



DÍOSPÓIREACHTAÍ PARLAIMINTE
PARLIAMENTARY DEBATES

DÁIL ÉIREANN

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

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DÁIL ÉIREANN

Dé Céadaoin, 29 Aibreán 2015

Wednesday, 29 April 2015

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

Paidir.

Prayer.

Ceisteanna - Questions

Priority Questions

Public Transport

1. **Deputy Timmy Dooley** asked the Minister for Transport, Tourism and Sport if he will discuss the ongoing industrial dispute, and plans for industrial action by workers, at Dublin Bus and Bus Éireann, over the decision to put 10% of routes out to private tender; and if he will make a statement on the matter. [16718/15]

Deputy Timmy Dooley: As we face into this holiday weekend our entire public bus network will grind to a halt because of the actions of the Government in attempting to follow the ideological path of privatisation. What do Fine Gael and its Labour Party colleagues in government intend to do to address the very severe impact this strike will have on commuters and tourists? Obviously, it is not just this weekend; industrial action is threatened over the coming weeks.

Minister for Transport, Tourism and Sport (Deputy Paschal Donohoe): As the Deputy is aware, I am greatly concerned that industrial action has been threatened in circumstances where the National Transport Authority is carrying out its statutory responsibility of proceeding with a tendering process that resulted from an assessment of how best to balance direct award and tendered public service obligation bus services in the public interest. Such action would cause considerable disruption to the public across the country and would substantially damage the companies' finances.

Allowing for a degree of competitive tension in the market will ensure better value for money for the taxpayer and improved quality of service for commuters and the Government is committed to that objective. Both CIE bus companies are open to compete for the routes that are going out to tender. Furthermore, the growth in both companies will be sufficient to mini-

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mise the effects should either of them not be successful in securing a tender.

I have repeatedly stated my support for both Dublin Bus and Bus Éireann as shown by the €180 million that was invested in the companies by the taxpayer and by the Government last year in public service obligation funding and support for the upgrading and modernisation of their fleets. I have also given a commitment to seek an increase in subvention funds into the future to enable expansion in the years ahead.

There had been intensive engagement for some time at the Labour Relations Commission, which is the appropriate place to have employee concerns addressed. The unions should call off the threatened strikes and return to the commission. The companies have assured me that they will engage constructively in that forum.

Deputy Timmy Dooley: The Minister's privatisation strategy is in a shambles. Last night, in an effort to placate the concerns of drivers at the two companies, he said that no driver would have to transfer in the event of the route being lost to a private competitor. In effect, what he intends to do is place an additional burden on the balance sheet and books of Dublin Bus and Bus Éireann, making them less cost effective. This undermines the entire strategy his Government put forward in the first instance to privatise the routes. He is now going to create an additional cost base by retaining workers with the company. That makes no sense.

I am deeply concerned at what is happening. I listened to a SIPTU representative this morning say this was not a battle with the Government but with the employer. The fact of the matter is this is entirely at the feet and the hands of the Government. It is the strategy it has taken on to privatise the bus routes. The Minister must now look to 2019. If Dublin Bus and Bus Éireann go in carrying the cost of 10% extra staff, it will make them less efficient and put them in a far more difficult position to compete for routes then. The Minister should put his hands up and say his Government is about dismantling the public transport system and privatisation. He should at least be honest with the travelling public and the workers.

Deputy Paschal Donohoe: Deputy Dooley is performing more U-turns on this matter than the most agile driver in either Dublin Bus or Bus Éireann. The implementation of the tendering process is a consequence of the 2008 legislation introduced by his Government, which he supported. Bringing in a degree of competitive tension to the marketplace is a consequence of that legislation. It is a policy that I believe is appropriate given the scale of investment by the taxpayer in the bus market.

If I had not made the intervention yesterday, the Deputy would be standing up this morning asking why I was not doing anything. Now that I have made an intervention he is in here criticising me for doing it.

Deputy Timmy Dooley: What the Minister failed to say is that the 2008 Act is the consequence of a 2007 directive from the European Commission which the European Parliament supported at the time and which was a requirement on the State. The Fianna Fáil strategy in dealing with it, in agreement with the unions, was that the competitive tendering process would only be in place for new routes and would not impact on the additional stock of routes. That was agreed with the unions and accepted.

The Minister should tell the whole story when he comes into this House rather than comparing me to some kind of joy-riding bus driver. He is wrong and should accept it. It is his Government and the Fine Gael approach, supported by the Labour Party, that is wrong. The

Labour Party pulled a great stroke on the backs of the workers when a Minister of State with responsibility for public transport was appointed.

An Leas-Cheann Comhairle: A question, please, Deputy.

Deputy Timmy Dooley: I wish to ask the Minister when his Government is going to re-appoint the Minister of State and show up the Labour Party for what it has perpetrated on the workers and the Irish people by leading us to believe, through its programme for Government, that it somehow cared about public transport. When the going got tough, when the deal was done and Fine Gael's privatisation agenda was firmly on track, the Minister of State with responsibility for public transport evaporated.

Deputy Paschal Donohoe: I am struck by the speed at which the Deputy moved on from acknowledging his own role and that of his party in putting together the legislation that forms the origin of what I am dealing with today, to an open discussion regarding who is doing what at Minister of State level within the Government. The Deputy has just acknowledged the role he and his party played because he understood then what I understand now, namely, that a degree of competitive tension is appropriate in dealing with a bus market that is of such importance to our country. Before Christmas, I brought in a Supplementary Estimate of over €100 million, the sole purpose of which was to support the development of CIE and to address the financial needs of Irish Rail and both bus companies. The Deputy is in danger of performing so many U-turns on this matter he is going to end up where he started in his own journey.

Public Transport

2. **Deputy Dessie Ellis** asked the Minister for Transport, Tourism and Sport his plans to avoid industrial action in public transport companies, particularly Dublin Bus and Bus Éireann, due to plans to tender 10% of routes. [16846/15]

Deputy Dessie Ellis: I wish to ask the Minister about his plans to avoid industrial action in the public transport companies, in particular, in Dublin Bus and Bus Éireann. Has he any plans to address this and to avoid any actions that may take place?

Deputy Paschal Donohoe: I refer the Deputy to my reply to Priority Question No. 1 from Deputy Dooley in which I had an opportunity to refer to some of the points raised by Deputy Ellis. I will make a number of additional points on the matter.

I made it very clear in my intervention yesterday that were any existing employees of Dublin Bus or Bus Éireann to find themselves in a position where they were working on a route that had been tendered out to another company, they would not be required to transfer. Therefore, if Dublin Bus or Bus Éireann were to find that they lost a route due to the tendering process, drivers in those situations would face two options. On option one, I gave a commitment yesterday morning that they would not have to transfer if they did not wish to do so, because I acknowledge the degree of change involved in this, particularly in a part of the country represented by Deputy Halligan where I know this is a matter of great interest to employees located in his county. The second option for employees is that if they wish, they could transfer on existing terms and conditions. It is due to the intervention I made yesterday that a platform has been created for substantial engagement in the Labour Relations Commission. We find ourselves in a situation where, in 2015, the travelling public and employees are facing a strike about some-

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thing that might happen in 2019. The Government and I have dealt with all of the matters raised by existing employees in both companies for 2015 and beyond, by giving the guidance to the management in both companies that no existing employee will be required to transfer.

Deputy Dessie Ellis: It is clear the Minister may not see a problem but certainly Dublin Bus and Bus Éireann workers and the unions see a problem coming down the road. They believe that this is a drive to privatisation. I, too, believe it is a drive to privatisation. This is at a time when the number of people using the services of Dublin Bus and Bus Éireann has increased substantially and now we are starting to off-load 10% of our routes. There are big issues to be considered. I disagree with the Minister's two options because a private company will decide who it will employ and who it will not employ. It will not be a case of having option one and option two on the table; the private companies will make up their minds and they will cherry-pick all the routes. There is absolutely no doubt that they will cherry-pick the profitable routes. There have been cutbacks in the Dublin Bus routes in recent years and there has been a significant drop in Government funding since the Minister came into Government, with a decrease of 23% and 24%, respectively, in funding for the two companies.

Deputy Paschal Donohoe: The Deputy's points are absolutely wrong. I say that with respect because I know the Deputy's interest and support for both companies. It is not a case that if a private operator were to win a tender it would be able to select routes. That point is incorrect. The National Transport Authority is looking at a parcel of routes which is 10% of existing routes and it will make the decision which routes will be put out to tender. The Deputy is using the language of privatisation, which I understand he will do for political reasons, but these routes will continue to be regulated by the National Transport Authority in what is one of the most regulated markets in our country. The NTA will determine the fares and it will ensure that any tender is implemented.

I reiterate that Deputy Ellis is incorrect in the points he made. The bus markets will not be picky; a private bus company will not be picking whom it may employ. As a result of my intervention yesterday, it will be the choice of the employee. I made that intervention because of the respect I have for both companies and the work they have done but also because of the commitment that if and when we increase investment in the future, it will deliver a better return for the taxpayer who is paying for that investment.

Deputy Dessie Ellis: The Minister always blames the NTA, which is the regulator. Does the Minister not have influence in this situation? Privatisation is an ideology that is driven by his own party, Fine Gael. That is the problem. Even at this late hour, will the Minister intervene or even talk to the unions and not remain at arm's length in his dealings? Will he ask the unions to talk to him? Will he explain to them what is happening? Does he intend to coalesce with private interests in order to break this strike because that is what seems to be happening? This is a very important stand by the workers because they see what is coming down the road, as I do. What engagement has the Minister undertaken with the unions on these privatisation plans before going ahead with them? Did he explain what was going to happen?

Deputy Paschal Donohoe: It is one thing just to ignore everything I just said a moment ago but it is another thing to ignore everything I said yesterday. The Deputy is asking me to intervene but I remind him of what I did yesterday and what the Government did. We made a very comprehensive intervention to respond to the concerns of employees which I appreciate they would have. I repeat what we said yesterday. This Government said yesterday that were any employees to find themselves in a position that their company - be it Dublin Bus or Bus Éireann

- were not to win a tendered route, those employees will not be required to transfer. That is a comprehensive response to the issues that have been raised by employees. Deputy Ellis asked what kind of direct engagement I have had with the unions. I met them all before Christmas and my Department had recent contact with them but I wish to emphasise that the best place for these matters to be dealt with is in the Labour Relations Commission.

Deputy Timmy Dooley: It is ideology over economics.

Aviation Policy

3. **Deputy John Halligan** asked the Minister for Transport, Tourism and Sport if the upcoming policy document on Ireland's aviation policy will take into account the European Commission's guidelines on state aid to airports and airlines with regard to reducing State funding, specifically for Waterford Regional Airport; if he supports these guidelines; if he anticipates the Government and local authorities reducing funding to Waterford Regional Airport under the new aviation policy; his views that reducing state aid to Waterford Regional Airport could have a detrimental effect and ultimately hinder economic growth and deter multinational investment in County Waterford; if he will provide an update on the proposed runway extension at the airport; and if he will make a statement on the matter. [16852/15]

Deputy John Halligan: I wish to ask the Minister whether the upcoming policy document on Ireland's aviation policy will take into account the European Commission's guidelines with regard to reduced funding for state aid to airports and airlines, in particular to Waterford Regional Airport. Does the Minister support the European Commission guidelines? Does he anticipate the Government and local authorities reducing funding to Waterford Regional Airport and other airports, under the new aviation policy?

Deputy Paschal Donohoe: The Government policy on aviation is reflected in Ireland's Regional Airports Programme 2015–2019, which provides for the continuance of three Exchequer support schemes, namely, the OPEX and CAPEX schemes which deal with the operational and capital expenditure needs of airports and the PSO air services scheme. These apply, where appropriate, to the four regional airports, including Waterford Regional Airport. The programme limits future Exchequer support to safety and security-related infrastructural capital projects, similar to previous policy.

Such supports must comply with the 2014 EU guidelines on state aid to airports and airlines. The criteria for providing such financial support has changed since 2005 and has resulted in a reduction in the level of state aid that may be given to the airports under the 2015–2019 programme. However, I stress that there is provision under the guidelines, in exceptional circumstances, for airports to make submissions to the Commission for consideration on a case-by-case basis to seek approval to exceed the 75% maximum set out in those guidelines. It will be up to Waterford Airport to provide a comprehensive business case in support of such a request.

Central to such supports will also be the need for regional and local business investment over the course of the programme. Ireland, in accordance with the requirement to do so under the 2014 guidelines, conveyed its unconditional acceptance to the guidelines in May of last year. Following a lengthy clarification process, the programme has recently been formally notified to the European Commission for approval. My Department will engage with the four airports to identify the specific level of Exchequer supports to be made available to each airport

under the programme once approved.

An Leas-Cheann Comhairle: I call on Deputy Halligan.

Deputy Paschal Donohoe: I have some other material that I will raise with Deputy Halligan.

Deputy John Halligan: Waterford Airport suffered a dramatic decline in passenger numbers since the recession began, from 144,000 in 2008 to 28,000 in 2013, but the numbers have increased dramatically since 2014, by 15% to 16%. Waterford, like Knock, Donegal and Kerry, is still in receipt of the support under the regional airports programme. However, since 2011, successive transport Ministers have made clear the importance of what they call working to achieve financial viability in the medium term, and this is where I have the concern about the impact of the proposal by the European Commission. The Government pledged to bolster air traffic at airports with incentives, such as the ending of the €3 travel tax, but would the Minister agree that reducing state aid by any amount would ultimately hinder economic growth and deter multinational investments in Waterford Airport and other regional airports, and that regional airports play a crucial role in facilitating balanced regional development?

Deputy Paschal Donohoe: I agree with Deputy Halligan that regional airports play an exceptionally important role in delivering balanced development across the country. The Deputy has in the past raised with me the issue of the lengthening of the runway at Waterford Airport and I followed up on that matter in anticipation of this question here today. My Department has been advised that the airport board is committed to raising the necessary funds from local sources to fund the laying of an additional 150 metres of runway.

I appreciate that the Deputy has acknowledged the considerable success that the board and management of Waterford Airport have had recently but I acknowledge, too, the recent success that they have had in securing a replacement for the Waterford-London Luton route which became operational on 27 April. This route will operate seven days a week between Waterford and London Luton. They will also operate a mid-morning Waterford to Birmingham service four days per week. I can assure the Deputy that, through the regional airport programme on which we are working with the European Commission, I aim to provide a platform within which the needs of airports such as Waterford can be responded to.

Deputy John Halligan: I welcome the Minister's engagement, as I welcomed the engagement of the previous Minister, with regional airports but I must reiterate that there are concerns which must be addressed. Ireland's official response to the European Commission guidelines stated, "provision of compensation for uncovered operating costs of services of general economic interest (SGEI) would remain possible for small airports to allow for connectivity of all regions". The problem is it does not clarify what the provisions will be. As the Minister stated, the Commission is calling for a maximum intervention rate of 75% for small airports, such as Waterford. Would the Minister agree, even at that, it could have catastrophic consequences for small regional airports?

Deputy Paschal Donohoe: I do not agree with Deputy Halligan's analysis regarding the risk of catastrophic consequences for either Waterford Airport or the other regional airports. The Deputy asked about the Government's response to the guidelines from the European Commission. As I stated earlier, we agreed with the guidelines that were being put out. I suppose we did that for larger reasons. It places new constraints on the ability of state bodies to invest

in the kind of airports to which the Deputy refers. I believe that will create a level playing field within which airports such as Waterford will be able to prosper in the future because there will always be other governments and bodies which will have deeper pockets than a country such as Ireland which, in turn, could confer greater competitive advantage on the kind of airports with which Waterford is competing.

I assure Deputy Halligan that in the framework within which we operate in the European Union, we will do all we can to support the development of Waterford Airport. In fairness, this is something that is acknowledged by the management and board of Waterford Airport. I met the airport's manager recently and I look forward to having an opportunity to meet the board and management of Waterford Airport in Waterford Airport soon.

Aer Lingus Sale

4. **Deputy Timmy Dooley** asked the Minister for Transport, Tourism and Sport his position regarding the sale of the Government's shareholding in Aer Lingus to the International Airlines Group; the nature and character of any assurances sought from the group on connectivity, jobs and the management structure at Aer Lingus; and if he will make a statement on the matter. [16719/15]

Deputy Timmy Dooley: Some time ago the Minister indicated that he would bring to a conclusion relatively quickly the Government's deliberation on whether to sell to IAG the Irish people's shareholding in Aer Lingus. Can he update the House on where that process is at?

Deputy Paschal Donohoe: At this stage, I do not have any significant developments to report on the proposed offer by IAG for Aer Lingus. However, I expect that the Government will be in a position to make a decision on the matter in the coming weeks.

The Government's interdepartmental steering group and its advisers have continued their engagement with IAG. This engagement has centred on the considerations set out in my statement of 24 February. These include legally-binding permanent commitments on the Heathrow slots and term-based commitments on routes; clarity on the overall employment prospects, with particular reference to the timeframe within which net additional employment could be created; further details and clarity on transatlantic growth and opportunities for growth at Cork, Shannon and Knock airports; confirmation of the nature and acceptability of any oversight measures on the Heathrow slots and routes, subject to any EU considerations; and evaluation by the steering group and its advisers of the financial terms offered.

There has been useful engagement on the issues by both sides. IAG has provided further details on the issues of concern to Government that were highlighted in my statement and discussions are progressing. I expect that the steering group will report back to me shortly. I indicated previously I do not want this process to be drawn out unnecessarily and I expect that it can be brought to a conclusion in the coming weeks.

Deputy Timmy Dooley: The Minister states, in response and on a number of occasions, that the Government is seeking legally-binding guarantees on the slot access to Heathrow from the three State airports. Can he tell us what the nature of such legal guarantees might be? Can he indicate what kind of recourse would exist and, in default of such agreements, what kind of remedies might be put in place? In the minds of most, the kinds of legal guarantees that are

mentioned are fairly worthless. The views of many would be that a legally-binding guarantee to retain slot access to Heathrow for five, seven or ten years could easily be breached by one contracting party and, in the case of default, the only recourse would be some kind of financial compensation which would be worthless to the people, to the foreign direct investment and to the companies that have already located in the southern region of this country. The Minister would be wrong to think that somehow, seven or eight years of a legally-binding guarantee to retain slot access to Heathrow from Shannon and Cork is appropriate without some kind of concrete guarantee in dealing with a default on the contract and the recompense that would be in place. Anything other than a reversal to a State entity of the slot access would not be considered appropriate.

Deputy Paschal Donohoe: As I stated, this is a matter that I have not drawn to conclusion. The Government, through the Taoiseach and Tánaiste, has made clear that the main elements any guarantees would need to deliver, were such guarantees to be agreed by the Cabinet, would be that they would be robust, certain and have clear oversight mechanisms in place.

The strength of those oversight mechanisms, put in place in the public interest, should mean the very issues to which the Deputy is referring would not arise.

However, I shall conclude by reminding the Deputy of something of which he is already aware. The prevailing conditions are such that the only legal protection the State has is in regard to the disposal of slots. That protection can be triggered only by the State using its shareholding in addition to prevailing upon other shareholders to vote with us to trigger the mechanism.

Deputy Timmy Dooley: The Minister is correct that I am fully aware of the current position. However, to paraphrase an advertisement, when it is gone, it is gone. If the State decides to sell its stake in Aer Lingus, it will have no capacity whatsoever to influence the direction of the company. A shareholding of 25% is significant. I accept there are limitations to what a minority shareholder can do but believe it is clear that IAG considers the State shareholding to be of strategic interest and clearly does not want the Minister or State on its state register. It could buy up the rest of the company at present without bothering with the State. It clearly regards having the State on its state register as an impediment. Therefore, the legally binding guarantees will have to be far more progressive and clever than what the Government is attempting to achieve, which is to push out this debate. I refer to an arrangement whereby ten years are sought, five are offered and seven are settled upon, and to the desire to move on to the next business on having secured such a supposedly great deal. I am not interested in the duration but in the nature of the deal and the potential to reverse any decision that might have a negative impact on the regions and the employment that is so dependent on direct access to Heathrow.

Deputy Paschal Donohoe: What strikes me is that the Deputy and Fianna Fáil did not make these points when his Government sold 75% of the company. Let me quote what the Deputy said about the legislation in March 2004. He stated:

The purpose of this legislation is to provide for a viable future for the airline. It needs to change the focus which was initially targeted at the national interest. That need is no longer as prevalent, but there is a need to develop the airline and ensure the future viability of not only existing jobs, but to build and grow a company that will develop into an international success.

It is vital to consider the national interest now, as was the case in 2004. I have quoted what the Deputy said in 2004 when he and his Government voted to sell 75% of the company. The point I would make to the Deputy-----

Deputy Timmy Dooley: That is why we held on to the 25%.

Deputy Paschal Donohoe: The Deputy did not seek in 2004 the very kinds of mechanisms he now seeks.

Deputy Timmy Dooley: We did. Why did we hold 25%?

Deputy Paschal Donohoe: I have outlined the circumstances that would obtain were the Government to find itself having to seek to dispose of its share. That decision has not been made; it is something we are considering. I have outlined all the criteria against which we would evaluate this decision, on which I am required to come back to the Oireachtas. However, the point I am making very clearly is that the very issues the Deputy is raising now did not appear to be in his mind when 75% of the company was sold in 2004.

Deputy Timmy Dooley: With respect, that is why we retained 25% of the company. The Government is now trying to sell off the piece we believed it was important to retain.

Wild Atlantic Way Project

5. **Deputy John Halligan** asked the Minister for Transport, Tourism and Sport the rationale for omitting Waterford's Atlantic coastline from the Wild Atlantic Way initiative; the reason Waterford did not meet the route selection criteria; the number of the 366 feedback submissions that were opposed to Waterford's inclusion; if he will consider recommending an amendment to the Wild Atlantic Way to incorporate Waterford's coastline; his views on whether the new initiative Ireland's Ancient East completely disregards Waterford's coastline, which for many years has been a key tourist attraction in the area; and if he will make a statement on the matter. [16853/15]

Deputy John Halligan: Could the Minister of State please explain the rationale behind omitting Waterford's Atlantic coastline from the Wild Atlantic Way initiative and why Waterford did not meet the route selection criteria? How many of the 366 feedback submissions opposed Waterford's inclusion? Will the Minister of State consider amending the route of the Wild Atlantic Way to incorporate Waterford's coastline?

Minister of State at the Department of Transport, Tourism and Sport (Deputy Michael Ring): I thank the Deputy for raising this. The role of the Department of Transport, Tourism and Sport regarding tourism lies primarily in the area of national policy. The development of the Wild Atlantic Way and Ireland's Ancient East are operational matters for the board and management of Fáilte Ireland. The Department is not directly involved in their development.

The Wild Atlantic Way arose out of the need to address the dramatic decline in international visitors to the west over the last decade. Its main objective is to motivate overseas visitors to visit the west coast and give them reasons to linger longer. It was never intended to be defined by Ireland's entire Atlantic coast but to broadly follow the coastline of the western seaboard counties that share a common unifying tourism proposition. There was an extensive evaluation of various route options, and a comprehensive process of stakeholder, community

and public consultation.

A similar tourism proposition for the south and east has since been developed. The Minister, Deputy Donohoe, and I recently launched Ireland's Ancient East, which is built on the abundance of cultural and heritage assets in the south, east and midlands. I am confident the initiative will impact positively on Waterford, including the Waterford coast, which has such highlights as the historic round tower at Ardmore, the Ring Gaeltacht and its rich heritage, and the unique mining story of the Copper Coast Geopark. I certainly believe Waterford, including its coastline, has far greater potential to develop overseas tourism as part of Ireland's Ancient East than by artificially extending the Wild Atlantic Way. I hope that the communities become fully involved and make the most of the initiative as have communities up and down the Wild Atlantic Way.

With regard to the Deputy's specific questions about the route selection process, I have asked Fáilte Ireland to reply to the Deputy directly. He should contact my private office if he does not hear from them within ten working days.

Deputy John Halligan: I am astounded and taken aback because it appears the decision was not made by the Department at all, or that it had no input into the decision, although there are three Government Deputies operating in the constituency. The decision was made by Bord Fáilte. The Minister of State said himself that the Wild Atlantic Way was born out of the need to address the dramatic decline in international visitors to Ireland, particularly the west. Bord Fáilte's figures show a drop in visitor numbers to the south-east region from 1,100,000 in 2000 to fewer than 685,000 in 2010. This is one of the most dramatic drops in all regions of the State. The exclusion of Waterford's 147 km coastline and 50 beaches beggars the belief of business-people and those working in the tourism industry. Is the Minister of State saying to me today he cannot influence Bord Fáilte to change the decision that has been made by it? Is he suggesting the decision was not made in any way by the Department but by Bord Fáilte, which informed the Department when it was made?

Deputy Michael Ring: I hope the Deputy is aware of how State agencies work because they have independence. Policy is decided and determined at Government level. The Government determines the funding for the State agencies but it does not actually run them on a day-to-day basis. That is why we pay a chief executive officer and staff and why we have Fáilte Ireland in place.

With regard to Government policy, we decided we wanted a proposition for Dublin because we wanted visitor numbers in the city to increase, and we got a proposition. Then we found there was a major problem with attracting tourists to the west. That is why we asked Fáilte Ireland to make a proposal and it proposed the Wild Atlantic Way. It is for the same reason that we established Ireland's Ancient East. We asked Fáilte Ireland to concentrate on the ancient east, particularly Waterford, to give this region the same opportunity. I hope the Deputy, his colleagues, the tourism interests in Waterford and communities will support this initiative and take it on board exactly as the Wild Atlantic Way initiative was taken on board.

Let me give the Deputy another figure, a very simple one.

An Leas-Cheann Comhairle: I will come back to the Minister of State.

Deputy John Halligan: We are supporting it all right. It is the Government that is not doing so, considering what it has done. On several occasions, the possibility of facilitating a

presentation by Waterford council and tourism personnel on the merits of expanding the Wild Atlantic Way was discussed with the Minister of State. Can the Minister of State confirm even now that he did not have that meeting before the decision was even made? Has this presentation taken place without my knowledge? Perhaps it has. I do not know. Does the Government plan to do it? The point remains that the Government has excluded 140 km of coastline and 50 beaches with huge tourism potential based on Fáilte Ireland's first initiative. The reason Fáilte Ireland designated part of the Wild Atlantic Way was the drop in tourism. The greatest drop in tourism was in the south east. It does not make sense.

Deputy Michael Ring: Deputy Deasy raised this matter with me last week and I gave him a commitment that I would give Waterford County Council an opportunity to make a presentation to Fáilte Ireland. This meeting will take place next week. At the end of the day, the reason why the Government came up with the Wild Atlantic Way and Ancient East initiatives was to get visitors to visit the south east, which is Deputy Halligan's county, so he cannot fault us for not coming up with initiatives.

A total of €10 million was put into the Wild Atlantic Way. A total of €10.5 million was put into the Waterford Viking Triangle, which is a great project.

Deputy John Halligan: We are not talking about the Waterford Viking Triangle. That is a separate process. It has nothing to do with the Wild Atlantic Way.

An Leas-Cheann Comhairle: The Minister of State to conclude.

Deputy Michael Ring: We are all part of the overall product. Waterford has a very good product, coastline and initiatives and we all need to work together.

(Interruptions).

Deputy Michael Ring: I did not interrupt Deputy Halligan when he was speaking so could he please show some manners and let me finish what I have to say? He can get up again and speak if he wishes.

An Leas-Cheann Comhairle: He cannot.

Deputy Michael Ring: Well that is fine. I will not do the Leas-Cheann Comhairle's job. We have a very good product. We have one for the south east, the west, Dublin and the rest of the country. Buyers who visit this country want new products every year. Yesterday, we saw there was a 14.5% increase in visitor numbers for the first quarter. This will be the best year for visitors and Deputy Halligan needs to promote his county and talk it up rather than talking it down all the time.

Other Questions

Irish Airlines Superannuation Scheme

6. **Deputy Clare Daly** asked the Minister for Transport, Tourism and Sport if an extra €7 million has been included in the Dublin Airport Authority funding of the Irish airlines superannuation scheme; and if this was a consequence of the initiative taken by his Department and the Department of Jobs, Enterprise and Innovation as a result of the expert panel. [16491/15]

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Deputy Clare Daly: It is all a great bit of fun. I hope the Minister is as amused by the plight of the thousands of pensioners who are the victims of the expert panel recommendations regarding the IASS scheme, which were roundly rejected by active members in the DAA and, obviously, overwhelmingly rejected by those who did not have a voice in the process at all, namely, deferred and current pensioners.

We are told that an extra €7 million has been found for DAA pensioners. Where did this come from? How did we get new money now when the Minister said he could not get new money to alleviate the problems of the deferred and current pensioners? If it is not new money, who is losing out?

Deputy Paschal Donohoe: First, I again make it clear that the IASS and its funding are primarily matters for the trustees, the companies participating in the scheme, the scheme members and the Pensions Authority. At the request of my Department and the Department of Jobs, Enterprise and Innovation, the expert panel recently re-engaged with the unions to provide clarification on a number of issues arising from its original report of June 2014. The expert panel issued its final determination on 9 March 2015.

There is no change in the capital sums being provided by the companies as outlined in the expert panel report of June 2014. Specifically, the final determination states that:

The Expert Panel has determined that no alteration to its recommendations in its original Report is necessary. In effect this means that the benefits described in that Report continue to apply as a minimum. The Expert Panel has established some scope to address the redistribution of part of the capital sum recommended for active members so as to address concerns raised and to enhance the position of those who are: (i) closest to retirement and (ii) most impacted by the contribution rates applicable to the lower paid.

I was pleased to note the very positive outcome of the recent ballot in DAA-Shannon Airport. As a result, the IASS issues can be resolved once and for all and staff in Aer Lingus, DAA and Shannon Airport Authority will finally have clarity and certainty about their future pension arrangements. I hope this sentiment is shared by the Deputy.

Deputy Clare Daly: It is some fairytale for the real lives of the deferred pensioners and those who are currently on a pension. The Minister knows that since the beginning of January, €2 million has been taken out of the pockets of retired staff members in that airport pension scheme. This is income that should have been for them but is not there. This is a severe loss for those people. They do not accept that this is the case. Pensioners will be protesting at the AGM of Aer Lingus tomorrow. As bad as the situation at Aer Lingus is, the situation facing DAA workers is even worse because of the actuarial calculations there.

The Minister tries to wash his hands and say it has nothing to do with him. It has everything to do with him because of the way he signed the commencement order and allowed these cuts to take place under previous changes to pension legislation. It is grossly unfair when people have been excluded from the process. People want to know why it is fair for one group of workers to take a hit like that while no pilot has had their pension reduced or had the determination of their defined benefit scheme changed in any way. How in God's name could this be just?

Deputy Paschal Donohoe: As part of this process, both companies contributed €260 million to the resolution of this matter. A total of €190.7 million came from Aer Lingus while €72 million came from the DAA. Out of the €260 million, €60 million went into dealing with

matters raised by deferees. This was an increase of €20 million as a result of the expert panel process.

The Deputy asked me whether additional funding had been provided as a result of the latest part of the process and referred to €7 million. The answer is that new money was not found. I am not familiar with where the figure of €7 million comes from but perhaps the Deputy might give the background to it. What I do know is that the expert panel report and determination did refer to a figure of up to €5 million for transition measures for the airport fire and police service and €0.85 million for dealing with the resolution of the ARSSS fund. I have always said that I appreciate and have first-hand experience of the huge anguish and worry being caused by this matter but if I had not made the decision I made, an entire fund could have been plunged into huge risk.

Deputy Clare Daly: The Minister has clearly confirmed that there is no extra money, which means some of the existing active members will take a hit at the expense of others. I ask the Minister not to repeat the statement he made about the €260 million which I have previously had to ask him to correct. Can he make it clear that no extra funding was made available for the IASS scheme? It is a slight difference but it means the world of difference because it means that those people on a pension got nothing. The decisions were made without their consent or engagement. It has already cost them €2 million. It has been estimated that €175 million will be paid by those people to allow that fund to meet its minimum funding standard. This is the reason why hundreds of pensioners are taking legal action against the Government and have written to the Office of the Attorney General to sue the Government for financial losses because of their reasonable expectation that they could enjoy their retirement.

Given that the Government is launching a campaign for equality relating to marriage equality, and correctly so, where is the equality given that no pilots have had to take a hit because the company has engaged with them yet the Government thinks it is okay for ordinary clerical and cabin crew and manual workers to see their retirement incomes devastated in their latter years?

Deputy Paschal Donohoe: One of the great strengths of the way the marriage equality campaign has been handled by everybody involved is the great attempt by those of us advocating for a “Yes” vote not to politicise it or bring party political matters into it. I regret the way the Deputy has sought to integrate matters which are entirely different and separate. Although the Deputy has asked me not to repeat facts, it is a fact that additional money was made available by companies to deal with the issue. Given that I came to the issue at the latter phase, I personally pressed both companies to see if more funding could be made available. However, it could not be. Earlier, the Deputy asked me if an additional €7 million had been found to deal with the matter, and I said the answer was “No”.

Public Transport

7. **Deputy Ruth Coppinger** asked the Minister for Transport, Tourism and Sport in view of the industrial action proposed by the trade unions, if the Government will continue to support the privatisation of 10% of Dublin Bus routes; and if he will make a statement on the matter. [16502/15]

Deputy Ruth Coppinger: Will the Minister and Government press ahead with the policy of beginning to privatise Dublin Bus and Bus Éireann, which is forcing thousands of workers

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to forgo wages this Friday, May Day, International Workers' Day, by taking industrial action to protect the public ownership of the transport system and their own pay and conditions? Will the Minister pursue the policy of privatisation or meet the workers and engage in constructive discussions with them?

Minister for Transport, Tourism and Sport (Deputy Paschal Donohoe): I covered some of this matter earlier in an answer to a priority question from Deputies Dooley and Ellis. At the end of last year, I met the unions regarding the matter and I instigated a process through the Labour Relations Commission, LRC, to respond to the issues the union leaders raised on behalf of their members. The Deputy asked about the terms and conditions of existing employees. I reiterate the statement I made yesterday, that no worker whose route goes to tender and is transferred to another company would be required to transfer as a result. I have dealt with the terms and conditions issues raised by unions on behalf of their members. Yesterday morning, I briefed the Cabinet because I take it as a very serious issue for workers and for the travelling public. Millions of euro will be lost to both companies and millions of journeys will be affected if the seven days of action go ahead. Given that I have dealt with all the issues regarding terms and conditions, why should the strike go ahead based on something that might happen in four years' time?

Deputy Ruth Coppinger: I will answer the Minister's question. It is because workers are not stupid. While the Minister has given a commitment that he will not transfer existing workers into any privatised company, the public service obligation ends in 2019, only four years away, and they know all bets will be off then. Any new element of the company that would be privatised would be used to drive down pay and conditions. We saw what happened with the Luas, where there are worse conditions and no trade union rights. The public element of the company would be benchmarked against it.

Government policy is to privatise. What the Government is doing is hilarious. It is taking out advertisements to bully people in their 30s to take out private health insurance, but wants us to believe it would not privatise transport or water. Privatisation is part of the Government's neo-liberal agenda. There is 90% support for the strike. The workers know what privatisation means. For the travelling public in the UK, it has meant an increase of 20% in fares in London and 12% in rural areas. The taxpayer has had to step in and prop up these private operators because they could not make enough profits.

Deputy Paschal Donohoe: My intervention yesterday is the oddest example of neo-liberalism recently seen. Yesterday, I said employees whose routes might go to another company would not be required to move. This is a process in which both companies would be able to participate. The employee would have the choice. I recognise the legitimate concerns employees have raised, while also saying the Government is committed to investing in both companies. We are not doing what the UK did. As the Deputy knows, in some regions the UK Government put the entire market, or large parts of it, out to tender. We are not doing this. We are putting 10% of existing routes out to tender.

Deputy Ruth Coppinger: Again, I ask the Minister to listen. I just explained why the workers do not accept the Minister's reassurance. The public service obligation will end in 2019 and all bets will be off. This is a stealth process. Of course the Government is not going to privatise 100% of the transport system in one fell swoop. It will begin with 10% and take a softly softly approach. The workers are right to take action now rather than look back with regret in four or five years' time. Dublin Bus and Bus Éireann workers do not enjoy brilliant

pay and conditions. Under austerity in the past few years, they have accepted significant pay cuts and worse terms and conditions. Some €55 million has been cut from Dublin Bus since 2009. However, they know that if they join the private sector it will be much worse. This has been the experience of all transport workers.

The Minister took no action until the strike was called. In the past few days he has come out with the reassurance that nobody will be forcibly moved, but he did so only when strike action was called. I call on the workers not to back down but to plough ahead and take full strength from solidarity and see the effects it has already brought from the Minister.

Deputy Paschal Donohoe: This is a new approach by the Deputy. If I had not done anything, she would accuse me of doing nothing. If I do something, she denies I did anything.

Deputy Ruth Coppinger: The Minister did it too late.

