blood disorder in 2010. Since his diagnosis he, his wife, Aileen, and their family have probably been terrified every day and every night that John will have a blood clot, kidney failure, a heart attack or God knows what else. He is currently receiving blood transfusions every six weeks. I do not know how he does it but he has managed and continues to manage to work since his diagnosis in 2010. That is no way for somebody to live, especially when a treatment is available, has been diagnosed and is known to his doctors and himself.

The drug to which I am referring is Soliris. It is one of the most expensive drugs in the world. It costs more than €400,000 a year. While I acknowledge that is a great deal of money, we are talking about a man's life. I could perhaps acknowledge what has happened in this respect if we were talking about 400 or 500 people, but I am talking about two people, John being one of them. The Minister might clarify if there are many more people who are in need of this drug.

I understand that in 2008 the HSE entered into an interim agreement with Alexion Pharmaceuticals, the company that makes this drug, and St. James's Hospital to treat four people and after two years they decided to continue this treatment but also to include a further six people. At present ten people who are sufferers of PNH are availing of the drug, yet there are two people who are sufferers who cannot avail of it. That is extremely unfair and unethical.

There are three components involved. One is the Minister's Department and the HSE, which essentially work together. Another is the National Centre for Pharmacoeconomics, NCP, which essentially decides what drugs are or are not accepted. Another is Alexion Pharmaceuticals, the company that makes this drug. The Minister made his view on this known last week and I thank him for his comments in the Seanad, and I understand the job he has to do. The NCP has made its views well known by the fact that it will not accept Soliris into the community drugs schemes because it says it is too expensive. Alexion Pharmaceuticals has made its views very clear by the fact that up to now it has not been willing to engage and to lower the price of the drug, which seems to be the main problem. We need these three components to come and work together to find a solution now, not in six or ten months' time. For the company and the HSE, an issue that might continue for weeks might not seem to be a long time, but for John and his wife this is a lifetime. I am aware that in the last two days Alexion Pharmaceuticals has re-engaged with the HSE and other relevant bodies. That is good but while they are talking about it and I am talking about this issue now, John and Aileen will still go home tonight not knowing exactly what is happening or whether he will be able to avail of this drug.

I urge the Minister to help further facilitate these meetings and to try to find a solution, however it may be found, because we are talking about a young man's life.

Deputy Leo Varadkar: I thank the Deputy for raising this important issue. The HSE has statutory responsibility for decisions on pricing and reimbursement of medicinal products under the community drugs schemes in accordance with the provisions of the Health (Pricing and Supply of Medical Goods) Act 2013. This requires consideration of a range of statutory criteria prior to reimbursing any medicine. These include clinical need, cost-effectiveness and the resources available to the HSE. The decisions on which medicines are reimbursed by the taxpayer are made on objective, scientific and economic grounds by the HSE and on the advice of the experts in the National Centre for Pharmacoeconomics. They are not political or ministe-

rial decisions, nor should they be.

This drug eculizumab or Soliris, to give it its brand name, is indicated for the treatment of patients with paroxysmal nocturnal haemoglobinuria, or PNH. It is considered to be one of the most expensive drugs in the world.

I understand that in 2010 the HSE entered into an interim Access with Evidence Development Agreement between the company, Alexion Pharma, and St. James's Hospital to treat ten patients with this drug. The interim agreement was put in place with the expectation that further evidence would emerge which would assist the future decision-making on this drug.

The HSE received an application for the inclusion of Soliris in the general medical services, GMS, and community drugs schemes. In accordance with agreed procedures, the National Centre for Pharmacoeconomics conducted a pharmacoeconomic evaluation of eculizumab. The report of the centre in October 2013 concluded that the total cost per patient per year for this drug is €437,247 and would have a cumulative gross budget impact over five years estimated at €33 million. In addition, the manufacturer did not include an economic model as part of its submission and failed to demonstrate the cost-effectiveness of this therapy. Consequently, the National Centre for Pharmacoeconomics was unable to recommend reimbursement of the product under the community drugs schemes.

The HSE has been engaging with the company for some time to arrive at a price that would assist it in its desire to fund this medicine for as many patients as possible within available resources. The engagement with the company has now resumed and I hope that a positive outcome can be achieved to the benefit of all patients who avail of our health services and all the taxpayers who pay for them.

I want to assure the House that the HSE and I fully understand the concerns of patients regarding the availability of this medicine and that every effort is being made to achieve a satisfactory outcome.

While I appreciate that some may take the view that the taxpayer should reimburse every licensed medicine for whatever the price the drug company demands, the better interests of the health service require that we reimburse only the most effective medicines and only at a fair price.

Deputy Helen McEntee: I thank the Minister for his response, but I must stress that two people are involved. While I understand that we need to consider a cost-benefit analysis and the cost to the taxpayer, this does not involve a large number of people. The two people concerned, out of a possible 12, are not involved in a pilot scheme. I am aware that the company met HSE officials and other bodies this week and is engaging in talks, but we know from a number of different people that talks have been ongoing for years. This is something which should have been resolved a long time ago. I ask the Minister to facilitate these meetings and to find a solution.

I have brought this matter to the attention of the chairman of the Committee on Health and Children, Deputy Jerry Buttimer, who met John and his wife Aileen last week. He has promised to monitor the situation and if progress is not made it would possibly consider bringing the relevant bodies before the committee. We hope it does not get to that stage. I urge all bodies to come together to find a solution to this now, rather than after a number of weeks or months have passed.

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Deputy Leo Varadkar: I appreciate that the Deputy has referred to two people, and that is the perspective from which she is coming. It is fair to say that the HSE national drug committee has to take a slightly different perspective, and has to have regard to the tens of thousands of other patients also in need of services and the millions of taxpayers who fund them. In that context, a medicine which costs nearly €1 million for two people would be enough to provide a primary care service for an small town, which could improve the health of, and maybe even save the lives of, tens of people. As the Deputy knows, €1 million would hire two consultants and five midwives who, through their work on a daily basis, could improve and save thousands of lives. That is the reality of health care funding and it is true for very wealthy countries as well as those under financial pressure. Resources are limited and have to be used in the best interests of as many people as possible.

Garda Investigations

Deputy Micheál Martin: I thank the Acting Chairman for facilitating this Topical Issue debate and the Minister for Justice and Equality for coming into the House. I ask her to discuss the apparent failure by the Garda and HSE properly to investigate the appalling abuse of an individual, Anna Bubula.

The circumstances surrounding the case were covered comprehensively in yesterday's *Irish Examiner*, as the Minister may have read, in a report by Michael Clifford. The photographs alone are horrific and not for the faint-hearted, and reveal an appalling abuse and assault. The article itemises a series of apparent failures by the authorities in the case. There was an apparent failure by medical staff to report an allegation of rape to the gardaí. It was alleged that gardaí did not follow up on the case despite having attended at the scene when an ambulance was called. There was no record of an arrest of the suspect at the scene. No interpreter was present when the victim gave a statement to the gardaí. There was no effort to collect evidence about the alleged crime. No request for medical records was made for ten months after the assault, and only then at the direction of the Director of Public Prosecutions.

The assailant pleaded guilty to assault causing harm three years later and the issue of sexual assault was not adequately dealt with. The woman concerned was never examined in regard to sexual assault, which seems extraordinary because the notes on record at the time point to the fact she said she had been raped. The Garda Inspectorate report last year identified the fact that many rape or sexual assault cases were re-categorised as domestic violence or non-sexual assault cases, which is a worry.

The background to the case involved a Polish woman who had clear issues with articulating herself in the English language. It seems extraordinary that no interpreter was brought to bear on this case to facilitate the woman in communicating to the authorities the details of the appalling and dreadful attack. I recall, as Minister for Health, establishing ten years ago the first sexual assault unit in the South Infirmity Victoria University Hospital in Cork, and many more followed. The whole idea was that protocols would be established so that proper, professional, comprehensive examination and assessment of women or men who had been sexually assaulted would take place. For that not to have happened in this case is extremely worrying. I have come across one or two other case where it has not happened.

If the Rape Crisis Centre in Galway had not become involved, an interpreter would never have been made available to the woman concerned. It was during the court proceedings three

years later, when she sought help from it, that one was made available to her.

There must be procedures and protocols to be followed by health services and the gardaí in cases where assertions and allegations of sexual and physical assault have been made. What steps are taken to ensure those protocols and procedures are fulfilled by the gardaí and other authorities? I ask the Minister to outline the nature of the investigation the Garda has now, I understand, initiated into how the case was dealt with.

Minister for Justice and Equality (Deputy Frances Fitzgerald): I thank Deputy Martin for raising this matter. I share his concern about the shocking allegations of sexual assault in 2006 and that what has been reported in the media is properly addressed. I can only agree with what he said about the report and the photographs. Like him, I have a profound abhorrence for sexual and domestic violence in all its manifestations and I have worked in many fora over the years to tackle this type of crime.

The reports on this case are very serious and I am sure all in the House will agree they merit the most thorough investigation. Apart from the very brutal nature of the reported assault in this case, there are disturbing allegations, as the Deputy said and as reported yesterday, about a lack of response from State agencies, including An Garda Síochána and the health services. It is important that these matters are dealt with sensitively and are fully addressed, and I want to assure the House this will be done.

I can advise the House that the person in question wrote to me in late November. In view of the very serious nature of what she said in her letter to me, I asked for a full report on the matter from the Garda Commissioner and informed the person in question that I would be in contact with her again when I received it.

The Commissioner has now reported to me that she has asked the regional assistant commissioner to compile a report on the matter and has appointed an inspector to address the issues involved in this case. That obviously involves meeting the victim and I want to inform the Deputy that the first such meeting took place earlier this month. There is direct contact with the person in question, which is continuing with a view to obtaining full information on the case, and there will be a further meeting very shortly.

I can inform the House that the person in question also raised a second issue in her correspondence which is not in the public domain and on which it would not be appropriate to comment publicly. However, in light of this matter the Commissioner has now referred that aspect of the correspondence to the Garda Síochána Ombudsman Commission in respect of that specific issue. For the sake of completeness, as Deputy Martin alluded to, there have been court proceedings relating to an assault on the person concerned. I would like to await the full report so we can set out and establish all of the facts. When I receive a final report from the Garda Commissioner, I will consider what further action may be necessary. I have powers to refer matters to the Garda Síochána Ombudsman Commission, GSOC, but I would like to get the full report before I decide what further action is necessary.

There are potentially criminal aspects involved and I do not want to do anything that might impede or have an impact on a criminal investigation. I will also contact the person directly once I have the full report. The person can make a report to GSOC as well, despite the time issues, as an issue related to An Garda Síochána can be investigated if it is in the public interest. However, the person may not feel able to do that, and I just mention it as a possible route.

I take the Deputy's point that the Garda Inspectorate raised a number of very serious issues relating to the treatment of victims of domestic and sexual violence. There was a series of recommendations, and we know that inter-agency support will be absolutely essential. There are currently a number of protocols in place, and the Garda Inspectorate was critical of the way in which victims of sexual and domestic violence were still dealt with. The protocols have been increasingly used, and it is clear that there has been progress within services generally, with inter-agency collaboration and local units dealing with victims of sexual abuse. It is essential that all agencies work together, and I will take up the points raised by the Deputy regarding the health service with my colleague the Minister for Health. It is obvious that the real needs of the victim were lost in this case, as she did not get some of the basic services of assessment and treatment, including the services of an interpreter. The question of how victims are dealt with is central to my work, including at a European level, given the need for us to implement the EU victims directive this year. I will await the full report and then decide what action to take.

Deputy Micheál Martin: I thank the Minister for her reply. Will she indicate what are the circumstances in which interpreters should be brought in? It seems to be a basic service for somebody from another country with very poor English. An interpreter should be a basic provision for somebody like this who is reporting a crime. We must thank the landlord and the friends of this person, who were in a different town, as without them we would never have known about this. It is frightening. Thanks be to God there were good people out there who would not let this rest and sought accountability. Apparently, 80% of survivors of sexual abuse do not report their cases to the Garda, and this kind of experience would frighten people away from such reporting. We need more people to report these issues so we can achieve satisfactory outcomes and reduce the number of sexual assaults.

There was almost an instinctive sense that this was a domestic violence issue, when it never was. Apparently, that was one of the initial flaws in the response of authorities to this case. I note the Minister's comments about GSOC being asked to examine a specific issue, and perhaps it could consider the entire case. A victim goes through trauma with a sexual assault and it is adequate reason for timelines not to be a factor when something is reported to GSOC. We have already waived the statute of limitations with regard to abuse in industrial schools and other institutions. On the basis that trauma induced by sexual assault is of such an enormous nature, allowances must be made for the capability of a person to report issues adequately and properly at the time they occur.

I would appreciate it if the Minister could keep an eye on this and ensure that the issue is comprehensively and properly followed through so that the victim can get justice and others may never have to go through what she did. One only needs to look at the photographs her friends took, which show the horrific consequences of this. Although I hate to repeat it, the landlord said he never saw a boxer come out of a ring with such damage to face and body. It was a vicious assault. We must improve our work in this area. We must ensure this never happens again.

Deputy Frances Fitzgerald: I thank the Deputy again for raising this most important matter. The timeframe provisions can be waived by GSOC where it is a matter of particular public interest, and I can also refer a case to GSOC. I will bear that in mind when I get the full report. The Deputy has described the injuries and, unfortunately, victims of domestic and sexual violence suffer horrific injuries. That is the reason these crimes must be taken very seriously. That has been highlighted. Many of us in the House may have thought that the broader issue of the response to victims of sexual and domestic violence had improved greatly over the past ten

years, but the Garda Inspectorate report highlights the need to keep this as a high priority, with an appropriate response from An Garda Síochána. I have discussed the issue with the Garda Commissioner and she has assured me that it will be a top priority for An Garda Síochána in the course of the coming year and into the future. With that in mind, we have a new process, with the establishment of victim liaison officers in every Garda division to improve the response to victims, which is an important initiative.

The Deputy asked about interpreters. There are very clear protocols in the courts, for example, when a person requires the services of an interpreter. This is also true of occasions when gardaí must question somebody and an interpreter is needed. I can arrange to get a note for the Deputy on precisely how interpreter services are dealt with in the health services and I will include details of how interpretation is provided when the police are dealing with people for whom English is not their first language.

Flood Relief Schemes Status

Deputy Michael McCarthy: I acknowledge the decision of the Leas-Cheann Comhairle to allow me raise this issue, and I thank the Minister of State, Deputy Harris, for his attendance in the Chamber this evening. He has taken a very hands-on interest not just in this scheme but in other west Cork schemes in recent times. This is the second time such an issue has been raised in this forum. There are three schemes in west Cork, at Bandon, Clonakilty and Skibbereen, which the Minister of State has visited. He also met representatives at Skibbereen last week, so I acknowledge the hands-on role that he has taken on the issue, which is appreciated.

We are all well aware of the difficulties people face and the damage caused to property by flooding. The problem is not just damage to property; it is the inconvenience and horror experienced by people, along with subsequent problems such as an inability to obtain insurance and the real fear that it may happen again. That is particularly the case in Bandon. The €10 million Bandon flood relief scheme was first commissioned by the Office of Public Works, in partnership with Cork County Council, following a flood in 2009. The 2009 floods damaged or otherwise affected homes and 190 business properties in Bandon, resulting in approximately €140 million in insurance claims across County Cork. Construction of the scheme was scheduled to commence last spring, but it suffered a major setback last week with the news that it would not start this year due to the possibility of a legal challenge at the pre-qualifying stage from a contractor who has not been placed on the list of contractors from whom bids will be invited. The scheme has suffered serious setbacks, and the latest news has been met with dismay, frustration and even anger locally. The town's planned new sewerage scheme has also been hit with delays, as Uisce Éireann has signalled its decision to redesign the project. These two issues are difficult for people to accept, and the town has effectively been left in limbo, as both schemes have been plagued with delays.

I appreciate that in response to several parliamentary questions raised on the matter, the Minister of State indicated that the Government remained fully committed to the provision of this important scheme for the people of Bandon. As each month passes by, people are becoming increasingly frustrated. Each passing month, particularly at this time of the year, allows for more potential flooding and the possibility of consequent distress and expense for residents and businesses. I am again making the case that the delay must be addressed. The community, the local residents, the local businesses, the ratepayers and so on should not have to wait this long

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for this particular scheme. I accept the recent legal aspect could not have been predicted. We have to take this review very seriously and respond appropriately.

Can the Minister of State indicate whether the OPW is in a position to deal with the legal matters separately in order to allow the project to proceed to construction phase? Is it possible to give a timeline for the delivery of that scheme? I am continually grateful to the Minister of State for his interest in advancing this particular project. Some of the delays inexcusable and they add to the frustration but I hope the Minister of State will give me some idea of where the scheme lies.

Minister of State at the Department of Finance (Deputy Simon Harris): I thank Deputy McCarthy giving me the opportunity to address the House on this matter. I also thank him for his kind words. We have had an opportunity engage in a number of schemes in west Cork over the past number of months and I am pleased the Clonakilty scheme is progressing, as is the Skibbereen scheme. Along with Deputy McCarthy's Oireachtas colleagues, I was grateful to meet with the delegation from Skibbereen in recent weeks.

Since my appointment as Minister of State, I have had the opportunity to visit many areas of the country affected by flooding and have met many people who have suffered the consequences of these floods. I am very well aware of the situation in Bandon and of the fear of the people of the town of such events, in particular since the 2009 flood event, to which Deputy McCarthy alluded.

Since that particular flooding in 2009, the Office of Public Works has prioritised the development of a viable flood relief scheme for the town and has been working hard, along with Cork County Council, to achieve the completion of the final design of the scheme and the commencement of construction at the earliest possible date.

With this objective, a scheme has been designed which will benefit more than 360 properties, of which over 140 are residential properties, following significant consultation with all relevant stakeholders. The proposed works, which will be undertaken on the Bandon River, Bridewell River and Mill Stream, include dredging of approximately 3.6 km of the Bandon River, mainly downstream of the town; repair works and modifications to the Bandon Weir; replacement of the existing pedestrian bridge with a new three span pedestrian bridge; underpinning of Bandon Bridge; construction of new flood defence walls and improvement to others; construction of new earthen flood embankments; construction of new culverts; construction of new fish passes; and associated drainage works and services diversions.

The current procurement process to tender for a civil works contractor began in July 2014 when the contract was advertised on the e-tenders website and in the EU Journal. This is a two-stage process, as Deputy McCarthy will know, which involves an initial pre-qualifying stage to short-list suitable contractors to be invited to tender for the works at the second stage. The pre-qualifying stage involves the interested contractors completing a suitability assessment questionnaire to allow the contracting authority, in this case the OPW, to obtain information from applicants to enable it to assess their capabilities and competency to undertake the works. The questionnaire specifies the criteria that will be used to evaluate the applications, some of which are simple pass-fail criteria, for example, health and safety systems, and others involve additional qualitative assessment, for example, technical competence and experience. This is a standard procedure within the Government construction procurement framework.

The process has now been delayed, unfortunately, as a result of a legal challenge from a contractor who was not placed on the shortlist from which bids were to be invited. The OPW is currently taking legal advice on the matter and, because the matter is before the courts, I am sure Deputy McCarthy will understand that I cannot comment on issues or details surrounding the challenge.

What I can confirm is that I and the Government remain fully committed to the provision of a scheme for the people of Bandon. The OPW has made provision for the cost of implementing a scheme in Bandon in its financial profiles over the years 2015-17. I am confident the current legal issue will be resolved as quickly as possible and that the project can then progress towards the construction stage. The staff in the OPW and their legal advisers are working as hard as they possibly can to try to resolve this matter as quickly as they possibly can.

Once a contractor is appointed and the scheme is underway, it is expected that it will take approximately two years to complete. I understand the frustration people feel at these latest developments and the length of time it is taking to bring this scheme to construction. Both I and the Office of Public Works share this as a frustration given the significant work, engagement and consultation that has been undertaken with the community to get to this point. I also understand the real difficulties that this can cause in terms of the non-availability of flood insurance for households and businesses. I assure Deputy McCarthy and this House that the OPW and its partners, Cork County Council, remain committed to implementing the scheme for Bandon in the shortest possible timeframe.