Deputy Paschal Donohoe: The Deputy went on to say I had not engaged on the matter. A few moments ago, I described the engagement I had with the unions directly and the length of the process that went on, through the LRC, that involved the unions and the employers, to seek to respond on the matters that are being dealt with. I pointed out that the approach being taken here in Ireland is entirely different from that being taken in other countries. The Deputy accused us of having some agenda on the privatisation of both companies despite the fact that, last year, I invested over €100 million in both companies to represent the very kind of need the Deputy is doing her best to represent here today. I was responding to matters raised by the companies and unions in the past. This is the track record of investment by the Government in them and I have given a commitment that, as I expect the demand for public transport to grow in the future, the Government will seek to match the demand through investment.

Cycling Facilities Provision

8. **Deputy Catherine Murphy** asked the Minister for Transport, Tourism and Sport if he will provide an itemised list of all cycle routes, and proposed cycle routes, which are being supported financially by the National Transport Authority; if he will indicate the way the authority is supporting cycling initiatives in the commuter belt counties of Kildare and Meath; his plans to address infrastructural deficits in these areas, in the near future; and if he will make a statement on the matter. [16517/15]

Deputy Catherine Murphy: During the past 15 or 20 years, many cycleways have been constructed, some of which are not great because they mix buses and bicycles. Each local authority is doing its own thing, and we need an overview. The National Transport Authority, NTA, has a role and could design the cycleways such that they do not stop at country boundaries and leave gaps.

Minister for Transport, Tourism and Sport (Deputy Paschal Donohoe): As the Deputy will be aware, the greater Dublin area, GDA, covers the four Dublin local authority areas as well as Kildare, Meath and Wicklow. In 2013, the NTA finalised its detailed work on the preparation of a greater Dublin area cycle network plan, which aims to bring to bear the kind of planning overview to which the Deputy referred. The plan was formally adopted by the NTA board in December of that year, and provides the blueprint for the development of a strategic cycle network in the greater Dublin area. The plan was prepared in consultation with the seven local

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authorities in the greater Dublin area and followed a public consultation process. It followed a number of different steps. It marked the existing and planned cycle network, assessed the quality of service of the existing main cycle routes, identified gaps and looked at future demand. The plan provides for an overall network of 2,900 km of cycle routes in the greater Dublin area. With just more than 500 km in the existing cycle routes, this is an ambitious plan which will take over a decade to deliver.

As the statutory responsibility for the funding of public transport infrastructure, including cycling facilities in the greater Dublin area, is a matter for the NTA, I have requested that it provides Deputy Murphy with a list of all cycling infrastructure projects currently in receipt of funding. I believe that list will be forwarded to the Deputy within the next ten days.

Deputy Catherine Murphy: There are lots of new initiatives under way including, for example, greenways and the use of the canals. In the case of the Grand Canal there is a very good quality cycle way up to the Dublin boundary but it needs to be extended to Naas, for example, and I hope that is included in the list to which the Minister referred. Funding is required but the amount is relatively small for what will be delivered. The cycle ways also need to be connected up.

When I was in Boston a number of years ago, roads were closed to cars at weekends and opened up to anything else on wheels, whether roller blades, buggies, wheelchairs or bikes and lots of people went out and used them. Providing cycle facilities and taking a proactive approach to encouraging people to cycle both for leisure and work purposes can help to change habits. In countries like the Netherlands, the longer an uninterrupted cycle route is, the more people are inclined to use it. It is about connecting routes and the NTA providing funding, in addition to drawing up the plan. Will the money be forthcoming?

Deputy Paschal Donohoe: I accept Deputy Murphy's point that in order for these routes to work well they must be integrated and cover relatively long distances. I had the opportunity to experience the success of the greenway in Mayo just over two weeks ago, in the company of the Minister of State, Deputy Ring. That was delivered in an integrated manner through the local authority, with the consent of many private landowners along the way.

Deputy Murphy asked specifically about cycling projects that are underway in County Kildare and the level of funding that has been made available. There are three such projects, the first of which is the Royal Canal cycling project, which will finalise the design work on the Kildare section of the canal towpath, to progress through to construction of the section from Intel to the Maynooth railway station at a cost of €300,000. Work is also underway to provide cycle and pedestrian improvements alongside the Dublin Road corridor to Naas, at a cost of €200,000, while a further €50,000 has been provided for design work on the Naas canal greenway from Newbridge Road to Sallins.

Deputy Catherine Murphy: All of those projects are very welcome. What impressed me about the Dutch cycle route model is the fact that it knits in with the train network. When one goes to a train station in Holland one sees that provision has been made for parking bicycles, getting them up and down ramps and so forth, which is also important in these projects. We need people to shift or mix their modes of transport. We need to take practical steps in the context of climate change and reducing our dependence on fossil fuels and pedal power is a great way of doing that.

Deputy Paschal Donohoe: I agree with Deputy Murphy's points. We are hoping, through our smarter travel initiative, to find ways to encourage more people to use public transport. The Deputy will be aware that the millionth Leap Card was issued in the Dublin area a few weeks ago. We are now extending that programme to different parts of the country. It is now being made available in Limerick, for example.

I accept the Deputy's point about the ability to carry bicycles on the rail network. In fact, this matter was raised with me by a constituent last night in Phibsborough. He had just returned from a cycling holiday in France or Holland and told me that he was able to transport his bike on the train and on getting off the train was able to access a cycle route immediately. I am aware that Irish Rail has similar arrangements in place but I will be raising this matter with the company.

I will conclude by saying that I have just provided details to Deputy Murphy of the investment of just over €0.5 million in her own county, which represents a genuine attempt by the Government to support the development of a cycle network across our country. We are working hard on the Dublin greenway route. The Deputy will receive details of all of the planned investment in her country within the next ten days.

Harbour Authorities

9. **Deputy Richard Boyd Barrett** asked the Minister for Transport, Tourism and Sport if, in his upcoming Harbours (Amendment) Bill for ports of regional significance, he plans references to "the council" to mean the executives of the relevant council or the elected members of that council; and if he will make a statement on the matter. [16513/15]

Deputy Richard Boyd Barrett: Since 2011 when I was elected to this Dáil I have posed dozens of questions to the Minister and his predecessor about what I believe to be the gross mismanagement that is going on in Dún Laoghaire Harbour Company. I have raised the enormous waste of money on crazy, madcap plans that nobody ever asked for, the latest of which is a plan to mortgage the assets of the harbour to raise €18 million to build a cruise ship berth. There is a complete lack of accountability at Dún Laoghaire Harbour Company.

Now that the harbour company is finally going to move under the control of the local authority, I ask the Minister to assure the House that in the forthcoming Bill dealing with this matter, the company will be under direct council control and will no longer be an unaccountable semi-quango, a law unto itself and a company about which we cannot get any answers. Will he assure us that it will be under direct public control?

Deputy Paschal Donohoe: The drafting of the Harbours Bill 2015 is almost complete and I will be seeking Government approval very soon to publish the Bill. The Bill will provide the legislative basis to one of the national ports policy's key recommendations, namely that governance of the designated ports of regional significance vest in more appropriate local authority-led governance structures. As the Deputy is aware, the five ports of regional significance are Drogheda, Dún Laoghaire, Galway, New Ross and Wicklow.

The Bill is designed to provide maximum legislative flexibility. It will not prescribe the model of transfer but will allow for the most appropriate model of governance in respect of each individual company to be chosen. The optimal manner of transfer is one which finds broad

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consensus and agreement between parties. The actual transfer of the companies will be made under later statutory instrument.

The two models of transfer will be the retention of the existing company structure and a transfer of the Ministerial shareholding in the company; or the dissolution of the existing company structure and transfer of all assets, liabilities and employees into local authority structures. Where the company structure is retained and the shareholding of that company transferred to the local authority, the Bill will provide for the amendment of the existing Harbours Acts to reflect that transfer. Obviously, under this type of transfer there is a need to ensure the appropriate balance between the freedom and requirements of a commercial port and council oversight. The Bill will specify the differing roles of the executive and the elected members of a council in this type of arrangement. As an example, the Bill will contain a section requiring chairpersons and CEOs to appear before the elected members to give an account of their administration of that company if invited to appear by the elected members. Obviously under the other method of transfer, the company is dissolved and the port will be administered as a functional area of a local authority.

Deputy Richard Boyd Barrett: I would strongly urge the latter option for Dún Laoghaire. That is the point I am making. I have heard about these two options for quite some time. The harbour company, with its executive and board, needs to be dissolved. There are enormous savings to be made in executive salaries and expenses, some of which were falsely claimed and never repaid, not to mention the hundreds of thousands of euro that have been wasted on crazy master plans that never came to fruition, that nobody ever asked for and that would have been completely inappropriate. Money has been wasted in all sorts of ways, which I do not have time to enumerate now. The company is leeching money out of the harbour. It has run the harbour into the ground, as evidenced by the loss of the Stena Lines ferry service. Now we have another crazy plan, hatched by a so-called “stakeholder group” to mortgage the assets of Dún Laoghaire harbour to the tune of €18 million to build a giant cruise berth for luxury cruise liners. A planning permission application has been submitted but there is no business plan. The People Before Profit Councillor Melisa Halpin asked to see the business plan but there is none. I can show it to the Minister some time. This is the crazy stuff that is going on. There are no minutes taken by the members of the little cabal that are hatching this plan. We have asked if there are minutes of any of their meetings. They go off on junkets to the United States. There are no minutes.

An Leas-Cheann Comhairle: I will come back to the Deputy. I call the Minister now.

Deputy Richard Boyd Barrett: It has to be dissolved.

Deputy Paschal Donohoe: It is a real pity that the Deputy has to use language such as “cabal” and “leeching” when talking about a group of people who are working within governance structures to secure a future for Dún Laoghaire Harbour. I have already outlined to the Deputy the model under which a port like Dún Laoghaire will be integrated into the local authority. I will take the decision on the manner in which that integration will take place.

I have the greatest respect for the work that the management of Dún Laoghaire Harbour is doing. It has faced many challenges in the past and is looking to create a sustainable plan to develop the port in the future. The way in which that work will be integrated into the local authority will be made in the manner I have just outlined to the Deputy.

Deputy Richard Boyd Barrett: I am very serious about this. There is a rebellion taking place in Dún Laoghaire. A public meeting this week was packed. There is overwhelming anger against this plan. Save Our Seafront, a group in which I am involved, is having another meeting tomorrow which, I think, will be absolutely packed. Protests will almost certainly follow because of extraordinary anger at the fact that it is a cabal. What would the Minister call a group of three people who are accountable to nobody, who do not take minutes of meetings, who go off on junkets and who come up with plans that will have a massive effect on the harbour, potentially threatening it with privatisation because it involves mortgaging the assets? They do not take minutes of the meetings and when we ask questions about what they are doing we are told: "We're not giving you the answers." That is what is going on and it is not acceptable.

Let us consider the state of the harbour. It has lost Stena. Hundreds of thousands of euro have been lost on master plans that just dissolved into thin air. It is crazy stuff.

An Leas-Cheann Comhairle: I thank the Deputy.

Deputy Richard Boyd Barrett: In the interests of democracy and in the best interests of this important amenity and the Dún Laoghaire area generally, we should dissolve the harbour board and bring it under direct public control where there is real accountability and genuine public input into the plans to develop and protect this harbour as a unique public amenity.

Deputy Paschal Donohoe: The Deputy's language of describing a group of people as a cabal is unacceptable.

Deputy Richard Boyd Barrett: Should I take the Minister to a meeting?

An Leas-Cheann Comhairle: The Minister has the floor.

Deputy Paschal Donohoe: I am struck that whenever I make a genuine attempt to respond to matters that I accept are of interest, the colour of the Deputy's language intensifies and the pitch of his voice gets higher.

Deputy Richard Boyd Barrett: It is because I am annoyed.

Deputy Paschal Donohoe: These are important matters that need to be dealt with. As I have said in the House already, it is very important that an acceptable and secure plan is developed for the future of Dún Laoghaire Harbour. There is a group of people at the harbour who are working very hard to deliver that. I have outlined how I will deal with its integration in the future. As I have said, regardless of any views on the plan they propose, the Deputy's language is inappropriate in terms of how he is describing them. I will look at the model I have described and I will make a decision on how it is integrated into the local authority.

An Leas-Cheann Comhairle: Deputy Kyne is next because Deputy Jim Daly is not present.

Question No. 10 replied to with Written Answers.

Mountain Rescue Service

11. **Deputy Seán Kyne** asked the Minister for Transport, Tourism and Sport if he is aware of the doubling of funding for mountain rescue teams in Northern Ireland in April 2015; if, in the context of the improving financial position of the State, an increase in funding will be con-

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sidered to support the vital work of mountain rescue teams; and if he will make a statement on the matter. [16439/15]

Deputy Seán Kyne: What are the Minister's future plans for mountain rescue funding?

Deputy Paschal Donohoe: I am aware of the measure announced recently by the Northern Ireland Minister for Justice doubling the funds provided by the Northern Ireland Executive to search and rescue volunteer groups.

My Department recognises and acknowledges the contribution that these voluntary groups make to their communities and to the general public. As the Deputy is aware, my Department, through the Irish Coast Guard administers a grant for mountain rescue teams, and other voluntary search and rescue groups such as the Irish Cave Rescue Organisation, the Search and Rescue Dog Association and 12 individual community rescue boat teams. In 2014 a total of €250,000 was paid in grants to these voluntary organisations. In addition, in 2014 my Department granted a special once-off capital grant of €200,000 to Mountain Rescue Ireland, the all-island overarching body responsible for mountain rescue, for the purchase of vehicles.

As I have previously indicated to the House, MRTs are not tasked directly by the IRCG; rather they are tasked by this Garda Síochána, which comes under the remit of my colleague, the Minister for Justice and Equality. While I accept the vital nature of the commitment made by this voluntary group, I believe that budgetary priority must be given to the primary responsibility of providing a marine emergency response service. The IRCG has responsibility to equip and train approximately 918 volunteers from 44 volunteer units around the country. Each unit is subject to operational readiness audits to ensure they are positioned to provide a safe and effective service.

Therefore, with the current and competing pressures among the budgets in my portfolio, I cannot commit to any increase in funding at present. I draw the Deputy's attention to the support we have been able to give in the recent past.

Deputy Seán Kyne: I thank the Minister for his reply. I acknowledge the work of his predecessor and the Minister of State, Deputy Ring, in getting last year's funding. The Minister knows of the great success of the Wild Atlantic Way through his Department and the increase in tourist numbers that has happened as a result. There is huge potential next year for that. I ask the Minister to keep it in mind. They do great work and are always under pressure for finances. I acknowledge the support in the past and whatever can be done in the future by way of additional support would be welcome.

Deputy Finian McGrath: The Minister of State, Deputy Ring, would want to up his game.

Deputy Paschal Donohoe: I am aware that the volunteers in question do great work. The Minister of State, Deputy Ring, was heavily involved in the matter last year and has a great interest in it.

Deputy Finian McGrath: He has not delivered enough.

Deputy Paschal Donohoe: As I said a special allocation of €200,000 was made last year as a result of the interest the Minister of State, Deputy Ring, and the Minister, Deputy Varadkar, had in the matter. That money was provided for the purchase of vehicles to allow the work the Deputy has described to be done better.

Written Answers follow Adjournment.

Business of Dáil

The Taoiseach: It is proposed notwithstanding anything in Standing Orders that the motion regarding the by-election for Carlow-Kilkenny shall be taken immediately after leaders' contributions on the spring economic statement today and shall, if not previously concluded, be brought to a conclusion after 25 minutes and the following arrangements shall apply. The speeches shall be confined to two Ministers, with one from each party in government and the spokespersons from Fianna Fáil, Sinn Féin and the Technical Group, who shall be called upon in that order and shall not exceed five minutes in each case and such Members may share time. The sitting shall then be suspended under Standing Order 23(1) for one hour.

An Ceann Comhairle: Is that agreed? Agreed.

Leaders' Questions

Deputy Micheál Martin: Yesterday I asked the Taoiseach if the inquiry initiated by the Government into the IBRC and the Siteserv deal would cover the buying and selling of shares in the period in advance of the sale of Siteserv, and if we would have full transparency over who bought the shares and who benefited from the €5 million pay-out.

I also want to deal with the relationship between IBRC and the Department of Finance. The Government's press release is extraordinary in that it mentions concerns raised in the Dáil and elsewhere but omits the crucial issue of concerns raised at the highest level in the Department of Finance in terms of the operation of the IBRC. In regard to the documentation and the reports in *The Irish Times* last Friday, has the Taoiseach read the freedom of information documentation? It reveals a fraught relationship and significant concerns civil servants were expressing about IBRC. Why is that core relationship not being addressed by the inquiry? For example, concerns were expressed about the appointment of Blackstone without a public procurement process. The core business of Blackstone is hoovering up distressed assets in situations like this. It was given full visibility to everything that was happening in IBRC. That will not be examined by the inquiry. Issues also arise in regard to the wealth management unit in IBRC.

I understand that William Frye solicitors were brought in to prepare a report on perceived conflicts of interest between IBRC itself and its wealth management entity. Will the Taoiseach ensure that the report is published? The Department expressed a number of concerns about business conduct, including the bank's relationship with big borrowers, pay and appointments. Topaz complained to the Department of Finance about the way in which IBRC was managing its portfolio. In respect of the Apthorp apartment complex in Manhattan, there was an adverse deviation from the normal valuation approach amounting to between €25 million and €50 million. An executive in IBRC raised the alarm about that deviation but his concerns were never brought to the attention of the board. That raises fundamental questions about good practice within the bank but while aspects of this might be addressed by the inquiry, the wider concerns expressed by the Department will not be considered. That is why a commission of investigation would be preferable. Will the issues pertaining to the shares be covered by the inquiry and will there be full transparency?

Why were we not told in 2012 about the relationship between the Department of Finance and the IBRC? Why were the public and the Dáil kept in the dark for so long? Will the Taoiseach take steps to ensure publication of the William Frye report on perceived conflicts of interest

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and overlapping interests between IBRC wealth management and the bank itself? Has he read the FOI documents on these matters?

The Taoiseach: I answered the Deputy's question on this matter yesterday. The scale and timeframe of the review is broader than the Siteserv transaction concluded by the board of IBRC in 2012. It is expected to cover the 30 or more transactions concluded by the board between 2009 and the liquidation of the bank in February 2013. The order provides:

The review shall consider all transactions, activities and management decisions ... between 21 January 2009 (being the date of the nationalisation of IBRC) and 7 February 2013 (being the date of the appointment of the special liquidators to IBRC) ... and which either:

(A) resulted in a capital loss to IBRC of at least €10,000,000 during the relevant period; or

(B) are specifically identified by the Special Liquidators as giving rise or likely to give rise to potential public concerns, in respect of the ultimate returns to the taxpayer.

The purpose of the review is:

to investigate, in relation to each such decision, transaction and activity ... the processes, procedures and controls which were operated by IBRC in relation to Relevant Writeoffs ... whether there is *prima facie* evidence of material deficiencies in the performance of their functions by those acting on behalf of IBRC, including the IBRC board, directors, management and agents, in respect of any transactions, activities and management decisions identified under section 2 (A) and (B) above ... whether it can be concluded from any relevant documentation, data or interviews with relevant individuals as appropriate that any of the transactions were not commercially sound in respect of the manner in which they were conducted, the decisions made or the outcomes achieved having regard to the purposes of the Act as set out in section 3 of the Act.

I assume these include the reports to which Deputy Martin referred and that, in respect of decisions made, the review would have to take into account documentation or reports provided to the board of IBRC to allow it to make a decision in the first instance. I also assume that the purpose of the review as set out by the Minister will include an investigation of all matters relevant to decisions, transactions and activities. The Deputy referred to a specific report. I can ascertain whether that report is within the scope of the review for publication, although I assume from the order that it would be. I have read the documentation in respect of freedom of information.

Deputy Micheál Martin: The Taoiseach did not answer my questions at all. It is not good enough for him to say he assumes issues are being covered. The relationship between the Department of Finance and IBRC is not covered by this inquiry. The inquiry is ring-fenced to transactions and deciding whether commercially unsound decisions were made or material deficiencies existed. A commission of investigation would get to the core of this matter. There was a pattern of hostility on the part of IBRC towards departmental oversight. I asked the Taoiseach if he had read the documentation but he did not answer me.

The Taoiseach: I answered the Deputy.

Deputy Micheál Martin: I am making inquiries and I am finding out things. The William

Frye report will be important because it will examine the way in which IBRC dealt with its wealth management unit. People could not buy it for one reason or other. Why was that?

Deputy Finian McGrath: Paddy wants to know again.

Deputy Micheál Martin: I asked about the shares. The Taoiseach did not answer my question on that yesterday and he has not answered today either. Will the share issue be covered? Who was buying shares in a bust company and why were they doing so?

An Ceann Comhairle: The Deputy is over time.

Deputy Micheál Martin: Billions of euro were involved. Does the Taoiseach stand by his civil servants in the Department of Finance? Cliff Taylor summed matters up well in his article in *The Irish Times* with the following observation:

[T]he extent of the tensions revealed in the FOI documents ... is striking, and cause for concern when so much money was at stake. Was it a case of an over-controlling government department insisting on playing everything by the rule book and not being experienced in the real world of deal-making? Or was the IBRC really being run without the proper controls and procedures in place and choosing sometimes to ignore the official view?

There is sufficient cause for grave concern given the scale of the matters arising. We know the bank resisted the framework document to the extent that the Department suggested there was a risk that it might seek to take action to delay or impede finalisation of the document, which was required by the troika.

The Taoiseach: I remind Deputy Martin that unlike his own outfit, which proceeded with Anglo Irish Bank and cost us €34 billion, this Government has no difficulty in defending the taxpayer's rights in public and in an accountable fashion.

Deputy Colm Keaveney: What is he hiding?

The Taoiseach: Deputy Martin demanded a commission of investigation into Siteserv. I made the point that if one sets up a commission of investigation, there is a long lead-in and possibly a long period before one receives a report. The Deputy wants answers now.

Deputy Colm Keaveney: It is only as long as one makes it.

The Taoiseach: All of the files that are relevant to Siteserv, and beyond Siteserv, are in the hands of the special liquidator, who has been directed by the Minister to produce those files and to report to him by the end of August. In respect of the matter of conflicts of interest, the Minister has appointed a retired High Court judge to adjudicate.

Deputy Micheál Martin: That is not what I am asking about.

The Taoiseach: The Deputy never listens.

Deputy Micheál Martin: The Taoiseach never listens; he just obfuscates.

An Ceann Comhairle: Please, we are over time.

The Taoiseach: Prior to the sale of Siteserv, these documents on shareholdings were public documents and on the day of sale access to them is available.

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I read the reports about the journalists who had access to the shareholding file of Siteserv, to the names and addresses of people who were shareholders and the stockbrokers who bought shares for individuals.

Deputy Micheál Martin: Who had access to that?

The Taoiseach: That document was always a public document and was a public document on the day of sale. The evidence is accessible to journalists and they have examined it.

Second, in regard to the difficulties the Deputy referred to between the Department of Finance and IBRC, the freedom of information document shows exactly the nature of the concerns the Minister for Finance had. He changed the framework Deputy Martin's Government set up, where there was no mandatory reporting of major transactions to a point where it was compulsory for that to happen. He changed that and the senior person he appointed asked the questions on behalf of the Minister for Finance in respect of the taxpayer, and was right to do so. Fianna Fáil did not see fit to do that and its Government let it run, without mandatory reporting. That framework was changed.

An Ceann Comhairle: Deputy Adams, please now. Sorry, the Taoiseach's time is concluded.

Deputy Micheál Martin: The Taoiseach is being dishonest to the Dáil.

The Taoiseach: We are now going to have a situation where the files will be prepared for the Minister, and if necessary, the Government will change the law so that a further independent objective assessment can be carried out by the Comptroller and Auditor General if the Committee of Public Accounts wishes to do that.

Deputy Micheál Martin: The election will prevent that. The Taoiseach knows that will never happen. Do not be dishonest and say legislation will be enacted before the autumn.

An Ceann Comhairle: Let us have Deputy Adams, without interruption.

Deputy Gerry Adams: Before I put my question, has the Taoiseach any explanation for the absence of the Labour Party in the Chamber?

An Ceann Comhairle: Sorry, this is Leaders' Questions.

Deputy Gerry Adams: Yesterday, when I asked the Taoiseach when the Minister, Deputy Noonan, informed the Taoiseach about his Department's deep concerns over the sale of Siteserv and the other IBRC deals, he did not answer the question directly, but he gave the impression that the Minister did not brief him on these issues. How could that be when this involved hundreds of millions of euro in taxpayers' money and when officials in the Department of Finance raised repeated, serious concerns with the Minister and sought an independent review?

Then, when in 2013 the Minister was winding up IBRC sooner than expected, this was clearly a big issue. Was the Taoiseach not briefed on this then? The Minister knew it had cost hundreds of millions of taxpayers' money and hundreds of millions in gains for insiders. What did he tell the Taoiseach? We know that on 6 February in the Dáil, speaking on the Irish Bank Resolution Corporation Bill, the Minister said, "I wish to acknowledge, with much appreciation, the significant efforts the directors and staff of the IBRC have made to the stabilisation and maintenance of value in the IBRC". This statement is totally at odds with the deep concerns

within his Department, so how does it square with the facts we now know regarding the concerns expressed within the Department of Finance?

The Government is supposed to protect the interests of the taxpayers, yet the Taoiseach said in response to me yesterday that the Minister, Deputy Noonan, did not deal with each of the 30 or so transactions of over €100 million which are now part of the review. If this is so, is this acceptable to the Taoiseach, given that Department of Finance officials have expressed such serious concerns regarding these transactions? Leaving aside any other interpretation, if what the Taoiseach is telling us is true, does this not show gross incompetence on the part of the Government?

The Taoiseach: On the contrary. As I have said to the Deputy, the framework structure set up by the previous Government meant there was no connection or no interference or questioning from the Department of Finance in respect of these major transactions, nor was it compulsory that the Minister for Finance of the day would be informed. That was the situation that applied when the sale of the company in question happened.

When he got the opportunity, the Minister for Finance, Deputy Noonan, changed that structure to make it mandatory that he would be informed of major financial transactions by IBRC. The documentation that was released under freedom of information to the journalist who requested it was posted on the Department of Finance website. That is a record, if you like, of the issues of concern to the Minister and the Department at the time and of the actions taken to ensure the best interests of the taxpayer were protected. The documents confirm that the chairman of IBRC provided the Minister for Finance and the senior officials he appointed with strong assurances that the transaction involving Siteserv, including those aspects of the transaction with which the Department officials had concerns, had been thoroughly assessed by the IBRC board - this was confirmed by the chairman - and that the board of IBRC was satisfied that the transaction was managed in the best possible manner to achieve the best result for the State. It should be noted that IBRC had a fiduciary responsibility to the bank's shareholders and in light of that legal responsibility, the chairman and the board would have considered and provided such assurances, following careful consideration of the issues.

In light of the assurances the Minister for Finance received from the chairman that this transaction had been properly considered by the IBRC board, assurances he accepted, the Minister and his officials took steps in line with the improved relationship framework to ensure the Department's role of challenging the board and the executives of IBRC was in the best interests of the taxpayer and was strengthened by the actions the Minister took. Clearly, the Minister kept the Government informed of the progress that was being made in respect of the negotiations on the famous promissory notes, an issue the Deputy has raised on many occasions, which because of that legacy required that the Government would have to raise €3.1 billion every March to pay interest that was due. That matter was brought to a conclusion following those negotiations.

All of these matters will be part of the documentation now sent in by the special liquidator to the Minister, with the independence of a High Court judge to adjudicate on any perception of conflict of interest. The Dáil, the Committee of Public Accounts and other appropriate Oireachtas committees will consider that report, where all the information is available. If people have further concerns following that, considering there has been an analysis by the IBRC board, by the Central Bank and now by the special liquidator under the direction of the Minister, we can have a further analysis, if the House wishes, by the Comptroller and Auditor General. I am sure everybody has complete trust and faith in that independence.

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Deputy Gerry Adams: The problem is that I asked the Taoiseach a number of direct questions about his knowledge at different times as this scandal unravelled, but he never answered even one question. He said - I noted this - that it was not compulsory for the Minister to be informed by his officials. However, it is a matter of record that he was informed by his officials and for three years, the serious concerns at the Department of Finance were kept from the Dáil and from citizens. This occurred despite significant numbers of questions from Deputies, including Deputy Pearse Doherty, who was stonewalled by the Minister, from 2012 onwards.

Why in his answers to Deputy Doherty did the Minister not disclose what was going on? Why did he withhold information from the Dáil? Essentially, the Dáil has been misled on this issue, the Taoiseach did this again today, and there is a cover-up of the facts.

An Ceann Comhairle: The Deputy should be very careful about making accusations.

Deputy Gerry Adams: I am being very careful. I am here to hold the Government to account and I do so within the rules.

The strategy began to fall apart when freedom of information replies were given to an Teachta Catherine Murphy. The Minister received a recommendation from his officials to have an independent review of some of these deals, but he refused to do that. Does the Taoiseach agree that the Dáil has been misled on this IBRC scandal? That is what the record looks like and the opaque answers given today by the Taoiseach to very simple and straightforward questions are part of that tradition.

I have stayed away from asking the Taoiseach about the review because I did not want him to get caught up in the gobbledeygook that he usually spouts. Why are asset acquisitions by NAMA from the IBRC explicitly excluded from the review that has been set up? How is that squared with the much-vaunted commitment to openness, transparency and the new way of doing politics?

The Taoiseach: As I stated to the Deputy already, the relationship framework set in place before the time of the Minister, Deputy Noonan, did not require that the Minister for Finance would be informed in a mandatory fashion of serious financial transactions of that order.

Deputy Gerry Adams: He was, though.

Deputy Simon Harris: A year later.

The Taoiseach: When the Minister had the opportunity, he changed the framework and appointed a senior civil servant. The evidence from the freedom of information documentation shows the level of concern and action taken by the Minister for Finance in this case. The Deputy has continually spoken about cover-ups and many other issues.

Deputy Gerry Adams: I asked questions.

The Taoiseach: The framework structure set in place when Siteserv was dealt with did not require mandatory reporting to the Minister for Finance but it does now. The review now being ordered by the Minister-----

Deputy Gerry Adams: He knew nothing about anything.

The Taoiseach: -----from the special liquidator goes back to 2009 and right up to 2013. It

includes all those cases, and I understand there are 30 or possibly more of the order of over €10 million.

Deputy Mary Lou McDonald: It excludes cases involving NAMA.

The Taoiseach: All that information is being collated and compiled, and it will be presented in a report to the Minister for Finance by the end of August. As I stated yesterday, in the event of any perception of a conflict of interest in that review, he appointed a High Court judge to adjudicate on those matters. All these transactions, beyond Siteserv, are covered in that period.

Deputy Mary Lou McDonald: Except for NAMA.

Deputy Simon Harris: That is covered by the Comptroller and Auditor General.

The Taoiseach: This has been examined by the IBRC board, which has recommended very strongly that it did its job.

Deputy Micheál Martin: Does the Taoiseach stand by his civil servants?

The Taoiseach: It has been examined by the Central Bank, which did not take any action. The issue is now the subject of this review. The Government will have no difficulty, if deemed appropriate, with the carrying out of a further independent investigation by the Office of the Comptroller and Auditor General, for example. We cannot direct that independent office. The Government has no difficulty in changing the legislation to accommodate that.

All of these issues will be put on the table with respect to the taxpayer being defended and accountability for transactions and commercially sound decisions being made. It is all included.

Deputy Mary Lou McDonald: Except for NAMA.

Deputy Simon Harris: That is covered by the Comptroller and Auditor General.

Deputy Tom Fleming: We are spending approximately 80% of Dáil time this week on the spring statement but, in reality, we are just regurgitating material discussed at the last budget. For the past six months, we have underperformed dramatically, to be honest, in the delivery of what was set out in the programme for Government, which is over four years old now. I would have expected better statements and responses from the Government front benches, as many important issues have been totally forgotten or remain unaddressed.

Last night we had a justified three-hour debate after Deputy Stephen Donnelly initiated a discussion on the current house repossession crisis. Repossessions are rampant around the country and I do not have to reiterate what the Taoiseach is well aware of. The Government has had a very cosy relationship with the banks over the past couple of years in particular. This is the time to take off the kid gloves, as the Taoiseach and his Minister for Finance must tackle the problem head on. As we are here today, there are people who are being driven demented through no fault of their own. They were taken in with the wool pulled over their eyes in many respects because of the epidemic at the time which saw inflated house prices. Banks were giving 120% mortgages but many people were not even in secure jobs.

An Ceann Comhairle: Will the Deputy put a question?

Deputy Tom Fleming: We got some platitudes last night in the statement from the Minister of State who was here. He is a very able man but we really needed the Taoiseach and senior

Ministers.

Deputy Finian McGrath: Take off the kid gloves.

Deputy Tom Fleming: That would have showed respect for the motion before the House.

Deputy Finian McGrath: Get in there.

The Taoiseach: The Deputy states that he expected a better statement yesterday but I am not sure what the Deputy was expecting.

Deputy Mattie McGrath: The Taoiseach was not sure either. He knows what he will get from the people.

The Taoiseach: The Government was perfectly clear that the statements made yesterday and today are not budgetary statements but they are realistic in setting out the parameters of the conversation we need to have in the Oireachtas about where we need the country to be and where we see it as far as 2020 and beyond. The spring statement is very clearly predicated on a set of policies that are working - and seen to be working - and if they were to be changed by any other party with an increase of corporation or income tax, the system would not work in the way we need it to for our people.

The Deputy mentioned two aspects relating to banks, distressed mortgages and variable mortgage interest rates. He also mentioned the relationship between the Government and banks. The Deputy knows that the Government does not set interest rates. There are a number of very serious problems with some mortgages in distress and there are serious problems with other mortgages still in arrears. Since the insolvency agency was established, the numbers being dealt with have not been as high as expected. None the less, over 110,000 mortgage accounts were in arrears and there have been negotiated settlements between those debtors and the banks in a satisfactory fashion. That is a great relief for those people. As I indicated before, the Government next week hopes to bring in a number of other options for dealing with these other cases that have been left aside for some time.

Approximately 115,000 mortgages were restructured in 2014, and I am sure that came as a great relief to the people involved. Over the next period, the Government hopes to deal with a number of other options that will assist mortgage holders still in distress with a number of other opportunities. With respect to variable mortgage interest rates, the Minister has confirmed that as Permanent TSB has had a valuation placed on it, with money raised for a proportion of that, he intends to call in representatives of major banks and explain on behalf of the Government the moral correctness of reducing variable interest rates in cases where the banks are borrowing money at a much cheaper rate than they are charging people with respect to the mortgage being paid. I understand that will happen in May.

Deputy Seamus Healy: The Minister should instruct the banks.

Deputy Finian McGrath: So the Taoiseach agrees with Deputy Tom Fleming. That is good.

Deputy Tom Fleming: These are just a few issues. There is another crisis out there which we have not really addressed in any manner, and that is the jobs crisis. Statistics published this week by EUROSTAT indicate that one in four Irish people with jobs is working part-time.

An Ceann Comhairle: We have been dealing with mortgages.

Deputy Tom Fleming: There are 130,000 people who want more working hours. This is an indictment of jobs policies.

Deputy Michael Healy-Rae: People need a job to pay the mortgage.

Deputy Tom Fleming: The rate of youth unemployment is totally unacceptable. Approximately 25% of young people aged between 18 and 35 years are unemployed. This figure does not include those who have emigrated, who would account for 7% or 8% of that age group, thus giving an overall youth unemployment rate of 33% or one third.

Many young people are participating in training schemes. Improvements are required in the roll-out of such schemes and more centres must be provided for upskilling and training. The current system is unable to cope with the large number of people who need assistance. I ask the Taoiseach to consult the Ministers for Jobs, Enterprise and Innovation, Social Protection and Education and Skills to ensure more training centres are provided and greater liaison takes place with employers and industry. It is necessary to provide for matching skills.

I do not need to raise with the Taoiseach the issue of super-size classes-----

An Ceann Comhairle: The Deputy has gone through every Department at this stage. He had a good run.

Deputy Tom Fleming: -----given his background as a school teacher. Will he acknowledge that some classes in secondary schools have more than 30 students? This is not right and must be addressed.

An Ceann Comhairle: The Deputy as gone over time.

Deputy Tom Fleming: Irish people face the highest crèche bills in Europe. These are preventing people from entering employment. Will the Taoiseach ensure this matter is addressed as it places great financial strain on young married couples with children?

The Taoiseach: I am sure Deputy Fleming's contribution was heard loud and clear in Scar-taglin. He referred to mortgage holders, variable interest rates, banks, the spring statement, small schools, tourism, apprenticeships and jobs. His contribution was a sort of spring statement in itself.

Deputy Finian McGrath: The Deputy raised important issues.

The Taoiseach: Figures from the Central Statistics Office show unemployment now stands at approximately 10%, having reached 15% only a few years ago.

The Minister of State with responsibility for training and apprenticeships received approximately 90 proposals at the end of March and these are being examined. Arising from this, he has already started a new apprenticeship course in stonemasonry, which is a very important activity in Deputy Tom Fleming's part of the country.

Almost 100,000 new jobs have been created in the past four years and we expect between 40,000 and 45,000 new jobs to be created this year and in 2016, 2017 and 2018, respectively. I hope this will bring the country back to full employment. According to the most recent figures, 1.9 million people are working which is the highest number since 2009.

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The Deputy raises important issues which are central to the discussion we must have on the spring statement and the direction the country will take in the years ahead.

Spring Economic Statement: Statements (Resumed)

An Ceann Comhairle: The motion re the by-election in Carlow-Kilkenny will be taken after the statements of the leaders.

The Taoiseach: Just over four years ago, in the face of an unprecedented crisis, a new Government was formed with a mandate from the Irish people to fix the public finances and get the country working again. We can all remember the depth of the crisis that then gripped the country. The economy was in freefall, banks were on the brink of collapse, thousands of jobs had been lost, Ireland's international reputation was in shreds and the country was in a troika bailout. Many in the Opposition believed the position was hopeless and ending the bailout, rescuing the economy and saving the country were impossible challenges. Deputies on the Opposition benches stated we should default, leave the eurozone and abandon 40 years of Irish economic progress in Europe. Instead of turning its back on the scale of the unprecedented challenge, however, the new Government, working with the people, faced up to the crisis and adopted a clear plan to stabilise the economy and turn the country in the right direction. The plan was not easy as it involved taking very difficult decisions that were painful. However, people displayed great patience and resilience during the crisis and thanks to their sacrifices and hard work, Ireland is recovering, the bailout is over and the troika has gone home.

After a lost decade of economic hardship, a new and more sustainable period of prosperity is within our grasp. This is confirmed by the analysis of the economy contained in the spring economic statement published yesterday. While the recovery is still incomplete, Ireland is recognised as the country with the fastest growing economy in the European Union. While the job of repairing the public finances is not fully complete, Government borrowing has been significantly reduced and interest rates on our debt have reached all-time lows. While too many people are still out of work, unemployment fell to 10% today from a high of more than 15% and employment levels are at their highest since 2009. While the small business sector still needs more support, exports and manufacturing output by Irish and foreign-owned firms are at an all-time high.

This is solid progress but it is not enough. For most people, economic statistics mean very little. Many people do not yet see or feel the benefits of the recovering economy in their daily lives. I hear their stories every week. Too many families are still struggling to make ends meet, pay their bills and meet their mortgage repayments. Too many people are still out of work and too many families are missing a family member who had to leave the country to find a job elsewhere. Growth rates and deficit targets are of little consolation to people in such circumstances. We must be clear, however, that we are more interested in the future than in the past. Families know the recovery is fragile and want and deserve a solid foundation on which to plan their future. Everybody remains nervous about the risks ahead and the danger of slipping back. With banking union and the new fiscal rules that apply, the Government has created conditions that will make it very difficult for this to happen.

My commitment to the Irish people is that, under this Government, we will never go back. For this reason, we set out in our spring economic statement a plan for the years until 2020 which will secure and strengthen the recovery. At the heart of this strategy is a commitment to protect the hard-won restoration of national competitiveness and stability in the public finances.

By doing so, we will ensure that more and more people in every part of the country start to experience the economic recovery in their daily lives. Job creation will, therefore, remain the Government's top priority as without more jobs, little else can be achieved. More jobs provide more people with purpose, financial independence and an opportunity to provide for their families and contribute to their communities. They generate the resources needed to fund better services and reduce taxes on those at work and give brothers, sisters and children who had to leave Ireland in search of work an opportunity to come home.

The plan sets out four clear job-related targets. First, in the coming months, the Government will deliver, one year earlier than expected, the target it set itself when it took office of adding 100,000 new jobs. While this is good progress, it is not enough. Second, by next year, more Irish people will return to take up employment than will leave the country. Families will be reunited and hopes will be restored. Third, by 2018, we will have replaced every job lost by the previous Government during the recession with new and more sustainable jobs. Finally, by 2019 there will be more people at work than ever. In this way, our plan will bring the country back to full employment, keep it there and ensure that everyone who wants a job will be able to get one.

To achieve these targets the Government will assist businesses to add at least 40,000 new jobs this year and roughly the same number in 2016, 2017 and 2018, respectively. These targets are ambitious and can be achieved only by a Government that continues to make the right choices, one that protects the solid foundations that are being laid, one that continues to reduce the burden of taxation on enterprise and employment, one that continues to improve Ireland's attractiveness as a place for businesses in which to invest and expand and one that ignores the calls from the Opposition for a return to the reckless tax-and-spend policies that destroyed the public finances during the past decade.

Our plan targets a steady growth of between 3% and 3.5% per year, not a boom and bust situation as pointed out by the Minister for Finance. Steady growth of this nature will eliminate the remaining deficit and bring government debt to below the average European level without any new taxes or new charges, while also allowing for tax cuts for working families, targeted improvements in education, child care, health services and in front-line policing. We can never go back to the "when we have it, we spend it" attitude to budget management of previous Governments. We need to avoid repeating Fianna Fáil's mistake of making reckless spending commitments that then have to be painfully reversed. Our plan caps annual spending growth below the underlying growth rate of the economy. If that particular rule had been applied between 2000 and 2007, the sustainable growth in public expenditure would have been halved, leaving the public finances in a much stronger position to protect our people from the impact of the credit-fuelled property boom and bust.

The reckless commitments made by Fianna Fáil when in government, as well as the rest of the Opposition in recent weeks, suggests they have learned little from the mistakes of the past. Given that Deputy Martin was a leading member of the Government that made these mistakes which blighted the prospects of a whole generation of Irish people, this is quite unforgivable. Deputy Martin has yet to learn that what was unsustainable during his term in office, namely public sector hikes without reform, the narrowing of the tax base, the proliferation of quangos, cost hikes for small businesses, a welfare system that perpetuated joblessness and poverty, is still unsustainable now. We are never going back to that lack of oversight, wanton waste of public moneys and blatant disregard for our international reputation that brought this country to the brink under that Fianna Fáil Government. The reform of the budgetary process, including the

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addition of this annual spring statement that sets out the broad direction needed for growing the economy and repairing the public finances, means that we are never going back to show-time politics budgets, designed by Fianna Fáil focus groups, which destroyed our prosperity. Our plan ensures a fair sharing of the benefits of the recovery with those already at work.

There is welcome evidence that private sector employers are once again agreeing sustainable pay increases with their staff. Yesterday, the Minister for Public Expenditure and Reform, Deputy Howlin, announced the Government's decision to commence discussions with trade unions on the issue of public service pay. All public servants have had their pay cut significantly and most are also working longer hours. The size of the public service has been reduced by 10% at a time of growing demand for services. I want to acknowledge the too often unsung sacrifice and contribution that our nurses, gardaí, teachers and civil servants, as well as other public servants, have made not only to national economic recovery but also to keeping our society and our State strong at a time of unprecedented crisis. As the economy recovers, it is right the Government opens up the prospect of gradual and sustainable pay recovery for public servants from 2016 onwards, linked to continuing reforms to improve public service efficiency and effectiveness. In this way, we will ensure that pay awards do not come at the expense of services for the general public.

The Government's plan offers fair rewards for hard work, not quick profits from speculation. It is wrong the Government still takes more than half of every extra euro in any pay increases for hundreds of thousands of low and middle-income families in both the public and private sectors. The universal social charge, USC, was introduced by Fianna Fáil as an emergency penal tax on low and middle-income families. This Fine Gael-Labour Government has begun and will now accelerate its phased abolition. In our first budget, we removed 330,000 low-income families from the USC. In the last budget, we removed an additional 80,000 low-income families from the USC, cut the two lower rates of the charge and removed those on the minimum wage from the higher rate. In the next budget in October, we will bring to 500,000 the total number of low-income workers whom we will have removed entirely from the charge. Following the income tax cuts introduced earlier this year and consistent with the statement of the Government priorities agreed last July, we will cut the 7% rate of USC on all of those earning less than €70,000 per year. We will also end the unfair tax treatment for the self-employed and small businesses, starting in the next budget with those self-employed people on lower incomes.

Strong growth and jobs are funding tax cuts on working people. Less tax on work means, in turn, more jobs. In that sense, the central goal of our economic plan is to reinforce a circle of rising living standards, lower taxes, increase job creation and improve public finances. The Opposition parties propose the reverse with higher taxes on incomes, jobs and enterprise, putting at risk all the progress the people have made. They call for higher corporate tax rates that the Department of Finance claims could put at risk over half of the 175,000 jobs created by foreign direct investors in our country. They also call for a reversal of our income tax cuts at the cost of losing 20,000 new jobs, higher employers' PRSI, risking tens thousands more jobs, a reversal of our welfare and labour market reforms, putting at risk the reductions in unemployment achieved in recent years which is epitomised by the 10% unemployment rate announced today down from 15%.

In contrast to those propositions from Opposition parties, the Government's plan will also ensure work pays more than welfare while reducing the numbers of working people and their children experiencing poverty. We will deepen the reforms to welfare and labour activation

systems that give people who can work a hand up rather than never-ending handouts. After the Low Pay Commission makes its first recommendations in July, the Government will respond with a package of measures to address them in the October budget.

There is renewed optimism in our country, an optimism for which there is a strong basis. The recovery that Ireland is now experiencing can be just the beginning of a more sustainable, authentic and fairer phase of long-term economic and social development and prosperity for our people. If secured and strengthened, the recovery will translate into real improvements in our people's day-to-day lives, more jobs, more security, more money in their pockets and better services. There are, however, risks to our recovery outside of our control from economic developments in the eurozone to instability in Eastern Europe and the Middle East. By far the greatest threat to our continued recovery comes not from Greece or Ukraine but from the economic amnesia of some Members, from those who have learned nothing from the mistakes in the past and those who would repeat the same mistakes, from those who want once again to narrow the revenue base and hike up taxes on workers and investment and from those who want to go backwards rather than forward.

For the next year, this Government, Fine Gael and the Labour Party, will continue to work day and night to secure the recovery in the people's interests. At the next election, the people will judge whether we have fulfilled the mandate they gave us. They will have a clear choice between a stable and coherent Government that will secure and strengthen the recovery or chaos and instability. It is a clear choice between moving forward or risk entrusting the country's progress to those who wrecked it in the past, or those whose policies would clearly wreck our future. I do not want, and will not stand for, Ireland to be dragged back to the failures of the past, or for our country's progress to be ruined by those who are intent on blowing a huge hole in our recovering national finances. Populist promises to reverse every tough decision are nothing but empty rhetoric, irresponsible leadership and downright bad politics. They are not the solution to these problems.

Working together, the Tánaiste, Deputy Joan Burton, and I lead a strong and stable Government. We know from other countries that hard-won stability and progress can be too easily reversed. This Government will never again allow mistakes to be repeated. We continue our work to secure the recovery and strengthen its impact on the daily lives of our people. In due course, they will judge whether or not we have fulfilled the mandate they gave us.

Tánaiste and Minister for Social Protection (Deputy Joan Burton): The spring economic statement contains a lot of important data and statistics, but they translate into one thing, which is opportunity - the opportunity to secure the economic and social recovery, spread the benefits of growth and relentlessly raise living standards. They will ensure that everyone who wants a job gets a job, and that work pays a living wage so that families can get on rather than just get by.

They will also ensure that we can invest additional money to build new schools and health care facilities, as well as ensuring that we have more gardaí on our streets so that our communities are safe and secure for our loved ones.

The statistical data also ensure that we maintain a strong welfare State to protect our vulnerable and older citizens, in addition to ensuring that a generation can come home to a rebuilt, better Ireland of new hopes, dreams and possibilities. That is the potential underpinned by the data and statistics.

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Today, I can inform the House of more welcome statistics. The latest live register figures, released this morning, show that the number of people on the register has fallen to 343,551. This is a reduction of 45,008 or 11.6% since April 2014.

Unemployment is at 10% and continues to fall. By contrast, when this Government took office, unemployment was soaring towards a crisis peak of 15.1%. Through determined policy implementation we have turned that around, but we have a lot more work to do because a 10% unemployment rate remains far too high.

However, the progress made by this Government on the employment front underlines a crucial point. To secure the recovery, deliver on our economic potential and realise the opportunities for our people, it is essential that we stay on a proper course. That is the path laid out by Labour and Fine Gael in Government.

The spring economic statement is a snapshot of the Irish economy at this point in time, spring 2015. It is a description of the policies that have brought us to this point and it paints a picture of where we are now. It lays out the Government's strategy for managing the economy to 2020, and making the most of the opportunities for all our people.

The statement is also the first step in a reformed budget process, providing a framework for debate. We want a meaningful discussion as to how the Government might use the limited flexibility available to ensure the recovery is sustained and the benefits are fairly spread.

We are starting that debate in this House this week, but it will continue in full public view in the national economic dialogue in Dublin Castle in early summer. I welcome this new process and thank the Minister for Public Expenditure and Reform, Deputy Brendan Howlin, for the significant reforms he has introduced in this and other areas.

In terms of the debate, it is undeniable that we are moving rapidly in a good direction. There are more people at work, while businesses are opening up again and beginning to prosper. We can even see it in the streets with tourists visiting and local people shopping. The feeling that things are turning is palpably there.

The Department of Finance is now predicting 4% growth in the economy this year. If this prediction is met, Ireland will once again rate as the fastest-growing economy in the European Union. All the other economic indicators are also moving in the right direction. Consumer spending is up, business investment is up and our national debt as a percentage of GDP is falling fast. Our budget targets have been exceeded once again.

Most important of all, as previously mentioned, employment is continuing to rise. There are more and more people in full-time work and today's statistics from the CSO show that unemployment continues to fall. The Government has set an ambitious target to reach full employment by 2018. Today's figures confirm that we are well on the way to meeting that target.

When we compare this with the experience of other crisis-hit countries, it would be a major historical achievement. Finland and Sweden, for example, experienced their own financial and economic crises during the 1990s and it took them close on two decades to get employment back to pre-crisis levels. We want 2.1 million people working by 2018. Through Pathways to Work and the Action Plan for Jobs, we have the strategies to achieve it.

We will continue to pursue foreign direct investment, and will continue to encourage indig-

enous industry and local businesses, particularly in the SME sector. Small businesses are the beating heart of communities up and down the country and it is a priority of mine to provide them with every possible support.

I visited a small business centre yesterday and saw the level of activity and variety of ventures being undertaken there. They ranged from catering to small IT-based start-ups. This is what will get us to full employment.

My Department will continue to play its part under the Pathways to Work strategy. Since the first day I became Minister for Social Protection, I have been determined that the Department should do much more than simply hand out welfare payments to jobseekers. The Department now actively helps individuals to identify the best way to get back into the workforce, whether it be through education, training or work experience. In my experience, education, upskilling and investing in people are the most important parts of this. When we came into Government, I met many people who had great educational qualifications but had never worked in a job. Therefore, they could not land an interview to get a job because they had no experience. Thankfully that situation is changing. One of the best features of recent times is that in all our third-level institutions employers are back recruiting people in fourth year to train and work on graduation. It is fantastic to experience it happening in law, accounting, engineering and consulting firms. They are all back recruiting our young, bright, well-educated graduates. Employers tell me that they need more of these people. We have therefore had a turn-around in employment which is little short of a miracle, considering the template we were offered some years ago. Ireland is now below the eurozone unemployment average. We were so far above it we were the outliers.

In terms of the Department, we do not just help jobseekers. We help employers as well, and bringing together the jobseekers and the employers is the next important achievement we seek. JobsPlus, for example, is a simple scheme that pays monthly cash grants to employers who hire persons who have been long-term unemployed. JobsPlus is particularly advantageous to small businesses, and more than 4,000 people have returned to work under that scheme alone.

In terms of larger employers, the Department will very shortly appoint new key account managers in its employer engagement unit. We are knocking on employers' doors and, through the Labour Market Council, telling them that when they have vacancies we want them to give people who have lost their jobs, mostly through no fault of their own, an opportunity to go for some of those job vacancies. These key account managers will work closely with some of the 460 largest employers in the State.

I commend organisations like the ESB, Irish Rail, Eircom and Aer Lingus which have begun to recruit apprentices and trainees because for many young people, particularly young men, apprenticeship is where they would like to begin their working experience. Through all of this work they will identify and plan recruitment requirements and actively promote candidates from the live register for available positions.

I will keep all of these schemes, supports and interventions under constant review to ensure that we are meeting the needs of jobseekers and employers alike. That in turn will help to increase the momentum we are making on the jobs front. I am determined to ensure that unemployment will fall below 9% this year and that tens of thousands of people benefit from new jobs, new opportunities and share in the recovery.

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The tangible evidence of the recovery is what our friends in the economic trade call fiscal space. That simply means the scope we have to increase public spending and reduce the universal social charge, USC, and taxes in terms of what we know about how this year is going to date and how we expect it to go for the rest of the year. It is very simple. If I was sitting down at my kitchen table looking forward to later this year and next year I would be asking what I could do in terms of putting money into health and education while, on the other side, reducing taxes and reforming the USC. It is as simple as that, although it goes by a fairly fancy name.

It is important to appreciate that this scope is not determined just by the level of the budget deficit, which we want to target, and everybody here know what that is. It is also determined by the application of the technical rules we agreed to when approving the EU fiscal treaty. The purpose of these rules is to smooth out increases and reductions in public spending over the economic cycle to avoid the boom and bust cycle we have seen so often under previous Governments.

It was John Maynard Keynes who famously said that when the capital development of a country becomes a by-product of the activities of a casino, the job is likely to be ill done. That was Fianna Fáil's way – throw all the chips on unsustainable land speculation, a construction boom, “spend it when you have it” and hope, like Mr. Micawber, that something comes along if harder times hit. That is the casino model, and in Fianna Fáil's case, who came along? The troika.

This Government waved good bye to the troika, and we have waved good bye to Fianna Fáil's destructive economic model too. We will abide by the fiscal rules to ensure spending increases are kept at sustainable levels and that we build up something in reserve for the famous rainy day. That means being prudent and planning for the future. The statement, therefore, identifies the room we have sitting around the table as we discuss what we will do next as being between €1.2 billion and €1.5 billion. That is a sensible and sustainable level of investment given how strongly our economy is now performing. The exact figures will be decided closer to budget day when we have more information available to us but when we look at the tax returns month on month, particularly the PSRI returns, we see the flow-through of revenue into the Government as a result of more people, and businesses, being at work and those who are at work having more activity.

The Government has decided that 50% of the available space will be used to reform USC and taxation, and the other half will be used in respect of spending. In doing that, we are looking to strike a balance between putting more money in people's pockets and investing in the services on which we all depend. Obviously, the details of the budget package for 2016 have not yet been decided. The Government is anxious that we should have a thorough debate on the options that are available. We will be convening the national economic dialogue for that purpose in a few weeks' time.

It might be useful if I set out some of my priorities for the budget in general terms. The Taoiseach is fairly familiar with them at this stage because we had long discussions immediately after I became the leader of the Labour Party when I agreed a statement of Government priorities with him acting on behalf of Fine Gael. In that statement, the two parties confirmed that we would look to reduce the burden of overall taxation for people on low and middle incomes in work in the two remaining budgets of this term. We began this process in October when we reduced for this year the two lower rates of USC and took large numbers of people on low income out of the USC net. We also reduced the marginal rate of tax for people earning

less than €70,000 and raised the level of income at which the marginal rate is payable, which is one of the most difficult aspects of our tax system compared to other countries. I expect that the Government will continue the broad thrust of this approach when we come to agree the tax package for 2016.

Low- and middle-income earners will continue to be our priority, continuing to remove the low paid out of the USC net and progressively lowering taxes for those on middle incomes. In doing so, we will continue to rebalance the tax system, work which is already under way. That means reducing tax on labour so as to boost employment and ensure the recovery is sustained. It is a classical stimulus model of social democracy around the world, and it works.

We also need to ensure that Ireland will be a welcoming place for the many emigrants who want to return home. In particular, we need to ensure that taxes on labour do not act as a disincentive for those who want to return.

I recall the remarks made by my colleague, the Minister for Public Expenditure and Reform, Deputy Brendan Howlin, when he presented the Haddington Road agreement to this House in 2013. At that time he said he fully expected that on the next occasion Government sat down with the public sector unions it would be to discuss pay improvements and not pay reductions. That is exactly what I expect to happen when the Minister meets those unions in a few weeks' time. Public servants have made a huge contribution to getting this country out of the fiscal crisis brought about by the disastrous management of the Fianna Fail-Green Party Government. The pension levy of 2009, the pay reductions of 2010 and the adjustments of Haddington Road have resulted in a very significant loss of pay for all public and civil servants.

The Government is also very much aware of that fact and of the very significant reforms to which public servants have signed up. Public services are being delivered with many fewer staff than were employed at the start of the recession and I express publicly my appreciation to public servants for the forbearance and commitment they have demonstrated at a time of national crisis. I know that many individual families have struggled to make ends meet and this has been a very difficult time for them. It would be foolish and irresponsible for me to give the impression that the cuts of the last few years can be undone in one fell swoop, but I hope we will be able to make a start in the near future. That is about improving living standards and helping families, particularly those with children, and pensioners. The Minister for Public Expenditure and Reform, Deputy Brendan Howlin, and his officials are committed to sitting down with our colleagues in the trade union movement in a few weeks with a view to agreeing a way forward.

I am aware that 80% of Irish workers work in the private sector and not in the public sector. I have said already that the Government will look to improve the circumstances of those on low and middle incomes by reducing income tax. We will also implement an increase in the national minimum wage if that is recommended by the Low Pay Commission. However, I also expect that private sector employers will play their part in improving wages, as many are already doing. IBEC has already stated that it expects a majority of its members to increase the pay of their workers this year, and I welcome that. I appreciate that not all businesses have come through the recession unscathed, but we also know that many more businesses are now profitable. It is entirely appropriate that employers who can afford to do so should agree wage increases with their workers. It is in the interests of both employers and employees and in the interests of the economy as a whole.

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Since I became Minister for Social Protection, I have been determined to protect core social welfare rates and I am pleased that I have been able to do so. Now that the recession is over, we are able to consider targeted improvements in supports. We began that process in the most recent budget, with the introduction of the back-to-work family dividend, increases in child benefit and the living alone allowance and the partial restoration of the Christmas bonus. The Government has already announced its intention to further increase child benefit in the forthcoming budget and I am looking at other targeted improvements which can be made in 2016, including further improvements to the Christmas bonus. In this year's budget, we made provision for more nurses, more teachers, and more special needs assistants. We are also recruiting new gardaí for the first time since the collapse of the economy. As the leader of the Labour Party, I am an enthusiastic proponent of quality, well-financed public services that deliver high quality to citizens. The crisis greatly reduced the scope to improve services. It was a case of protecting them as best we could while fighting to regain our economic sovereignty. We are in a different and much more positive space now. As we return to financial good health, I look forward to making greater progress in improving public services in the next few years. One of the main drivers behind this investment is the population change we are experiencing. We have more older people who require care, more young people who require schools and more children who require child care. It is patently clear that €1.2 billion to €1.5 billion will not allow us to do all that we would like next year. Having said that, the forecasts in the spring economic statement make clear that if we continue to manage the economy responsibly, we can look forward to similar improvements in years to come. This will see a gradual but clear improvement in our public services and in our standard of living.

I said at the start of my contribution that our country is in a much better place than it was four years ago when this Government took office. While that is unquestionably true, it is important to note that the recovery is not yet secure. We could be blown off course by international events beyond our control. We could also be set back by domestic events which are within our control. This country needs stable government and responsible management of the economy. It needs parties in government who are willing to face up to the social challenges of our time. We do not need, and cannot afford, the instability and mismanagement that would be inevitable if the parties opposite had any influence on Government judging by the promises they have made and the positions they have adopted. This is not a time to take risks. As we acknowledge the progress made over the last few years, it is worth remembering that back in 2011 there were siren voices demanding that we do things a different way.

Deputy Dara Calleary: "Labour's way or Frankfurt's way"; the Tánaiste's voice was the loudest of them.

Deputy Joan Burton: Deputy Gerry Adams first wanted us to tell the European Union to take a hike and to take its money with it. He used more colourful language. However, he does not have to worry about economics as he told us. In all of this, Sinn Féin neglects to mention what it is delivering in government in Northern Ireland at the moment where 20,000 public sector jobs have been cut for a start. While our Government announced 1,700 new teachers and education posts in the education budget, Sinn Féin is slashing the number of teachers in the North.

Deputy John Lyons: It is disgraceful. What are you doing, Gerry?

Deputy Joan Burton: Nevertheless, Sinn Féin has the gall to lecture the Government while being the leaders of austerity in the North. For all its rhetoric, Sinn Féin conveniently forgets

the North when it wants to.

Before next year's spring economic statement is delivered, the country will choose a new Government. The people of this country will have to decide who they want to stand up in this House to read that statement. Fianna Fáil is the party that caused the crisis in the first place, Sinn Féin is the party that would return us to crisis judging by its current plan for the North, and the Independent Members cannot govern themselves, let alone the country. The hard left is opposed to governing. In short, there is a pathway to difficulty and despair, which the parties opposite will surely lead us on, but there is also a pathway to continued progress, as set out by this Government in these statements.

The past seven years have been very difficult for our country. Hundreds of thousands of people lost their jobs and many others emigrated. Many households have experienced debt and negative equity for the first time. The effects of the recession were always going to take time to pass. What has enabled us to get to this point have been the sacrifices and perseverance of the people in the face of uphill struggle. We have reached the brow of the hill and can see our destination, which is an Ireland of opportunity and prosperity for all. However, we have not reached that destination yet. It is in sight and within reach. The spring statement is a measure of the progress which we have already made. It is also a challenge to the Government to ensure that the benefits of the recovery are spread fairly and that nobody is left behind. This is a challenge which we can, must and will meet head on. At the end of the day, it is about improving living standards for families and individuals and creating opportunities for all of our children.

Deputy Micheál Martin: The spring economic statement was intended to open the next stage of the re-election campaign which has always been the Government's main concern. As the Taoiseach was honest enough to say in the past, its primary purpose was to allow the Government to announce tax cuts and spending increases well beyond anything it could implement during its current term. After six months of an increasingly desperate attempt to buy its way out of unpopularity, the Government has announced budget plans which have no legal or administrative force. The statement is simply another political stunt. As with so many others, it is fooling no one and it is exposing the core failure of this Government. In fact, it illustrates how detached this Government has become. It does not address the challenges and struggles that families and communities are facing every day. The statement has provided almost no new information. It sets out no new vision. It ignores most problems and is complacent and arrogant. It seeks to rewrite history in a deeply cynical way. It is, in short, a powerful confirmation of a deeply unpopular Government which is addicted to spin and detached from the reality of Irish society.

Every time we have a debate like this, the gap between the Government's rhetoric and the facts of what is happening to people gets ever wider. The speeches we have heard so far have set a new standard for just how out of touch the Government is. As the dust settles on the self-congratulation and the months of media spinning, it is the silence which is most striking. There is silence on inequality, child poverty, waiting lists, class sizes, the spread of drugs, insecure jobs and many other areas where the impact of a deeply unfair and two-tiered recovery are being felt.

After four years in office, this Government still has no core vision for the type of society it feels we can be and the role of Government in supporting it. Time after time it has opted instead for short-term political manoeuvring. It is, after all, a Government which was elected on promises to abandon an inherited economic plan which, as its first decision, it decided to leave

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in place for three years. The basic strategy has not been to find ways of shaping the recovery, but to find ways of claiming credit for it. We now have the bizarre situation where two parties which voted against a range of policies are now delivering speeches claiming credit for them. Both Ministers in their speeches yesterday and in the documents they published sought praise for a whole series of positive developments which had nothing to do with this Government. At one point this was a tactic which was confined to claiming to having delivered the whole fiscal adjustment. This basic dishonesty has now spread into nearly every area and some of it is reaching the level of the bizarre. Initiatives implemented years before 2011 were yesterday suddenly swept up and hailed as the achievement of Fine Gael and the Labour Party.

The Taoiseach will remember that his first speech of the last election was delivered at the launch of a public relations company's report on the levels of trust in Government. He compared Ireland's situation to the siege of Leningrad, promising that he would lift the siege and lead a Government which would re-establish trust with the people. He had a fist pump as well.

Deputy Barry Cowen: A high five.

The Taoiseach: Does Deputy Martin not like them?

Deputy Micheál Martin: Today trust levels are even lower than they were. It is the bloated, complacent and arrogant claims made in debates such as this which have caused that.

The Taoiseach: That is not true.

Deputy Micheál Martin: The economy has been experiencing significant growth. Its medium and long-term growth prospects are good, especially when compared with many other countries. However, this recovery was not delivered by Fine Gael and the Labour Party. It was delivered by the Irish people. It was delivered by the skills, expertise, resilience and commitment which they developed over many years. If the Government were in any way sincere about the claim to want a mature economic debate, it would start by acknowledging this. Instead of claiming to have delivered the extra jobs created in the economy, the Government would acknowledge that these jobs have been created because of the basic resource of a highly trained workforce and improved international conditions. Instead of the facts of a country with long-term strengths, it sells its own short-term myth. A Government which cannot bring itself to be honest about the underlying foundations of economic growth is clearly incapable of shaping that growth for the long-term benefit of all our people.

There is no reason to accept that any of the specific figures in the statement will still be relevant later this year. The gaps between forecasts and outturns have grown steadily in recent years. No mention has been made of areas where significant overruns will be experienced. It remains highly likely that the huge Supplementary Estimate required last year for the Department of Health will be repeated again. Ministers will remember that they were denying the need for any Supplementary Estimates almost up to the moment they announced them last year.

More important is the fact that the Department of Finance itself has no confidence in its own projections. In spite of four years of changes to the staffing and structures of the Department and the budget process, the documents published yesterday reveal that the Government does not understand its own revenue projections. In the spring economic statement it is confirmed that the Government has no idea why it has been getting its tax projections wrong. I refer the Taoiseach to page 29 of the report which states that tax and VAT are growing at rates far in excess of what was suggested by growth and macroeconomic variables and established elasticity.

Officials accept that their forecasting models are wrong and that there are dynamics which they cannot capture or do not even understand. Yet at a political level we have Ministers demanding credit for something they cannot explain.

The one area where the coming to power of Fine Gael and the Labour Party did mark a decisive shift in budgetary policy is in the move to a consistently regressive approach. The budgets under the previous Government involved the majority of all reductions in the overall deficit. Yet they were progressive. The wealthiest bore the greatest burden. Core measures of inequality fell. Since this Government came to power, under Fine Gael and the Labour Party the exact opposite has been the case. In four budgets out of four the biggest hit has been against poorer sections of society and the biggest relief has been given to the wealthiest. It is not just us saying this. It has been confirmed by independent analysts and bodies. This did not happen by chance; it was the Government's deliberate choice. At one stage Fine Gael was so obsessed with its regressive and increasingly right wing ideology that it demanded that any hit on high income earners be matched by social welfare cuts. In fact, it threatened its junior partner with serious consequences unless it agreed to implement cuts to child benefit which the Minister for Finance, Deputy Noonan, had angrily dismissed out of hand before the election.

When the Minister for Public Expenditure and Reform, Deputy Howlin, said yesterday that his Government had always recognised the need to protect our society's most vulnerable, not even his own backbenchers believed him. Of course, the rhetoric of each budget claimed to be delivering fairness, while the exact opposite was being implemented. Nothing said yesterday suggests that this will change in the coming budget. Ministers do not accept the evidence of rising child poverty. They do not accept the fact of growing inequality. The report published in January this year that shows one in eight of Ireland's children live in consistent poverty was ignored. The Government just wanted to restate it is happy with everything it is doing and is committed to delivering more of the same.

The Labour Party has changed its leader but its capitulation to Fine Gael on tax policy is even stronger than before. It has accepted that planned tax cuts for the highest income earners will have exactly the same priority as supporting vital public services. It has failed to get agreement to reverse the many cuts in the Tánaiste's Department which have hit women, in particular, and children the most. The only thing that the Labour Party has succeeded in is hiding the distributional impact of Government decisions. There is not one mention in the documents published yesterday of the impact of changes on different sections of society. I asked the Taoiseach during Question Time yesterday if he would provide such data and information in the spring economic statement and he failed to do so. There is no mention of reducing poverty levels or reversing growing inequalities.

Information which was in the past a basic part of budgets and economic statements and documents has been removed. The Government has removed it. The Government is obliged to make regular formal reports on poverty levels. Why have we not been treated to a set-piece debate on these reports?

The announcements yesterday and the daily stories planted on the media front pages suggest that the Government still does not accept the fact that it is delivering an unfair recovery. In a week where it was revealed that the very richest fraction of our society has recovered fully from the crisis, Fine Gael and the Labour Party want to keep going with a policy which favours the wealthiest. It is at best shameless for the Ministers to have pointed to the progressive nature of Irish tax in their defence given that they voted against all of the measures which made it pro-

gressive and that their record is one of favouring the wealthiest. In our pre-budget statement last year and in the various policies we have announced since, Fianna Fáil has shown that it is possible to end the regressive policies of this Government, to implement tax reductions that give the greatest benefit to those feeling the most pressure and to do all of this with lower borrowing limits than the Government set for this year.

For anyone who ever doubted the “spin first, policy later” strategy of the Government, yesterday will have been a final awakening. Not one of the dozen and ever growing list of giveaways announced in front page leaks was confirmed. These included paid paternity leave, tax relief for landlords who agreed not to increase rents, a free second year of child care, tax relief subsidies for child care, abolishing the public sector pension levy, a rates holiday for small start-up businesses, giving the self-employer the same dole as PAYE staff, a reduction in the USC rate for the self-employed, bonus pay for couples if they split parental leave, removal of the banks’ veto on personal insolvency arrangements, the return of first-time buyer grants and an increased bank levy to force banks to cut variable rates. These were front-page headlines in particular newspapers, leaked by Ministers as measures that were going to be taken. Some were actually contained in Ministers’ statements. When I asked the Taoiseach about them in the Chamber, he feigned ignorance about any Minister promising any of that.

To be fair, perhaps these are being saved for another round of fake exclusives in the run-up to the election. I have no doubt of that. However, something is now sure - what we will get later this year is a doubling down on a failed, divisive and damaging tax policy. The “carry on regardless” approach to tax changes of Labour and Fine Gael was reinforced yesterday by the failure to mention the regressive models of property tax and water charges they had implemented. Taking account of the ability to pay is not even on the agenda. The fiasco of the water charges is to continue. After 13 U-turns and in even the most optimistic compliance forecast, they will deliver a negligible net income. We will probably get net €25 million in revenue because of the grants and so on that the Government is providing. The charges will not deliver extra investment for water services.

As the figures revealed yesterday confirmed and as we have stated repeatedly, investing in water infrastructure can be achieved without adopting accounting tricks. We were told that there could be no investment unless the money was off the books and that it could only be off the books if Irish Water was created, yet now the figures show that the investment would have been possible without going off the books, thereby destroying the last remaining threadbare excuse for the creation of Irish Water. This company is a long-standing policy of Fine Gael dating back to 2009. Fine Gael in government did not allow a fair examination of whether the company was needed or who should run it. It rushed through the legislation without proper debate and against its advice from PricewaterhouseCoopers. The company has been allowed to waste millions of euro in taxpayers’ money on its establishment and bonuses and on the installation of water meters that now serve no purpose. The only significant impact of the Government’s water policy so far has been to divert money from improving services. The obstinate, almost bloody minded commitment of Fine Gael to maintaining Irish Water, the meter installation programme and regressive water charges remains a mystery. The willingness of the Labour Party to guarantee the continuation of Irish Water and prop up the failed and opaque initiative of its senior partner becomes more extraordinary every day.

The creation of secure, well-paid jobs remains an essential part of building a lasting and secure economic recovery that delivers social benefits for all. This issue is absent from the Government’s complacent jobs agenda. A review by the OECD of the Government’s Action Plan

for Jobs stated that it was not possible to credit the plan with any specific level of job creation. However, this has not stopped the Government from claiming to have created tens of thousands of jobs. In reality, the only major change in employment policy in recent years has been an iron rule handed down to agencies that no announcement may be made without a Minister or the Taoiseach being present. Announcements that were viewed as routine in that Department are now not allowed to happen without a political presence and a press release claiming credit for the Government. Employment offices and research centres have been renamed in order to provide ribbon cutting events. It is happening all over the place.

Apart from the spin, there has been a deeply worrying development-----

Deputy Kevin Humphreys: Nonsense.

The Taoiseach: So long as the-----

Deputy Micheál Martin: -----that the Government has ignored in its statement. We have witnessed a growing division in employment between those with secure jobs and good terms and the increasing number in insecure and poorly paid jobs. A statistic ignored by the Government yesterday and so far today is that, at the end of last year, there were 130,000 part-time workers who wanted, but could not find, full-time jobs. Many more were in poorly paid jobs or jobs with zero or low-hour contracts. The growing exploitation of large numbers in employment is causing serious economic and social damage. It is dragging down employment standards and forcing companies that want to provide decent employment packages to match those that do not care. Tackling this issue should be a priority. So far, though, it has not even been an after-thought. All references to the Low Pay Commission revolve around the minimum wage, but there is a far deeper issue at stake in terms of-----

Deputy Kevin Humphreys: It was Fianna Fáil that reduced the minimum wage, was it not?