Deputy Michael McCarthy: I thank the Minister of State for his response. The case has been well made. I have pursued it through parliamentary questions and Topical Issues and I acknowledge the involvement of the Minister of State and the interest he has taken not only in the Bandon scheme but also in the Clonakilty scheme. He took time out of his very busy schedule to visit Clonakilty recently. He has also taken a Topical Issue I tabled and met the business group from Skibbereen in Leinster House recently, for which I am grateful.

Could we keep this scheme at the top of the agenda? I would appreciate if we could do whatever is required and is within the capability of the Department so that we can get around this current difficulty and see construction.

All of these schemes are very important, as are all the various stages, but the most important aspect of these works is when one sees the actual work being undertaken. That is when people realise the day of reckoning has come. I ask the Minister of State to keep this on top of the agenda and to give it as much priority as he can.

Deputy Simon Harris: I am very happy to give Deputy McCarthy that assurance. This scheme is a priority for the OPW and for me. I genuinely feel the Bandon scheme, along with the Skibbereen and the Clonakilty schemes, will result in significant flood mitigation for the people of west Cork. They are three exciting projects and I want to see all three underway.

I can certainly understand the frustration. Sometimes when the solution is on a piece of paper or on a map on the wall and people can see it and if there is a delay, it can nearly be more frustrating than before the solution was even devised. However, I know Deputy McCarthy and the people of Bandon will appreciate that there is a legal case but I can assure them that the money is in the OPW budget to do this and my staff and our legal advisers are working as hard as they possibly can to resolve this as quickly as they possibly can.

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Deputy McCarthy, his constituency colleagues and representatives of Cork County Council have sought to meet with me and the OPW officials. I would be delighted to facilitate that in February. I will certainly keep the Deputy and the House up-to-date as this progresses. I hope we can get over this legal issue as quickly as possible so we can move ahead with delivering what I think is a really exciting and beneficial scheme for the people of Bandon.

Housing Affordability: Motion [Private Members]

Deputy Michael McGrath: I move:

That Dáil Éireann:

notes:

- the significant fall in home ownership rates in Ireland;
- the legitimate aspiration of families to own their own home;
- that the lack of housing supply is causing distortions in the property market;
- that the dramatic increase in rents and the failure to increase rent supplement supports have put many individuals and families at serious risk of homelessness; and
- that 90,000 persons are currently on the social housing waiting lists around the country;

and

agrees that:

- action is required to improve housing affordability, particularly in respect of mortgage interest rates;
- the level of savings required should not be prohibitive thereby preventing people from buying their first properties or progressing to a second home;
- a coordinated initiative by Government and local authorities is needed to improve the supply of new housing; and
- the rent supplement scheme be urgently reviewed to take account of current rents in the market place.

At 7.23 p.m. this evening, the Central Bank of Ireland issued the new rules concerning mortgage lending. I am sure it is totally coincidental that the Private Members' motion this evening is largely focusing on that issue and other issues pertaining to the housing market and the supply of housing.

I would like to give an initial reaction to the rules the Central Bank of Ireland confirmed this evening in respect of mortgage lending. The central Bank of Ireland has gone a long way to address the concerns we and others raised in regard to the impact that a 20% rule, in terms of a deposit, would have had on first-time buyers and others. When one looks at the rule now for first-time buyers, they are required to come up with a deposit of 10% in respect of the first €220,000 of a mortgage and 20% of any balance. To put it in context, one should look at some

practical examples of what that means. If a first-time buyer buys a house worth €220,000, he or she will now need to come up with a deposit of 10% or €22,000. If a first-time buyer buys a house worth €300,000, he or she will require a deposit of €38,000, or 13%. A first-time buyer purchasing a property of €350,000 will require a deposit of €48,000 or 14%, and somebody purchasing their first property at a value of €400,000 will require a deposit of €58,000, which is 15% of the purchase price. The Central Bank has come up with a tiered approach in terms of the requirements for first-time buyers and has gone a long way to addressing the genuine concerns we and others conveyed in respect of first-time buyers and the impact the rules would have had on them. Some first-time buyers within the greater Dublin area will still be required to come up with a deposit of well in excess of 10%. For most people outside Dublin the deposit will be in the region of 10% to 12%, which is what our party advocated in our submission during the consultation phase.

One issue stands out from what the Central Bank has published tonight and that is the impact on those who are not first-time buyers. The Central Bank is holding to the requirement that a 20% deposit is required for such buyers. That would present serious difficulties for many people in that category and at first glance, having looked at the proposals in the last couple of hours, it will unfortunately result in many thousands of home owners essentially being trapped in properties that are unsuitable for their needs. That may be a young couple living in an apartment who now have children. It may be somebody who owns a home in Cork but has found a job in Dublin. As I interpret them, and this remains to be seen as more details emerge, the rules appear to me to be particularly onerous in respect of those who are not first-time buyers who in many cases will now be stuck with their current properties.

To take an example I worked out earlier, if a couple currently in a house with a value of €250,000, a mortgage of €230,000 and therefore equity of just €20,000, who now have a family and want to upgrade and buy a home of €400,000, they will be required under these rules to come up with €80,000 in respect of the new mortgage. If the equity they would have from the sale of their first home is offset, in net terms they will have to come up with an additional €60,000 in cash to buy that property. That will present very serious problems for people in that situation.

To take the example of a couple seeking to trade up to a second home, which is a situation many people will find themselves in, if they wish to trade up to a house worth €350,000 they will need to have €70,000 in cash having cleared their first mortgage with the proceeds from the sale of their home. If they have significant equity in the first home, this may well be achievable, but for many people it is not.

The Central Bank, in respect of those who are not first-time buyers, is placing an undue emphasis on the issue of the deposit percentage. The key issue for me is affordability, and that comes down to the repayment capacity of the borrowers. Do they have sufficient income to have a reasonable quality of life and make their monthly mortgage commitments based on reasonable assumptions about interest rates, potential shocks to their income and so forth? That is the key issue, and the rules that have been published tonight raise serious concerns about that.

There is one point in the Central Bank statement which needs to be clarified. It is saying that the housing loans for borrowers in negative equity who wish to obtain a mortgage for a new property are not within the scope of the loan-to-value limits and therefore presumably will not require a 20% deposit. However, if somebody is marginally in positive equity, it would appear from the statement issued tonight that they will be fully subject to the 20% rule in respect of a

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new mortgage they take out for a new property to which they are trading up. That sounds like an anomaly to me that I believe requires clarification from the Central Bank because if somebody has 1% or €3,000 equity in their property worth €300,000 and the mortgage is very close to the value of the home, it would appear they are fully subject to the 20% deposit rule in respect of any new mortgage they intend to take out if they are trading up, but according to the statement issued tonight, somebody in negative equity is not subject to the rule. That issue requires clarification. We want people who currently own properties but who need to trade up, move home, downsize or whatever the case may be to meet their own needs to be treated consistently.

I welcome the fact that switcher mortgages - people who are moving their mortgage from one institution to another without changing their home - will not be subject to these rules because it is in all of our interests that we have a much more competitive banking environment in respect of mortgages. It is welcome that people in this situation who are not moving home or seeking an increase in their mortgage but merely seeking a better rate from a new lender can be facilitated outside of that.

These are some initial reactions to the rules that only came out just before 7.30 p.m. tonight. Overall, I welcome the improvement in the position facing first-time buyers *vis-à-vis* the proposals issued originally by the Central Bank but grave concerns arise in respect of those who are not first-time buyers who have little or no equity in their property, many of whom will be unable to move. It would be a travesty if that were the outcome of the rules.

The Central Bank, having made the decision to implement these changes immediately, needs to review them within a short period because this is a fundamental change to the nature of home ownership in Ireland and to the issue of mobility, which has always been an important aspect of our housing market in that people have had the ability to move from one home to the other or to change their mortgage. That now seems to be very much impaired by these rules. I suspect the Central Bank was very much guided by the fact that arrears tend to arise more often in non-first-time buyer scenarios. That is why it is probably far more cautious in respect of that group of borrowers, but major issues arise that need to be addressed.

The Central Bank consultation process which has now concluded has taken place at a time of considerable upheaval in the housing market. Prices have been rising rapidly in Dublin in the past 18 months and, more recently, the growth in house prices has spread throughout the country. A total of just over 11,000 housing units were completed in 2014, well below the rate of household formation. It is clear, therefore, that there is pent-up demand. Many people have been waiting on developments in terms of the direction of house prices and also in regard to the rules concerning new deposit levels and loan-to-income levels, which have just been confirmed tonight.

It is little wonder that there is a spillover effect in the private rental sector. Accommodation prices have recovered to levels close to their peak and severe shortages of suitable rental units are occurring throughout the country. Conditions for first-time buyers have deteriorated in recent times and are now at their worst level for well over a decade. The abolition of mortgage interest relief in 2017 will come as a shock to existing home owners who have come to rely on the assistance it gives them in meeting the monthly mortgage bill. In fact, its abolition represents an effective €400 million tax increase, which nobody is talking about. That is an issue that warrants attention.

There is a major policy decision to be taken not just by Government but by the State. Are

we in the business of supporting people who want to buy a home? Do we believe it is a legitimate aspiration for people to buy their own home if they have the financial means to do so or are we moving more towards the European model where people are entering long-term leasehold arrangements in respect of their accommodation? Our party believes that the aspiration to own one's own home is legitimate and should be supported. It is good for society if people can achieve that and it is one where policy should, wherever possible, support that objective.

Prudent lending practices and the capacity to withstand economic or property market shocks without financial upheaval are essential for our economic well-being.

9 o'clock

When my party made its submission to the Central Bank, it sought to balance the danger that a dysfunctional housing market would pose to the long-term well-being of the economy with the widely held desire of families and individuals to purchase homes that are suitable for their needs. We said at the time that people should be supported in this respect. In the past, the policy of the State was actively directed towards assisting people in this regard, with measures like the first-time buyer's grant, mortgage interest relief, relief from capital gains tax and various other subsidies being made available. Now the policy seems to have gone to the other extreme, with a raft of planning-related levies and restrictions and the abolition of State supports for home ownership putting the aspiration beyond the reach of many people. The prospect of the implementation of the new strict rules that have been clarified tonight could be the last straw for many prospective purchasers, particularly second-time purchasers who want to buy more suitable homes.