Deputy Micheál Martin: -----growing income inequality. This is a key point.

Deputy Kevin Humphreys: Just in case I forget.

Deputy Micheál Martin: For a decade, we dramatically improved the minimum wage.

Deputy Kevin Humphreys: Fianna Fáil reduced it, did it not? My memory-----

Deputy Micheál Martin: The point I am making-----

Deputy Dara Calleary: We increased it six times.

Deputy Kevin Humphreys: Fianna Fáil reduced the minimum wage.

Deputy Dara Calleary: We increased it six times.

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

Deputy Micheál Martin: -----is that-----

Deputy Kevin Humphreys: That was Fianna Fáil, was it not?

Deputy Micheál Martin: The bottom line is that this is not just-----

Deputy Kevin Humphreys: That is okay. That was Fianna Fáil.

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Deputy Micheál Martin: -----about the minimum wage.

Deputy Joe Carey: Amnesia.

Deputy Kevin Humphreys: I am sorry. I believed Deputy Martin had forgotten.

An Leas-Cheann Comhairle: Could we have order?

Deputy Micheál Martin: If Labour keeps going the way it has been, it will acquiesce and bring wages down to the minimum wage.

Deputy Barry Cowen: We will take out the Tesco advertisement if the Minister of State, Deputy Kevin Humphreys, wants.

An Leas-Cheann Comhairle: I am sorry, but could we have order, please?

Deputy Micheál Martin: There is a core issue.

Deputy Joe Carey: What about Deputy McGuinness?

Deputy Tom Hayes: Yes. Deputy Martin should check to see what he would say about that.

Deputy Micheál Martin: The point I am making is that there are 130,000 people in part-time jobs who want to get full-time jobs but cannot. We know from the Dunnes Stores strike what is happening-----

Deputy Kevin Humphreys: There was no one working when Fianna Fáil left this country-----

Deputy Micheál Martin: -----in certain sectors of the economy, but there is no mention of doing anything about it.

The Taoiseach: Deputy Martin left the Government himself.

Deputy Micheál Martin: Everything is being timetabled to the electoral cycle. We will get the Low Pay Commission in July and some sops thrown in October, but the core issue will not be tackled-----

Deputy Kevin Humphreys: Fianna Fáil left the country bankrupt. Do not be a hypocrite.

Deputy Tom Hayes: It did nothing while it was there.

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

Deputy Micheál Martin: -----in terms of the growing divide between many people at work in certain sectors of the economy-----

The Taoiseach: The labour market was mentioned in the report.

Deputy Micheál Martin: -----where there is consistent downward pressure on wages and terms and conditions. This needs a far more comprehensive response. One would have thought that we would have got that comprehensive response in the spring economic statement yesterday but we did not get a response in any shape or form to what is a growing issue for large numbers of people in our workforce. That is the point.

The Taoiseach: And the Deputy will have his public consultation in July.

Deputy Micheál Martin: In an effort to save some seats-----

Deputy Barry Cowen: The Workers Party.

Deputy Micheál Martin: -----Labour may get agreement on some announcement on the issue of low pay, but the implementation of genuine reform will not be agreed by Fine Gael. This is clear in all that the Minister, Deputy Bruton, has been saying on the issue.

The statement is correct in saying that the agriculture and food sector is important, but yet again it is an area in which the statement of commitment-----

Deputy Tom Hayes: Fianna Fáil turned its back on it for years.

Deputy Micheál Martin: -----is not followed by the reality of support.

Deputy Tom Hayes: Fianna Fáil turned its back on it.

Deputy Barry Cowen: Food Harvest 2020.

Deputy Micheál Martin: That is surprising-----

Deputy Dara Calleary: Food Harvest 2020.

An Leas-Cheann Comhairle: One speaker and one voice, please.

Deputy Barry Cowen: Thank you.

Deputy Micheál Martin: To be fair to the Minister, Deputy Coveney-----

Deputy Dara Calleary: Is the one who wrote it behind the Minister of State?

Deputy Micheál Martin: -----when he came into-----

Deputy Joe Carey: What about the Minister of State, Deputy Hayes?

Deputy Dara Calleary: Is he the one who wrote it?

Deputy Micheál Martin: To be fair to the Minister, he stated when he entered office that Food Harvest 2020, which was produced by the former Minister, Deputy Smith, was an excellent blueprint for the development of agriculture and food.

Deputy Tom Hayes: We are not discussing him, though.

Deputy Barry Cowen: Thanks, Tom.

Deputy Micheál Martin: He stated that he would not develop anything new. Rather, he would implement it.

Deputy Tom Hayes: We are discussing growth.

Deputy Micheál Martin: And that was the bottom line.

Deputy Barry Cowen: Period.

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Deputy Micheál Martin: The one change the Government has made in rural Ireland, and one that is shameful, is the dramatic cuts in the Leader programme-----

Deputy Tom Hayes: Administration was cut.

Deputy Micheál Martin: -----and the decision by Mr. Phil Hogan-----

Deputy Barry Cowen: And the Minister without administration.

An Leas-Cheann Comhairle: Excuse me.

Deputy Tom Hayes: Fianna Fáil had cronies all over the place.

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

Deputy Micheál Martin: -----to take away from communities on the ground-----

Deputy Tom Hayes: Fianna Fáil was putting its cronies all over the place. We are changing that now.

Deputy Dara Calleary: Fine Gael has its own there, too.

Deputy Micheál Martin: -----the autonomy of the Leader companies and local development funding.

An Leas-Cheann Comhairle: Could we have one voice, please?

Deputy Micheál Martin: The Government removed their autonomy.

The Taoiseach: Broadband.

Deputy Micheál Martin: In Cork county alone, the Government cut Leader funding by 71%. Go there and heckle the people of west and north-west Cork - they are outside my constituency - and east Cork if the Minister of State thinks it is so funny.

Deputy Barry Cowen: Make a spring statement.

Deputy Tom Hayes: I am telling people the facts. They know them.

Deputy Micheál Martin: That is the reality.

Deputy Tom Hayes: They knew-----

Deputy Micheál Martin: No. The Government politically wanted to take control of giving out grants at local level away from Leader and cut it to the bone.

Deputy Tom Hayes: No. Cheaper administration.

Deputy Micheál Martin: On page 27 of the spring economic statement, the Government claims to have set out its vision in Food Harvest 2020, but the Minister of State should, like the Minister, Deputy Coveney, did when he started, remember and acknowledge that this strategy was prepared and published by Deputy Smith in July 2010. It provides the blueprint for all developments in the food and agriculture sector, which is the largest home-grown industry that Ireland has, and should be fully implemented.

By all measures, education is central to our economic and social future. According to Fine Gael and Labour, the most we can expect is to have demographic pressures catered for. This is the new wheeze and spin. For example, we are employing new teachers. When the population and pupil numbers increased, the pupil-teacher ratio stayed the same. This automatically meant additional teachers. That is all we are getting in the spring statement. There is no commitment to reversing any education cuts, even those which continue to cause huge damage to schemes helping disadvantaged children and children with special needs.

As I have said, throughout the speeches and documents issued yesterday there is a core dishonesty in the figures used to spin the Government's record. The base years used to show improvement constantly change to suit the issue at hand and a range of specific policies are pointed to as coalition achievements when they have nothing whatsoever to do with its work. It is in the area of education that this is at its most brazen and dishonest. The statement claims the Government has delivered "improved outcomes in higher level mathematics, literacy for 15 year olds and an increase in the number of PhDs graduating from our universities". In respect of literacy and maths improvements, it is an uncontested fact that there was no change whatsoever from the policies implemented by the previous Government. Every single one of the PhD students referred to began their study before February 2011. If that is the best the Government can do when trying to claim success in education, it shows how bad the reality is.

This is the Government which ended all dedicated guidance and counselling support for schools. That was a shocking decision. We are always talking in this House about mental health and the needs of young people. The provision of career and guidance counselling in second level schools was a service that was actually effective. Students could approach their school counsellor ostensibly to discuss career issues but also could raise personal issues and other matters in respect of which they required counselling. Despite all its rhetoric about mental health and looking after young people, the Government took away that resource.

The Taoiseach: Schools make their own decisions as to-----

Deputy Micheál Martin: Stop it, Taoiseach. This Government took 1,000 posts out of the system. Guidance counsellors were categorised as occupying ex-quota positions, and they were removed. The Government has cut support for disadvantaged schools, reduced special needs provision and ended grants for people who want to do PhDs.

The Taoiseach: We have appointed more teachers, special needs assistants and resource teachers.

Deputy Micheál Martin: Given the needs of the economy, the decision to withdraw grant supports for postgraduate students was an incredibly backward one. The costs involved were not huge. We should be doing more at fourth level to encourage the take-up of master's degrees and PhDs.

The early school leavers scheme, which brought school completion to its highest ever level, is being fatally undermined. This is an issue I feel passionately about. In 1999 the Government of which I was a part introduced the school retention initiative, which saw completion levels increasing from 78% in 1998 to 91% ten years later. Does the Taoiseach have a clue what is going on in this regard? The school completion programme has been brought under the remit of Tusla and subjected to cuts in funding in the past two to three years. The home school liaison programme, likewise, has been brought under Tusla. Both of those programmes should

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be returned to the Department of Education and Skills because they are a core part of its remit.

The only reason these functions were transferred to the Minister for Children and Youth Affairs is that not enough responsibilities could be found for that Department. That is the reality. Civil servants got together and said they had better make this thing look like it has capacity. The Taoiseach can ask anybody in the field and they will tell him that is what happened. He should ask anybody working in communities on the school completion programme. I have met with people involved, Business in the Community and so on, and they are saying that what is going on is shocking. It amounts to a dismantling of a school completion programme which has been working effectively for the past decade. The money involved is not huge and the decision that was taken shows the Government does not have a clue what is going on in terms of providing a coherent education policy. No amount of spin will cover that up. Any Government which refuses to give a clear priority to education in long-term economic planning and acknowledge the impact of its own policies is one that has no idea about how to shape an inclusive future for our country. The massive overrun in the budget of the Department of Health last year is likely to be repeated this year because the core policy has not changed. That policy involves a refusal to allow honest budgets at the start of the year, relying instead on a wasteful catch-up later in the year. The Minister for Health was warned six months before it happened that Government policy would lead to a massive crisis early this year, but he and his colleagues did nothing. Massive damage is being done by abandoning initiatives which were working and by the commitment to move the entire system to a private insurance approach, which escalates costs and reduces service guarantees.

It is welcome that there will be some increase in health service staffing. What is not welcome is the absence of any strategy for funding or developing health services in the near future. The spring economic statement was billed as a setting out by Fine Gael and the Labour Party of their priorities for the next five years, but it seems health is not one of them. There was no acknowledgement in the statement of the 405,000 people waiting for outpatient appointments and the 67,000 people awaiting inpatient treatment. No mention was made of the fact that the numbers of patients on trolleys last month was the highest ever, with an average of 500 patients per day in that position. There was no reference to the 30,000 people who had their medical cards removed before it was even admitted there was a problem. If the Government will not even acknowledge these problems, let alone identify them as a priority, how can anyone believe it will tackle them? Housing is another area where a policy of disengagement and denial has allowed a national crisis to develop. There are 1,000 children in emergency accommodation in this city alone. The plans announced so far are nowhere near sufficient to tackle this or the wider housing crisis. After yesterday, all we have is a continuation of existing policy in this area. The Minister for Finance, Deputy Michael Noonan, is a man with an acute memory. He will remember the countless times he came into this House to reject calls by Fianna Fáil that he intervene to address the mounting crisis in household debts. He will recall how he rejected all of our legislative proposals to help those in deep trouble. He and the Government have followed a steady policy for four years now of putting the fattening of the banks in preparation for a sale ahead of any concern for mortgage holders or small businesses. It is only in the past month that there has suddenly been an awakening to the fact that the economic and social damage this has caused has political implications. Since then, there has been a scramble to make as many statements of intent as possible.

Yesterday, however, the Minister, Deputy Noonan, again placed most emphasis on selling the banks rather than dealing with the household debt crisis. From the manner in which this

issue was presented, it is clear that he wants to be able to claim before the next election to have “got the money back from the banks”. He will have done nothing of the sort. What he will have done is empower those institutions to charge extortionate variable rates and deny basic relief to families in deep trouble. The statement’s spin in regard to banking debt is among its most cynical and misleading. It is striking that the Government has completely changed its argument concerning the conversion of the promissory notes into long-term debt, as indicated on page 24. Most of the claimed benefit of that deal is being lost because the Central Bank is selling off its bonds and the Exchequer will no longer have the interest it pays returned. The Government is now refusing to put any figure at all on what was supposedly saved. This statement marks the moment when the Government quietly abandoned the search for relief on the impact of other bank-related debt. Nearly three years ago, after the famous EU summit, the two Ministers, Deputies Noonan and Howlin, were giggling like schoolboys at the prospect of the billions of euro which were on the way. As I recall, a figure of €6 billion was mentioned. The Minister for Finance refused to say how much he was seeking because his experience of selling sheep at the Fair of Glynn taught him never to reveal what one is looking for. Yesterday we found out that we have received and are looking for nothing. Every single part of the relief Ireland has received was negotiated by and for other countries and extended automatically to this country. Ireland is not even aiming for equality with other member states through seeking the return of ECB profits on its holding of Irish bonds. The failure of the Dublin, London and Stormont Administrations to move forward on any joint approach to economic development in the Border region and for the whole island has been a major failing of the past four years. There are huge potential synergies in an all-island approach but they are being lost because of the lack of political will. This goes directly against the objectives set in the Good Friday Agreement. The Sinn Féin-DUP decision to implement a long-term economic development plan which ignores the South is part of that Administration’s wider failings to make the institutions work in the interests of all. It is regrettable that our Government has taken the same approach. It also is regrettable that the savage austerity being implemented by Sinn Féin and the DUP has not been challenged by our Government and we have failed to speak up for the need to invest in underpinning peace rather than taking it for granted. The spring economic statement was devised to be a political launching pad for the next stage of a re-election campaign. It has failed because all it involves is more of the same. It ignores deep social and economic problems. It is political in everything and none of its statements can be taken at face value. It offers no long-term vision of our economy or society. It does not say what role the State should play. It is silent on growing inequality. After six months of hype, it has fallen flat because it is more of the same from a Government of spin and broken promises, a Government that is complacent about the future and in denial about its record. We will now enter a new budgetary cycle where there will be more and more leaks and a policy of promising everything to everyone. The Government will fail in this just as it has failed thus far.

The Taoiseach: The Deputy’s contribution did not include a single constructive suggestion.

Deputy Dara Calleary: The Deputy survived doing that for 30 years.

Deputy Joe Carey: Fianna Fáil had no policies.

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

Deputy Dara Calleary: The Deputy’s party would not know one unless it was given one.

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

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Deputy Gerry Adams: Ní raibh rud ar bith nua i ráiteas an earraigh ar an gheilleagar inné do shaoránaigh nó do theaghlaigh atá ag obair go dian agus atá thíos leis le blianta anuas mar gheall ar an déine ón Rialtas seo.

Yesterday's spring statement marked a depressing, boring and tedious continuation of the conservative and deeply destructive political agenda of Fine Gael and Labour which has so badly served our people over the past four years. It is clear from the outline provided by the Government that it intends that the next general election campaign will be reduced to auction politics with the Government parties seeking to outbid each other in terms of tax cuts, but this will do nothing to address the serious needs of our society. It will do nothing to rebuild our battered public services, to tackle the scandal of hospital overcrowding or poverty, to build affordable child care provision, or to tackle homelessness or the housing crisis. Meanwhile, the Government stumbles from one political crisis to another caused by increasing revelations of Fianna Fáil-type cronyism in government despite all the Taoiseach's promises of a new era of openness, transparency and a democratic revolution. The Taoiseach is clearly a very skilled politician and I often wonder how he and his colleagues get themselves into these binds and how, when an issue presents itself, they do not deal with it in an appropriate way in keeping with the mandate they sought.

We have seen the continued breaching of pay caps for ministerial advisers, the scandalous waste of €85 million of taxpayers' money on consultants at Irish Water, the cruel way the Government took away medical cards from children and others with profound disabilities, and the abuse of the Oireachtas with strokes such as the McNulty affair. Now we have the IBRC scandal and the Government will not face up to the need for a fully independent commission of investigation. Its refusal to have the very serious issue surrounding Siteserv and the IBRC transactions independently investigated shows it is not in the slightest bit serious about genuine political reform. One of the issues with Siteserv and the IBRC scandal that outrages ordinary citizens is the presence of the same group of solicitors, brokers and accountants on the various sites of the deal.

There also was, as we famously know, another small group of insiders in place when this State was brought into the very serious financial collapse that all of us experienced. Fianna Fáil and then Labour and Fine Gael took this so-called banking debt, which was created by these elites, and turned it into the people's debt and saddled citizens with €64 billion of a bill, which our children, grandchildren and great grandchildren will have to pay. The other aspect that really annoys people and which is causing deep anger, because of the degree of radicalisation, education and politicisation that has taken place, is that there are insiders still making huge sums of money out of the recession, and that is the truth of it. The overriding theme of the Fine Gael-Labour coalition has been a deeply unfair economic policy. It has imposed destructive austerity measures on struggling families and vulnerable citizens. Thousands have been forced out of work or into low-paid jobs. Hundreds of thousands have been forced to emigrate. This Government's budgets have been the most regressive in this State's history. It has heaped onto citizens one stealth tax after another. The imposition of domestic water charges, in the face of huge public opposition, has proved to be the final straw for many families. This Fine Gael-Labour Government is all about protecting the wealthy, the privileged and the insiders. It offers nothing but hardship for the majority of families, workers and vulnerable citizens.

The Government has also seriously undermined public services. Children, older citizens and citizens with disabilities who are reliant on these services are the victims. The Government ignores poverty, including child poverty. Mar shampla, tá na rudaí uafásacha seo déanta ag an

Rialtas. It cut jobseeker's allowance and respite care. It abolished the cost of education allowance and undermined the school completion programme. It taxed maternity benefit and cut the invalidity pension and rent supplement.

The spring statement has done nothing in terms of dealing with the crisis in our hospitals. There are 450,000 people on waiting lists as a result of the accident and emergency crisis. The Government has failed to make any inroads into reducing waiting lists and waiting times. January of this year saw record numbers of citizens on trolleys, more than 600 for the first time on the Taoiseach's watch. Despite promises to end the scandal of patients on trolleys, there is no sign of this problem being resolved. On the Taoiseach's watch, the health workers available to tackle this crisis have been reduced by 11,000 full-time equivalent staff. Yesterday's announcement saw no change in direction, no new course being charted, no relief to low and middle income earners or vulnerable citizens.

The Government talks about a recovery but it is an unfair, two-tier recovery. Most people, and the Taoiseach has acknowledged this, are not experiencing any improvement in their daily lives. The Taoiseach accepts that they are not feeling the benefits of his talk of a recovery and that is because there is no recovery for those people who he has impoverished. If they cannot feel it, it is not happening. The reason they cannot feel it is that it is not happening. Vast swathes of rural Ireland have seen no recovery whatsoever. Rural schools, Garda stations and post offices have been closed at an alarming rate. The genuine bottom-up approach that was so central to the Leader programmes has been removed. Small and medium businesses have been starved of credit and neglected by the Government so that many of our rural towns are dying on their feet. If the Taoiseach were to go up the main street of any small village or town, he would see the number of closed shops. The Government has consistently made living in rural Ireland more difficult with cuts to rural transport programmes, higher costs for private car users and cuts to Bus Éireann and Iarnród Éireann.

The Government has also presided over unprecedented levels of emigration in modern times. The Taoiseach described this as a lifestyle choice. We were told yesterday that a reduction in the marginal tax rate is about bringing home emigrants. Does the Government seriously believe our emigrants left because of the marginal tax rate, that there are people in Boston, Baltimore and Brisbane waiting for this news, that they got the news yesterday that the Government is bringing in a marginal tax rate and said "let's go home" and that they are now packing their bags?

Yesterday's economic statement had nothing to say about this major housing crisis. Thousands of tenants face an uncertain future as rents continue to rise and those in mortgage difficulties continue to be pursued by the banks. What has the Government done? It has given the banks the veto and then the Taoiseach stands up here and says he is unhappy at the behaviour of the banks. The Government voted down a Sinn Féin Bill to protect the family home that could have prevented the repossessions that are now occurring. The Government claims it will take action on the issue of mortgage arrears and interest rates but its response to the housing problem has been to impose a tax on the family home.

On the jobs front, every job is to be welcomed, but this State has the second highest percentage of low-paid jobs in the developed world - sin í an fhírinne. More than 20% of jobs are now low paid. Many workers are poorer now than at the time this Government took office. The Low Pay Commission will not deal adequately with this issue. It does not need the Low Pay Commission, rather it should be moving in a structured way to having a living wage for all workers in this State. After four years of the Labour Party in government, workers still have

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no right to collective bargaining. What is the Labour Party in government for? The failure of the Labour Party has been stark. We know that Fine Gael governs primarily in the interests of the privileged and the elites but the Labour Party continuously tells us that it is there to put the brakes on Fine Gael and that things would be worse without it. The evidence, however, tells us the opposite. The Tánaiste lauded and commended herself today but let us not forget that the Labour Party leader, Deputy Joan Burton, helped to negotiate the programme for Government. She is one of the architects of the austerity policies of this Government. That programme saw the Labour Party buy into the austerity policies of Fine Gael and deliberately break its election promises. Did no-one stop to think, “We said this during the election; we cannot do that. We made a promise, a commitment, a contract and sought a mandate”?

Politics is about choices. The choice this Government faced was whether to invest in public services so that all our citizens have the same rights or to return to pre-election promises about tax cuts. The Government has chosen to pursue policies which have increasingly polarised our society. The richest 250 people in Ireland are worth a combined €75.03 billion and have seen their wealth increase by 15.9% in the last year. The *Sunday Times* rich list claims that Ireland is home to 13 billionaires who have a combined fortune of €37.89 billion and that the net worth of the country’s wealthy elite is now significantly ahead of that recorded at the end of the so-called Celtic tiger era in 2008. During the recession, these folks have become wealthier than they were during the boom. Under the Taoiseach’s Government this is still the best small country in the world for golden circles. Meanwhile, homeless people are dying on our streets, families are being evicted from their homes, children are going to school hungry and workers, including gardaí, are being forced to sleep in their cars.

Sinn Féin would choose a fairer way of doing things. We believe in putting the interests of citizens first, as opposed to those of the rich and powerful. We believe in putting the interests of citizens at the centre of political considerations. Sinn Féin would use any improvement in the public finances to build a fair recovery, to repair the damage that has been done. That means investing in public services, not repeating the boom and bust cycle caused by tax-cutting. Why did the Taoiseach not do that? He says that he does not get constructive suggestions from the Opposition. Why does he not stand for a basic threshold of economic justice? Imagine economic justice - the right to a home, access to education, the right to a job and to universal health care. Sinn Féin believes it is the State’s responsibility to improve conditions for ordinary citizens and struggling families, and in particular to deliver on jobs, housing, health care and education. We would seek to relieve the burden on struggling families by abolishing water charges. Why did the Government not do that? Why did the Taoiseach not announce the abolition of the family home tax? That would give €800 million back to working families. Why does the Government not take 200,000 people earning below €17,542 out of the universal social charge net? Why does it not invest in public services and ensure that they are accessible to citizens regardless of where they live in this State? Sinn Féin would genuinely work to bring our emigrants home but this Government will not even deliver on voting rights for Irish citizens abroad, notwithstanding the Constitutional Convention’s recommendation on the issue. There is also a need to ensure a recovery for rural communities. It is beyond me how Teachtaí like the Taoiseach, who represents a rural constituency, do not appreciate that people in rural areas have the same right to a decent life as people living in urban areas. Why does the Government not ban the scandal of zero hour contracts and get rid of JobBridge? Why does it not introduce rent controls to help stem the rising tide of homelessness? Why will it not offer greater security and protection from exorbitant rent increases? We have spoken about poverty and economic difficulties but the biggest challenge facing people is stress as a consequence of their social and

economic position. We should be at least able to offer people greater security and some sense of protection for them in their pursuit of human happiness. Why does the Government not help to keep tenants living in the private rented sector in their homes? The security of a home is fundamental. Why will the Government not change the insolvency laws to remove the banks' veto? It has refused to do that but we will do it after the next election if we have a mandate.

Fianna Fáil has a point when it says that this Government is implementing Fianna Fáil policies. This is true and is why it is so hard for Fianna Fáil really to oppose what the Government is doing. It might pick one or two fights but in reality, the Government is implementing what Fianna Fáil set in train. Yesterday was all about election promises and was an abuse of the Dáil for the purposes of party political propaganda. However, the citizens who have felt the brunt of Government policies will not be fooled by the empty rhetoric. What is required now is a radical change of political direction. We need a fair recovery, a recovery for everyone, one that leaves no family or community behind. That is not on the agenda of this Fine Gael-led Administration. This Government has figured out the demographic to target with its promises and as long as it delivers that vote, to hell with everybody else. This Government prefers giveaways for the wealthy and the privileged and tax cuts for the better off.

I have asked the Taoiseach consistently since coming into this House what the social consequences of his Government's policies are. What are the social out workings of those policies? What kind of society will be left after another year of this Government? Where is the recovery for the thousands of families in mortgage and economic distress? Where is the recovery for our rural communities blighted by emigration and starved of investment?

We need to ask ourselves, as we approach the centenary of the 1916 Rising and the proclamation of the Republic, if we want another period of austerity for low and middle income families while the wealthy remain untouchable. Do we want a real republic, based on equality; a citizen-centred and rights-based society? Do we want an economy built on property bubbles or one where, when the banks fail and the golden circles cause a calamity, the people have to foot the bill? There was no chance of socialising the wealth of the Celtic tiger but no problem with socialising the debt caused by the golden circles. Sinn Féin stands for a real and fair recovery, for decency and for a society that is based on the right of citizens to live in comfort, with some modicum of contentment. The alternatives that we have put forward, of reducing the tax burden on low and middle income families, protecting public services and investing in real jobs, are the ingredients of a genuine recovery.

I note that the Tánaiste mentioned the North, while the Taoiseach did not mention it all. The Tánaiste and the Fianna Fáil leader rolled out the usual misinformation about issues there. This is the same Tánaiste who said not a word in my presence at meetings with the British Government when Sinn Féin made it clear that it would not embrace austerity, whether from the Tories in London or Fine Gael and the Labour Party in Dublin. The Fianna Fáil leader, to my knowledge, has not yet met the Deputy First Minister since he took up that position.

What of the Tánaiste's friends in her sister party, the SDLP, who failed to turn up in the Assembly this week to support marriage equality legislation put forward by Sinn Féin resulting in the Bill being lost by two votes? One third of the SDLP MLAs did not turn up. The
I o'clock Tánaiste is welcome to comment on the North as is the Fianna Fáil leader, but I ask them to try to be accurate. The platitudes that come from here impress no one - not in this State and especially not in the North.

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Fine Gael and Labour have long since abandoned the mandate on which they were elected. Rather than yesterday's PR exercise, they should put their policies to the people and call a general election.

An Leas-Cheann Comhairle: As there is no one to contribute, I think, from the Technical Group, I ask Deputy Adams to move the adjournment of this debate. We will now move to the next business.

Deputy Gerry Adams: I move, although I finished earlier so folks might not have anticipated starting at this time.

Message from Seanad

An Leas-Cheann Comhairle: Seanad Éireann has passed the Education (Miscellaneous Provisions) Bill 2014, without amendment, and the Social Welfare (Miscellaneous Provisions) Bill 2015, without amendment.

Spring Economic Statement: Statements (Resumed)

An Leas-Cheann Comhairle: Next is the motion regarding the by-election for Carlow-Kilkenny.

Deputy Halligan has arrived. Are you speaking?

Deputy John Halligan: Yes.

Deputy Micheál Martin: A Leas-Cheann Comhairle, the debate has been adjourned.

The Taoiseach: The last debate is adjourned.

Deputy Micheál Martin: The last debate has been adjourned formally so we are waiting.

The Taoiseach: It is formally adjourned.

Deputy Joe Carey: What is next?

The Taoiseach: The next one is the writ at 1.30 p.m., so you have got to suspend the House until then.

Deputy Micheál Martin: So we suspend the House.

The Taoiseach: You must suspend the House until 1.30 p.m., a Leas-Cheann Comhairle.

Deputy Mary Lou McDonald: Is Deputy Halligan allocated speaking time?

An Leas-Cheann Comhairle: He was allocated speaking time. The Technical Group was allocated-----

The Taoiseach: The debate was suspended formally by the Sinn Féin leader.

Deputy Michael Colreavy: I propose that we un-suspend.

The Taoiseach: The next business is at 1.30 p.m.

Deputy Micheál Martin: On a point of order-----

Deputy John Halligan: On a point of order, what happens to be the problem?

An Leas-Cheann Comhairle: Can I get agreement of the House that Deputy Halligan and the Technical Group will make their contributions now? Is that agreed?

Deputy Michael Colreavy: I agree.

Deputy Mary Lou McDonald: I agree.

An Leas-Cheann Comhairle: Agreed. I call Deputy Halligan.

Deputy John Halligan: Is the Taoiseach okay with that?

The Taoiseach: He is a decent man, but he should have been here.

Deputy John Halligan: I was not due to speak until 1.15 p.m.

An Leas-Cheann Comhairle: I ask the Deputy to proceed.

Deputy Micheál Martin: On a point of order, can I get clarification?

Deputy John Halligan: I am here 15 minutes ahead of time.

The Taoiseach: The debate was adjourned by the leader of Sinn Féin.

Deputy Micheál Martin: He was asked to move the adjournment by the Leas-Cheann Comhairle. The Taoiseach should not be silly now.

An Leas-Cheann Comhairle: My instruction-----

Deputy Micheál Martin: It was leaders' speeches. Was that then to be followed by the moving of the writ?

An Leas-Cheann Comhairle: That is correct.

Deputy Micheál Martin: So my understanding is that Deputy Halligan is not speaking as the leader of any group.

An Leas-Cheann Comhairle: He is actually speaking with the Technical Group.

Deputy Micheál Martin: I know, but let me finish. Is he speaking as the leader of the Technical Group?

Deputy John Halligan: No.

Deputy Micheál Martin: I think the writ was then to be moved. The reason we could not move the writ was the Minister was not here to move the writ. Is that not the real issue?

An Leas-Cheann Comhairle: There are 30 minutes for the Technical Group, so Deputy Halligan-----

Deputy John Halligan: On a point of order, the Technical Group was allocated 30 minutes-----

An Leas-Cheann Comhairle: I have said that. Go ahead.

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Deputy John Halligan: -----at 1 o'clock. My speaking time was at 1.15 p.m. and I just happened to be here. I do not know where the other two are.

An Leas-Cheann Comhairle: We have got agreement. Go ahead.

Deputy Micheál Martin: I know where I am now.

Deputy John Halligan: Thank you very much, a Leas-Cheann Comhairle.

Deputy Micheál Martin: The Minister, Deputy Reilly, should be here too.

Deputy John Halligan: I have only ten minutes so I will not keep the Taoiseach too long.

The Taoiseach: You are fine, Deputy Halligan, a decent man.

Deputy Micheál Martin: They want Deputy Halligan to go on for half an hour because the Minister, Deputy Reilly, is not here.

Deputy John Halligan: Sure I will take the half hour if I have to; I do not mind.

It is little wonder that the citizens of the country are furious, frustrated and in many cases worn down to a degree. Whenever I make criticism it is always measured. I do not criticise individuals, but I am here in opposition to hold the Government to account and that is what I have to do. The Government is completely disconnected from the thousands of people in struggling households who remain unconvinced after yesterday's massive exercise in PR.

People are appalled by the lack of urgency the Government is showing to the awful financial distress they are suffering. That distress was caused by spending cuts and tax hikes amounting to about €30 billion since the recession began. That is the equivalent of about €6,500 for each person. How can we talk about pay increases when the supposedly "emergency" universal social charge remains in place, while the health service is in a shambles, while schools are underfunded and parents with sick children are being made to jump through hoops for medical cards?

The Government has informed us that spending is up, that unemployment is down - I will deal with the unemployment figures in a few minutes - and that we are now in recovery mode. I accept that there might be a slight upturn in the economy in Dublin. However, if the Taoiseach came to the streets of Waterford city and many other cities-----

Deputy Gerald Nash: There are 125 new jobs today.

Deputy John Halligan: -----he would see clear evidence to the contrary. Does the Minister of State not know the statistics in Waterford?

Deputy Gerald Nash: I do; I will be there tomorrow.

Deputy John Halligan: He does; then he will not disagree with me. This recovery of which the Government is so proud is certainly not spread between the regions.

Deputy Joe Carey: What about the 100 jobs in Portlaw?

Deputy John Halligan: Data from the Nevin Economic Research Institute suggests that 90% of the jobs created in the past year were in Dublin and the eastern side of the country. That agency is recognised by the Government as having pretty good facts in recent years. I would like to hear the Government's comments on the statistics from the Nevin Economic Research

Institute. The regions have suffered disproportionately in the recession and are being left behind once again.

Yesterday's spring economic statement sent a clear message to Irish emigrants - I think this is what was meant to be sent - that jobs are being created at home. We are told that all jobs lost during the recession will be replaced by 2018. I would like to delve a little deeper into this by considering the unemployment figures.

The Government spin-doctors claim that the unemployment rate in the south east has fallen from 21% in 2012 to 11.9% or thereabouts at the end of last year. However, they are not so keen to publicise that the number of people on JobBridge schemes in my constituency of Waterford increased since by 300% since the initiative was introduced. The number of people who took up places on the Tús programme increased by 400% in the same period. A JobBridge internship might take a person off the live register but it is not a long-term sustainable job.

Every Deputy has heard countless stories of abuse of the system. The Taoiseach may well have heard of companies having a revolving JobBridge chair. In the main it means exploiting workers. They force people to work for very little and, apart from the work experience they get, it invariably leads nowhere. That is exactly what happens with many of the schemes. All one has to do is speak to workers who have been forced on the schemes or who have come off the schemes.

Any drop in unemployment in Waterford and elsewhere in the region is largely attributed to job schemes, the continuing flow of emigration and people returning to education. All the statistics show that. The Government should not insult our exiled emigrants by telling them that there is work for them if they come back to Ireland when clearly there is not work.

Waterford has been left high and dry in terms of the third level sector. The Government's political interference has made a mockery of the 20-year dedicated campaign for a university in the south east, which affects everybody in the region and not only in Waterford. Despite promises from Fine Gael as far back as 2008 that it would prioritise university status for Waterford, the Government has actually reduced funding for WIT by 25% since taking office. Allowing this regional imbalance to build as the country moves back to recovery will have dire social and economic consequences which no amount of spin will conceal.

If we were to ask the many thousands of people on hospital or housing waiting lists, carers or a chap who has lost his job after working for 30 or 40 years about these promises, what would they say? I know many people who made a huge contribution to this economy only to be asked by their local social welfare office whether they are actively seeking work or told they would not get unemployment benefit unless they went on a Tús scheme for €20 per week or a JobBridge scheme for €50 per week. How insulting would that be to such individuals? A television programme due to be broadcast in the coming weeks will reveal that many people are being treated in this manner.

The Government may be out of touch but Social Justice Ireland is acutely aware of these issues. That organisation stated that the spring statement is unfair, contradictory and disappointing because it lacks clear guidance and vision on policy or a commitment on making Ireland a better and more just society. The Government might consider engaging with Social Justice Ireland because it has invested considerable effort in analysing the Government's performance.

Deputy Joan Collins: Yesterday the Ministers for Finance and Public Expenditure and Re-

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form left before the Technical Group spokespeople began their contributions and again today the Taoiseach and the Tánaiste left just as one of our Members began to speak. That is outrageous.

After listening to yesterday's speeches by the Ministers, Deputies Noonan and Howlin, a member of staff in Agriculture House asked where the wonderful land they described could be found. That encapsulates the response of many thousands of people to the underwhelming speeches we heard yesterday. The reality is not the nirvana painted by the Government but a society of haves and have nots. This is an extremely unequal society based on low wages and minimal public services. It is a model for a neoliberal agenda. We have a wealthy society, with average GDP *per capita* of more than €36,000. However, while the average family household with two adults and two children could be expected on these figures to enjoy an annual income of more than €140,000 per year, 33% of households earn less than €30,000, 56% earn less than €50,000 and 62% earn less than the mean household income of €56,000. A household earning more than €60,000 is classified as high income. One would not be living the high life on that level of income. Our low wages and minimal public services mean that 137,000 children live in consistent poverty and 63% of lone parent households experience deprivation, which might mean going 24 hours without a substantial meal or being cold due to lack of heating. That is the reality, despite what the Government has claimed. The German philosopher, Ludwig Feuerbach, wrote that society should be judged on how it treats its most oppressed members. We have nothing to boast about in that regard.

The Government promised that 2 million people would be employed in well paid and secure jobs by 2018. There was no mention of the huge increase in low paid work or precarious employment contracts. In the 1980s, 80% of employees in the retail sector were full-time and only 20% were part-time. The situation has reversed, with 20% on full-time contracts and 80% in part-time work. The campaign for decency for Dunnes Stores workers has exposed the reality of precarious employment. Zero and low hour contracts make it impossible for workers to plan child care, elder care or family time. One worker told me that even though she repeatedly told her employer that she cannot work between 2 p.m. and 5 p.m., it keeps putting her on the 2 p.m. to 6 p.m. shift. It is trying to push her out of the job and replace her with cheaper staff on new contracts because she is on an older contract which pays higher wages. On the one hand, low hour contracts are used to control and intimidate workers, while on the other, wealthy employers like the Dunnes family are subsidised by the State through unemployment benefit, family income supplement, rent support and lower levels of PRSI and income tax. The Government made no mention of abolishing zero and low hour contracts because it is obviously too radical for the Labour Party to consider. This inaction contrasts dramatically with the recent rich list report which revealed that Ireland's 300 richest people are now worth €84.4 billion, a record increase of €13.65 billion in one year. In 2010, the total for the top 300 was just shy of €50 billion. What sort of country allows the wealth to get richer by imposing austerity on ordinary people?

The long-term unemployed comprise 59% of the overall number of unemployed, the fourth highest in the EU-15. The long-term unemployment rate for males is 65%, which is second only to Greece. The chronic long-term unemployment figures are even worse, with 93,000 people without jobs for more than two years and 54,000 without jobs for more than four years. This problem cannot be solved through the labour market. It requires focused action on job creation. The gateway programme is not delivering and it requires serious reform if it is to prevent job displacement in local authorities and ensure those who go through the programme are

employed over the longer term.

This Government's austerity policies emphasised spending cuts over tax increases. It is now proposing a 50:50 split between increasing social spending and cutting taxes. Social Justice Ireland has described the spring statement as unfair, contradictory and disappointing. It pointed out that if a ratio of 2:1 was applied in imposing austerity, one would expect that the same ratio to be applied when the resources become available. I would have expected the Labour Party to argue for an emphasis on spending over cuts. Perhaps, however, it believes cutting taxes is a sure bet in terms of buying the next election.

The remarks by the Minister for Public Expenditure and Reform on well run public services are meaningless to the thousands of people who have to access those services. Among the many failures of the State was a failure to develop decent public services. We never provided a health care or education system which is free to all and treats everybody equally. We have not developed a State child care system and our mental health services are a disgrace. There is no vision for developing social services. Our health system is falling apart, with more than 4,000 people on waiting lists and 600 people on trolleys in January. I have repeatedly raised the problems with scoliosis services in Crumlin children's hospital and Galway University Hospital. The Minister for Health provided money in the Supplementary Estimate to alleviate some of the problems arising in this regard. I submitted questions regarding nine patients who have been waiting over 12 months for treatment at Galway University Hospital and was contacted by three different people about this. Month after month I have submitted a question asking what the situation is and the standard reply is:

The waiting list for spinal surgery is one of our priorities at Saolta University Health Care Group. There are a number of arrangements being put in place in order to facilitate the level of complexity involved in relation to spinal surgery for patients with scoliosis. We are currently reviewing a number of resources in the context of bed availability, access to diagnostics, purchase of specialist spinal equipment and access to theatre. When the key elements required are in place, potential surgery dates for this cohort of patients [nine patients waiting over 12 months with serious spinal curvature] can be identified and scheduled accordingly.

I have received this reply month on month since January and nothing has been done to resolve the crisis for those patients waiting for spinal surgery. This is an absolute disgrace and the Government should hang its head in shame. Resources should be put into these areas.

Finally, I wish to make a point regarding the proposed national economic dialogue. As far as I am concerned, this will be a dialogue that will fall on the deaf ears of those on the Government benches. The people have spoken again and again in their hundreds of thousands. They do not want water charges and they do not want Irish water. How much more dialogue does the Government need to get the message? The Government should abolish the water charges and Irish Water before it is annihilated in the next general election.

Deputy Stephen S. Donnelly: Yesterday's economic statement is an opportunity for us all to have a conversation about the country we want to live in and want our children to grow up in. Should we focus on becoming a lower-tax economy or should we invest in enterprise, in public services, like education and health, and in communities? I believe we should do the latter.

The economy is growing again and unemployment is falling and this is great news for

everybody. However, in their Dáil speeches yesterday, Ministers went out of their way to convince us that this good news is their doing. It is not. Some of it is, but most of it is not. Had the right choices been made over the past four years, we would have got to this good news a lot sooner than we did. The Minister for Finance, Deputy Noonan, spoke yesterday about “the lost decade”, meaning it will take approximately ten years for us to get the economy back to the level it was at in 2007. The phrase, “the lost decade” comes from Mexico in the 1980s, which went through a crisis from which it took a decade to recover. If it takes Ireland as long to recover as it took Mexico 30 years ago, the Government has not done a very good job.

The economic and jobs growth comes mainly from two sources, from the ECB and from the resilience of Irish enterprise and people. When Mario Draghi took over the Presidency of the European Central Bank from Jean Claude Trichet, he changed tack on monetary policy. Where Trichet demanded austerity, Draghi believes in using monetary policy to boost growth. In 2012, he said the ECB would do “whatever it takes” to preserve the euro. This increased confidence in the currency and drove down borrowing costs for Ireland and other eurozone countries. He followed this with quantitative easing, which in essence means the ECB is printing vast amounts of money, approximately €60 billion per month, and lending it to eurozone banks at zero interest rates. The result of this is that mortgage rates fall, businesses can borrow and invest and the euro depreciates, thereby increasing tourism and the competitiveness of Irish exports. It is interesting to note that the euro has depreciated by almost 30% against the US dollar in the past year. This represents a 30% increase in competitiveness, which is welcome but has nothing to do with the Government.

What of the resilience of the Irish people? The latest ESRI economic statement or forecast estimates that about 60% of the economic growth comes from increased labour productivity. This means both public and private sector workers have had to do more with less and have succeeded in that. Again, this has nothing to do with Government policy. To be fair, some Government policies have worked and added to employment. However, even in this area the Government is found wanting. The ESRI carried out analysis of job activation measures and found that Ireland’s job activation measures are the weakest in the eurozone. That is a damning indictment of Government policy from our independent economic think tank. Far more should and could have been done.

The mortgage crisis is now in its seventh year and has become the biggest of its kind anywhere in the world. It could have been sorted out years ago, but it has been and continues to act as a massive drag on economic growth and job creation and has caused significant social harm and distress. Supports for SMEs and the self-employed could have been made stronger, for example, by improving how local authority rates are calculated, taking into account things other than the space occupied by the business. Tax treatment for the self-employed should have been equalised with that for PAYE workers long ago. Public works, such as the broadband strategy, should have been pushed sooner. Child care costs could have been reduced at zero cost to the Exchequer, something I have proposed over several years.

Budgets could and should have been progressive rather than regressive. We have now seen four regressive budgets in a row, the last of which was the worst. In the first three budgets, everybody lost, but the less money one had to begin with, the more one lost. However, in the last budget, there was a transfer of wealth from the lower income half of the population to the higher income half. Not only, therefore, is the Government implementing regressive budgetary policy, it is accelerating regression. The evidence on this is unambiguous. We all want growth and jobs, but the evidence is clear that policies that drive up inequality are bad for economic

growth and job creation. I believe they are just plain wrong.

What is needed? There is a big push from the Government to reduce taxes, income taxes and wealth taxes. This philosophy, which has been implemented consistently over the past four years, is that economic growth lies with the wealthy. They are the rainmakers and masters of the universe. Therefore, if we are to boost the economy and jobs, we must increase the wealth of the wealthy. This is Thatcher and Reagan economics. It did not work in the past and does not work now, yet for some reason it is being pursued by the Government during a recession. Even billionaires do not agree with this approach any more. Last year at Davos, the world's billionaires club, the two greatest threats to society globally were identified as inequality and climate change. However, the argument in Ireland is if we return wealth to the wealthy, everybody will gain.

Ireland is already a low tax economy, but some taxes need to be altered. For example, there should be equalisation between the self-employed and PAYE workers. I do not know why the current position exists. It should not, but I understand it is a relic of past times, where self-employed people had numerous ways of lowering their tax exposure that PAYE workers did not have. Although that is gone, even in the last budget higher rates of income tax were applied to the self-employed.

A reduction in wealth tax is not required. It is important we understand what is going on. I talked earlier about ECB monetary policy. Quantitative easing will cause a significant asset bubble. That is what it does. Wherever a central bank prints lots of money and gives it to banks, the result is there is loads of money available, people get that money and want to buy stuff with it and the price of that stuff rises. We get an asset price bubble. Who owns those assets? The wealthy. Therefore, by doing nothing, the owners of capital in Europe are about to gain significantly from ECB policy. Therefore, the argument made we should reduce CGT as well is unnecessary. Wealth, due to government policy, will increase substantially. However, it will increase for a very small number of people in financial services, the owners of the capital and the people who facilitate these transactions.

What should we do instead? I believe we should keep taxes more or less where they are. Ireland is a low tax economy, significantly lower than the eurozone average, and we should stay lower. We have some competitive disadvantages, such as being on an island which makes transport costs more expensive. We must have some competitive advantages and having a lower taxation rate than the eurozone average makes sense. However, going lower again does not make sense. What should we do therefore? We should invest. We should invest in enterprise and in public services, particularly education which has been asset stripped over the past number of years. We should also reinvest in community supports. I was at a fantastic youth outreach programme in Bray on Monday. It turns out that over the past four years, its funding has dropped by 31%. That has got to stop, and that kind of investment from the State must be some of the most important and beneficial spending. Do not reduce capital gains tax. The wealthy will get wealthier anyway, so the money should be reinvested in youth outreach, community-based care, third level colleges and DEIS facilities. That is what we must start doing, and we must invest in the future.

I do not believe people mind paying their taxes if they know those taxes are respected, spent well and invested in them, their children, communities or their country. This is a timely debate and we are at an inflection point. The entire country has come through a very difficult time and the question is where do we all want to go. We are a low-tax economy so let us keep a competi-

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tive advantage on tax. For goodness sake, let us start investing in the future as well. If we are going to compete internationally in the next ten years, we must get our house in order. That means bringing everybody out of the lost decade and ensuring we do not lose any more.

Business of Dáil

Deputy Billy Timmins: On a brief point of order, I wonder if by agreement of the House could I and my colleagues have a couple of minutes to contribute to the debate as our party will have a first-time candidate in the constituency?

An Leas-Cheann Comhairle: The order has been made and allows time for Ministers, as well as the leaders of Fianna Fáil, Sinn Féin and the Technical Group.

Deputy Micheál Martin: The order has been set.

An Leas-Cheann Comhairle: That was the order made but there is a provision for sharing time. It is a limited debate, with five minutes allocated to each person.

Deputy Billy Timmins: My understanding is the debate is due to start at 1.36 p.m. If we begin early, perhaps I could have a couple of minutes at the end. Two minutes will do.

Deputy Micheál Martin: The Deputy must be joking.

Deputy Joe Carey: The order is set.

An Leas-Cheann Comhairle: Could I get the agreement of the House on that? Is it agreed? All right.

Deputy Micheál Martin: Hold on.

Deputy Joe Carey: The order was made.

Deputy John Halligan: On a point of order, as this is such an important issue, if there is speaking time available, it should be used.

An Leas-Cheann Comhairle: That is agreed.

Deputy Billy Timmins: Are we getting two minutes at the end?

An Leas-Cheann Comhairle: That is agreed. We have time for that.

Deputy Micheál Martin: That is without precedent.

Carlow-Kilkenny By-election: Issue of Writ

Minister for Children and Youth Affairs (Deputy James Reilly): I move:

That, pursuant to section 39 of the Electoral Act 1992 and owing to the vacancy in the office of the Clerk of the Dáil, the Ceann Comhairle direct the Clerk-Assistant of the Dáil to issue his writ for the election of a Member to fill the vacancy which has occurred in the membership of the present Dáil consequent on the resignation of Deputy Phil Hogan, a Member for the constituency of Carlow-Kilkenny.

Commissioner Phil Hogan was first elected to this House in 1989 and was re-elected in ev-

ery subsequent general election. This was in no small way due to his reputation for serving his constituents to the best of his ability. I congratulate the former Deputy on becoming Ireland's new Commissioner and securing the important post of Commissioner for Agriculture and Rural Development. He will now play a real and important role in shaping the future of Irish and European agriculture, and also the future direction of Europe in a broader sense. I wish him every success in his important work in Europe.

The House is aware that this Government reformed the Electoral Act in 2011 by providing that a by-election must take place within six months of a vacancy arising. Accordingly, we have now decided to move the writ so the people of Carlow-Kilkenny can be fully represented in the Dáil once again. We propose a polling date of Friday, 22 May 2015. The Fine Gael Party is proud to put forward an excellent candidate, Councillor David Fitzgerald, who I know is ably qualified to represent the needs and interests of the people of Carlow-Kilkenny if elected to do so by the people. I had the honour of canvassing with him last week.

It is inevitable that throughout the course of this by-election debate there will be a focus on the state of the country and the role being played by the Government in the future direction of the country. The plan we have been implementing for economic recovery is working and our country is now moving in the right direction. Ireland is on the path to recovery. This Government has a proven plan for the remainder of this decade to secure and strengthen that recovery, and we are never going back to the days of boom and bust. This Government has got the public finances under control and we will continue to prioritise the restoration of our national competitiveness and the stability of public finances in the years ahead. None of this would have been possible without the sacrifices of the Irish people.

Our plan will ensure a fair sharing of the benefits of recovery with those already at work. The Minister for Finance, Deputy Noonan, has secured up to €750 million in tax cuts for Ireland's workers as part of the next budget. A similar amount will be available for the later years of this decade, allowing for a multi-year programme of targeted tax cuts for Ireland's low and middle income workers. It is the goal of this Government to make work pay and pay more. This Government's jobs plan will lead to full employment by 2018 and a return for our emigrants. Strong growth in jobs is funding tax cuts for working people, and more people in every part of the country will start to experience the economic recovery in their daily lives.

The greatest risk to recovery, job creation and a brighter future is the risk of political instability. This Government will ensure that the progress we have made to date will not be jeopardised, and that the people can trust the Government to make the necessary decisions to continue to build a strong economy that will provide quality jobs for our people, which is, after all, our ultimate aim. With those jobs, there will be more taxes and resources to keep our people at work, repair damaged services and restore our society.

Minister of State at the Department of Agriculture, Food and the Marine (Deputy Ann Phelan): I welcome the opportunity to speak on the moving of the writ for the by-election in Carlow-Kilkenny arising from Mr. Phil Hogan's appointment to the European Commission. As his constituency colleague, I thank Commissioner Hogan for his work in the area for many years. He is continuing this with his work in Brussels in the agricultural portfolio. This is an important issue for Ireland and he has all our support in this new project. In my capacity as Minister of State with responsibility for rural economic generation, I visited Commissioner Hogan in January in Brussels and we agreed that Leader funding, which is very important to the rural affairs portfolio, could be used to draw down extra EU investment at a very low interest

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rate for projects and small and medium enterprises in rural areas.

The Labour Party looks forward to this by-election in Carlow-Kilkenny on 22 May. We have a proud record of representation for the people of the constituency, particularly in my county of Kilkenny, where I am honoured to continue that tradition. I follow in the footsteps of people like Mr. Séamus Pattison, who served in Dáil Éireann for over 40 years, from 1961 to 2007. In that time, he made a significant contribution to Kilkenny, the Labour Party and the Irish nation. I continue that tradition of hard-working, responsible public representation. After the election, I hope to be joined in Dáil Éireann by my colleague, Councillor William Quinn. He is also a very hard-working public representative for south Carlow. He is based in Borris and as a small farmer, he is fully aware of the challenges faced by rural communities. We will work hard over the next three and a half weeks to deliver a fresh voice for Carlow in the House. During the campaign, we will also speak to people about the economic progress the Government has made since taking office, as demonstrated by the spring economic statement. That we can now speak of growth, falling unemployment and having money to spend in budget 2016 demonstrates the distance we have come on this journey. While people had to make sacrifices to reach this point and must face legacy issues, including additional charges, the broader prospects for the economy are extremely positive.

We are determined to focus our efforts on providing further supports and whatever reliefs are available for working families who suffered most during the downturn. This will be the central message to people across counties Carlow and Kilkenny during the forthcoming campaign. We need to secure the recovery across the constituency, which has been through difficult times. There are signs that the position is improving. Recent job announcements and a major investment by Glanbia will help the local economy. Merck Sharp & Dohme is located in Carlow, we have growth in tourism and the Government has made significant investments across the constituency, all of which will deliver dividends.

The challenge facing us is to deliver more business and employment to the area. I am confident that by having another Labour Party voice in the Dáil, we could achieve more for people in the constituency and deliver a better future. I wish my colleague, Councillor William Quinn, the best of luck.

Deputy Micheál Martin: I welcome the opportunity to speak on the forthcoming by-election in the Carlow-Kilkenny constituency. I commend my party's candidate, Mr. Bobby Aylward. He is an excellent choice and will be an effective and influential representative of the people of Carlow-Kilkenny in Dáil Éireann.

The Minister and Minister of State noted that the by-election has been caused by the need to replace the former Minister, Mr. Phil Hogan, following his appointment to the office of European Commissioner. While I wish the Commissioner well in his new position, I was struck, while knocking on doors in both County Carlow and County Kilkenny, by the less than enthusiastic response and in some cases anger I encountered when I mentioned Mr. Hogan's name. When I explained that the by-election was being held to replace the former Deputy the response was such that I decided to stop referring to Mr. Hogan, lest people were to conclude that he is a member of my party and I was promoting a candidate to replace him. I learned very quickly on the doorsteps that the last thing one should do when trying to sell one's candidate is to mention the Commissioner's name. I do not want to give the Government side helpful advice but this is what people are saying on the doorsteps of the constituency.

Deputy Pat Deering: Was Deputy Martin accompanied by Deputy John McGuinness?

Deputy Micheál Martin: None of this is meant personally. It is the reality, however, and it encapsulates, in a broader sense, the Government's arrogance and detachment from the feelings of people on the ground on issues such as education and jobs. This detachment has also been evident in the discussion on the spring economic statement over the past two days.

People have a choice in the forthcoming by-election. Mr. Bobby Aylward, the Fianna Fáil Party candidate, is a farming man who understands the needs of the community and small business, of which farming is one element. He is rooted in the community and had great success with Ballyhale Shamrocks when the team won the all-Ireland hurling club championship.

Deputy Pat Deering: Did he play on the team?

Deputy Micheál Martin: His two sons played on it. I am simply giving a sense of where the man comes from. The community from which Bobby Aylward springs is characterised by great solidarity. He is rooted in his community and has a genuine commitment to serve the wider community. In that regard, he is an excellent candidate.

Mr. Aylward will raise issues such as significant cutbacks in local development funding and Leader projects in counties Carlow and Kilkenny. These projects are at the heart of efforts to sustain communities in urban and rural settings.

Deputy James Reilly: Did those cutbacks have nothing to do with the Government of which Mr. Aylward's party was a part?

Deputy Micheál Martin: No, the Government announced them only three or four months ago.

Deputy Ann Phelan: Those measures were all agreed before we took office.

Deputy Micheál Martin: Now that Deputy Reilly has been exiled to the Department of Children and Youth Affairs, he would not be aware of the broader issues. He sums up the problem facing the Government parties in that his Government is so Dublin-centric that it does not understand how people in the regions feel about being excluded from its economic and social policies. There is a real sense-----

Deputy James Reilly: How many post offices did the Deputy's party close down?

Deputy Micheál Martin: I did not interrupt the Minister or Minister of State. There is a great sense of grievance in rural areas.

Deputy Ann Phelan: The Deputy believes he has a monopoly on understanding the views of rural people.

Deputy Pat Deering: He has only recently become a cheerleader for rural areas.

Deputy Ann Phelan: He is a Johnny-come-lately.

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

Deputy Micheál Martin: In addition to regional disparities, there is a sense that the economic recovery is two-tiered, not only in terms of the wealthy getting everything and those on

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the lowest incomes being hardest hit but also, as the ESRI and other bodies have indicated, in terms of the regional spread of economic development. One needs only to drive through rural towns in the Carlow-Kilkenny constituency and other rural areas to see the extraordinary lack of development.

In 2014, the IDA organised only six sponsored visits to counties Carlow and Kilkenny combined. The figure in 2013 was four. That is a dismal record.

Deputy Ann Phelan: We only had three such visits when-----

Deputy Micheál Martin: With the greatest respect, I expect that Deputy Phelan will remember the decision of SmithKline Beecham, as the company was then known, to locate in Carlow. I happened to be Minister for Enterprise, Trade and Employment at the time and I also decentralised the Department to Carlow town.

Deputy Ann Phelan: What about the closure of the sugar industry? Was that a glorious moment for the Fianna Fáil-led Government?

An Leas-Cheann Comhairle: Order, please.

Deputy Micheál Martin: The decentralisation project was highly effective and fully subscribed. I implemented it without difficulty and people were very happy about it.

Deputy Ann Phelan: The previous Government in which Deputy Martin was a Minister destroyed many jobs.

Deputy Micheál Martin: We need more industrial development and public investment in Carlow and Kilkenny.

(Interruptions).

An Leas-Cheann Comhairle: The time available for each speaker is limited. Please allow Deputy Martin to continue without interruption.

Deputy Micheál Martin: I am doing my best to speak but I am obviously exciting the Minister of State.

Deputy Colm Keaveney: She is very touchy.

Deputy Micheál Martin: The issue of public investment was missing from the spring economic statement. The Minister of State attacked my record in respect of counties Carlow and Kilkenny. She should visit the Carlow Institute of Technology. Who made a fundamental transformative investment in the institute more than ten years ago? Who made a major investment in St. Luke's Hospital in Kilkenny which has made innovations in terms of-----

Deputy Ann Phelan: The former Minister, Mr. Hogan, had something to do with that.

Deputy Micheál Martin: I made investments in the constituency in both my Ministries. Leaving that issue aside, what the constituency now needs is a Government that cares about communities beyond the Pale.

Deputy Ann Phelan: Deputy Martin's caring Government closed down the sugar industry and destroyed jobs.

Deputy Micheál Martin: This Government does not care, as people would tell the Ministers opposite if they were to travel the length and breadth of the country.

Deputy Ann Phelan: The Government invested €4.5 million in four schools in Bagenalstown, a disadvantaged area, in the worst recession this country has experienced.

Deputy Micheál Martin: It simply does not care about what happens outside the Pale. This applies across all the yardsticks. In education, for example, I met representatives of interest groups in the south-east who raised the need for a university in the region. In fairness to local people in Kilkenny, they have made good inroads with Maynooth university in terms of providing liberal arts degrees. This can be built on with a little vision and commitment, both of which are lacking in this Government.

Deputy Pat Deering: Deputy Martin is suffering from amnesia.

An Leas-Cheann Comhairle: He must conclude.

Deputy Micheál Martin: I have been repeatedly interrupted by the Government side because it does not like the message I am giving.

Deputy Pat Deering: The message is wrong.

Deputy James Reilly: The Deputy's memory is highly selective.

Deputy Micheál Martin: It was a pleasure to accompany Councillor Matt Doran in Callan where he and Liam Aylward got a great reception. Councillor John Pender in Tullow is an outstanding public representative. This type of community presence will be effective and it will be delivered by Bobby Aylward if he is elected to the constituency of Carlow-Kilkenny.

Deputy Pat Deering: Did Deputy John McGuinness accompany Deputy Martin?

Deputy Micheál Martin: I thank the Minister, Minister of State and Deputies opposite for their energetic and robust reaction to my stimulating contribution to the debate.

An Leas-Cheann Comhairle: I call Deputy Mary Lou McDonald and thank her for waiting patiently.

Deputy Mary Lou McDonald: Patience is my watchword.

The Minister noted that the writ for the Carlow-Kilkenny by-election had to be moved within a six-month timeframe. This requirement was introduced on foot of an action taken by Deputy Pearse Doherty in respect of a previous by-election. I welcome the moving of the writ for the by-election. The Sinn Féin candidate in the contest will be Councillor Kathleen Funchion. As previous speakers noted, the by-election arises from the promotion by the Taoiseach of the former Minister, Mr. Phil Hogan, to the European Commission. I note the warmth, regard, affection and congratulations expressed not just by the Labour Party but by Fine Gael for Phil Hogan and his many wonders and works.

Deputy James Reilly: What about the Sinn Féin agriculture Minister in the North, Michelle O'Neill, MLA?

Deputy Mary Lou McDonald: The citizens of this constituency deserve better representation than they have had in the past. They deserve a Deputy who will stand up for their rights

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and defend them against the austerity policies of this Government.

There remain serious and unanswered questions around Phil Hogan's decision shortly after the 2011 election to scrap five inquiries, originally established by the previous Minister for the Environment, into serious allegations of irregularities in local authorities. One of the local authorities affected by this decision was Carlow. The termination of those investigations ran directly counter to one of the principal recommendations of the Mahon tribunal, namely, that an independent planning regulator should be set up.

Then there was Phil Hogan's chief debacle of Irish Water. Mr. Hogan did not tell the Dáil of the expenditure involved in the establishment of Irish Water, including the eye-watering amounts spent on consultants. The Government gave €86 million to consultants while slashing funding for the housing adaptation grant scheme for elderly and disabled citizens. Later, we were to discover there were no records and no minutes of Phil Hogan's meetings with the chairwoman of Bord Gáis, meetings which led to the establishment of Irish Water. Mr. Hogan's decision to put vital Leader rural development funds under local authority control undermined the years of experience and expertise built up in our local development companies. It also removed the genuine bottom-up approach central to the success of the Leader programme.

I will not be joining in the collective congratulations opposite for Mr. Hogan. The notion that the future of the entire continent of Europe can rest in the hands of Phil Hogan fills me with a feeling of dread. I get the impression that if the Minister, Deputy James Reilly, and the Minister of State, Deputy Ann Phelan, could have their way, they would change the anthem for Europe from "Ode to Joy" to "Ode to Phil". That is a sentiment not shared, not just in Carlow and Kilkenny but across the country.

The Government promised a new way of doing politics, a democratic revolution. Whatever might be said of Phil Hogan, he certainly was not a democratic revolutionary. Instead, the Government, along with Phil Hogan, compounded the worst excesses of its Fianna Fáil predecessors. This Fine Gael-Labour Government, like the Fianna Fáil one before it, has been responsible for significant cuts to public services, including health and education. It has forced thousands out of work or into low-paid employment while driving hundreds of thousands of others to emigrate. Fine Gael and Fianna Fáil took the €26 billion of banking debt, which was the responsibility of 22 men, and turned it into the people's debt, saddling the citizens of Carlow-Kilkenny and elsewhere across the State with a €64 billion bill that will pass from one generation to the next.

The Carlow-Kilkenny by-election provides an opportunity for the electorate of that constituency to pass judgment on this Government and its policies. It also gives voters an opportunity to vote for positive change. Sinn Féin will stand in this by-election firmly opposed to austerity and for a fair recovery. Our candidate, Kathleen Funchion, is a strong young woman, a mother, a trade union official and a political activist. She will make an excellent candidate and a first class Deputy for this constituency. Sinn Féin looks forward to the contest and may the best woman win.

An Leas-Cheann Comhairle: I call on Deputy Richard Boyd Barrett who is sharing time with Deputy Ruth Coppinger.

Deputy Richard Boyd Barrett: I welcome the moving of the writ for the by-election in Carlow-Kilkenny. I particularly welcome the fact that the People Before Profit Alliance will

have a dynamic candidate, Adrienne Wallace, a recent graduate who is now working in Carlow. She typifies the new generation of people who have come into politics largely as a result of the complete failure of the political establishment and typified by Phil Hogan, the man whose move to Europe has provoked this by-election. It says everything about Irish politics that the primary architect of the fiasco that is Irish water, the man who presided over the greatest political debacle seen in recent times in this State, gets conferred with the premier political reward that any Government can give, namely the most senior position in Europe. It is precisely that which has spurred people like Adrienne Wallace to enter politics and to get involved in the anti-water charges movement. They are sickened by the political establishment and feel compelled to become politically active.

Apart from making the election a referendum on water charges and austerity, Adrienne Wallace also wants to highlight the whole question of political accountability, as well as the lack of it, the failure of politicians to keep promises they made and the need to have mechanisms-----

Deputy Ann Phelan: I made no promises on the doorsteps of Carlow-Kilkenny.

Deputy Richard Boyd Barrett: I am not talking about Deputy Ann Phelan.

There is a need to have mechanisms to make people accountable and replace them when they fail to honour political promises they made. That is the feeling that drove hundreds of thousands of people onto the streets in recent times, as well as the unprecedented entry into politics of new layers of people demanding political change.

As a young woman, Adrienne Wallace is also particularly keen to highlight issues affecting young people such as the cut in social welfare benefits to those under 25 years of age and the provision of youth facilities. She would be a welcome addition to the Dáil. It would be good to see a young woman elected who has come newly into politics, arising out of resistance to austerity and water charges. I hope she does well and we see her here very soon.

Deputy Ruth Coppinger: I too am happy with the moving of the writ for the Carlow-Kilkenny by-election and to support the Anti-Austerity Alliance candidate, Conor Mac Liam. He will be a fitting replacement and a total contrast to the man whose seat he will be filling, a man who was rewarded and backslapped amazingly by the Labour Party here today, leaving the water charges, the household charge and the property tax in his wake.

This by-election could not have come at a better time. The Government was elected on an anti-bondholder agenda and a call for a democratic revolution in its workings and operations. This, however, has been fully exposed this past week. We have seen a return to form of crony capitalism at its very best around the issue of Siteserv. We have had a Government devoting three days to a propaganda campaign to try and convince people there is a real recovery under way. The emperor, however, has been found to be naked.

This is a most important by-election, coming when the delivery of water bills to 1.5 million homes will take place. It is the most hated and reviled austerity measure in this country for the past seven years. These issues will be highlighted and championed by the Anti-Austerity Alliance and Conor Mac Liam who will use the election to strike a blow against water charges. He will be the only candidate advocating non-payment and a boycott of the water charges.

The people of Carlow-Kilkenny have a powerful weapon in their hands. They can vote on behalf of ordinary people nationwide. This is the first election since the water charges pro-

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gressed. It should not be forgotten that the Anti-Austerity Alliance won two by-elections in a row. It would be great if we won third. We can use this election in the same way as the Dublin South-West by-election was used.

Why send another suit to sit over there with the Government, or to be tweedledum or tweedledee with Fianna Fáil? We need real change in this country. Conor Mac Liam is a proven campaigner. He fought against a two-tier health service after the tragic death of his wife Susie Long. She had highlighted the way her cancer spread because of the lack of a universal health system. Conor has also championed the issue of SNAs in Carlow and Kilkenny. He will highlight the fact that Kilcreene Hospital must be kept open.

Deputy Ann Phelan: It has not closed.

Deputy James Reilly: Does she even know where it is?

Deputy Ruth Coppinger: Very importantly, he will also call for a “Yes” vote in the referendum on marriage equality on the same day, and for a progressive society in general. I note that the Government parties are saying nothing but “Yes”; it is as if they are afraid to say anything more. Conor will champion the idea of a break with the past and a repeal of the eighth amendment of the Constitution as well.

Deputy Billy Timmins: I join with those in wishing former Deputy Phil Hogan well in his new role as European Commissioner for Agriculture. I also want to wish all the candidates in this election well, no matter what party or grouping they are standing for. I am familiar with the Aylward, Crotty, Fitzgerald and Noonan families, and the contribution they have made over the years. I wish them well and hope they continue to make that contribution, albeit not in the Oireachtas.

This is a historic election for Renua and is our first electoral contest. Patrick McKee is our first candidate. The people of Carlow-Kilkenny can make history by electing what
2 o'clock would be the youngest Member of the Dáil and the first representative elected for Renua. He is an energetic, committed and idealistic candidate. I have every confidence that people in the constituency will respond to the challenge and elect Patrick McKee on what will be a historic day on 22 May.

Carlow-Kilkenny is a wonderful part of the country centred on three sister rivers, the Barrow, Nore and Suir. I lived in Kilkenny myself for a while and have a great affinity with it. Fortunately a piece of Carlow is in my constituency.

Deputy Ann Phelan: And in mine.

Deputy Billy Timmins: They are a very proud people. It is a historic constituency which elected the first Taoiseach of this country. It is important to realise also that there is diversity within the constituency. The proud people of Kilkenny have had outstanding sporting achievements. Kilkenny city is the jewel in the crown and it is important to acknowledge the role of the former county manager, Paddy Donnelly. He was one of the first creative county managers we had who developed the city.

Carlow has some good representatives in the Dáil. It is important that Carlow town gets industrial development because it has lost a lot of firms, including Braun, Läßle, and the sugar factory. It is important that such firms should be restored. There is a great tradition of light

engineering works from Carlow to Bagnelstown, employing almost 2,000 people.

There is a challenge to the people of Carlow-Kilkenny to meet the historic proposal that we will put to them in running Councillor Patrick McKee in the by-election. From St. Mullin's to Gathabawn, Renua and Patrick McKee will bring the message. This election should not be about passing judgment on the Government, or giving Fianna Fáil a second chance, or about "No, no, no". Rather, it should be about electing the best candidate on the day. I have every confidence that in a few weeks we will be back here with a historic and surprise result when Patrick McKee walks down the steps of this Chamber.

Question put and agreed to.

Sitting suspended at 2.04 p.m. and resumed at 3.04 p.m.

Spring Economic Statement: Statements (Resumed)

Minister of State at the Department of Public Expenditure and Reform (Deputy Simon Harris): I welcome the opportunity to speak in Dáil Éireann on this inaugural spring economic statement. It is important when having this debate today and over the course of this week to remind ourselves and the House exactly what this statement is and what it is not. This is real and tangible budget reform in action. The spring statement is not a budget, nor was it ever meant to be, but it is an important part in reforming our budget process and ensuring that we have the most up to date information available for Members on all sides of the House, for stakeholders in society and for citizens at large. It will enable informed and reasoned debate about how best to use the resources available in this country to ensure we deliver the services our people need, expect and deserve.

For some on the Opposition benches - the empty Opposition benches - it is a case of "be careful what you wish for" because time and again, year in and year out, the budget process has been rightly criticised by Members on all sides of the House, our constituents, the Irish people and the media. We have now done what people said they wanted done. Deputies said they needed more information, input and data. They now have the data to make a reasoned and informed political debate and while we will not agree on everything, we all know now the parameters that Ireland can expect economically out to 2020.

I have heard people say over the course of the past 24 hours that there is nothing new in this document. Fair play to them if they knew every statistic in this document, if they were able to project and predict employment growth out to 2020 and if they knew what our tax revenue and our expenditure would be, because I certainly did not. If Deputies are honest they would agree that we did not have that level of detail before the spring economic statement was undertaken. That is important.

We have laid a comprehensive document before the House which puts it up to all of us to show the Irish people how we would best spend their scarce resources, what we would prioritise, who will pay for it and how we will alleviate the burden of tax on many hard-pressed families.

I look forward to the budget process reforming even further. If we are serious about not going back to the mistakes of the past, ending boom and bust, ending auction politics and making sure that never again can any political party use the Department of Finance like some sort of party political election headquarters and splurge before an election without any sense of re-

sponsibility to the Irish people, this document provides the framework for all of us, regardless of our political views, to outline how we would deliver services while ensuring we live within the resources available to this country.

I look forward to the process reforming even further. Page 42 of the spring economic statement usefully outlines how budget 2016 will now work. Rather than having one big bang speech where the Minister for Finance and the Minister for Public Expenditure and Reform turn up in the Dáil some day in October and announce the budget, we had the spring economic statement yesterday which sets out the broad parameters. We heard today from the Taoiseach, the Tánaiste, the leaders of the Opposition and other Members of this House in terms of what they would like to see prioritised.

In July we will have a national economic dialogue where we will invite all the stakeholders to come together to give their views and say, "This is the amount of money available to the Irish people. What would you like it spent on?". That will be important. People will be invited to make pre-budget submissions all of which will be published so there will be full transparency. We will then have the budget in October followed by the debate on the legislation, the law that will turn the budget into a reality, between October and the end of the year. That is
3 o'clock budget reform. We need to go further, which is why I welcome the commitment of the Minister for Finance in this regard. We need to work together on all sides of the House to ensure that Members can have their ideas costed. Nobody has a monopoly on good ideas. Whether one is a Member of the Opposition or a non-ministerial Member of Fine Gael or Labour, it is important that one can have an idea costed and verified independently. I welcome the comments of the Minister for Finance in that regard.