I would like to speak briefly about my own background. My parents were living in a local authority housing estate when a grant scheme was introduced to assist people who were willing to relinquish their council houses in order to buy private homes. In the 1980s, such people were able to apply for grants of £5,000 for these purposes. Today, we seem to be disincentivising and discouraging those who want to buy their own homes. For example, the Government is dragging its feet on a new tenant purchase scheme. There are many people in local authority dwellings and social housing units around the country who would like to have an opportunity to buy their homes from the council, but are not being afforded such an opportunity. We all have constituents who are in such circumstances. Many of them are being denied the chance to buy their homes from the local authority.

I had not intended to spend so much time talking about the new Central Bank rules in my opening remarks, but they have just been published and this was an opportunity for me to give an initial reaction to them. The motion before the House is more broadly based and deals with issues pertaining to social housing, where there is a real crisis. It addresses the dysfunctional nature of the housing market, the crisis in the rental sector and the failure to reform the rent supplement scheme and bring it into line with the current prevailing market rates. My colleagues, particularly Deputy Cowen tomorrow evening, will go into more detail on these issues and on our general housing policy. I will leave it at that for now. I hope we have a good and constructive debate on this motion, which is designed to be positive. I hope that at the end of the debate, we can reach some level of consensus on what needs to be done to meet the housing needs of the general population.

Deputy Dara Calleary: I thank my colleagues, Deputies Michael McGrath and Barry Cowen, for placing this motion before the House. I wish to echo Deputy McGrath's comments

about hoping to have a reasonable discussion on this issue over the next two evenings.

I reiterate much of what Deputy McGrath said about the new guidelines that have been published in the last hour. I have particular concerns about those who want to trade up and move into larger houses that meet the needs of their families. If these people were able to place their smaller houses, which were previously known as starter houses, on the market, other people could get a foothold on the property market. Current property values, regardless of how quickly they are rising, mean that gathering a 20% deposit will be unattainable for many people. It will be very difficult for many people who are still in negative equity and want to move on to a new property to put a deposit together for a larger house. The specific isolating of such buyers is particularly strange because it is to be presumed that they have shown an ability to repay their mortgages over some time. If they have young families and are in a position to get a mortgage, presumably they can pass the sustainability tests that have been put in place by the financial institutions.

I have a general fear, based on my first interpretation of these guidelines, that they will lead to a glut of houses coming onto the market. I am concerned that many people who would otherwise have taken advantage - in a good way - of the increasing property prices, been freed from negative equity and moved on to the next stage of housing might not be able to do so now, or might delay doing so. They will certainly be delayed in doing so. That will deprive them of the opportunity to move on from their starter houses and deprive other individuals of the opportunity to move into those houses. I hope this serious concern will be clarified.

Rent supplement, which is mentioned in the amendment to be proposed by the Government, is one of the areas in which greater flexibility needs to be given. It is clear that the one-size-fits-all approach to rent supplement is not working. There are multiple rental markets around the country. There is one market in the centre of the city of Dublin, another market in the suburbs of Dublin, another market in large towns and cities and other markets in rural areas. The rent supplement model is constrained at the moment in terms of addressing that issue. This is causing serious problems.

The rights of tenants, particularly local authority tenants, is an issue. We have all dealt with cases after being contacted by local authority tenants who have genuine grievances about the condition or state of their houses. In the last year, I have noticed that local authorities are increasingly coming back and saying they have no money for refurbishments and repairs. Tenants in the private rental sector have agreements with their landlords. They have the Private Residential Tenancies Board on their side if they are trying to get repairs done but their landlords are unwilling to do them. It seems we cannot provide for the same thing in the case of local authority tenants.

My local municipal district, which used to be known as a town council, has said it has no funds for repairs to heating systems, etc. It is keeping its repair funds for emergencies. In the past couple of weeks, I have been in houses in which the heating systems are not working and the residents are freezing cold. No money is available to repair these systems or to put in the necessary insulation. The contradiction is that this estate is shared with one of the social housing companies, which has done all the necessary repairs to its houses. One person's house might be fully adapted, but the house next door might not be because it is a local authority house. Some sort of consistency needs to be brought in there. Some sort of rights should be given to local authority tenants.

I would like to mention a scheme to which the Tánaiste referred during the Order of Business last week. It kind of got lost in the debate. The needs of tenants whose houses are being sold from under them by landlords who are selling out under bank instruction also need to be looked at. I am sure all Deputies have dealt with cases in which no notice was given to tenants who were literally told to get out. That cannot be allowed to happen. If there is a scheme in this area, the Tánaiste and the Minister for the Environment, Community and Local Government need to promote it and show people where their rights are in this situation. This is particularly relevant because all the commentators are saying there will be a particular focus on the buy-to-let sector in 2015 as the banks are restructuring. There is the potential for a glut of buy-to-let houses to come on the market. This would place the tenants who are living in them in a very compromised situation.

I pay particular tribute to housing companies like Clúid and Respond, as I always do during housing debates. They have always been very good in my dealings with them. They bring a certain element of professionalism and a no-nonsense approach to these matters. They do not put up with tenants who, for whatever reason, abuse their tenancies or the estates they are in. That is what we need across the system. Perhaps there are some cases in which balls get dropped, but the housing companies are quicker to respond to developing situations, particularly around anti-social behaviour, etc. That is to be welcomed. I would like that to be rolled out across the system.

I am forever talking about silos in government, particularly in the permanent government. Given that we have tens of thousands of unfinished houses, the shells of many of which are finished, and we have hundreds of thousands of people on housing waiting lists, it is absolutely ridiculous that somebody cannot come up with a way of matching the two. Any elected Member of this House who has any kind of sense would be in favour of a scheme that would involve the completion of houses that are in the control of NAMA or the State-owned banks. Such a scheme would create employment and give a craft to people who are without employment. Former construction workers continue to constitute the largest group of unemployed people. Completed developments under a scheme of this nature would give homes to families and individuals. It seems that we put people through every possible hoop. NAMA seems to be putting every possible block in the way of the establishment of a scheme like this.

It is necessary to reiterate the reason we cannot do this. The State controls the property or the financial interests therein. Surely it is in the State's interests to use that property for homeless citizens and those who have been on housing lists for seven, eight, nine, ten or more years. Opportunities are available. There will be issues with the housing being away from urban centres, facilities and so on, but dealing with those will not take much resolve compared with what it will cost to build all of the houses promised by the Government or with the effort that will be required to knock heads together and knock sense into the various blockages in the system. The Minister of State, Deputy Coffey, has expressed a willingness to do this. I wish him well and hope he brings some urgency to the work, as it has been lacking for a number of years.

The Government has laid out ambitious plans. Now that we are one month in, we will see whether they are being met when the Minister for the Environment, Community and Local Government or the Minister of State with responsibility for housing provides an update on the current situation. Construction of rural social housing will recommence this year. This is welcome, as many families do not want to live in a town but have had no option in recent years.

Greater consistency needs to be brought to the various housing schemes, for example, hous-

ing aid for older persons and the housing adaptation grant. My local authority in Mayo runs the schemes well. Unlike some other areas, the waiting lists in Mayo are in the months rather than years. Schemes like these encourage smaller builders and trades people to maintain their skills and sustain employment.

The party opposite made a great thing of hammering builders for many years. Now it seems to want to embrace and love them again. Let us see action. If the Government is to reach the point of building 35,000 housing units, it must deal with the shortage of apprentice bricklayers, carpenters, joiners, plumbers, etc. We need to make an investment in the education system this year so that we do not end up reaching the targets only to find that the price of labour has once again eliminated many people from the housing market.

I thank Deputies Michael McGrath and Cowen for allowing us the opportunity to discuss this matter. I hope that the Minister or some Ministers of State from the Department will attend tomorrow so as to provide the House an update on the current position of the plans, particularly now that the attention that homelessness received at the beginning of the year has moved elsewhere. The problem is still there. People are still on the streets and others are still on the housing lists.

Deputy Michael P. Kitt: I commend my colleagues, Deputies Michael McGrath, Cowen and, in particular, Calleary, who represents a rural area like I do, on their contributions. The first issue that strikes me in this motion is that of the lack of housing supply. Some 90,000 persons are currently on social housing waiting lists around the country. While I welcome the announcements that have been made, we are still falling below the 25,000 units that are estimated to be required if people are to be allowed the opportunity to find suitable homes. Yesterday's newspapers referred to an increase in the number of homes built in 2014, but the amount is still far short of what the market requires. Last year, 11,016 units were built, which is far fewer than 25,000.

I hope that we will see action on the new building programme. For a long time, we have heard about what NAMA will do and that there might be a special unit in every local authority to deal with NAMA and turn its units into social housing. We have also hoped that there will be dedicated people to deal with the housing associations. It is disappointing that, even though we have good plans and proposals, not all of them are being approved. In fact, the most successful association in County Galway is the Society of St. Vincent de Paul. One would not normally associate the society with housing, but its proposal on housing for the elderly in Ballinasloe has been approved. I hope that this proposal can be expedited and the targets can be met, as we are way behind at the moment.

The Housing Agency, which advises the Government, stated that 2,994 houses were built in Dublin last year. That is in a city where demand is high. There are long waiting lists in County Galway, particularly on the east and west sides of Galway city, where just 87 units were completed when more than 2,000 units need to be built during the next three years. I am told that 155 units were completed in Cork city, representing a 34% decrease on the previous year's figure. While output increased in 22 counties, it fell in nine and did not change in the remaining three. Units are needed.

I support the comments on the rural housing programme. I am glad to see that steps are being taken to deal with it. Half of the units completed last year were one-off homes. People often frown on them as examples of bad planning, but they are also good examples of families

helping one another. Local authorities should consider building houses in rural areas. It has been a successful scheme, but most counties have seen few houses built in recent years.

I was interested in the statement by Mr. Tom Parlon of the Construction Industry Federation, CIF, to the effect that we were 14,000 units short of the 25,000 that should be built annually. He referred to the upward pressure on prices and rental costs as demand continued to exceed the levels of supply. He also stated that there was a considerable shortfall in Dublin, the area with the greatest level of demand.

It has been reported in the media that county councils will soon start hiring additional expert staff to work on the building of 35,000 social houses. One must ask why that process has not already started. We have had strategies, launches and Construction 2020 and the social housing strategy was launched in November. People are caught between high rents and the Central Bank's new plans for a mortgage cap. Obviously, we welcome what the Central Bank has stated, but it remains a serious situation and could lead to homelessness. I have spoken with the Galway Simon Community about increased homelessness as well as the growing number of people on the housing list while paying rent. The CEO of ALONE and COPE Galway have proposed an investment programme that would ring-fence units for the homeless. Now, families are living in hotels and hostels. In Dublin, more than 300 children are in this situation. This creates difficulties when trying to arrange for education opportunities and to deal with the issue of mobility that has been mentioned.

Last night's "Claire Byrne Live" saw a discussion on the difficulties with the mortgage-to-rent scheme and people who believed they were prudent while the price of property increased. We need clarity on these issues. I would also like to bear in mind what the Society of Chartered Surveyors Ireland stated when discussing the apprehension among builders planning new housing developments. I hope that the Central Bank's announcement will help in that regard.

Acting Chairman (Deputy Bernard J. Durkan): I call Deputy Ó Cuív, who has ten minutes.

Deputy Éamon Ó Cuív: Even though that is a reasonably significant slot, it is not in any way sufficient to deal with all of the housing issues that we must address. I do not view housing in isolation. Nearly more than anything else, it defines the type of society one wants.

Before I address the wide vision for housing and the issues alluded to in the Fianna Fáil motion, we have not dealt in a constructive way with the crisis many people face due to debt. We have introduced personal insolvency measures but, given the small number who have availed of that process, it is too complicated.

The mortgage-to-rent scheme is one that is great in theory, but can anyone show me someone who has been able to avail of it? There are so many crinkles in it, so many conditions that one would have to fulfil, that in fact the Minister will find that the number of people who have availed of that scheme to date is totally insignificant.

We need to examine the problems faced by people on a day-by-day basis who in some cases may be paying their mortgages but are finding it nearly impossible to handle the unsecured debt. In other cases, they have done deals with the bank to tide them over for another period, but there is no long-term solution for a large number of them. If constructive leeway was given, these people would be in a sustainable position.

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The Government often talks about changing the minimum wage. One aggressive change was made in the previous four-year plan, in which there was a promise to strengthen and improve the mortgage interest supplement, which was a safety net to tide people over when they temporarily lost employment and could not pay their mortgage. The interest kept getting paid until they got a job again. Extraordinarily, this measure was removed by the Government. For the life of me, as an ex-Minister for Social Protection, I cannot understand the rationale of the Tánaiste in acceding to such an idea. We know from statistics that 60% of those who become unemployed are re-employed within a year. By preventing them from falling into a spiral of debt, the mortgage interest supplement was hugely cost-effective.

I wish to discuss the wider issue of housing policy and what we believe is the broad policy we should pursue. Some commentators said we had too much home ownership in this country and that we should pursue continental policies and practices in this regard. One of the great contributors to the stability of post-Independence Ireland was high home ownership. People who owned their own homes had a stake in society. From the early days of the State, assistance was given to people to own and improve their houses. It was given in direct grants and through tax relief. It seems that somebody somewhere - these great people who know all the problems but only consider narrow financial criteria - decided it would be much better if we all rented or leased houses. We need to have that debate in the first place, because I think they are wrong.

I have always believed that apartments have a role to play, but for the vast majority of families with children, a conventional house - not a duplex or an apartment - should remain the preferred choice. Children are the future. They are the raw material that will pay all of our pensions, please God. If we do not look after them and give them a stable childhood - not only for their own personal well-being but also for society's benefit - then we cannot expect the best outcomes. Security of tenure, for those who can afford it, means buying their own houses. For those who cannot afford to do so, it means getting a local authority house, as was the case in the past. Security of tenure for families is vital. It is a totally different situation for young, mobile people who are coming and going, but we must focus on the importance of stability for families.

There is another issue that this Government seems to ignore totally, which is the insistence on having a policy that concentrates everything into the major cities. For example, the Government insists on rolling back policies for rural development and decentralisation. It should not be surprised, however, if it creates a housing crisis in those cities which are expanding too fast. Meanwhile, areas of the country that could provide houses quite easily are left without people to live in such houses. The situation is exacerbated by new social problems that are created.

We should re-examine our spatial strategies. The optimum arrangement would be to try to get every community in the country growing, rather than allowing the depopulation of certain areas which already have schools as well as sports and health facilities. People are being put unnecessarily into new estates with no community bonds or supports, including being near their families and facilities.

I wish to echo what my colleague Deputy Kitt said. There seems to be a policy driven by architects and town planners whereby there is something objectionable about the rural house. The Department of the Environment, Community and Local Government has instructed local authorities not to allow the building of any more one-off rural council houses. That is gentrification of the worst kind. In other words, rural Ireland is moving away from being a mixed community as those who cannot afford to build their own houses are moved away. All sorts of other barriers are being put in place which prevent people from settling in the communities they

came from. The upshot is that old people are living without their families around them.

The stratification of society includes moving people into towns and segregating them by social class. That is one of the biggest social challenges we face in towns and cities. Housing is not just about putting a roof over somebody's head; it is about the construction of our society. Bad planning featuring segregated housing in cities is one of the greatest causes of anti-social behaviour and other such challenges we face every day. There are large pockets of society where, despite all the resources put into education, very few children can aspire to third level education.

Housing policy must be societal rather than just financial. Once one knows what one's societal aims are and what one is trying to do, one should then build the financial constructions around them - not the other way around. Leaving housing policy to central bankers is wrong. The bubble was not caused by people owning one house for themselves, but by people who started to buy extra houses and speculate on the market. We should therefore return to a policy of prioritising single home ownership and helping each family to own one house.

An Leas-Cheann Comhairle: I call on the Minister of State, Deputy Dara Murphy, who is sharing time with Deputies Liam Twomey, Seán Kenny and Tom Barry. Is that agreed? Agreed.

Minister of State at the Department of the Taoiseach (Deputy Dara Murphy): I move amendment No. 1:

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

"acknowledges that:

- the construction sector and the housing market were very heavily affected by the economic downturn and the bursting of the property bubble; and

- a poorly regulated banking sector, with lax lending standards combined with pro-cyclical and inappropriate fiscal policies adopted by the previous Government, led to a property bubble, the consequences of which are still evident throughout the country;

recognises the importance of ensuring a strong and sustainable construction sector and housing market that meets the needs of the economy and society;

notes that:

- in 2014 a total of 11,016 homes were completed in comparison to 93,019 units completed at the peak of the housing bubble; and

- at the peak of the housing bubble in 2007 over 270,000 persons were directly employed in the sector and that by 2012 this figure was below 100,000;

further acknowledges that new housing supply - both social and private housing - is a key issue that needs to be, and is being, addressed;

notes:

- in this context, that the Government's Construction 2020 Strategy for a Renewed Construction Sector is focused on addressing constraints that are inhibiting

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new housing supply, including as regards planning, mortgage and development finance, infrastructure and public investment, standards and regulation and education and skills;

- in addition, the recent announcement of the Government's Social Housing Strategy 2020 and the Government's commitment therein to deliver 35,000 new social housing units over the period to 2020;

- the additional €2.2 billion in funding announced for social housing in budget 2015 and the publication of the Social Housing Strategy 2020 in November 2014, which builds on the provisions contained in budget 2015 and sets out clear, measurable actions and targets to increase the supply of social housing, reform delivery arrangements and meet the housing needs of all households on the housing list;

- that the Central Bank has recently issued macro-prudential proposals in relation to residential mortgage lending and will shortly make decisions in relation to these in accordance with its independent mandate in such matters; and

- the encouraging signs of a recovery in the construction sector and the housing market;

and

agrees that a whole-of-Government approach to the implementation of Construction 2020 and the Social Housing Strategy 2020 will deliver a sustainable housing market that meets the needs of our society.”

I assure Deputies that housing, property and construction are to the fore in this Government's priorities and, to this end, I very much welcome the opportunity to debate these issues in the House. Attention to this topic has been marked recently. Indeed, I note that a similar Private Members' Bill was put forward in this House last September.

This motion is timely, however, particularly in view of the announcement made by the Central Bank approximately two hours ago in respect of the new regulations relating to mortgage lending.

As the Central Bank outlined in the statement it issued earlier, the key objectives of the regulations are to increase the resilience of the banking sector and reduce the risk of bank credit and housing price spirals developing in future. The latter is a welcome ambition. In developing the new rules, it was important to strike the right balance between achieving this objective and the ability of first-time buyers to save deposits to purchase their first homes. This balance is both important and sometimes difficult to achieve. The Governor of the Central Bank, Professor Patrick Honohan, consulted the Minister for Finance earlier today in respect of the bank's macro-prudential proposals on residential mortgage lending. This consultation was required under section 48 of the Central Bank (Supervision and Enforcement) Act 2013. Following the meeting, the Minister for Finance agreed that the revised regulations would be laid before the Houses of the Oireachtas as required under section 51 of the 2013 Act. Further details relating to the specifics of the regulations, many of which Deputy Michael McGrath read into the record, are available on the Central Bank's website.