It is also important to say that the spring economic statement before the House is not just a statistical document. While there are many useful and important statistics in it, it does more than simply set statistics out. It sends an important message to Irish citizens that austerity has ended. I have heard people scoff at this idea. Austerity means one is spending less money, reducing services and not expanding one's budget. The statement builds on what we did in the last budget which is to say we can afford to expand - not to splurge - our budgets again. In that sense and by the definition of the word, austerity has ended. The time of cutbacks is over and there will be no more tax rises and no new charges. There will be a general election next year, but the document sets out that if people follow the course, there will be no need for new taxes or charges. That is laid out very clearly. This did not happen by accident. There has been an attempt by some over the last 24 hours to suggest that time is a great healer and that if one turns up and allows enough days to rumble by, the economy will get better itself. That is an insulting position to take apart from being somewhat economically illiterate. It is insulting to the Irish people who sacrificed far too much and had to deal with very many difficult situations over several years and two Governments to arrive at this point. It is their sacrifices coupled with the policies the Government pursued that allow us now to look to the future.

Deputy Michael Moynihan: Policies Fine Gael opposed.

Deputy Simon Harris: We opposed many of the Deputy's party's policies and I will get into that in a while. We did not agree with Fianna Fáil's idea of loading everything onto work. Work must pay. We believe in structural reforms and broadening the tax base. We do not believe that one should just cut the blind pension twice, heap a load of taxes on work and say one has done the job. We have different views on that, but there is no doubt that the Irish people through both our Governments made a number of sacrifices. We are now at a point where we

can look to the future, plan ahead and be hopeful for our country, communities and families.

Absolutely no one in the Government is suggesting that everything is rosy. It is clearly not. After years of economic crisis and the taking out of €30 billion from the economy over several years, our services need investment and our people need a break. Our spring economic statement shows that we, as a people, can look forward to our public services receiving more funding in key areas like education, health, child care, disability services and frontline policing. We can look forward to Irish people seeing more money in their pockets. For too long, many people in this country have justifiably felt that it nearly did not pay to work. They were getting up in the morning, slogging away day in and day out, working harder than ever before but when the pay slip arrived, they saw barely enough to make ends meet. We began the process of rectifying that in the last budget and every worker in the country who pays income tax or USC or both saw an increase in take home pay. That is a statement of fact. It was small in many cases but still the first increase in a long time. We need to build on that. No one will disagree that we need to collect taxes to run the country. Public services have to be paid for. However, there is no doubt that the current USC situation is penal for many hard-working families with the 7% rate kicking in on all income above €17,000. That puts a huge dent in the family pay packet. We have been working to take people out of the Fianna Fáil USC. We have reduced the two lower rates and by the end of this year, 500,000 people who paid USC when we came to office will no longer pay it at all. That is important. It is a large statistic and behind it are many families that will not have to pay anymore. We need to make sure that we reduce the burden on those families paying 7% of their income in USC. This needs to be addressed. The current level is penal. Work must pay and people must see economic recovery in their pockets. The 7% rate and the point at which it kicks in are important issues that must be considered in advance of the budget in October.

We need to take more action in the area of mortgage arrears, a subject in respect of which we had a very good debate in the House last night. The Government has committed to doing so. Of mortgage holders, 85% are paying their mortgage each month on time and in full. We have brought in a range of measures to help those in arrears and seen a fall in the numbers in arrears as shown by the Central Bank statistics, but there is more to do. We see a cohort of people who are in arrears of two years or more. It is a difficult cohort with difficult cases that need to be addressed. Very shortly, the Government will unveil more measures to help those in long term arrears. It will be in the coming weeks. I am pleased that the Minister for Finance, Deputy Noonan, outlined to the House that he will shortly meet with the heads of all the main banks in Ireland in relation to the standard variable rate for mortgage holders. The banks need to reduce these rates and need to do so quickly. We need a strong banking system and a functioning mortgage system, but we also need fairness. The current standard variable rates are too high and out of line. I look forward to the Central Bank's advice when it reports on this very shortly and the banks must act based on that information.

One of the very exciting things we saw in the statement yesterday and in the Minister's speech to the House was that our young people can now begin to come home. As the youngest member of the House, I want to see my generation and other generations return home. So many of my friends, schoolmates and people from my community found themselves forced to leave our country to find work over the last several years. It is high time we brought them home. That is why we must work relentlessly to keep creating more jobs. They must know there is a job in this country if and when they wish to come home. I welcome the fact that the spring economic statement shows that 43,000 new jobs will be created this year alone and that next

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year more than 2 million people will be at work in our economy. According to the statistics in our documents, more people in Ireland will be at work in 2020 than ever before. There will be a job here for anyone who wants one and for any person wanting to come back home. This needs to be coupled with the availability of housing, mortgages and good public services. We can now plan in these spaces again.

I wish to comment in particular on disability services. This is an issue I have had a personal, family and community involvement in before I entered the House. There is a serious concern about disability services among Members on all sides of the House. While Members are well intentioned, the debate in the House over time has tended to be about the level of a payment or funding to an organisation. I am not naive and understand that levels of payment and funding are important. However, reform is also important. It is about ensuring that the money we put into disability services gets to people with disabilities. That is why we need to see a move towards individualised budgeting. We need to see that the money the House allocates to people with disabilities gets there and is not lost in bureaucracies and management structures. I hope that as we begin, as the spring statement says we can, to invest in services again, we learn from the mistakes of the past. In fairness to the last Government, there is no disputing the fact that it put a great deal of extra money into disability and special needs education. I acknowledge that and the good intentions behind it, but I hope there is agreement on all sides of the House that we must ensure the money is well used. We do not want to go back to a situation of hiking up the level of funding without checking that people with disabilities are benefitting. We must ensure that no one is left behind. Behind the full employment statistics in the past were hidden a number of people who were out of work due to illness or disability. Many of them wanted jobs but the necessary supports were not in place. We had the supported employment day - the IASE Job Shadow Day - last week and Government will shortly publish a comprehensive employment strategy. We need to ensure that when we talk about full employment we mean employment for every citizen, including citizens with disabilities.

I want to touch on some areas of specific responsibility within my ministerial area in the time available. In relation to public procurement, I note that the public sector has substantial purchasing power, spending in the region of €8.5 billion each year on goods and services, or approximately €23 million per day, in addition to expenditure on public works. This expenditure is funded by the Irish taxpayer and represents a very significant portion of overall Government spending. As such, it is only right that we have a proper and robust system in place ensuring the taxpayer gets value for money and supporting growth and SMEs.

Deputy Michael Fitzmaurice: I note small businesses.

Deputy Simon Harris: We need our small businesses involved. We have had very good debates on foot of motions proposed by one Opposition party in this House and by another Opposition party in the Seanad, both of which I accepted as this is not a partisan issue. It is an issue we must get right. We have put in place a new structure in the Office of Government Procurement through which we are trying to develop an expertise in the public service. Rather than have lots of people doing public procurement as a small part of their jobs, let us build up a cohort of expertise. We have an SME advisory group. We have put in place a tender advisory service and meet the buyer events where small business owners can come and meet, face to face, the people making decisions on procurement in public agencies. Shortly we will examine the issue of social clauses and how we can ensure our contracts reflect the need for employment in certain areas in order to get people off the live register. These include vulnerable people and people with disabilities. This also concerns regional issues. We are examining this issue at the

moment and we had a good debate on it in the Seanad last week.

We have launched the new Competition and Consumer Protection Commission. We have brought changes into the e-tender platforms. This is a new structure. The year 2014 was about setting up the structure; 2015 and 2016 will be about up-skilling it and getting it right. I am committed to working with Members on all sides of the House in respect of this huge area. We need to encourage our SMEs to get involved and to be competitive so that they can have a chance to win tenders. We also need to work cross-Border and I welcome the involvement of InterTradeIreland in encouraging people in the Republic to tender in the North and vice versa. That obviously increases the market for our SMEs.

The Office of Public Works is currently carrying out the catchment flood risk assessment and management, CFRAM, process. Deputies will be involved in this in their respective constituencies and communities. It will result in Ireland having, for the first time, a national flood plan. We have to do it under the EU floods directive to be compliant. Some 300 areas at risk of flooding in this country are being examined. That will result in approximately 250 capital schemes. This will require major investment. At the moment we are spending about €42 million or €43 million a year on flood mitigation. This is a sizable amount of money which has been sustained through difficult years, but we will require much more. I look forward to the scheme and the multi-criteria in terms of the ranking of those schemes being published. We will continue to work with local authorities in terms of the minor flood work schemes.

The OPW is continuing to drive down the rental bill for the State, saving the State significant funds every year, and maintaining and protecting our national monuments. I am really excited about this. We talk a lot about the regional economy. We talk a lot about not leaving rural Ireland behind. The good thing about places such as the Rock of Cashel is that they are not in Dublin and they cannot be moved to Dublin. These monuments have the ability to stimulate their local economy. There are some great initiatives happening where the local community and the local shops are engaging. The Rock of Cashel is an example. If a visitor buys a certain amount in certain shops, the visitor gets free admission to the Rock of Cashel. We need more of this sort of scheme. We need to use our monuments and our heritage as economic stimulants in the local economy. I look forward to working with Fáilte Ireland on Ireland's Ancient East, as part of which many heritage properties under the management and control of the OPW will feature majorly in the promotion of the east coast of Ireland as a tourism location.

I was very honoured to be appointed the first Minister of State with responsibility for international financial services, IFS. There has been a remarkable development in this sector over 25 years or so. At the end of the 1980s there were between 55 and 60 people working in three companies in international financial services. At the end of last year, there was in excess of 35,000 people working in some 400 companies in Ireland. Some 12,000 of those jobs were outside the greater Dublin area and 25% of those jobs were in Irish owned companies. It is no longer confined to the IFSC, although that is important. It is not just an area of the Dublin docklands, it is all over the country, and it is not just the big foreign banks or insurance companies. That is important. We want more foreign direct investment, but it is also being coupled with an ecosystem of indigenous industry. Many bright, capable Irish people have taken the plunge into financial services and are adding to the country's offering.

We need better co-ordination, which is why I launched IFS2020 with the Taoiseach and the Tánaiste last month. This commits to increasing employment in the sector by 10,000 by the end of 2019. We have put in place a high level implementation group with all the relevant

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Departments, which I chair. For the first time we have a project delivery office in the Department of the Taoiseach. We have set up a new industry advisory group. We are creating a banner brand to market and promote Ireland Inc. as a location for international financial services. We are harnessing the expertise of our embassies and our IDA and Enterprise Ireland teams on the ground. We are working with our partners in third level educational institutions to ensure we have a skilled workforce. We have a great skilled workforce in this country, but we need to ensure we have the skills for the future as well. This is a fast-evolving and fast-changing area. Next year in Dublin we will hold the first inaugural IFS summit which will be an opportunity to showcase Ireland to key decision makers as a place to do business. It will also be an opportunity for decision makers to come here and debate and discuss the future of the international financial services.

I see huge opportunities in the FinTech area, which brings financial services and technology together. We all know that there will be significant disruptive change in the area of financial areas. Ireland should be well placed. We have many of the big technology companies here. We have some small indigenous companies which are growing at a fast scale. We have a very educated workforce. We need to bring all of that together. I am really excited to be working with the sector on FinTech. Crucially, IFS2020 is not just a glossy document. It is not a report to sit on a shelf. It is done under the Action Plan for Jobs model. I must produce a quarterly progress report which will be published for all to scrutinise and see how we are getting on. The first progress report is due in July.

A lot has happened over the past four years and a lot more needs to happen. When I came into this House, we were asking ourselves if Ireland would remain in the eurozone. Would it need a second bailout? Would our young people ever be able to come home or would emigration continue? Would unemployment go above 15% and keep going in that direction? We had gone from being the poster child of Europe to the laughing stock of late night American TV shows. Ireland is back. There is much more to do. We can dare to hope again, to dream again and to plan again.

Deputy Michael Moynihan: We could say that is fine, everything is rosy-----

Deputy Simon Harris: I said it was not.

Deputy Michael Moynihan: -----and we might as well adjourn for the next two or three days. Why are we having a spring statement? There are many issues which need to be tackled. When I hear the Government self-congratulating itself, it makes me think the Government parties must have been over in Government buildings and seen the autumn statement by George Osborne ahead of the spring budget, had an “aha” moment, thought it a great idea and decided to have a spring statement themselves in advance of an autumn budget. Three days of Dáil business is being given over to this self-congratulatory nonsense.

What is sickening about it, to be perfectly honest, is that in the very difficult days of 2008, 2009 and 2010, the current Tánaiste sat on the Labour Party benches ranting and raving about this country being banjaxed. The main Opposition party at the time, Fine Gael, which is now in government, opposed every idea and told us that there was no salvation at all to be had for the country. They did not give a curlicue except to crush the Government at the time, irrespective of the consequences for the nation. I particularly remember sitting in the Chamber watching Deputy Joan Burton’s theatrical performance when talking about the country being banjaxed. Looking at the statements given over the past couple of days about how great things are, I can-

not but think to myself that it is not 400 years, 40 years or even ten years, it is only four years, since the four-year plan that was outlined by the late Brian Lenihan upon which scorn was poured. They said it was not possible to turn the situation around so fast.

I am particularly upset that the Dáil is being turned over for three days to this nonsense when we are awaiting a number of Bills. The previous Minister for Children and Youth Affairs took the Second Stage of the Children First Bill. There is no sign of it moving forward. It is nearly 18 months since the Assisted Decision-Making (Capacity) Bill 2013 was referred to the committee. We are still waiting on it.

In addition, the hour set aside for Topical Issues has been abandoned today and yesterday just in case any backbench Deputy, Government or Opposition, would like to bring issues that affect them or their communities to the floor of Dáil Éireann. There are many issues which I will try to deal with which we could be bringing to the floor of this House. I would like to deal with the issues that are affecting communities the length and breadth of the country but, in particular, those in my constituency of Cork North-West.

The Government moved the writ for the Carlow-Kilkenny by-election. There were some congratulatory notes about Phil Hogan who has taken the position of European Commissioner for Agriculture and Rural Development and I wish him the best of luck in that role. However, I take fierce objection to the way the decision of the Putting People First document on Leader funding has decimated communities across the country. I have had reason over the past 18 months to travel the entire country. We have local action community groups and since the Mac-Sharry proposals and the European Union brought in the funding for the bottom up approach, many communities have benefited enormously. However, we have seen them decimated. In my county of Cork, their funding has been cut by 70%. Volunteers in every community have done excellent work. Any assessment of that work would show the benefits to rural communities. The blatant cuts are an awful legacy and irrespective of the budgetary parameters, the new Common Agricultural Policy has made them. The CAP was a self-congratulatory measure chaired by the current Minister for Agriculture, Food and the Marine at European level. People might refer to the mythology and so on, but the work and funding have benefited local contractors, architects, builders and others. The cuts were a retrograde step and should be reconsidered.

The Minister of State, Deputy Harris, mentioned the disability sector. For a variety of reasons, I have had a grá for it since entering the House. It has taken a hammering. An all-party committee was established by Members two or three months ago and meetings were to be held once every six weeks to report on the position, but we have not seen sight nor sound of that group since. There has been no second meeting.

Deputy Simon Harris: There was a-----

Deputy Michael Moynihan: Were I a cynic, I would call it an attempt by the Government parties to buy the silence of the Houses. It is urgent that we reconvene the committee, given the issue with sections 38 and 39 and how groups are funded. Under one section, community groups have their deficits met by the State whereas others must roll their deficits into their borrowings. A line has been trotted out since my time as a backbencher, namely, that major savings are to be made. I have examined how some of the groups are funded and managed. I speak in particular of St. Joseph's Foundation in Charleville, County Cork, which is doing extraordinary work for the communities it serves in five constituencies - Cork North-West, Cork East, both Limerick constituencies and part of Kerry North-Limerick West. That is a huge area. I have

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met the families, staff and service users. Since 1997, I have watched closely how its services to families have increased. Now, I see its difficulties in reducing those services.

The one suggestion I will not accept at any level is that there is extra fat that can be cut from these voluntary groups, which were predominantly set up in the late 1960s and early 1970s, to ensure funding is provided to the disability sector. People have been running these organisations on shoe-strings and they stretch any State funding they receive as far as they can. They want to get the best value for money out of it. It is unbecoming of any Deputy to insinuate that some of that money is not going to the disability sector. Dr. Martin O'Donnell, whose son, Kieran, is a Deputy, was a visionary in how he established St. Joseph's Foundation. Mr. Eamon McCarthy, Mr. Conor Counihan and its managers are doing a great amount of work.

We must be honest with ourselves as a society, in that some of these groups are being treated differently. Depending on whether they are dealt with under section 38 or section 39, they either have their deficits written off or more pressure is piled on them. Even groups in the latter category are being treated unfairly, in that, instead of rolling over their deficits, they are having them written off by the HSE depending on the parts of the country from which they come and the clout of the political representations being made on their behalf. It is high time that we address this issue. These people are doing work that is invaluable to society and families.

One of the greatest divides in rural communities relates to broadband. I debated this matter with the Minister for Communications, Energy and Natural Resources, Deputy White, yesterday. We discussed it when this year's Estimates were before the Oireachtas committee. We also discussed it last year. Before the European and local elections, there was considerable fanfare when the then Minister, Deputy Rabbitte, announced a new national broadband scheme. It was to be the country's salvation. That was last April. What the Government forgot to tell us was that it would have to apply to the EU for state aid approval so that the State would not be in contravention of the rules. That application has not yet been sent to the EU and is unlikely to be until late this year. No doubt there will be fanfare about it ahead of the election. It will be at least a year and a half before the application is approved. The Minister stated that the Department was making progress reports once per month. Whatever about those, various maps have been published claiming that there will be broadband in 2015, 2016 and 2017. This is a fundamental issue. Next week will see the launch of a huge initiative by Vodafone and the ESB. I welcomed and supported the legislation when it was before the Dáil. We must ensure that a fibre optic cable is laid to every community. Everyone, be he or she in urban or rural Ireland, is dependent on the Internet and telecommunications. It was the same with the ESB in the 1950s and telecomms in the late 1970s and early 1980s. We have all heard the stories about general practitioners, GPs, needing to travel two or three miles to send e-mails. This is no longer acceptable. We must accept that a fibre optic cable is the only option. We should not mess around by wasting money on other initiatives. It is not possible.

It is high time that we consider another communications issue, namely, the licence fee. The broadcasting charge has been shelved by the Government. Before Christmas, I told the Minister that it looked like a document that would be shelved. How is the fee being spent and are we getting the best value for money? Is the House getting fair and balanced coverage by the national broadcaster? This is a major issue that we must consider.

Much has been said recently about agriculture and how well that industry is doing. In July 2010, Deputy Smith published the Food Harvest 2020 document, which remains the blueprint for agriculture. Some Deputies might claim that agriculture was never important during the

Celtic tiger era and was ignored by successive governments, but that was clearly not the case. I remember how, when returning to government in 1997, we tried to sort out the BSE crisis. Major initiatives on fundamental questions were taken by the then Minister, the late Mr. Joe Walsh. Remember foot and mouth disease in spring 2001 when the Government and the entire nation rowed in to ensure that our agriculture industry was protected. It was and remains a large industry. Major supports were provided. There were also payments under REPS 1 to 4, inclusive, and other initiatives. In 2004 and 2005, we switched to the single farm payment from coupled payments. Significant work was done in this regard.

We must acknowledge the great deal of work that farmers have done at the farm gate. We have one of the best products in the world. Consider the percentage of the world's infant formula that originates in Ireland. Consider the beef industry and the expansion in the dairy industry. All of that was achieved because primary producers have worked extremely hard in the past 25 or 30 years. Regulation after regulation has been piled upon them by Government and by the European Commission, but they ponied up and met their compliance obligations. They were confident that if they produced a quality product, there would be a market for it. There is a market for it and they have produced the products. When we talk about the exciting opportunities arising for the food industry, we should not forget the farmer. Let us not forget there has been a huge change in the cost base for the primary producer in recent years.

In regard to the green low-carbon agri-environment scheme, GLAS, there is an issue in regard to the mechanisms that are there to apply for the scheme. For example, the online application process provided by the Department of Agriculture, Food and the Marine does not accept applications where there are two names under the one herd number. In the case of a husband and wife or two brothers, for instance, there is no mechanism to apply where both come under the same number. With only two weeks to go until the closing date for applications, it is not acceptable that this should be the case. I have contacted the Minister's office and the Department to discuss the problem, but nothing has happened as yet. In one of the towns I represent, nearly 80 people are in this category. It is simply unacceptable.

I could talk at length about the range of concerns among the farming community, particularly the lack of availability of credit to farmers and the persecution of people who have gone into arrears on loans. I deal with the banks on a daily basis to try to resolve those issues on behalf of constituents. The Revenue Commissioners, likewise, have been pursuing people for relatively small debts. People find themselves unable to make loan repayments or facing a debt to Revenue for a variety of reasons, including difficult family circumstances, unexpected health issues and so on. Forbearance should be forthcoming from Revenue just as it should be forthcoming from the banks.

In regard to education, reference was made to initiatives in respect of the pupil-teacher ratio and the maintenance of small rural schools. As a society, we should be examining how we can enhance the quality of life for rural communities rather than the current policy of pumping people into the large urban centres, which will have a detrimental effect on society into the future.

I understand a deputation from the northern division of Cork County Council is meeting with the Minister for Transport, Tourism and Sport this afternoon to discuss the status of the proposed upgrade of the N20 from Mallow and Charleville. That project is hugely important for the development of the north Cork region but the indications are that it has been completely shelved. In addition, the delay in bypassing Macroom is choking the town. Several Members have tabled parliamentary questions to the Minister asking why these straightforward develop-

ment initiatives have not been progressed, but we have had no clear answer.

The Dáil has been adjourned in all but name for three days to allow the Government to indulge in the self-congratulatory exercise that is this debate on its spring economic statement. Not even in its heyday would my party in government have contemplated such a thing. There is a great deal of real and important business from every Department to be discussed on the floor of this Chamber and in the committees, but debate has been stifled or the legislation delayed. It is sickening in the extreme to have so much time allocated this week to discuss the spring statement. The Minister for Public Expenditure and Reform, Deputy Brendan Howlin, spoke yesterday about the importance of having a fair society. The lines being trotted out by this Government do not reflect an intention to secure such a society. All we have had are regressive budgets and a determination to look after the wealthiest. To use an old mantra, this Government has been almost Thatcherite in the decisions it has taken.

We must examine our priorities in terms of how we are spending money. I referred at the start of my contribution to the disability sector. We will be judged as a society on how we look after these most vulnerable of people. The notion that a Minister can come in here and talk about examining funding structures and getting rid of duplication in service provision is sickening. There is no duplication. Disability groups are working flat out with the miserable amounts of money they are getting from the State to ensure they are providing an adequate service to the people who need it. These groups are building up deficits and are not being treated fairly or equitably. Different things are being done in different parts of the country depending on the degree of political clout that is in play. The Government will be judged very harshly for how it is dealing with this issue.

Minister of State at the Department of the Taoiseach (Deputy Jimmy Deenihan): I propose to share time with the Minister of State at the Department of Jobs, Enterprise and Innovation, Deputy Gerald Nash.

Acting Chairman (Deputy Marcella Corcoran Kennedy): That is agreed.

Deputy Jimmy Deenihan: I take this opportunity to congratulate my colleagues, the Minister for Jobs, Enterprise and Innovation, Deputy Richard Bruton, and the Minister of State, Deputy Nash, on the work they are doing to facilitate job creation. The Action Plan for Jobs has been very successful since 2012, during which period some 90,000 new jobs were created. Not even the greatest optimist could have foreseen such a level of success. Unemployment has been reduced from 15.1% to less than 10%. It is important to acknowledge the work of the Minister and Minister of State, as well as the efforts of the former Minister of State, Deputy John Perry, towards achieving that target. Jobs, Enterprise and Innovation is one of our most successful ministries and that trend is continuing. I am delighted that the national plan, having been so successful, is being rolled out into the eight regions, each of which will have its own plan and strategy. I welcome the work done by the Minister and Minister of State in going out to consult with both private and public bodies, chambers of commerce and various agencies for the purposes of formulating strategies and plans based on the unique characteristics of the various regions. All of the regions have different strengths, challenges and opportunities for the future which can be capitalised on and exploited fully for the purposes of creating jobs.

I am pleased to have this opportunity to comment on the implications for the diaspora of the spring economic statement. The statement has received a strong response from Irish citizens all over the world. Irish people living abroad are very interested in what is happening here

and modern communications methods mean they can read about and even watch events and announcements as they happen. A number of the measures outlined in yesterday's statement will have a positive impact on members of our diaspora. As the economy continues to grow and recover, many of those who left Ireland are now thinking of returning home. It is hoped that we will return to the scenario of net inward migration by 2017, and the proposals outlined yesterday will be an important step in that direction. The spring statement document states:

The economic growth forecast by the Department of Finance is driven by an increase in participation and net outward migration is expected to cease next year with a return to inward migration from 2017 onwards. However this is dependent on the right policies being implemented to ensure that workers are encouraged to find employment and that employers can find the right mix of skills.

It also states: "We have indicated our intention to further lower the burden of taxation on labour, which should encourage emigrants to return home and encourage more workers to come back into the labour force." This is critical. People will not return to Ireland to take up jobs unless it is an attractive option for them to do so. People's circumstances differ and they can return for different reasons, be it that they have accommodation available at home and plan to take over a family business or a family farm, for education purposes for their children or that they simply want to return to Ireland. For those who are considering the option of returning from the point of view of their earnings, unless it is attractive for them to return home and earn more in salary, the same amount or even a little less and make up for that deficiency in salary by the quality of life that we have here, they will not consider doing so. That is a major factor. The commitment given by the Minister yesterday, and confirmed by him again today, of a reduction in the universal social charge and income tax is very important for our diaspora. It is a very important message.

I would like to touch on an issue that was mentioned yesterday, namely, that when people return home they must deal with the demands of our growing population. The current housing supply shortages in certain areas must also be addressed by an increase in house building and the implementation of the Government's construction 2020 strategy. That is a key aspect. We should emphasise the regional strategy. There is a major scarcity of accommodation in Dublin but not in the regions. The availability of accommodation should be one of the selling factors for our regions where there is a plentiful supply.

It is important that those emigrants returning will bring their developed skills, their international experience and their newfound confidence home and use those skills to continue to build our economy. Since my appointment as Minister of State with responsibility for the diaspora in July 2014 I have met numerous emigrant groups abroad. In many of these meetings I have met many Irish people who are keen to return to Ireland to take up jobs appropriate to their expertise. The proposals outlined yesterday ensure that for those who decide to return they can expect to find well-paid jobs in Ireland at this time.

The people I meet all over the world are very proud of what we have achieved in this country. In the period from 2008 to 2011 and up to recent years they more or less kept their heads down, were nearly reluctant to say where they were from as they were being hit with headlines in the *Financial Times* of stories of wild west banking and people being irresponsible. Now they are proud of what happened in Ireland and what we are now doing. These are intelligent people and they know that the better our economy is, the better chance they have of returning home, and that the more jobs that are being created in Ireland because of Government policy,

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the better chance they have of returning. They are very much in keeping with current Government policy because they realise it is the right policy and that it is working. That is a fact. They like what they read in Bloomberg, Forbes and the *Financial Times*. They like what the rating agencies are saying about Ireland. My colleagues in Sinn Féin can laugh. They are going out trying to spread-----

Deputy Seán Crowe: I am laughing at the Minister's reference to wild west banking.

Acting Chairman (Deputy Marcella Corcoran Kennedy): Allow the speaker in possession to continue.

Deputy Jimmy Deenihan: -----a very negative story about Ireland but these people are intelligent. They read the facts in the newspapers and they like what is happening here despite the fact that some of this story is being distorted.

Earlier in March the Government published Global Irish - Ireland's Diaspora Policy. This document is the first clear statement of the Government's policy on the diaspora. This diaspora policy is a series of actions that, taken together, will serve to deepen our engagement with members of the diaspora. It recognises that Ireland has a unique and important relationship with its diaspora that must be nurtured and developed. It sets out a number of initiatives which are aimed at supporting our diaspora abroad, including those who wish to return to Ireland. We have also committed to greater communication with the members of our diaspora. This will be an important tool in understanding the particular needs of those seeking to return to Ireland and in keeping the Irish overseas informed of developments at home. Also set out in this policy is an Interdepartmental Committee on the Irish Abroad, which I chair. It is an important tool in ensuring that all Departments work together to support our diaspora, both abroad and if they decide to return to Ireland. I hope that this forum will provide an opportunity to further smooth the transition for emigrants returning home.

In putting our plans for economic recovery into action, we have also been fortunate to be able to draw upon the skills and expertise of many members of our diaspora around the globe. Their assistance has been invaluable in terms of helping to rebuild our international reputation, which had been so tarnished by our economic collapse. The Global Irish Network is a central element of the Government's engagement with the diaspora in support of our economic goals. Based in almost 40 countries, the Global Irish Network consists of more than 300 of the most influential Irish and Irish-connected individuals abroad and provides Ireland with an invaluable resource of international champions. The Government announced recently that it will convene the fourth Global Irish Economic Forum, bringing together members of the Global Irish Network in November of this year. This should be exciting. Prior to this we have been faced with economic challenges and now these people are coming to a totally different environment and I am very hopeful about this. The Global Irish Network and the Global Irish Economic Forum have come up with the idea of our having this as the year of Irish year of international design and also the Succeed in Ireland initiative which is delivered by Connect Ireland. That initiative has been very successful. Connect Ireland has produced in the order of 1,000 jobs with many more in the pipeline. I will now hand over to my colleague, the Minister of State, Deputy Nash.

Minister of State at the Department of Jobs, Enterprise and Innovation (Deputy Gerald Nash): It is pretty clear from the contributions that have been made in the House yesterday and today and form some of the media coverage around the spring statement that the Opposition parties plainly do not like it. In fact, it is clear they would rather debate anything else. How-

ever, I believe it is not so much its content they dislike as its purpose and what it says about where our country is at.

The spring statement is about economic facts and economic reality. It governs us all. It applies equally to every politician and every party in this House and outside it and it applies to anyone who has an opinion about what the Government should be doing in its budgets for the next few years. The purpose of the spring statement is a basic one. It strips away the final shrouds of secrecy from budget preparation. It sets out the economic and fiscal situation, predicts our fiscal space and then allows for public discussion about our economic priorities. By setting out the facts the spring statement confines us all. It says we can only make proposals to spend the money we expect to have, and so it obliges all of us not only to cost each policy but to make sure that the costs of all these policies do not add up to more than we will have.

The Opposition and, dare I say it, Sinn Féin in particular, hates this because it does not like being kept honest in any way whatsoever. The fact is that Sinn Féin, in particular, is playing recovery deniers. We can see that from the narrative in the past few days. It is doing that because it simply does not suit its pre-election narrative or its agenda to accept that jobs are being created at a quite phenomenal rate and that the taxes paid by good businesses are allowing us now to spend hard-earned cash on improving public services on which we all depend. I would go so far as to say that the Sinn Féin Party has a perverse and twisted vested interest in failure. The fact is that it has no real policies, no real vision for Ireland and no real agenda for a fair and balanced recovery. I often think that they would prefer if this State failed if it bestowed electoral advantage on the party. If we were to take, for example, Deputy Adams's advice proffered to this House and through the media in 2011 - of course, Deputy Adams's is a well-known economic illiterate - Ireland would be Greece and we would all be facing much more severe consequences now than we had faced in the past.

Deputy Seán Crowe: At least we would have good weather.

Deputy Gerald Nash: Citizens of this republic should be very afraid of any advice proffered by the man who leads a party which is, in Northern Ireland, sacking 20,000 public servants, including council workers, teachers, nurses and slashing social welfare on foot of the Westminster Agreement to which it signed up just before Christmas. His party has said a lot but done very little in Northern Ireland to protect people who are in precarious work, to address issues such as zero hour contracts or to move the living wage agenda forward by one iota. It is important that the House reflects on the fact that of all regions of the UK, Northern Ireland is the worst living-wage employer in the entire jurisdiction. This is the big lie at the heart of the Sinn Féin project. Its members are architects and facilitators of austerity in the North and opportunistic bandwagon jumpers in the Republic. That is a fact.

When the Government says we will have between €1.2 and €1.5 billion of fiscal space for budget 2016, the first and immediate question for those in opposition is whether they accept that figure. If they do not, where do they argue we went wrong in our calculations? Or is it, perhaps, that they reject the notion of having any fiscal rules at all? Remember that we had a referendum on these fiscal rules and they have been endorsed by the people. The rules now bind this and any future Government and they mean that any increase in spending must be affordable and sustainable. To put it unambiguously, growth in spending cannot exceed the level of potential economic growth unless we specifically levy additional taxes on work to make up the difference. Therefore, we must plan carefully and base our decisions on the evidence. If the Opposition accepts all that, then it accepts our fiscal space. The question then is how it

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would spend the amount of money we have identified. That is all there is to this debate, plain and simple. What would the Opposition do with the amount of money the Government is going to have available to spend over the next few years? This side of the House has set out its priorities. Now it is time for the Opposition to respond. We have said we are going to allocate those resources on a 50:50 basis between additional spending on services and reducing taxes for low and middle income earners. We are looking at increasing gross voted current expenditure by an additional €600 million to €750 million and have said this will allow us to deal with the demographic pressures in social protection, education and health. It will also allow us to target improvements in key public services about which all Members of this House are concerned.

For my own part, I am delighted to be able to confirm that falling unemployment is not just a sign of economic recovery but is actually driving that recovery. Reduced unemployment is helping to turn around the national budgetary figures. With every person back at work we are increasing the tax base, reducing social protection costs and allowing for further spending on our public services. Employment has increased in every quarter for over two
4 o'clock years. Almost 100,000 new jobs have been created since the low point in mid 2012 and there is every indication that this trend will continue. However, we must be cautious. We all know we cannot meet all the demands for public spending without bankrupting the State. We all accept, at least in theory, that any increase in spending must be matched by increased revenue. No party can ignore these common sense economic parameters. They are not just common sense but are now enshrined in European and constitutional law as a result of the will of the people as expressed in the referendum of 2012.

Every contribution to this debate has to be measured against the same criteria. Is the proposal genuinely rooted in economic and fiscal reality and does it respect the limitations of our fiscal space? None of us want to return to boom and bust. We all say we have learned the lessons of the past and swear never to repeat the mistakes that brought us almost to ruin. There must be no more unsustainable spending, no more throwing money at problems and no more short-termism. Instead we need fiscal responsibility and stable and responsible government. Increases in spending must be in line with growth and productivity, decisions must be evidence-based and crucially, the sums must add up. We in the Government parties have mapped out our plans for the next phase. Now it is for the Opposition to step up to the plate and do the same.

Deputy Caoimhghín Ó Caoláin: Is deis é seo don Rialtas beagán den dochar mór atá déanta aige a athrú, ach ní dhearna sé sin. Tá siad ag díriú ar an dtoghchán ginearálta. Tá siad ag caint lena vótálaithe féin agus ag rá go bhfuil gach rud ceart go leor agus mar sin gur cóir coinneál leis an Rialtas seo. Ach mar is eol do mhadráí na sráide, níl gach rud ina cheart in aon chor.

This spring economic statement represented an opportunity to ensure that critical areas of spending callously under-resourced by this Government were given a boost. It gave the Government a chance to restore funds to areas it had cut since 2011. Unfortunately the Government has simply used it to announce vague tax cuts and spending to butter up Fine Gael voters and any remaining Labour Party voters. The Government has missed a great chance to invest in our public services. In short, what has been announced is uninspired and uninspiring.

The Minister for Finance, Deputy Noonan, has said that the Government will cut income tax and universal social charge rates. This must be directed to low and middle income earners but unfortunately, under the current Government, I would not be so sure that this will be the case. The devil, as always, will be in the detail. While we need to remove the regressive taxes our focus should be on the betterment of our public services for all rather than tax cuts for the rich.

We ask for a fair recovery. Some on the other side of this house might ask “Why?” We do so because our society is intrinsically biased against those on low incomes. That is a fact. The cards are stacked against someone brought up in a deprived area and I and my party colleagues strongly believe that everyone should have the same opportunity in life. Everyone should have the same access to health care no matter where they are from or their economic circumstances. We know that poverty and ill health are linked. Life expectancy in this State is lower in the most deprived geographical areas, where for men it is 73.7 years compared to 78 years in the most affluent areas. According to *The Lancet* study of 2015, widening inequalities are evident by the time people reach adolescence.

Under this Government’s watch our public health system’s workforce has decreased by 8.7% whole-time equivalent staff. There has been a 29% reduction in public beds since 2008. The Government will say that it did not oversee all of this but rather than reversing these cruel cuts, it deepened them. From the time this Government took office until the end of 2014 there were 2,724 fewer nurses working in the HSE. The Minister for Public Expenditure and Reform, Deputy Howlin has said that the Government has appointed 1,000 nurses since 2014. If this is true, it is only an increase on a massively reduced base figure. Overall, under this Government there has been a reduction in nursing numbers, no matter what way the Minister tries to spin it. These cuts have been made despite the number of over 65s increasing by approximately 20,000 every year. We need structural change now to prepare for this increase. Home help hours have also reduced from a high of 12.64 million hours in 2008 to a current level of 10.3 million hours. What in this statement helps our older people stay at home?