I note the Deputy's comments to the effect that there are many elements to the motion before

the House. We can all agree that the previous housing model in this country was unsustainable. Predicated on ever-rising house prices, housing supply expanded to the extent that when the tide went out, we were left with the legacy of ghost estates, a collapse in construction employment and thousands were left with a variety of negative equity and mortgage arrears problems. On the financing side, mortgages were made available on terms which helped to inflate house prices, and the model in use for financing development was partly responsible for the problems that arose in our banking sector. It is for this reason I find it difficult to reconcile the comments made by Deputy Ó Cuív earlier with the policies he implemented when serving as a Minister in the previous Government. It is widely accepted that certain tax breaks for housing resulted in an unaffordable subsidisation of house purchases which expanded well beyond the underlying level of demand. This misallocation of resources meant that less was achieved than would have been otherwise possible and our economy and society were left more vulnerable to the subsequent economic downturn. The latter then led to an increased dependence on the State for social housing supports. Waiting lists for social housing rose from 43,000 in 2005 to a peak of 98,000 in 2011. As the economy and employment improved, the waiting lists fell to 90,000 in 2013. The position with regard to rent supplement was similar. In 2005 some 60,000 were in receipt of this supplement. This rose to a peak of 97,000 in 2010 and fell back to 71,500 in 2013.

The Government has recognised that recent price and rent developments in the housing market reflect the interaction of a recovery in the economy and in employment, with a consequent shortage of supply of new housing, especially in Dublin and some other urban centres such as Cork. With economic recovery, there is an increased level of housing demand as a result of the growth in the number of people at work. According to the Central Statistics Office, in the third quarter of 2014, GDP was 3.5% higher than in the same period last year. The rate of employment was 27,700 or 1.5% higher during the same period. This was the eighth successive quarter of annual growth and the level of employment is more than 80,000 above the low point reached in mid-2012. In addition to these factors, population growth has continued while some of those who had postponed purchasing in recent years have begun to enter the housing market. To date, supply has not responded commensurately to this increased demand and, as a result, prices and rents have risen. The level of housing supply - owner-occupied, social and privately rented - especially in Dublin, is below what is required. Rising rents and prices are a concern for the families that are finding it difficult to access suitable homes, but they also represent a risk to our competitiveness as an economy and our attractiveness as a place in which to live, do business and raise a family.

Boosting supply is set to remain a key priority for the Government in the coming period. This is co-ordinated under Construction 2020, the Government's strategy for a renewed construction sector. This strategy sets the goal of an appropriately sized construction and housing sector which is sustainable, well-financed and competitive. It addresses the key prerequisites for a property market in terms of demand and supply. On the demand side, the essential requirement is the existence of sufficient numbers of purchasers or renters and ensuring that this demand is supported by viable finance. Hence, for prospective buyers, access to finance to fund the acquisition of a house or commercial building is essential. The strategy works on the basis that there will be a need for, on average, 25,000 new dwellings per year for the next 15 years or so. On the supply side, prerequisites include the availability of a supply of suitably zoned land with appropriate planning permissions and backed by appropriate planning and building regulations; adequate industry capacity, including both expertise on the part of developers and affordable access to skilled labour; and the availability of appropriate equity and-or debt capi-

tal. The strategy includes actions to ensure that the required sources of land, labour, capital and expertise will be available to meet medium-term demand.

The strategy involves ensuring that any critical bottlenecks that might impede the sector in meeting residential and non-residential demand are addressed. It is about realigning demand and supply while promoting stability. Its detailed programme of work includes 75 time-bound actions, encompassing areas as diverse as planning, financing, regulation and public investment. Significant progress has been made to date, including the establishment of a dedicated task force on housing supply in Dublin, which has examined housing demand and supply across the four local authorities, initially focusing on measuring short-term viable supply; the drawing up of a roadmap for the development of the national housing framework; the publication of a new social housing strategy setting out a comprehensive approach to the delivery of social housing to 2020; the development of proposals for major reform of the planning process to include revision of Part V requirements for developers, incorporating a reduction to 10%, retrospective application of reduced development levies, a vacant site levy and so-called use it or lose it planning permissions; and the establishment of a high-level working group which is leading an examination of, and reporting on, the availability of development finance. In addition to the latter, the Ireland Strategic Investment Fund, ISIF, under the auspices of the NTMA, is exploring ways, through its commercial mandate, to support financing projects that will enhance the supply of housing. To underpin further the whole-of-government approach to this matter, in July the Minister of State at the Department of the Environment, Community and Local Government, Deputy Coffey, was given responsibility for driving construction work forward. In addition, a dedicated Cabinet committee ensures that focus is maintained at the highest level of Government. It is supported in this regard by an implementation group of Secretaries General. The strategy puts forward a multi-pronged, holistic approach aimed at developing a world-class construction sector which is competitive, innovative and sustainable, and capable of supporting a recovering economy. The plan represents a multifaceted, joined-up approach to addressing all issues relating to the sector.

I will comment in more detail on a number of the matters being addressed by the Government. In November the Department of the Environment, Community and Local Government published the Social Housing Strategy 2020 - Support, Supply and Reform, which is to support the realisation of a new vision, namely, that to the greatest extent possible, every household in Ireland will have access to secure, good quality housing which is suited to its needs, which comes at an affordable price and which is located in sustainable communities. The strategy is focused on three main areas. The first is the provision of a new social housing supply. In this regard, the aim is to provide 35,000 new social housing units, over a six-year period. This is to meet the additional social housing supply requirements, as determined by the Housing Agency. This housing will be delivered by local authorities and approved housing boards at an estimated cost of €3.8 billion. The second area is providing housing supports through the private rental sector. This will support up to 75,000 households via the housing assistance payment and rental accommodation scheme in an enhanced private rental sector. The third area is the reform creating more flexible and responsive social housing supports. This incorporates a suite of reform measures to improve overall social housing delivery, including a national rents framework, tenant purchase scheme, anti-social behaviour measures and a review of assessment and allocation policy.

The strategy is backed up by an action plan with detailed work streams, objectives and timelines. The governance structure has been developed to ensure delivery of the actions within the

required timeframes.

In 2015, some 15,800 housing units are to be provided through a combination of new social housing units and the housing assistance payment. To date, meetings of both the project board and the Dublin Social Housing Delivery Task Force have taken place. These meetings agreed the process for setting targets for each local authority. Targets will be issued to each local authority very shortly and each will be required to outline delivery proposals, starting with 2015. Every local authority is meeting officials from the Department of the Environment, Community and Local Government over the coming weeks. Officials have been appointed to lead working groups on the various work streams under the strategy. These working groups will be required to deliver on a particular list of actions within the timeframes set out in the strategy.

As I mentioned, a well-functioning house-building sector needs to be able to access appropriate levels of development and other finance on a sustainable basis to support new supply. Under Construction 2020, the Department of Finance was charged with the implementation of a number of actions in the areas of development and equity finance.

To take this work forward, the Department of Finance established a high-level working group which brought together representatives of the main banks, the Irish Banking Federation, NAMA, the National Pensions Reserve Fund, the Construction Industry Federation and Property Industry Ireland. This work was also complemented by in-depth discussion of the issues with other key players in the sector, including equity providers, planning experts and academics.

What has been clearly established through this work is that while the banks are in a position to provide development finance for viable, shovel-ready projects, this finance is generally available for up to only 60% to 65% of the total development cost. The remaining 35% to 40% equity gap has to be met by developers themselves. While this may represent a challenge for some developers, including smaller-scale operators and others who find themselves in a weak balance sheet position, I believe this is a much more sustainable funding model than the one that characterised the boom years, which was dominated by bank-based financing. I do not believe I have to spell out to Deputies where that funding model brought us to. We have to remember that development, of its nature, is a risky undertaking and, as such, the appropriate way to fund it is through a combination of debt and equity finance.

The current position is that developers have to adapt to a new regime where the rules of the game have altered. As I have already said, while we should welcome this transition to a more sustainable model, I recognise that it brings some challenges for developers and builders. To help address these challenges and facilitate dialogue and mutual understanding between developers and equity providers, the Department of Finance, in conjunction with the Construction Industry Federation, is organising a networking event in the near future. Through this proactive approach, the Department aims to match market participants such that opportunities for new construction can be identified and pursued.

On the rental sector, a noteworthy change in the housing market is the large increase in the rental segment. The private rented sector is an increasingly important element of the housing market, with the proportion of households in the sector almost having doubled in the period 2006 to 2011, and approximately one in five households is now renting a home in the private sector.

An efficiently functioning rental sector is an important contributor to providing a full range

of housing options to people and families. The Government recognises that the rented sector is an integral part of our housing policy for the future and that a well-balanced housing sector requires a strong and vibrant rented sector which is appropriately regulated.

Growth in rents, particularly in Dublin, is a cause for concern, not just for the families that are finding it difficult to access suitable homes. It is also a cause of concern because of the way in which it puts our economic competitiveness at risk. However, as with house price growth generally, it is the resolution of the overall housing supply problem that is the key element in restoring stability to the rental market.

Nonetheless, a number of specific actions have been undertaken in regard to the rental sector. The Residential Tenancies (Amendment) (No. 2) Bill 2012, currently before the Oireachtas, builds on what has already been achieved by the Residential Tenancies Act and the Private Residential Tenancies Board in providing for the further development and regulation of the rental sector.

The rent supplement scheme provides support to approximately 71,500 eligible people living in private rented accommodation whose means are insufficient to meet their accommodation costs and who do not have accommodation available to them from any other source. Expenditure on the scheme in 2014 was approximately €339 million. At the end of December 2014, approximately 29,000 rent recipients were on the live register, representing 8.1% of the total on the live register.

Approximately €300 million has been committed for rent supplement for 2015, which represents a transfer of funding in excess of €20 million to the Department of the Environment, Community and Local Government to support the new housing assistance payment, and also the reduction of persons in receipt of rent supplement as a result of the fall in the number on the live register.

Rent supplement is a demand-led scheme and the Government will continue to ensure the necessary funding for the scheme is in place. The Department of Social Protection is a significant player in the private rented sector and, therefore, not only has responsibility for persons in rent supplement tenancies but also for the market as a whole, including those in private rented accommodation. There are concerns that raising rent limits is not the solution to the current market difficulties as it is likely to add to further rental inflation and affect not only rent supplement recipients but also many lower-income workers and students.

As a result of supply constraints in the private rental market and the difficulties faced by prospective tenants, the Department of Social Protection put measures in place to ensure the housing needs of rent supplement customers throughout the country who were a risk of homelessness were addressed by providing for increased flexibility within the administration of the rent supplement scheme.