We have had some announcements in recent weeks on GP care but this has only gone so far. Ireland’s is the only EU health system that does not offer universal coverage of primary care. Why did the Government fail to outline how it would give free GP care to all in this spring economic statement? It is because that it not its priority. It is content with a two-tier system that has further inbuilt two-tier discrimination. We now have more inequalities in our health service than when this Government came to office. This State spends less than the average on health and the public picks up the remainder in the form of out-of-pocket payments to GPs, private health insurance and other charges. Roughly 60% of our population pay approximately €50 to visit the GP, when they can afford it. These expenses are recognised as a barrier to accessing appropriate medicine.

We were promised 530 primary care teams to be in place by 2011 but in 2014 only 419 were in place. How does the spring economic statement address this major shortfall?

What in this spring statement will address the 405,000 on waiting lists to be seen at outpatient clinics? In 2001 the health strategy set three months as a target for treatment after attendance at the outpatient department. In 2013 the target was set at one year to be seen first for specialist treatment. Now the so-called target has stretched to 18 months for 2015. When the Minister, Deputy Varadkar, realised the Government was unwilling to prioritise some of its sickest and most vulnerable citizens he simply moved the goalposts.

What measures in this spring statement will ensure that the scandal of 600 patients on trolleys will not happen again in 2016, the centenary of the Rising? A national emergency was declared in 2006 when just 495 patients were on trolleys. The Taoiseach promised to “end the scandal of patients on trolleys” during Fine Gael’s 2007 election campaign. We saw 459 on trolleys yesterday.

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At the end of 2014 there were 2,135 waiting for nursing home funding, waiting 15 weeks on average. This in turn puts pressure on the acute hospital system with many of these in delayed discharge situations. Why did the Government not decide to address fully the funding challenges of the fair deal scheme yesterday?

The Minister, Deputy Varadkar, has become something of a cheerleader for private health insurance. How do families, who cannot afford private health insurance but are deemed to be not poor enough to qualify for a medical card, feel when they hear the Minister champion a two-tier system? We know that private health insurance contributes only 7% to 10% to the overall health-related spend. We know that PHI is out of the grasp of many families across the State. The current media bombardment of the under-35s is a downright disgrace.

The Minister should stop the focus on propping up this two-tier system that thrives on discrimination and give serious consideration to the roll-out of free GP care for all citizens as a first step to the roll-out of universal health care. The Fine Gael election manifesto promised that charges for medications for those with medical cards would be abolished but decided instead to increase it from 50 cent to €2.50. This has been loaded on the poorest and sickest citizens and we know from surveys that 38% of medical card patients have second thoughts about filling a prescription because of the levy. International evidence bears out that cost acts as a barrier to purchasing prescribed medication.

Two of the largest pharmaceutical companies in the world, Pfizer and Teva, have now reportedly informed the State that they will not reduce the price of commonly prescribed medicines. This might leave hundreds of thousands of medical card patients open to co-payments from next weekend. The Government must set out to achieve the lowest possible price for medications for all medical card patients. Those with medical cards must not be simply used as pawns in this game. They cannot be left without medications or with the prospect of having to make co-payments. Darragh O'Loughlin, secretary general of the Irish Pharmacy Union, IPU, described this as "the start of co-payments for medical card patients." I certainly hope this is not the case, but how does the Government propose to address this?

What of the staffing of our mental health services, which in 2015 was at only 74% of what had been recommended in A Vision for Change? Will funding that had been ring-fenced and then un-ring-fenced by the Government now be spent in this most deserving and traditionally underfunded sector?

In summary, yesterday's spring economic statement was merely a rehash of what has already been announced. It does nothing to address the many problems I have outlined. The Minister, Deputy Howlin, outlined some vague proposals for investment but no concrete steps were even mentioned for our damaged health service. I do not believe many will be fooled by the Government's efforts to pull the wool over the eyes of the public once again. The dodging and diving has gone on for too long. The public will no longer put up with niceties about a recovery when the reality is very different for them. We need a fair recovery now and it seems that only Sinn Féin is willing or able to make that a reality.

Deputy Seán Crowe: When I came into the Chamber, apart from the Acting Chairman, the Minister of State, Deputy Harris, was the only Member in Chamber. He was waxing lyrical about his views on the spring economic statement. It also reflected the interest in the debate. There is clearly not much interest from the Government benches. While there were a handful of people in the Gallery, I wonder what interest there is in this so-called spring economic state-

ment. What is happening in the Chamber is probably reflective of what is happening in society. Yesterday's and today's statements from Government will deliver little comfort to those who have been excluded or left behind. There is no change in direction and no real ideas coming from Government on how to address the difficulties facing many people.

It is also clear that the Government has been unfair in its austerity measures and it plans to be unfair in its so-called two-tier recovery. I listened attentively yesterday, but there was no substantial change announced by the Government and certainly nothing to jump up and down about unless I am misreading it. The kindest thing I could say is that it was like the predictions of a warm Irish summer - all sorts of possibilities that cannot be relied on. That is reflected in the Government's statements.

The Minister of State, Deputy Deenihan, has left the Chamber. He spoke about young people returning, but who are we coddling? He said the quality of life had improved and so on. He should talk to people lying on trolleys and ask them if the quality of life has improved. The Government narrative is that it is supposed to be about opening up the budget process to democratic scrutiny and input. It is supposed to be about debate, but at the same time the Government refuses point blank to listen to any alternatives. We have proposed an alternative budget and so on, but the Government refuses to take any of that on with the basic message that it is pie in the sky.

However, this is supposed to be about debate. There was no surprise in the Government's statements about tackling huge social and economic crises affecting so many people. While we want to see a successful economy, we need to ask for whom we are building that successful economy. Is it for an inclusive society or an exclusive society? That is the message that needs to be debated in this Chamber.

Homelessness is out of control and yet there was no mention of it yesterday or today. There is no talk about investment in that area. Someone who is homeless now will be homeless at the end of the week regardless of what we say in this House. Housing lists are overwhelmed and 1,000 children were homeless and living in emergency accommodation in Dublin during one week last month. However, the Minister of State, Deputy Deenihan, has suggested that if people want to come back to Ireland, while their wages might be somewhat lower there is plenty of accommodation if they go to the right place.

Hundreds of ill patients are stuck on hospital trollies. The Government mentions it will support front-line services and the most surprised people at this are the staff and patients at the front line of our health services. Yet the Government has stopped all Dáil business so it can congratulate itself for a week. That is what most journalists and others listening to this debate are saying.

Since 2009 the Economic and Social Research Institute, ESRI, has found that in every budget the percentage losses were immense for families on lower and middle-income levels. It found that those hardest hit in budget 2015 were the 10% of households with the lowest incomes. It also found that smaller losses will be experienced by most middle-income households, with small percentage gains for higher-income households. Who is benefiting from the supposed growth? It is those who are wealthier and in many cases those who caused the problem.

Instead of trying to rectify this mismatch and targeting the poorest and most vulnerable, the Government is slapping itself on the back and telling us, for the whole week, how great it is.

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This was meant to be a statement on the Government's vision for 2020 but there is no recognition of Ireland's huge pay inequality.

Ireland has a serious low pay problem, with almost 12% of workers at risk of poverty. TASC has found that Ireland has the second highest wage inequality levels in the OECD, after the US. The Government is not acting on this issue. I was disappointed that the Minister of State at the Department of Jobs, Enterprise and Innovation, Deputy Nash, did not address the issue in more detail. The Dunnes Stores dispute brought to the forefront the inadequacy of existing legislation and its inability to protect the wages and conditions of vulnerable workers. I welcome that a low pay commission has been established but it is extremely narrow in its focus and is limited to reviewing aspects of the minimum wage. It lacks teeth or vision, and as a result it will create even more uncertainty for vulnerable workers while continuing to disadvantage many legitimate employers. The low pay commission should be established as the primary watchdog on low pay and its responsibilities should be widened to tackle the real extent of low pay rather than being confined to the issue of the minimum wage. There would not be a huge cost factor in setting out such a vision. The Government also needs to set a date for the introduction of collective bargaining legislation. Ireland is one of only two EU member states which does not have collective bargaining legislation in place. The Government's spring statement did not mention this issue.

The Government is supposedly focusing on jobs. However, parts of my constituency of Dublin South-West have some of the highest rates of long-term unemployment in the State. The Government is doing little or nothing to offer hope to those who are affected by unemployment. The traditional employers in my constituency have closed over the years and nothing has replaced them. This story is repeated in many constituencies across the country. People say that Dublin and the east coast is doing well but parts of Dublin did not prosper during the Celtic tiger and they are still not doing well.

The Minister for Public Expenditure and Reform stated yesterday that 1,000 new nurses have been added to the nursing register. The Opposition is accused of being unable to count but we are numerate enough to recognise that the numbers on the nursing register decreased from 66,409 in 2013 to 64,790 in 2014. We have lost 2,000 nurses, mainly to emigration. We have not gained 1,000. The system is deteriorating not only for those who are receiving health care but also for the staff who provide it.

The Minister for Finance made the bold claim that our young emigrants are returning but the facts tell a different story. I do not know about other Members of the House but I have not encountered many returning emigrants. The number of new graduates emigrating is higher than at any time in the previous six years. Only a fortnight ago, over 7,000 young Irish citizens aged between 18 and 35 years snapped up Canadian work visas in a matter of minutes. There is nothing in these Government statements to bring them back home. Emigrants have identified the following four key barriers to their return: poor infrastructure; precarious working conditions and low pay; a lack of career opportunities and progression; and a lack of affordable housing.

I spoke for longer than I intended. I have other points to make but I do not think people really care what we are saying in here. That is the sad part of this debate.

Minister of State at the Department of the Environment, Community and Local Government (Deputy Ann Phelan): I hope I do not repeat what others have said. I welcome the economic statements made yesterday by the Ministers for Finance and Public Expenditure and

Reform. In respect of Deputy Crowe's comments on emigration, I know of people who have returned to Ireland. I know people in Australia who were asked by their employers whether gold was struck in Ireland such is the rate at which Irish people are returning home. I know it is a fact because my own daughter was involved in this.

I acknowledge the huge sacrifices that were made by the Irish people as we strived to pull this country back from the brink of bankruptcy. Difficult decisions were taken and extreme hardship was imposed on people who played no part in the unprecedented situation this Government faced when it took office in 2011. The spring statement outlines the policies which will cement the hard-won gains of recent years. These gains include the €64 million allocated to Carlow and Kilkenny to implement the social housing strategy of lease, buy and build. I came up through the local authority system. I do not recall any year in which the Government provided €64 million for social housing.

Ireland's economic recovery has gained momentum in the past 12 months, based on solid growth and job creation. We had the fastest growing economy in the European Union in 2014, with growth of 4.8%, and we expect to retain this lead position in 2015. Steady, stable economic growth of 3.25% on average is forecast for the remainder of the decade. The public finances are under control and the deficit will fall below 3% this year. Debt levels are set to move towards the European average in the next few years and, with borrowing rates at record lows, the markets view our debt as sustainable. The Irish banking system is in a much stronger position, with the banks continuing to make significant progress in restoring financial health.

Unemployment continues to fall month on month. The Department of Finance is forecasting that 2 million people will be in employment next year and that all of the jobs lost during the downturn will be replaced by 2018. Between 2015 and 2020, approximately 200,000 new jobs will be created. Export levels are higher than before the crisis because consumers, businesses and investors have renewed confidence in our economic future. There is also a good news story in my neck of the woods, with Glanbia's decision to invest in Belview Port because the area's water infrastructure allowed the company to develop a significant number of new jobs.

The turnaround in Ireland's fortunes over the past four years has been remarkable. This was possible not only due to the hard political decisions we have taken and implemented but also because of the resolve of the Irish people. The Irish people have always been our country's greatest asset and they are the reason companies invest and create jobs in Ireland in such great numbers. Their resilience, sacrifices and hard work over the last number of years have brought us this far.

As Minister of State at the Department of the Environment, Community and Local Government with responsibility for rural economic development, I have visited many small rural communities who are actively making their own development choices and are fighting to re-energise their own localities. This Government fully supports areas such as Letterfrack, Ballinasloe and Scariff, in their efforts and, with funding and support available from initiatives such as Leader and CEDRA, they will succeed. These towns will benefit significantly from the development of our tourism infrastructure, which will bring much needed employment to the areas which were worst affected during the economic downturn. Allied to the potential 15,000 new jobs resulting from milk quota abolition over the coming years, I am confident that rural Ireland will make a huge contribution to the sustainable economic well-being of this country in the years ahead.

The agrifood sector became a shining light for Ireland during the darkest days of recession.

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The year 2014 was the fifth consecutive year of export growth in the food and drink industry, reaching yet another record high of €10.5 billion. This growth is underpinned by the Origin Green programme, which is the only sustainability programme in the world that operates on a national scale, uniting government and the private sector. We have all come a long way in a relatively short period of time and the policies outlined will ensure that the mistakes that resulted in a lost decade and desperate hardship for so many people will never be repeated.

Minister of State at the Department of Social Protection (Deputy Kevin Humphreys):

A recovery in the labour market is well under way, in line with the improvement in the overall economy, with an increase of over 90,000 in employment over the past two years. As a result, the unemployment rate has fallen from a peak of 15% in early 2012 to 10%, with the prospect of further significant reductions this year and next. The improvement in the labour market has been effective in helping particularly vulnerable groups. For example, long-term unemployment has been falling, from a peak of over 200,000 three years ago to 123,000 at the end of 2014. Equally, youth unemployment has fallen from a peak of 80,000 in 2009 to 39,000 at the end of 2014. These improvements in unemployment have been reflected in a reduction in the number of jobless people dependent on welfare payments. The live register, which includes some part-time and casual workers as well as people who are wholly unemployed, has fallen by over 100,000 since it peaked in late 2011.

The Government's primary strategy is to reduce unemployment through policies that create the environment for a strong economic recovery by promoting competitiveness and productivity. As already indicated, this strategy has been succeeding, with an increase of over 90,000 in employment over the past two years. The Pathways to Work strategy is designed to ensure that no one is left behind in the recovery and, in particular, that as many as possible of the new jobs are taken up by unemployed people from the live register. It provides for enhanced engagement of services and additional activation measures for jobseekers while the recovery takes hold. Pathways to Work has a particular focus on those who have been out of work for long periods and on young people whose employment prospects were severely impacted by the recession.

There is a further increase in the focus on long-term unemployment in 2015. Already there have been supports for the long-term unemployed under the Pathways to Work programme. Some 57,000 places on a range of further and higher education courses were reserved for the long-term unemployed. The JobsPlus recruitment subsidy, launched in the second half of 2013, is designed specifically for the long-term unemployed. This incentive scheme encourages employers to recruit long-term unemployed people. By the end of February 2015, almost 4,300 employees were being subsidised under the scheme, 62% of whom had been unemployed for more than two years prior to being recruited. I thank Members of the Opposition for their support for this programme, which saw a doubling in the budget of the numbers supported last year, from 3,000 to 6,000. Already this quarter, some 4,300 long-term unemployed have gained employment. All the international surveys show it is extremely difficult to get people who have been unemployed for more than two years back into jobs.

JobPath aims to provide additional capacity to the public employment service to enable it to engage more systematically with long-term unemployed jobseekers. Referrals to JobPath providers are expected to commence in the second half of 2015. Some 57,000 education and training places will continue to be reserved for the long-term unemployed in 2015. A minimum of 16,000 places for the long-term unemployed will also be provided through key public employment programmes. These include an expansion of the JobsPlus initiative.

On youth unemployment, the youth guarantee implementation plan identifies measures to build on services and initiatives already in place and to increase their impact by tailoring them to address the particular challenges of youth unemployment. The main plank of the guarantee is assistance to young people aged 18 to 25 in finding and securing sustainable jobs through the public employment service. For those who do not find employment, additional offers are provided, with most offers, approximately 70%, being in further education or training. Others are in community based employment programmes such as CE, Gateway and Tús, or through the JobsPlus employment subsidy for private employment. During 2014, almost 25,000 places were taken up under the youth guarantee.

In addition, the following measures are being taken in 2015. As of January 2015, the new process for engaging with young people in Intreo centres has commenced. The First Steps developmental internship programme for from 1,500 to 2,000 young people was launched in February 2015. It aims to offer young people who are particularly distant from the labour market a work experience opportunity with sponsor employers. JobsPlus for youth was also launched in February. It offers employers who recruit a young person under 25 years of age who was unemployed for four months or more a subsidy of up to €416 per month. The duration unemployed threshold for other age cohorts is 12 months. Therefore, the initiative is an incentive to consider employing young people under 25. An allocation of 1,000 places is being made on the Tús scheme for young people. A pilot programme is being introduced to support young unemployed people to take up opportunities under schemes such as Your First EURES job and a minimum of 2,000 training places for under-25s are being ring-fenced by the Department of Education and Skills, under a follow-up to the Momentum programme.

I want to touch on an area where the indications are that it will be particularly successful, the area of employer engagement. The Government is committed to taking action to ensure that all of our citizens benefit from the growth in the Irish economy. A key priority is to help people to make the transition from welfare to work. One of our commitments is to work with the business community to connect them with unemployed people and to support them to provide jobs and work experience opportunities. Our network of employer engagement representatives across the country supports this activity. We are already seeing the benefits of this engagement, particularly in regard to the commitment of companies to the employment and youth activation charter which was launched last year. To date, almost 200 companies have signed the charter. Charter companies commit to considering unemployed people on the live register when identifying potential candidates for roles within their organisations. For people who are not quite job-ready, companies offer a range of other supports, such as work placements, participation in upskilling programmes or advice on CVs, job-seeking skills or interview preparation.

The Department is currently expanding its employer support services to offer an account management service to employers by appointing a number of key account managers. The role of these account managers is to identify employment opportunities across the country and to build a strong relationship with the private sector, so that when opportunities or vacancies arise, the first port of call will be the live register and people who have been long-term unemployed. We can help and support the unemployed by ensuring they get the training and advice they need and by linking with employment opportunities, whether in urban or rural areas, to ensure people from the live register get these opportunities first. Far too many of those who lost their jobs at the beginning of this recession are still on the live register and have not been successful in gaining employment. As recovery spreads out from urban areas, it should be our priority to recruit people from the live register. We must ensure people are not left behind. The *www*.

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jobsireland.ie vacancy advertisement website from the Department is the largest and most used job website service in the State in 2015. It has advertised 32,000 positions across all industries and skill levels. Of the employers using the service in 2014, 91% rated positive in the annual employers' survey.

Last month, the food and grocery industry opened its doors to more than 1,000 young people during Feeding Ireland's Future 2015. Coca-Cola, Nestlé Ireland and Musgraves were among 26 companies which provided advice to jobseekers on pre-employment skills and career options. Feedback from the participants has been very positive, with 98% feeling more confident about applying for a job and 87% likely to consider a job in the sector. The employer engagement team also provides support for contractors engaged in the schools building programme across the country by identifying suitably qualified potential employees, and it is engaged with the contracting agencies and groups responsible for the Grangegorman redevelopment programme and the national children's hospital.

Everybody in the House has a significant responsibility to young people, everybody who lost their jobs at the beginning of the recession or who left school and did not get an opportunity to go to work. We must ensure the people who are most distant from the workplace get the best opportunities to get back into employment and participate in the recovery that has started. The 10% figure for the live register published today is very positive but it is still far too high. We must work extremely hard to ensure people in our communities have the opportunity to get back into employment.

Acting Chairman (Deputy Joe O'Reilly): Deputy Wallace is sharing time with Deputy Copping.

Deputy Mick Wallace: I imagine being in the Government is a difficult job and I do not presume for a second that it would not be very challenging. What is most soul-destroying for me here is the number of times that people on the Government side say something but do or think something else. They are pretending. I do not know how the Irish public in general feels about that but it does my head in. The spring statement is clearly the beginning of the election campaign and I dread to think what this place will be like if this drags on until next spring. I wish we could have the election soon as I do not envisage that this place will function terribly well while everything is in election mode. It would be great if we could have it soon and get it over with, so we could see what will happen next.

I will read from a piece by Mr. Michael Taft that was published today. He writes:

The reduction is equivalent to 3% to 4% of the estimated tax yield. Assuming all income taxpayers get the same percentage reduction, it would – for a single person on an average income of €36,000 – mean a tax cut of between €5 and €6 per week, though this could change depending on how the Government targets the cuts. Okay, better than nothing. But the Government estimates that inflation would wipe this out. You are running to stand still. And if your budget contains an item that is likely to rise above the rate of inflation, you will be well out of pocket. Last year, single bedroom rents rose by more than €13 per week. Your tax cut would subsidise half of that. This holds for child care fees, medical insurance, public transport fees, prescription medicine, etc. The Government will cut our taxes, delivering a few euros a week in our pockets. But taxes on our living standards, never mind inflation, will cancel that out, leaving us little better off.

A major problem is the lack of public investment, and according to statistics, we would have to spend over €2 billion per annum to reach the EU average, which is a frightening figure. We need serious investment in many areas, and the funding would have a positive effect for every aspect of the economy.

I will touch on one area, which is water. I asked a question about Irish Water last week and received a reply indicating that it was not a matter for the Minister any more but is relevant to Irish Water. I made the point in here before that 11 villages in Wexford were to get a waste treatment unit, with everything ready to go, but when Irish Water came along, the process was postponed. There was a decision to provide a temporary waste treatment unit for a village called Duncannon; however, this cannot go ahead because there is a problem with the site. The village was meant to have a temporary facility in place for the summer but now bathing water is being challenged. It means much to the local people if the bathing water is not up to scratch. Instead of a temporary facility in Duncannon, locals do not know what they will get. There does not seem to be much point in speaking to any Minister about this and Irish Water does not seem to be answerable to anybody. Local engineers argue that the temporary unit should go where the permanent facility was supposed to go, in a village up the way called Arthurstown. Three villages were to be tapped into the project, namely Arthurstown, Ramsgrange and Duncannon. The pipework should be installed for the temporary unit where the permanent facility will go. Will that happen or will we continue to pump raw sewage into the sea, as we are doing with rivers in the other ten villages in question around Wexford? The problem is not being dealt with.

I heard the Taoiseach say in here that he was not going to put up with underinvestment in water but he has done that for four years. The only investment we have had so far worth talking about is the installation of meters. We are still poisoning the water table, our rivers and seas. It is not high on the Irish Water priority list. I wish the Government could tell Irish Water to do something about this and dictate, in a positive way, so as to deal with the problem we have with wastewater treatment. It is a serious issue. Before the former Minister and Deputy, Mr. Phil Hogan, disappeared, there was much talk about inspecting septic tanks and sorting them out. There have been bugger all septic tanks sorted in Wexford. I reckon half of them are faulty and poisoning the water table. That is not good for our health but nothing is happening about it.

With respect to the environment and public transport, I heard the Minister for Transport, Tourism and Sport being absolutely clear that public transport has a crucial role to play in alleviating the consequences of climate change. In the Investing in our Transport Future document, rail is talked down, as if there is no point in going with it. Have we any hope or appetite for meeting the 2020 targets? The Taoiseach at the United Nations argued that leaders must show conviction, clarity, courage and consistency in their reaction to climate change but last week it was reported that the Taoiseach ordered Mr. Seán Kelly, MEP, to drop his support for a €5 billion ring-fenced fund for energy efficiency projects because the European People's Party did not want it. Give us a break. How can people take this man seriously if he says "black" one week and "white" the next? I do not have much time but this would drive one to drink.

Policing is no longer a popular subject with the media so people are able to get away with a good bit. I am sorry to say that despite all the promise of reform, we are getting too much feedback, mostly from gardaí but also from the public, indicating that things have not improved one iota. The reforms from the Government and the manner in which they are implemented has more to do with an exercise in spin than real reform. They are a major disappointment. People may get tired listening to us saying it but our hearts are broken by this issue. We do not enjoy saying this and we would love to be able to say we made a difference and things are now better.

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I wish to God we could say that but we are not able to do so because it ain't the fucking truth. My apologies. I did not mean to use that word and I withdraw it.

In opposition the Labour Party wanted US military aeroplanes landing at Shannon Airport to be searched because it did not want them to pass through the airport without identifying whether they were carrying arms or munitions in breach of international law. That was the correct approach. Now that the party is in power, however, it does not want to search military aeroplanes landing in Shannon Airport and has instead provided them with diplomatic immunity. Troops and munitions are not entitled to diplomatic immunity, which extends only to diplomats. We say we want the truth but we do not want it. Allowing arms and munitions to pass through Shannon Airport makes us complicit in the murder of hundreds of thousands of innocent people. However, the Government pretends otherwise.

I do not believe the Government's statements on building social housing. We were informed that 677 new social housing units were to be built in County Wexford to tackle a waiting list of 3,600 people. The €25 million to be provided for this purpose in the next three years amounts to only €40,000 per house. Houses are not yet being built for €40,000. While some units will probably be leased, the figures do not add up. Moreover, there is not much sign that anything is happening on that front. Will someone on the Government side indicate how many houses will be built in County Wexford by Christmas 2015 or, for that matter, Christmas 2016 or 2017?

Housing is a massive problem which affects every aspect of life, yet the Government is not dealing with it. The housing strategy it promised was not a strategy. I could list 20 housing issues it has not addressed because I have spent my entire bloody life involved in housing. The Government is not dealing with the serious housing challenges we face and I do not detect any appetite to do so.

I heard the Minister for Public Expenditure and Reform, Deputy Brendan Howlin, giving out on radio this morning. He believes everyone should be feeling happy-clappy and we should all welcome this wonderful document and praise the Government for everything it has done. The Government has been in power for four years. Yesterday evening, while walking from Leinster House to the Italian quarter, I was stopped by a man who told me he had been homeless for several years and asked me whether I could do anything to help him. I was ashamed to admit that I probably could not help him. When I asked him how he went about getting a place to stay at night he told me he telephones an 1850 number each evening. While he gets a bed some nights, he does not get a bed most nights. He also told me that he had asked how many people had slept on the streets of Dublin the previous night and had been informed that the figure was 220. The Government is not dealing with the issue of homelessness.

Acting Chairman (Deputy Joe O'Reilly): The Deputy's time has expired.

Deputy Mick Wallace: I will conclude. I thank the Acting Chairman for his patience.

The increase in inequality in this Dáil term is a serious indictment of the Government. I do not mean this personally as I do not have anything against the Minister of State or the Acting Chairman. However, if inequality and child poverty are increasing, the Government does not have the right to tell the House how wonderful everything is and doing so makes me sick.

Deputy Ruth Coppinger: Does the Minister of State feel embarrassed about the fiasco Deputies have witnessed today? At one point, we had a Minister speaking to an empty Chamber. A three-day debate has been arranged to discuss the Government's Spring Economic State-

ment. In the time I have spent in this House, which is almost a year, the Government has not provided even a half a day to discuss the housing crisis or its housing strategy. This week, the House is discussing its Spring Economic Statement, although it is almost summer, which amounts to an attempted propaganda coup.

Last night, I attended a meeting of 300 people in Athlone at the invitation of a local anti-water charges group. The hotel was packed with very angry people who were well aware of what the Government is trying to do in the House this week. The decision to spend three days discussing its spring statement was made to try to shift the focus from the escalating scandal that has besieged it for the past week. People are not impressed and the decision has backfired. A virtually empty Dáil will spend three days discussing an issue that could have been debated in one hour. Many other topical issues could have been discussed this week.

I will focus on the issue of housing. Does the Government have any idea of the horrors people are experiencing? People are being placed on waiting lists for emergency accommodation, the housing departments of local authorities have become defunct as they focus on shifting people into bed and breakfast accommodation and hostels and people are sleeping in cars. Despite this, the spring statement does not make a single announcement on how the Government will deal with the housing issue. The housing strategy it has announced three or four times is a fiction rather than a reality.

The Minister informed the House yesterday that the age of austerity had come to an end and we could put a lost decade behind us. We are, he stated, in recovery mode and all has been forgotten. Austerity will remain a permanent feature for the majority unless decisive action is taken to challenge the Government and Fianna Fáil Party, both of which stand for practically the same things, and demand a change in policy. The €32 billion of austerity cuts and increased taxes cannot be undone.

This recovery is for the rich because the Minister's statement copper-fastened permanent austerity for everyone else. Water charge bills are dropping though letter boxes, loan parents will lose payments in the next month and 1,000 children are living in emergency accommodation. That is the reality of austerity for the majority in society.

Creating sustainable employment is the bedrock on which society is built. More than 344,000 people are still unemployed, with a further 86,000 people on so-called activation schemes, including the Gateway scheme whose participants are paid €1 per hour. The number of people in work is still 242,000 lower than it was at the beginning of the crash. At the current rate of employment growth, it will be another decade before we return to pre-recession employment levels. Ireland also has a serious problem of under-employment. Many of those in part-time employment would like to work more hours or secure permanent jobs, as was clear in the case of Dunnes Stores employees and workers in other companies. Approximately 128,000 people are in this position and the under-employment rate stands at 29.1%.

Employers have no intention of letting up on austerity. Wages are being driven down and working conditions weakened. There is no recovery for workers or working class people and it is clear from developments in Dunnes Stores, Dublin Bus, Bus Éireann and other companies that the recovery will be built on their blood, sweat and bones.

The Labour Party is participating in a Government that has broken records. For example, the number of people on trolleys is higher than ever and currently stands at between 600 and

700. Who is benefiting from the recovery? The super-rich and wealthy have seen their wealth increase. While I am used to seeing massive disparities in wealth, I had to double-check the figures when I read recently that 13 Irish people now own €38 billion. We keep hearing from the Government side that there is not a brass farthing in the country and the nation is bankrupt. There is massive wealth and the super-rich are becoming richer. On the one hand, Dunnes Stores workers are on the bread line while, on the other, the Dunne family has seen its wealth increase substantially. The names of its members feature on every rich list published.

Last week, we had a case of double standards when the Taoiseach informed the House that the €100 million write-down that formed part of the Siteserv sale was normal business practice. While it may be normal for businesses, it is not normal for people with mortgage debts to have their debts written down. Why are their debts not written down, especially as this issue has been ongoing for seven years? Members of this House have benefited from bank and debt write-downs, whereas ordinary people are not given a hearing and receive no quarter from the Government.

Last week, we found out that the same banks will not pay any corporation tax in Ireland for years because they will write their tax off against the losses they made, the very losses for which the Irish people were forced to bail them out. Amazingly, even with the Labour Party in government, the Government has said the corporate tax rate is fixed and is never to be challenged. Ireland's status as a tax haven will remain unchallenged but there is no choice on austerity which must continue. The Government defends the rights of multinational corporations to funnel their profits through this country to avoid paying tax. The most profitable company on the planet is Apple. We have seen how it has used this country since the 1980s as a tax haven. There was not one word in the spring statement about dealing with that.

As has been mentioned by the Opposition already, what is most galling about the spring statement is that there is nothing in it to deal with the ongoing housing crisis. There is nothing in the statement that will bring any comfort to people who are plaguing us in our clinics about the horrible housing situations they are facing. Yet, the likes of Denis O'Brien and other tax exiles in this country, who pretend they do not live here but we all know they do in reality, obviously have a huge influence over this Government and can have write-downs given to themselves, as well as getting huge contracts despite having been investigated by tribunals. It really is a justification for people to take action and not to pay the water charge bills.

There are also measures the Government could have announced in its spring statement but it did not. At the bottom of all this is the debt that has been put on to the shoulders of the majority. It is an odious private bank debt made into a public debt. There is no alternative but for this country to repudiate those debt payments of €8 billion this year. Can one imagine how €1 billion of that would build 10,000 houses? The full figure of €8 billion would solve the housing crisis at a swoop. By the way, 80,000 houses were routinely built annually during the Celtic tiger years.

The Government could have introduced an emergency millionaire tax on any earnings over €1 million - is it not enough that people would have €1 million to spend - which could have brought in over €3 billion in revenue. The Government could have announced its intention to introduce an increase in effective income tax on the top 10% of earners in the next budget. It could have introduced an effective corporation tax increase. If we even came to the EU-27 average, that would come to €5 billion. I do not expect the Labour Party or Fine Gael to announce this but it does show the potential wealth that exists in this country. A financial transactions tax

of 0.01%, a tax for which even the European Commission has called, meaning it is not even a radical socialist measure, will bring in at least €500 million, more than the water charges will bring in this year. Lastly, the Government could have introduced a repudiation of interest on capital payments on the debt. That money could have been invested to create real jobs not Job-Bridge or menial cheap labour schemes that have become the hallmark of this Government in its attempts to decrease the unemployment figures.

An Leas-Cheann Comhairle: I call the Minister for Education and Skills, Deputy Jan O'Sullivan, who is sharing time with the Minister for Children and Youth Affairs. Is that agreed? Agreed.

Minister for Education and Skills (Deputy Jan O'Sullivan): Over the past four years, the Government has worked night and day to cement our economic recovery. As Ministers have made clear over the past 24 hours, we will not put that at risk over the next five years. Instead, we will continue to manage our finances sensibly while investing in our social and economic recovery. For my part, I am committed to ensuring that economic recovery leads to greater investment in education. I was particularly glad to hear the Minister for Public Expenditure and Reform, Deputy Brendan Howlin, prioritise the need for investment in education in his statement yesterday. He pointed out we have actually built more schools and school buildings during the difficult economic circumstances which we have had to deal with over the past several years than were built during the entire boom.

Deputy Ruth Coppinger: They were built with cheap labour by companies like Rhatigans.

Deputy Jan O'Sullivan: I remind Deputy Ruth Coppinger that we had to turn around what was an economic collapse. We successfully did that. She spoke about jobs. We brought the live register down from 15% to 10%.

Deputy Ruth Coppinger: The Government turned a blind eye to the use of cheap labour.

An Leas-Cheann Comhairle: The Minister has the floor now.

Deputy Jan O'Sullivan: It has been the Government's priority to get people back to work. By getting people back to work, we are obviously improving their lives and those of their families, along with providing opportunities in their communities. We are also ensuring there is a larger tax take because more people are working. That allows us to fund public services and, for example, provide funding for public housing construction.

Deputy Ruth Coppinger spoke about the number of houses built during the boom. There was not much public housing constructed then under the previous Government. We are now turning that around as well.

Deputy Ruth Coppinger: There is no social housing being built now. More was built by Fianna Fáil than by this Government.

Deputy Jan O'Sullivan: Deputy Ruth Coppinger has completely ignored the positive developments. If one looked at way the country was four years ago, it is hard to believe how we turned it around as successfully as has been the case. I know much more has to be done in building the economy and particularly society back up again, as well as providing the kinds of services to which, as Minister for Education and Skills, I am strongly and deeply committed. It will be done carefully and prudently without putting it at risk again.

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Shortly after my appointment last year, I realised the extent of the challenge I faced in delivering the additional investment needed by our education system. After months of intensive discussions, I was pleased to announce the education budget will rise this year for the first time in recent years. With the support of the Minister for Public Expenditure and Reform, I secured an increase to the current education budget of €60 million. Over the next three years, 40,000 additional students will enrol in schools, over 13,000 of them next September alone. We have now ensured the additional teachers, resource teachers and SNAs, special needs assistants, needed to support the education of those students will be provided to schools.

I note both Fianna Fáil and Sinn Féin proposed some increases to the education budget in their own budget submissions last year. Unfortunately, neither party bothered to budget for the additional teachers and SNAs needed to meet demographic growth. Sinn Féin, for example, argued for an additional 1,000 teachers to be appointed. It seems to be oblivious to the fact this Government will recruit an additional 1,400 extra teachers this year to meet demographic growth. Neither party thought to budget for the additional 365 SNAs needed for our schools. By increasing the education budget this year, we are delivering the additional teachers, resource teachers and SNAs that our schools need.

The Government is also funding reforms such as the literacy and numeracy strategy, education inspections in preschool settings and the reform of the junior cycle. Based on their pre-budget submissions, Fianna Fáil and Sinn Féin do not seem to think we should fund any reforms that would improve outcomes for our students. Since the budget, I have tried to build further on this investment. I have managed to bring some improvements to the staffing schedule for some small schools at primary level.

I have also found the resources to better support children with Down's syndrome, an issue brought directly to my attention in meetings with parents of children with Down's syndrome and Down Syndrome Ireland. Last month, I was able to announce that I have secured a further €50 million to complete the summer works projects which started last year and to provide €36 million in funding to a further 559 schools this year to replace their windows, fix their science labs or playgrounds.

These increases to the budget are welcome but I know they are not enough. We will never deliver all of the investment that education needs at one time. I will always, however, be a passionate advocate for further investment in education. We must have priorities and focus first on the areas that will best deliver for young people. Over the coming months, I want to work with all education partners, as well as Members, to devise a coherent strategy for investment in education.

As the Tánaiste said this morning, in this year's budget we also made provision for more nurses and we are recruiting new gardaí for the first time since the collapse of the economy. Those of us in the Labour Party are enthusiastic proponents of quality, well-financed public services.

The crisis greatly reduced the scope to improve services. It was a case of protecting them as best as we possibly could while fighting to regain our economic sovereignty, but we are in a different and much more positive space now. As we return to financial good health, I look forward to making greater progress in improving public services in the next few years.

One of the main drivers behind this investment is demographic change. Put simply, we have

more older people who require care, more young people who require schools and more children who require child care. It is patently obvious that €1.2 billion to €1.5 billion will not allow us to do all we would like this year. Having said that, the forecasts in the spring statement make clear that if we continue to manage the economy responsibly, we can look forward to similar improvements in years to come. This will see a gradual but clear improvement in our public services and in our standard of living.