Turning to the issue of housing in Dublin, where the demand pressures have been strongest, the Dublin Housing Supply and Co-ordination Task Force was established to examine the issue of housing in the city. The first report of the task force, submitted at the end of June 2014, concluded that across all four Dublin local authorities, 12,785 houses and 7,925 apartments then had planning permission, equating to three years of infrastructurally unconstrained supply. Second, a further 25,507 new homes are considered permissible on existing zoned lands, if landowners and developers wished to seek those permissions. Third, given a predicted housing

requirement of approximately 7,500 new homes per annum, identified by the Housing Agency, the above figures indicate that there are permissions and lands to meet predicted requirements for approximately the next six years.

The first report also concluded that given good immediate availability of implementable planning permissions, consideration of other possible issues with an impact on supply was required, as evidenced by the low level of new planning applications for multi-unit developments.

It is fair to say that the general picture is one of solid improvement across the property and construction sectors, with the caveat that this is coming off a very low base level of activity. A preliminary estimate of 40,500 residential property transactions in 2014, representing an increase of over one third compared to 2013, provides a strong indication of recovery in the property market. However, despite the promising increase in house completions, the number continues to fall below estimates of demand, which we acknowledge. This supply and demand mismatch is particularly pronounced in urban areas, such as Dublin, and is feeding into higher house prices, although there are tentative indications of a moderation in prices in Dublin based on the most recent figures. The Government is cognisant of this issue and as I highlighted, is working to resolve them through the Construction 2020 strategy and, more recently, through the Social Housing Strategy.

The Government has made substantial progress in addressing a wide variety of issues in the property and construction sector. Under the Dublin housing supply and co-ordination task force, we have established that there is at present planning permission for 20,000 units in Dublin, enough to provide three years' supply.

I have exceeded my time. There are a number of other points which I can leave to be included in the record.

Deputy Liam Twomey: I suppose if there was some bit of advice I would give to my Fianna Fáil colleagues across the House, it is that they should restrict their Private Members' motions to matters on UFOs and extraterrestrial life because their former Ministers walk in here as if the party has just landed on earth. Theirs is the party that was expert in building houses, except it built them in places where nobody wanted to live. Their party completely misled tens of thousands of construction workers to the point that it was telling them about soft landings, and they misled young families in the same way. They now come in with bleeding-heart talk about it, as if they were going to do something for those families after landing them in this crisis. The party has no credibility.

I listened to the former Minister, Deputy Ó Cuív, talking about rural areas. He was part of a Government that decimated rural areas with housing policies and with the way it carried on. He was also part of Government when I was here listening, in 2006, to a Minister talking about people wanting to own not only one house, but two, three and four houses. They ratcheted it up and caused the crisis and now they are acting as if they were never part of it in the first place.

Even when they were talking like that, in 2005, there were still 45,000 applicants on the social housing list. Even though it peaked at 90,000, that was still a considerable number of applicants on the housing list at the time when Fianna Fáil was talking about everything being so rosy in the garden.

It is on the back of that where the Government has had to make such significant changes. That is why there is now in place a proper strategy, the Social Housing Strategy 2020. There

will be investment of at least €3.8 billion, which will lead to 35,000 new homes.

There are now 7,000 more working in construction which is a fantastic improvement, and 11,000 more new homes were built in 2014, an increase of 30% in one year. Some 40,000 residential properties changed hands in 2014. That is such a change, and something positive for thousands of families right across the country.

There is still considerable pent-up demand for apartments and houses and that is the reason we need to have a clear strategy on this. We are lucky in the sense that this is happening to some degree because it indicates that matters are finally improving in this country, that Ireland is back, that there is demand for jobs in the capital city and in Cork city, and there is a need for us to have a clear approach to how we plan providing housing, both social and private, for the future. I am glad to say this is a Government that takes its responsibility seriously. It is not a Government that will merely ratchet it up and create another cycle of disaster for this country like what happened in the past.

There are significant supports being given to people right across this country. It is amazing. Listening to some of the Opposition so far, one would swear nothing was being done. Some €300 million in rent supplement alone is a significant amount. That is positive for those who are in receipt of it. It is something we are protecting to try and keep borrowers in their own homes as much as we possibly can.

The Minister of State did not quite get the opportunity to highlight the positive matters that he was talking about. I reiterated some of them, such as the new residential houses that went on the market in 2014, where there was a significant increase. There is so much more that is so positive, in both this year's and last year's budget. It is also important that we are bringing out legislation on the issues around planning to ensure the land banks are used properly. There is considerable potential, even in the capital city, to build so many more new homes. NAMA has been directed to ensure that it gets houses onto the market and develops the houses that will give the potential to provide so many new homes in the capital city. There is, maybe, a need for us to do more and for us to do it faster but we at least are working to a clear plan, and that should be commended. I commend the amendment to the House.

Deputy Tom Barry: I welcome the opportunity to speak on this Private Members' business. It is timely, given the Central Bank's announcement on the new regulations regarding the residential housing market. Of course, the key objective of these regulations is to increase the resilience of the banking and household sectors to the property market and reduce the risk of bank credit and house price spirals, such as we have seen, from developing in the future. The legislation for this will come soon.

It is important to note that these regulations are not designed to substitute lenders' responsibilities to assess affordability and lend prudently because if due diligence was done in the past, a lot of the legacy issues would not be there today. The loan-to-value ratio for principal dwelling houses for non-first-time buyers will be 80%. For first-time buyers of properties up to €220,000, a maximum loan-to-value ratio of 90% will apply, but above €220,000, a loan-to-value ratio of 80% will apply on the excess. On buy-to-let mortgages, the loan-to-value ratio will be 70%. This should bring a little sense to this market.

I noted in one of the presentations that came before the Joint Committee on Finance, Public Expenditure and Reform, of which I am a member, that every change of 5% in the loan-to-value

ratio brought about a 10% change in the value of the property. This is certainly a way to prevent property prices going out of all control and it is important that borrowers get into the habit to save as best they can and that the amount they must save is attainable.

Loan-to-income thresholds are also set out here. It is three-and-a-half times income. We are finally getting some solid rules around this.

Borrowing, when we got cheap funding thrown at us a few years ago, went out of control. The problem with it was that borrowers speculated. Many small businesses invested in properties and that non-core activity is putting a lot of core businesses under pressure. A lot of these issues have been resolved or dealt with, but it was a very painful time.

As the Minister of State said, under Construction 2020, the Government strategy for a renewed construction sector, we are looking at 25,000 dwellings a year for 15 years. That is a lot of houses, and it is good news for those in the building sector. There will be issues with zoning and with whether we have capacity to do all this, and access to finance must be done in a different way than before. We must be a little more innovative in the way we look at these.

On the new social housing supply, the provision of some 35,000 new social housing units over six years will be most welcome. Everybody in this House realises the demand that there is in clinics for applicants coming in looking to access social housing. This time around, we should concentrate on two-bedroom units and smaller units for those who do not need three-bedroom houses.

There is another issue, about which, of course, I am passionate. We should use this as an opportunity to build energy-efficient homes. Oil prices are now low. When they were high, there was considerable pressure because of the cost of heating a home. This cost is still a challenge. However, now that energy prices are low, we should use this chance to introduce systems such as district heating. There is no reason each house should have its own separate boiler and heating system. I have travelled to Denmark and seen district heating working using renewable resources, such as straw and many waste products that cannot be sold in the agricultural sector or are in excess.

10 o'clock

There is a real chance now to examine such an approach.

One hears of councils reducing property tax. It is a populist move that is affecting the social housing budget. Sensible measures must underpin policy. The planning process must be examined. The exclusion of elected representatives from the process must be reviewed. I accept there were some bad news stories in the past but issues constantly arise in connection with rural housing. Many want to live in the countryside but find it difficult to do so. Cities such as Dublin must consider increasing the height of buildings. We are very precious about maintaining a low skyline but one must measure that against the cost and the time required to get to work. People can still aspire to own their own home. The Government is doing much work in that regard. I welcome the new regulations on mortgage lending as they will provide certainty. Many speculated on what would emerge in that regard. The basis of a renewed construction industry will be put in train as a result.

Deputy Dessie Ellis: On the face of it, the Fianna Fáil motion says practically nothing. It certainly proposes very little, and what it does propose is either vague or seriously flawed. The

lack of any firm proposals in this motion speaks volumes. Fianna Fáil, like the Government, is incapable of grasping the reality, namely, that the crisis we face in housing and particularly social housing has now reached epidemic proportions. Fianna Fáil is incapable of talking about the real solutions because like the Government, it is utterly opposed to them. Like the Government, Fianna Fáil is completely wedded to the model it carved out in the early 2000s, namely, to dismantle State provision of housing and move all responsibility away from local authorities and onto the private sector and voluntary housing bodies. Fianna Fáil cannot really propose solutions because like the Government its policies are more of the same.

Under Fianna Fáil the primary way new applicants for social housing got housed was through the use of a public subsidy of private accommodation and coupled with large discounts for council tenants to buy their homes, and a reliance on disastrous PPP models. The local authority housing stock was chopped again and again. There was a steep decrease in the delivery of major social housing projects and increased use of regeneration projects which delivered more private units where council houses once stood. Even back in the mid-2000s it was clear there was a major problem with the provision of social housing as tens of thousands of applicants waited for months and even years to be housed. We did not realise how bad things would get, but it was clear from the policy of the time that they were not getting better.

Due to the failure of Fianna Fáil to regulate the banks and its utter capitulation to Europe, we were left with a bailout programme that required serious financial readjustment. Unfortunately, with right-wing parties in government such as Fianna Fáil or Fine Gael, the adjustments tend always to be about squeezing from those who have little to give. In Fianna Fáil's last few years in government, housing became a major target for cuts. Fine Gael kept up the tradition and now we have a yearly housing capital spend that is more than €1 billion short of the spend in 2008. This year, the Government had the audacity to herald from on high an announcement that it would spend just over twice the 2008 housing budget over a period of six years. As one might expect when one picks the numbers apart, much like the motion, it is very short of anything approaching a solution.

Fianna Fáil might not have a solution to the housing crisis but neither does the Government. The Government does one thing very well when it comes to housing and that is spin. It has shown itself to be a master at moving the goalposts and twisting figures. I cannot count how many times Government officials have announced the same figures and pretended they were new figures. In the early days of the Government it seemed that every few months we were told NAMA would deliver 4,000 homes, as if it was new information or even touching on being accurate. At present, NAMA has only delivered a quarter of that, and it only did it once.

Now the Government is shouting to anyone who will listen that it will spend €3.8 billion on housing in the next six years. That is, on average, €630 million a year, which is approximately €34 million more than was spent last year. In case one was not paying attention, 2014 was not the year that the housing crisis was solved. It was the year homelessness reached record highs, housing need did not budge and we spent an additional €500 million on private rent subsidies for good measure. We also spent millions renting hostels and hotel rooms for families for whom we could not be bothered to build houses.

That said, the Government did produce its Housing Strategy 2020 in 2014. This is the strategy which pledged an extra €34 million a year and claimed it would deliver 35,000 houses. Of course "deliver" is a somewhat vague term. One could ask from where the houses will be delivered. According to the Minister's responses to recent parliamentary questions, they will

be delivered from thin air in a lot of cases, brought into being by wishful thinking and more of the same. When I asked the Minister how many of the promised 7,400 homes local authorities would deliver in 2015, I was told it would be approximately 2,400. Somehow, in the midst of the greatest shortage of residential rental properties in recent memory, when construction is still very low, the Government believes it will find 5,000 new rental properties on the private market. I am very interested to hear how it will do that. Many people cannot even find a room in Dublin. Vacancies are filled within hours of advertisements appearing. People are so desperate they are agreeing to take on apartments at extortionate rents without even a viewing. The Minister must be clear about how the Government intends to deliver the housing and the extra cost the private subsidy will incur.

Sinn Féin has been clear from the very start of the crisis that the problem is a shortage of social housing and the only solution is more social housing. The private market is unable or unwilling to provide housing to large sections of society in any kind of stable way and the State has the ultimate responsibility to ensure its people have access to affordable, secure and comfortable housing. The money now pledged for the Government's strategy must be redirected towards investment in the building of social housing. The only policy difference Fianna Fáil offers is one which simply does not stack up. Increasing rent supplement levels by removing the cap would simply drive up rents further while providing no security for the vast majority of people under threat due to high rents or unable to find housing within the range of the cap.

In autumn 2014, the average rent in Dublin, where a significant number of rent supplement recipients reside, is €1,296, while the average rent for a double room is €518. The problem in many cases is not with rates of rent supplement or the cap but simply the fact that rents are impossibly high not just for the unemployed who are eligible for rent supplement, but for single people with no dependants on low and middle incomes. The average rent supplement payment last year was €4,400 a year for approximately 75,000 people. A 10% increase in rent supplement payments would cost approximately €32 million and would do very little to protect recipients from eviction. It would simply further line the pockets of landlords. The removal of the cap or its increase would probably push up prices. It would also ensure many people on rent supplement would be forced to pay even more in their own contribution, leaving less for food and utilities. Throwing more money at private rents only serves the landlords, but of course many landlords sit in this House and it is no surprise that such a measure might be popular. In the absence of a major increase in social housing this policy would be disastrous and at best it would be a costly exercise in distraction.

The solution to the rent crisis is to introduce a system of rent control in conjunction with a major campaign of building social housing through local authorities. Rents must be regulated. They cannot be allowed to be so strongly controlled by the whim of private developers and landlords who are reaping the rewards of a housing shortage and extorting inexcusably high rents from struggling families and working people. Rent control would set a guide level for accommodation based on location and quality, which could be tailored to reflect changes in the economic climate, the cost of living and inflation. There is no excuse for increases in rent which amount to 40% in one year. Rent control would ensure that rents would never fall below what is reasonable or rise above what is affordable. It is essential that housing is affordable for the public. Any claims that rent control would be unconstitutional are clearly incorrect, as any fair-minded reading of the relevant articles of Bunreacht na hÉireann will show.

Seven years after they presided over an unprecedented property crash, Fianna Fáil members still rail against financial regulation; they have learned nothing. Imagine we were back in 2005

and a Central Bank were to propose an end to 100% mortgages. Fianna Fáil would be up in arms, as its members are now. They are very slow learners. Their instinct is to oppose regulation and especially when issues like property are being discussed.

The bubble in both residential and commercial property was down in large part to a failure in regulation. It is depressing to hear the party that oversaw that bubble and did its best to reduce regulation once again attacking proposals that bring some sense into the property market. The rich and those with rich families will always be able to outbid others. What creates bubbles and forces workers out of the housing market is excessive and unregulated credit.

In our proposal Sinn Féin welcomed the broad thrust of the Central Bank's original proposals. There has much concern during the public discussions about how these rules will affect young families trying to buy in particular. Sinn Féin shares that concern. The reason young families and young workers cannot save is due to the low wage economy this Government is building. It is because young workers cannot make ends meet and that is before water charges come in. Even when it has some space to give something back, the Government brought in a budget that favoured only the top 40% better-off and made the rest, the majority, poorer.

At the end of the third quarter of last year, 117,000 families were in arrears on their family homes. That is 15.5% of all family homes. Many of them are working families but when a bank that can borrow money from the ECB at 1% or 2% is charging them 4% or 5% interest, they cannot afford their mortgage. However, that does not concern this Government. It acts like Pontius Pilate and ignores the fact that it owns some of these banks.

Sinn Féin has drafted legislation that would give the Financial Regulator the final say as to whether interest rates hikes are justifiable at State-owned banks. When this Government first came to power, its members huffed and puffed when the banks increased their rates but now they hide under the table with their hands over their ears. The Central Bank is doing its job and the Government should start doing its job.

I refer to the big problem which is that families are becoming homeless. There has been a haemorrhage from rental supplement and RAS. People are ending up homeless and are going to hostels and bed and breakfast accommodation. Some of them are dragging their children across the city and they do not know where they will end up. There are significant social and financial consequences.

Prices are heading back to those of the Celtic tiger era. Have we learned nothing? Last night, I visited a house in Whitehall. The tenant and her children had to sleep downstairs in a three-bedroom house because of the serious dampness and mildew which threatened their health. I went upstairs and I could not breathe when I entered the room. These are the conditions of some of the houses. I refer to a survey of housing in central Dublin carried out by the local authority. Many houses were below standard.

The rules and regulations governing landlords and their responsibilities are not being enforced. More power was given to local authorities but it is not sufficient. People who complain are sometimes served with notice to quit, as happened in the case to which I have referred. That person, who has several children, was served with a notice to quit. The mortgage to rent issue needs to be reviewed. There has been a very small take-up but it is a necessary step. Given that house values have now risen above €200,000, people are told they are not suitable candidates for the mortgage to rent scheme. This is scandalous and it must be revisited. Housing should be

a right which should be enshrined in the Constitution. There needs to be an investment in housing by providing an immediate stimulus. A total of €1 billion should be taken from the strategic investment fund. It did not bother us taking over €500 million from the pension reserve fund for water meters for which there is no need. There is money available in the strategic investment fund. The Minister has stated that he intends to use some of that money. I welcome that decision because I have been saying for years that the money is there. Sinn Féin has tabled numerous parliamentary questions to find out that information. That money needs to be invested immediately to get things up and running because we all know that if we start building now it will take a year or a year and a half to two years before we can deliver. That is one of the problems we face. We need to act now. With regard to housing, it is clear we are moving back to our lax ways that put us in this position in the first place.

Deputy Seamus Healy: There is a very significant housing crisis in this country and the figures are truly horrendous. A total of 90,000 families languish on local authority housing waiting lists throughout the country. A total of 73,000 families are on rent supplement, in many cases, condemned to live in poor, substandard, damp and insecure accommodation.

For example, in Tipperary, 3,100 people are on the local authority housing waiting list and not a single local authority house will be built in 2015. No council, including Tipperary, has been given a capital allocation for housing this year as yet. This means that the council will be lucky to build any houses in 2016 - or at the very most, it will be at the end of 2016 before they are built.

This huge housing crisis is a result of the policies pursued by the previous Fianna Fáil-Green Party Government and by this Government slashing the local authority house building programme and privatising housing. The 2020 social housing strategy is a continuation of that privatisation. At the end of that period, we will find that three quarters of the social housing will be provided by private rented accommodation, with only 5,800 new local authority builds per year. Some 40 years ago, in 1975, we were building 8,794 local authority houses. We need to repeat those figures; we need to build at least 10,000 local authority houses for people on the housing waiting list. There is no doubt that the privatisation of public housing has been an absolute disaster. No less a person than Uachtarán na hÉireann has drawn our attention to the issue. He has stated that we have to accept once and for all that people who need housing and cannot provide that from their own means should not be abandoned to the marketplace and the principle should be accepted that their housing should be as good as any other housing. He stated that one of the most basic deprivations a human being can suffer or fear, is that of being homeless. He further stated that it is about democracy, that one cannot leave the provision of housing to a residual feature of the marketplace. We have done that and homelessness is the consequence. He also stated that we have to accept that we need a great, huge increase in public rental accommodation.

The Irish Council for Social Housing said something similar when it stated that the over-reliance on the private market to meet social housing demand is unsustainable and ultimately unpredictable. Barnardos states that it is seriously concerned about the scale of the housing crisis now facing many low-income families, particularly those reliant on social welfare. Many children experience their childhood in overcrowded, unsuitable and insecure accommodation, which affects their social, emotional and educational development. We need an emergency public house building programme, with an absolute minimum of 10,000 local authority builds every year. This programme would be self-financing and would make common sense. It would put construction workers back to work and ensure additional PAYE income for the State. It

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would also ensure a saving to the State in social welfare payments and it would provide additional rental income for the State. It would also support the local economy, as it would put money in people's pockets which would ensure a huge boost for local shops and businesses in danger of closing.

What we have heard from the Minister and the Government this evening is not the real world. A total of 90,000 families are on local authority house waiting lists, which is a huge figure. These thousands of families are condemned to live in insecure, poor and substandard accommodation. This must stop.

Debate adjourned.

The Dáil adjourned at 10.20 p.m. until 9.30 a.m. on Wednesday, 28 January 2015.