As the Minister, Deputy Howlin, made clear yesterday, we in the Labour Party take the view that reducing unemployment remains the best route to recovery. Increased employment broadens the tax base and allows investment in public services. I made that point at the beginning of my contribution, in response to Deputy Coppinger.

By continuing to get people back to work we make our recovery sustainable. Live register figures published today show our continuing progress on this front. Irish people want to work. This has been a central focus of this Government's efforts. We are now starting to reap the benefits. Employment has increased in every quarter for over two years and we expect this trend to continue. Almost 100,000 new jobs have been created since the low-point in mid-2012.

We are achieving success through a range of measures, including the Action Plan for Jobs, the Pathways to Work Strategy and investment in key capital projects such as social housing. Tackling long-term unemployment will remain our key focus. The Government is certainly putting more focus on that area. A certain number of people have been unemployed for a long time and, indeed, their families may have a tradition of long-term unemployment. We need to break that cycle of joblessness.

The Pathways to Work programme supports almost 260,000 places with 85,000 of these reserved specifically for the long-term unemployed. In budget 2015, we doubled the number of positions on the JobsPlus scheme to 6,000 encouraging employers to hire the long-term unemployed. In my own Department, the number of trainee apprentices has risen significantly over the last two years, with an additional €10 million being invested in such opportunities this year.

Not only is the headline unemployment rate important, but we must also increase employment throughout the country for all groups in our society. With this in mind, we introduced the back to work family dividend in the last budget.

A related issue is child care and I am delighted that the Minister for Children and Youth Affairs, Deputy Reilly, is sitting beside me. A successful child care policy helps people who wish to do so to participate in the economy. The Minister for Children and Youth Affairs has established a working group on this issue and, as Minister for Education and Skills, I am represented on that group. I look forward to examining the outcomes from that group and to building further on the work we are doing this year to introduce education-focused inspections in pre-school settings.

The publication of the spring economic statement yesterday represents another significant reform to the budgetary process in Ireland. It is my pleasure to support the publication of this important statement.

Minister for Children and Youth Affairs (Deputy James Reilly): The Government has put Ireland on the path to recovery. We have a proven plan for the remainder of this decade to secure and strengthen the recovery. We are not going back to the days of boom and bust. We are not going back to the days of Fianna Fáil.

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The Government got the public finances under control and we will continue to prioritise the restoration of our national competitiveness and the stability of the public finances in the years ahead. Our plan will ensure a fair sharing of the benefits of recovery with those already at work.

The Minister for Finance, Deputy Noonan, has secured up to €750 million in tax cuts for Ireland's workers as part of the next budget. A similar amount will be available for the later years of this decade, thus allowing for a multi-year programme of targeted tax cuts for Ireland's low-income and middle-income workers.

The Government's jobs plan will lead to full employment by 2018 and the return of our emigrants. Strong growth and jobs are funding tax cuts for working people. More people in every part of the country will start to experience the economic recovery in their daily lives.

I especially welcome the reduction in unemployment and the target to achieve full employment. Young people in school and college can look forward to a brighter future than their older brothers and sisters faced. Unemployment is a tragedy for our society, but it is especially damaging for our young people. We often miss the human stories when we quote statistics.

We are not just reducing unemployment, we are making a real improvement to the lives of our young people by ensuring that they can find jobs. Unemployment has serious long-term consequences for young people. If a young person is unemployed in their early 20s, it still has an impact on them when they are in their 40s; whereas if somebody suffers a period of unemployment for the first time in their 30s, it does not impact on them in later life in the same way.

For example, people who are unemployed in their early 20s suffer from worse health, less job satisfaction and lower earnings when they are aged 46. The same research shows that this is not the case with people who become unemployed for the first time in their 30s. In fact, a period of unemployment while young increases the likelihood of worse health in the future, less job satisfaction, lower earnings, malnutrition, depression, suicide, reduced life expectancy, heart attack in later life, and unemployment again in the future.

Many people are haunted by a period of unemployment while they are young. By putting this country back on the track of full employment, we are improving the future outcomes of our young people. The number of young people signing on the live register has almost halved from its peak of 94,000 during the economic crisis.

I know we have much more work to do to further reduce this number. I also acknowledge that some of these young people have been forced to find work abroad. I hope that any young person abroad who wants to come home is encouraged by our progress and by our determination to restore full employment. In fact, we expect net inward migration from 2017 onwards, so that young people forced out of Ireland to find work will be able to start returning home.

My Department, in consultation with the youth sector, has developed a youth employability initiative. This builds on existing youth work initiatives that increase the employability of marginalised young people in the 15 to 24 age group. My Department has compiled a mapping report which has gathered information about the innovative youth work activities and programmes under way in the sector that contribute to youth employability objectives.

This new initiative will target the hardest to reach young people who are at risk of being out of the work force, education or training. My Department has secured €600,000 for the new initiatives. It will shortly commence discussions with the education and training boards, youth

officers and other youth sector stakeholders with a view to rolling out the initiative in 2015.

The overall objective is to increase young people's employability, enhance their acquisition of key competencies and transferable skills, and aid their progression to employment, education or training. Dedicated youth workers will be central to the co-ordination and management of individual projects at local level.

A successful child care policy helps people who wish to do so to participate in the economy. Improving the accessibility, affordability and quality of early years and school-age care and education is a priority for this Government. Driving this is the irrefutable evidence that shows how participation in early years and school-age care and education can confer significant benefits to children, with the greatest benefits conferred to children from disadvantaged backgrounds.

Against this background, I have established an interdepartmental group on Future Investment in Early Years and School-Age Care and Education. The group, which is being chaired by the Department of Children and Youth Affairs, is tasked with exploring ways of ensuring that current and future investment deliver more in terms of affordable, accessible and high quality early years and school-age care and education.

The group will submit a series of options for future investment to Government in June this year. These options will be informed by research evidence and best practice and by existing policy commitments, including those set out in Better Outcomes, Brighter Futures: The National Policy Framework for Children and Young People 2014-2020.

The group is also soliciting the views of key stakeholders, interested parties and the public through a number of consultative processes. For this public consultation process, the interdepartmental group wants to find out what is working well and learn where it can best direct current and future investment to improve the accessibility, affordability and quality of Ireland's early years and school age care and education services.

There are two separate consultation forms available for online completion - one for all stakeholders with an interest in the field, including policy makers, practitioners, providers, advocates and academics and, importantly, one specifically for parents and guardians. The closing date for submissions from the early years sector is Friday, 1 May, and the closing date for submissions from parents and guardians is Monday, 4 May. I want to hear the voice of parents and I want to use this opportunity to appeal to them to make their voices heard in the few days that are left. The website is dcya.gov.ie on which there is a questionnaire for them to complete. I would greatly appreciate it if parents took the time to do that so that we can have their opinions reflected in any policies that arise and options for Government. We value our experts but we always remember that parents are the experts in terms of their own children, and the consultation would not be complete without hearing their voices.

We are fixing our economy, but that is just step one. As people said, we have fixed the car but where are we going? We have got to fix the services the State provides in order to fix our society. We must ensure that work pays. We must ensure that the worker takes home more pay. We must ensure that the services provided are commensurate with a republic, that all citizens are treated equally.

The recovery is starting to take hold, thanks to the sacrifices of the Irish people. The job is not finished yet. Many families are starting to feel the benefits of the recovery in their own lives, and more have yet to feel it. The recovery is fragile, and we cannot risk slipping back-

wards through political instability.

More jobs are the top priority. We have created more than 90,000 new jobs to date. We will create a further 40,000 this year, and we aim to achieve full employment by 2018. That is critically important because unemployment is, without doubt, the main source of inequality and unfairness in our society today. More jobs mean less tax for people working and more revenue to provide better services.

We talk about 90,000 new jobs but behind each one of those jobs is a real person who now has more financial independence, whose family can look forward to the future with greater confidence and hope, and whose communities have more money circulating. Importantly for the individual is the restoration of self-esteem and dignity that is often lost when their job goes. Each person coming off social protection means we have €20,000 more to give back to workers in tax cuts to make work more valuable and also to invest in our services.

In short, this spring statement is a clear roadmap on how we travel as we fix our economy and get our people back to work, repair our services and restore our community and society.

An Leas-Cheann Comhairle: The next speaking slot is shared by Deputies Denis Naughten and Lucinda Creighton.

Deputy Denis Naughten: I welcome the opportunity to speak on this issue. I welcome the announcement yesterday by the Government of the establishment of a national economic dialogue. It is long overdue. I welcome the fact that there will be stakeholder consultation but, sadly, this House, Dáil Éireann, the national Parliament, is being sidelined.

Fine Gael's 2010 document, Reinventing Government, stated: "Ireland needs to move away from the current over-centralised "command and control" model of government". Instead, what we are seeing is matters getting worse rather than better. Decisions will still be made by the gang of four - the Taoiseach, the Tánaiste, the Minister for Finance and the Minister for Public Expenditure and Reform. Decisions will still be rubber-stamped by the Cabinet, and they will still be rammed through Dáil Éireann, which continues to bicker and be ineffective.

We are a long way short of what was outlined in that reforming document, Reinventing Government, where specific proposals on how an all-inclusive budget process would be operated was outlined by the Minister, Deputy Richard Bruton. What we are doing is cementing the silo thinking in the public service management and in Government. Is it not time that we had some joined-up thinking and started to get the basic issues right? Is it not time to break out of the shackles that is the management culture within the public service in terms of "It is not my problem. It is not my job. It is someone else's issue to be solved"? I will give the House two examples in that regard.

We had the introduction of the local property tax. The Revenue Commissioners spent €0.5 million setting up a paper-based system to process those applications from people who cannot access the Internet because they do not have broadband or who are not IT literate. If that had been handed over to the post office network across the country it would help to maintain their viability and significantly reduce the cost of that process.

If we linked child benefit with school attendance, something that is within the Minister's competency, we would save approximately €100 million per annum and reduce the number of letters issued by the Department of Social Protection by over 600,000 every year, significantly

reducing the administrative cost of operating the child benefit system and curbing fraud in that area, yet that is not happening.

If we look at the figures released last week on class sizes we see that class sizes are again failing some of our most vulnerable children in our schools. There are many more children in large class sizes today than was the case ten years ago. In my county of Roscommon, one in seven children, 1,000 children, are stuck in overcrowded classrooms of more than 30 pupils. In County Leitrim, the figure is one in five. It is the same in County Galway where one in five primary school pupils are stuck in class sizes of over 30.

If we are expecting today's primary school pupils to pay for the debt our generation created, the least we should do is ensure they have the ability to service that debt, and the way to do that is by providing them with a good foundation within the education system. The way we can ensure that our economy develops and becomes sustainable in the long term is if we have a plan to support our children instead of undermining their ability to maximise their capacity to service that debt by shoving them into classrooms of over 30 pupils. In fact, there are some classrooms with 40 pupils.

The Government is getting some things right. For example, the local employment offices' one-stop shops that has been set up is a very welcome development. It has cut out much of the bureaucracy we have seen in the past for people trying to set up a new business or expand their business. That is very positive. The SME tool to help people find out what they are eligible for and entitled to is also a positive development, but problems remain in that area. I will give the House a couple of examples.

A mechanic who is leaving the live register came to my clinic last week. He has been unemployed for the past four or five years. He is starting up his own garage. He has secured a number of contracts and he came in to find out about the supports that were available to him. There are supports available, and I outlined those to him, but like many people in that situation they were never very good at balancing the books in terms of finances and so forth. His wife works four hours a week and is willing to do the books, but has no formal training in that regard. She approached the local training centre to see if she could get a basic course to teach her to do the accounts, send out invoices and have the returns ready for the accountant and the Revenue at the end of the year. She was told she could not do a course, because she is an adult dependant on her husband's jobseeker's allowance. He can do the course, but she cannot. He does not want to do the course. He does not have the time or, he believes, the skills to undertake it. There is someone in the household who could have another part-time job, but they are being told "No". Because she is not signing on the live register, she cannot do the course, even though it would make her husband's business more viable and sustainable and create more jobs into the future. That system is broken and it must be addressed.

I raised an issue at a committee meeting on social welfare recently regarding a young man in Boyle who was on a training course having been referred by the Department of Social Protection. There are 20 people on this adult education course and every week he must physically leave it, cross the road and sign on with social welfare to say he is still on the live register. Each one of those 20 people must go across the road to the local social welfare office to sign on. Surely, when they are on that particular course, it should be a recognition that they are available for work. They should not have to have their classes disrupted up to 20 times per week by people having to go across the road. It shows that there is not really a commitment to ongoing education and training if we are asking people to leave a course every week to sign on the live

register.

I turn next to the issue that arises when someone gets into the workforce, creates a job for himself or herself and hopefully two or three more down the road before becoming sick. While employees get access to support from the Department of Social Protection through disability benefit, a self-employed person is not entitled to any benefit supports as their PRSI contributions do not so provide. The Tánaiste and the Government have been talking about changing the rules in that regard to ensure that a person who is self-employed who gets sick or is injured in the workplace has supports and a safety net. However, it is all talk. We have yet to see action. If we are serious about supporting entrepreneurs and about getting people with good ideas into the workforce, we must put in place that safety net.

I turn next to an issue surrounding local employment offices. My local employment office in most years has all of its allocation spent by the middle of the year and must wait six months before it can provide financial support to businesses that want to get up and running. That system is flawed and must be changed, particularly in counties and towns where there is not a large amount of foreign direct investment. Counties like Roscommon and towns like Ballinasloe should be given priority in relation to LEO funding. They should get additional funds at the start of the year to support job creation. When we know that getting multinational employers into those towns will be challenging, we should at least support the local people that want to create jobs and to start out in business. Why is it that LEOs in counties like Roscommon and Galway are critically short-staffed? If they had the staff, they could provide the advice and assistance to local businesses trying to expand and local people trying to set up companies. That can be of huge assistance to them. LEOs should not be trying to provide support in circumstances in which they do not have the staff allocation. They are trying to provide that support with not one but two hands tied behind their backs.

Deputy Lucinda Creighton: Unfortunately, the spring statement has been a missed opportunity. It has certainly presented Ministers with an opportunity to clap themselves on the back and to praise themselves yesterday, all day today and again tomorrow, but we are not seeing a new vision for Ireland. On a number of occasions throughout both of the Ministers' speeches yesterday, the year 2020 was set as a purported medium-term target. A token effort was made to assure the House that the Government's policy outlook transcends the electoral cycle and truly has the economic health of the nation, rather than the political health of the coalition parties, at its heart. The reality is that the Ministers involved are painstakingly working to ensure that the economic cycle is firmly linked to the political cycle and, specifically, to the election due to take place next year. The spring statement should tell us where we want to be in two or five years' time. It should tell the working poor, of whom there are many in both the public and private sectors, how we plan to create a process of transformation that will allow them fulfil their potential. Instead, we have been presented with another incoherent list of scattered promises that offers us no roadmap to a genuinely better way of doing things on this island. It is just a roadmap for buying votes. As the Siteserv issue, Irish Water, the McNulty affair and GSOC scandal, among so many others, have shown us, the State remains fundamentally unchanged. The old Charlie McCreevy economics of "when I have it, I'll spend it" are alive and kicking today in the depressingly visionless tax and spend policies set out by the Ministers, Deputies Howlin and Noonan, yesterday.

Despite all of the references to 2020 and the future, the absence of any meaningful proposals or policies in the area of child care was notable. For the young families around Ireland for whom child care is an enormous financial burden and a huge source of stress, it will have been

very disappointing to see that the only reference to child care made by Deputy Howlin was a vague mention of the activities of some vague working group. The spring economic statement document itself contained no mention whatsoever of child care. The State currently spends 0.15% of GDP on child care, which is one-fifth of the OECD average of 0.75%. The Government's absolute inertia in the area of child care is creating a divide between parents and child care workers, all of whom are at breaking point financially owing to the high cost of crèche facilities. The Government's failure to address the plight of working families is politically and morally unacceptable. A cornerstone of RENUA Ireland's policies is to transform the model of child care in Ireland. It was encouraging to read recently that the Minister for Children and Youth Affairs, Deputy James Reilly, is actively considering adopting RENUA's approach to allowing parents to split statutory parental leave between them as they see fit. However, this is one small element of a comprehensive approach which will require tax breaks for parents who use child care facilities and the development of a network of community crèches across the country. None of this is envisaged in the spring statement and none of it has been mentioned by the Government in any serious way.

Another area in respect of which the spring statement was noticeably lacking in substance yesterday was support for indigenous business. The SME sector accounts for 68% of employment across the Irish economy, yet there was nothing in the spring statement to suggest that the Government intends to overhaul the fundamentally unfair and discriminatory treatment of the self-employed and business owners in respect of tax and social welfare. Deputy Howlin stated yesterday that "a functioning society is a fair one, where the fruits of economic growth are shared among the people". In that context, it is extremely puzzling that the Government is willing to force the self-employed to pay up to eight times as much in income taxation as PAYE workers with equivalent earnings. I also wonder whether the Minister for Public Expenditure and Reform, Deputy Howlin, has the self-employed in mind when he states that the Government is committed to providing necessary welfare and other supports to those who need them because the self-employed are entitled to none.

At last night's press conference, the Minister for Finance, Deputy Noonan, said that the margin between the level of tax paid by the self-employed and PAYE workers should be reduced at the next budget, but he was not in any position to say by how much. No concrete details have been provided in this spring statement. The reality is that we cannot afford to wait for this discrimination to be incrementally phased out. It must be eradicated entirely in the 2016 budget.

There was nothing in the spring statement to suggest that the Government has any intention of broadening its economic horizon or developing an economic vision beyond growing the foreign direct investment, FDI, sector and the property sector. Two thirds of the employment growth targeted by the Minister for Finance and Enterprise Ireland is from foreign multinationals. What we heard in this Chamber yesterday will simply confirm to the owners of small businesses, self-employed people and the entrepreneurs across the country that this Government is not ready to recognise and appreciate the difficulties they face in operating and trying to grow their businesses.

The Government had flagged well in advance of the spring statement that public sector pay rises were on the way and the confirmation of this yesterday was hardly a surprise to any of us. It is very worrying to see that the coalition is happy to repeat the mistakes of the Celtic tiger in its approach to public sector pay and remuneration. Deputy Naughten enunciated this very clearly when he quoted directly from a Fine Gael policy document issued before the last election. The forthcoming national economic dialogue is reminiscent of the social partnership

model which Fianna Fáil led during the boom and then the bust. The coalition is seeking to buy the votes of trade unions through behind closed doors pay negotiations. We saw the same thing in the past. It is difficult to reconcile the boasts yesterday of the Minister for Public Expenditure and Reform on productivity gains in the public sector with the Government's resistance to the introduction of any performance management and accountability in the public service. By agreeing to restore public sector pay over the coming years without achieving meaningful cultural and structural reforms within the public service, the Government is simply reverting to the failed policies of the past.

If the Government is set on putting extra money in people's wallets in advance of the election it should be done in as fair a way as possible. That is the stated aim of the Minister for Public Expenditure and Reform but unfortunately the means suggest otherwise. That fairness could be achieved through changes to taxation rather than expenditure. A cut in the marginal rate of income tax combined with an adjustment in the entry rates across the taxation bands would genuinely impact upon employees of the public and private sectors equally. The so-called restoration of public sector pay benefits only one small section of our society, creates an unnecessary degree of partition in the workforce and undermines the social cohesion and solidarity which has been clearly demonstrated by the Irish people over the past seven years.

There is still time to pull back from the regressive return to Bertie Ahern inspired economic and political mismanagement in this country. All that is required is the political will to take a genuinely new and reforming direction. After four years of continuity Fianna Fáil policies, it is difficult, if not impossible, to believe that this Government has any desire to take a new path. This is a real shame and a wasted opportunity. I hope Ministers, such as the Minister for Agriculture, Food and the Marine who sits across from me in this Chamber, will consider providing leadership within Government and will try to influence the direction so that it takes a much more positive and visionary path than what was produced in the disappointing spring statement presented by the Minister for Finance and the Minister for Public Expenditure and Reform yesterday.

Minister for Agriculture, Food and the Marine (Deputy Simon Coveney): First, I will respond to some of the comments made by Deputy Creighton. I can assure the Deputy that the mistakes of the past in respect of public sector pay will not be repeated. However, it would be extraordinary to suggest that we would look at unwinding some of the restrictions which were imposed on Government over the past six to eight years in terms of required savings across the public sector without talking to public sector unions. To suggest that we would not talk to them about how to unwind those restrictions in an orderly and well-managed way is to suggest that we would do it without consultation. All that the Minister for Public Expenditure and Reform has said he intends on doing is to discuss with public sector unions how we can unwind over time some of the restrictions of the past while maintaining the focus on reform, change, better performance and modernisation of the public service.

We had a detailed discussion at Cabinet on this issue this week. I can assure anyone who may have doubts that we recognise the sacrifices made and performance changes made in the public sector in the past number of years in an effort to find a way forward for Ireland in very difficult times. The cost of running my Department is about €80 million to €90 million less per year now than it was when I first took that office. More than 4,000 people worked in the Department of Agriculture, Food and the Marine. The figure is now approximately 3,300. The Department is providing a better service to farmers now than it ever has. There has been a constant rolling agenda of reform in the public sector, led by the Minister for Public Expenditure

and Reform. This will continue in terms of better performance and in looking for new, better and more modern ways of doing things. However, it also has to return a dividend to the people in the public sector. As the economy grows, they have to benefit from that growth in terms of their take-home pay and so on. I can understand why people might raise concerns but I assure Deputy Creighton that we do not intend to and will not repeat mistakes of the past. Any approach towards public sector pay that this Government will back will be sensible and sustainable from a financial management point of view. That is what is needed.

The response to the spring statement by many people yesterday has surprised me. It is almost like people were expecting budget day yesterday and a whole series of new announcements. Similar to what happens in other countries, the spring statement sets a context around which specific budgetary decisions can be made in the future. It also sets out a vision for where the Government intends to take the country over the medium term. That is what yesterday was about. It was about spending a short amount of time reminding people how far we have come as a country as a result of the sacrifices of families, businesses and the public sector and so many others, and some people are still making those sacrifices, in order to correct extraordinary mistakes that were made in the past and which resulted in Ireland being pretty close to bankruptcy as a country.

Now the country is on a firm footing again. Our economic and commercial foundation is strong. Last year we were the fastest growing country in the European Union and will be again this year. As of today unemployment is back under 10%. It was close to 16% four years ago. We are able to borrow money. There is a queue of people who want to invest in Ireland. Some people may raise issues about a focus on foreign direct investment as a source of economic growth but I remind them that the sector that I am in charge of is far from being focused on foreign direct investment. The agrifood sector is by far the most important indigenous sector in the Irish economy. It has performed extraordinarily well through very difficult times over the past four years. The Government is driving a very ambitious growth agenda in the agrifood sector. It is central to growth now and in the future across the broader economy.

The agrifood sector is the largest indigenous industry. It contributes €26 billion in turnover and generates 12.3% of merchandised exports. The sector accounts for approximately 170,000 jobs or 9% of total employment. It makes a particularly significant contribution to employment in rural areas. Under the Food Harvest 2020 strategy, which to its credit was put in place by the last Government but is being implemented by this one, we have set out a strategy for smart green growth across a hugely important indigenous sector. Working with industry leaders, we have set ourselves stretch targets to be achieved by 2020. Not only this, but we have a clear business map to get there. The targets include a 33% increase in the value of primary agriculture from €4.5 billion to €6.1 billion; an export target of €12 billion, a 42% increase from a baseline figure of €8.2 billion a number of years ago; and a 40% increase in value added from the 2008 baseline. In addition to these value increases, the dairy industry has targeted a 50% increase in milk production by 2020 now that the cap on milk production through quotas has been lifted. Under the direction of the Food Harvest 2020 high level implementation committee, these targets are continually monitored, tracked, assessed and reported on annually under the milestones for success reports. Progress to date provides tangible evidence that the structured and collaborative approach between the State and industry works well.

By the end of 2014, the value of all primary output increased significantly to €5.977 billion, virtually reaching its target of a 33% increase. Export performance has been strong at €10.5 billion, more than halfway towards achieving the 2020 target of €12 billion and representing

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a 45% increase since 2009. Compare this with other products manufactured in Ireland and exported by indigenous companies. In the past four years, there has been a 5% increase in the value of those exports. In the agrifood sector, the increase has been 45%. Value added has also increased to more than €7.5 billion, which means it is more than two thirds of the way towards the 2020 target.

Given that the final comprehensive review of Food Harvest 2020 - Milestones 2014 - was published last September, I decided that it was an opportune time to look to the future and to consider what the agrifood industry could achieve in the next decade. We are entering a profound change and it is vital that the optimum strategy be identified to meet the challenges ahead and to embrace this major opportunity for growth and expansion. We want the agrifood sector to have a ten-year horizon for targets constantly. The certainty in terms of policy and funding that this approach provides to investment and planning has been strong in the context of Food Harvest 2020. The same will be the case for our 2025 targets. I have appointed Mr. John Moloney to chair the 2025 agrifood strategy committee, which consists of leading figures from that sector. It is tasked with reporting back to me by the end of June with its considered recommendations on how best to maximise the opportunity that is open to us and to optimise the sector's contribution to economic development and job creation in an environmentally sustainable way. I look forward to that report.

The removal of quotas at the end of this month will signal one of the greatest opportunities for many decades, not just for agriculture, but for rural Ireland generally. Food Harvest 2020 outlines an ambitious growth target of 50% in dairy production by 2020, the largest increase of any EU member state. This will lead to the creation of an estimated - estimated not by me but by independent assessors - approximately 15,000 jobs across rural Ireland. Research suggests that an extra 300,000 dairy cows will be required and the existing herd will need to increase its yield significantly to meet the Food Harvest 2020 targets. While traditional markets such as the UK and the EU will naturally remain important for the dairy sector from an exports point of view, it is abundantly clear that significant market opportunities exist for the sector in new markets outside the EU in the medium to long term. In 2014, we exported dairy produce across a range of commodities and other value added offerings to 130 countries.

In preparation for the anticipated major increase in milk output, virtually all of the major players in the sector have been ramping up their capital and human investment. At industry level, Enterprise Ireland has supported the capacity and capability development to cater for increased volumes and to move dairy exports up the product value chain. A strong indication of the positive outlook for the dairy sector is demonstrated by the fact that capital investments of more than €729 million are planned by key players in the industry in the 36 dairy and IMF projects supported by Enterprise Ireland. These include a €185 million investment by Glanbia in Belview, spending by Kerry Group of more than €108 million on a global food innovation centre in Naas and spending by Dairygold of €120 million in Mallow and Mitchelstown. Enterprise Ireland estimates that these investments will contribute more than 1,600 direct jobs and up to 4,500 indirect jobs to the wider economy.

Deputies have suggested that the Government is relying and overly focused on foreign direct investment, FDI, for growth. It is worth noting that the three largest investments by Enterprise Ireland companies were all made in the agrifood sector in the past three years, namely, the Kerry Group, Glanbia and Dairygold projects.

At farm level, there has been considerable investment. A 2015 Teagasc-Bank of Ireland

study showed that dairy farmers invested almost €2 billion in the 2007-13 period. Just under half of that investment was in buildings, partly driven by grant incentives, but almost €70 million was invested in milk quota in that period. In addition to the investment associated with expansion, dairy farmers are likely to undertake their normal investment in items such as machinery and in land improvements. In the 2007-14 period, investment in these averaged at approximately €140 million per year.

Agriculture is in a better place than we have ever seen it. Our agricultural colleges are full and, in terms of levels of ambition, education and qualification, the quality of the people entering the sector is higher than it has ever been. Young companies in the sector are more numerous. Innovation, technology and design in agriculture and agrifood are also stronger than they have been in as long as I can remember. On top of this, the Common Agricultural Policy, CAP, is providing funding and policy certainty and the rural development programme is contributing more than €4 billion in support of the type of new thinking that is required, namely, smart, science based and green and sustainable.

A number of people have raised concerns about the sustainability of our expansion plans. I will reassure them by saying that Ireland is the only country in the world that is planning and delivering a roll-out of a sustainability audit system, not only at farm level, but at food processing and manufacturing levels. We are doing this through the Origin Green and rural development programmes. All 17,000 to 18,000 dairy farmers have, through their farming organisations, effectively signed up to a sustainability audit system that will measure carbon footprint, water management, protection of biodiversity, animal welfare and so on.

We are planning in a visionary way to expand and modernise agriculture and the food industry in the next five to ten years, as has been happening for the past six years or so, in a way that is exciting and attracting a new type of person to food science and agriculture. Whether one is a beef farmer measuring a herd's carbon footprint using an internationally certified carbon calculator model, a sheep farmer, a dairy farmer or involved in pigs or poultry, we aim to benefit significantly from the opportunities that exist for Irish food internationally, and we will.

There also is a significant opportunity for development in the marine sector.

I look forward, as Minister for Agriculture, Food and the Marine, to continuing to work with all the relevant industries. People in the various sectors are looking forward with real optimism to a period of sustainable growth into the future.

Deputy John O'Mahony: I am pleased to have an opportunity to contribute to the debate on the spring economic statement. The response over the past 24 hours to yesterday's announcement has been interesting and intriguing. For the past four years, the Government has been dealing with a financial crisis the like of which has not been seen before in the history of this State. The economic war of the 1930s and the recessions of the 1970s and 1980s did not come after a period of full and plenty which, in spite of this, saw resources being frittered away, thousands of houses built in the wrong place and so on. In my former job as a teacher, I saw young people leaving school in second or third year during the Celtic tiger period for construction jobs in which they could earn €600 or €700 per week. Two or three years later, with those jobs now gone, they were left with no qualifications and, in many cases, having to emigrate.

It is important to keep in mind the events surrounding the arrival of the members of the troika. We were initially told they were not coming, then they arrived and, after that, they came

every three months to mark us on our performance in sorting out the financial crisis. There was genuine fear, uncertainty and confusion among the public and politicians alike. People were wondering what the best way forward might be or even if there was a way forward. As a result of the understanding and patience of the Irish people and the prudent decisions that were taken in recent years, using job creation as a central plank and with a focus on restructuring and improving how we do public business, hope, confidence, stability and our credibility abroad have been restored. The Minister for Finance, Deputy Michael Noonan, and the Minister for Public Expenditure and Reform, Deputy Brendan Howlin, were allowed to find wiggle room to devise a positive way forward.

Trying to achieve success is one thing, and it presents a range of challenges and requires a range of responses and decisions, many of them entailing sacrifice. Coping with growth and even the moderate type of success we have at the moment - the recovery remains fragile and a lot of work remains to be done - presents a whole range of different challenges. The ideal scenario for everybody in this House would be for all pay reductions to be rowed back on and all cutbacks and savings, whatever one wants to call them, to be restored immediately. However, we must take on board the lessons of the past. Whatever is done must be done in a structured and responsible way, giving priority to the needs of the most vulnerable, including the elderly, people on lower and middle incomes, the disabled and so on. In introducing the spring statement yesterday, the Government painted a picture of what is available to enable us to do some of the things we want to do. We all would have suggestions as to what should take precedence, but most of us will agree that the most vulnerable sectors of our society and lower-paid and middle-income people should be the first to be dealt with. Measures that may be small in monetary terms, such as the provision of a telephone allowance or free electricity units, for instance, are of major concern to elderly people and should be restored as soon as possible.

The issues facing small businesses have been referred to by speakers on all sides. The Minister for Jobs, Enterprise and Innovation, Deputy Richard Bruton, has prioritised supports for small business in the Action Plan for Jobs for 2015. That prioritisation must be continued and intensified in every way possible. There will be no announcements on the television about the jobs created in the small business sector, but that is how we go about putting a few extra shillings in people's pockets and restoring their confidence. I expect to see some of the concerns facing the SME sector being addressed in the budget in October. We have been talking about these issues for long enough; it is time now to take action. I attended a meeting last week of small business owners where there was much discussion around the lack of social welfare entitlements for the self-employed. The Minister for Social Protection, Deputy Joan Burton, is examining this issue, and I urge that it be addressed as a matter of priority. People should be incentivised to take risks and where their business does not succeed, should be entitled to some form of social protection.

Reference was made to the procurement of State and semi-State contracts. We all accept that the Government has had to find savings in recent years, but that should not be done at the expense of local businesses which find themselves unable to tender for local projects because of the rules and regulations that are in place. We might save money nationally with that approach but it is important to have a mind to protecting local jobs and local businesses. There should be some flexibility included in those arrangements to reflect that concern.

The spread of the recovery is an extremely important factor. The Minister, Deputy Coveney, referred to farming, which is relevant to people the length and breadth of the land. There are

various challenges for the different types of farmers. Productivity must be supported, but we also must help people who are restricted in what they can do. Tourism is another sector that requires support. We have seen straws in the wind in recent weeks with the announcement of the opening of an Apple plant in Athenry and the construction of a fibre-optic cable between Killala Bay in Mayo and New York. We must put in place the infrastructure that will ensure the recovery can take hold across all regions. It is crucial that we see that happening in the coming months and years.

An Ceann Comhairle: The next speaker is Deputy John Browne, who is sharing time with Deputy Barry Cowen. I am delighted to welcome Deputy Browne back to the House.

Deputy John Browne: I thank the Ceann Comhairle for his kind words. The Fine Gael and Labour Party road show we saw yesterday was all spin and no substance. It is hard to countenance that three days are being taken up in this House to provide a platform for self-congratulation by the Government. The Minister for Finance, Deputy Michael Noonan, and the Minister for Public Expenditure and Reform, Deputy Brendan Howlin, talked for 57 minutes between them about the recovery we apparently are seeing. A recovery may be taking place in Dublin and some of the cities but it certainly has not filtered down through the regions. In Wexford, for example, we still have a very high unemployment rate and very little interest from IDA Ireland or Enterprise Ireland in doing anything to alleviate it.

The break-up of FÁS has created a major stalemate which has seen us getting lovely materials from the education and training boards and other organisations but very little real substance in terms of provision for training and upskilling people and giving them an opportunity to move into new areas of employment. The education and training boards were set up in a blaze of glory. In my own county, however, the board has met only once since its establishment a year ago following the local elections. We have young people and older people who want to retrain and upgrade their skills but they are not getting an opportunity to do so. Enterprise Ireland and IDA Ireland give very little support to the regions. In the south east, certainly, we have had very little help from them, as I said. In fact, in the past 12 months we had only one visit from IDA Ireland. While it is good to see the recovery that is happening in Dublin and some of our other cities, it has certainly not filtered down to the area in which I live.

Deputy Simon Coveney: What about the announcement in Waterford today?

Deputy John Browne: Pardon?

Deputy Simon Coveney: Did the Deputy not hear about the announcement in Waterford today?

Deputy John Browne: I am talking about Wexford, Carlow, Kilkenny and Waterford. There may have been an announcement in Waterford today but it has been a long time coming. We in the south east are not getting the priority we deserve and I am entitled to make that point.

The public want to see action on the issues that concern them, namely, excessive mortgage interest rates, soaring long-term mortgage arrears, the squeeze on the household budget, housing waiting lists and poor public services. The public want to see an improvement in those areas. They do not want to see spin in the Dáil over a three day period.

The Minister, Deputy Noonan, made great play yesterday about there being no reduction in social welfare payments and I accept there has been no reduction in the base payments but

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now there are water charges, property charges and there has been the withdrawal of free ESB unit and the telephone allowance. Old age pensioners will point out to me that those reductions account for approximately a €12 per week cut indirectly in social welfare. Therefore, it is not true to say there has been no reduction in the payments to social welfare recipients when there has been a substantial cut when account is taken of all the cutbacks and stealth taxes introduced during the past year.

The housing crisis is out of control. Very few houses are available for rent across the country. The rents are exorbitant and the landlords are increasing them. Homelessness is now a feature of rural constituencies that was not a feature of them in the past. The men's shelter and the women's refuge shelter in Wexford are full and they are not in a position to take in any more people, which leaves some people on the streets and homeless. The council has reached a crisis point in trying to deal with the problem.

Thousands of children with disabilities have been waiting years for supports and assessments. In many ways they have become the forgotten generation under this Government. Parents of people with disabilities are at their wits' end in trying to cope with no respite available. The respite grant was cut, they have been waiting years for assessments and it is practically impossible for these children to get wheelchairs and walking aids and also hospital care. Disabled grants from local authorities have been dramatically cut during the lifetime of this Government. People used to be able to avail of grants for specially adapted bathrooms or bedrooms but with council funding having been cut by 50% and 60% the council is not in a position to make such grants available.

Job opportunities for people with disabilities are practically nil. A special designated disability section should be established within the Departments of Education and Skills, Social Protection and Health. An overarching body should be established to deal once and for all with the problems faced by people with disabilities, first, when they are young and growing up and, second, when they have gone through second and third level education and are trying to find job opportunities, which are practically impossible to find. It is an area that needs to be seriously examined.

The Minister, Deputy Coveney, talked about the importance of agriculture and we all agree with that. He spoke about the good developments in agriculture during the past year under his watch but he forgot to mention the green low-carbon agri-environment scheme, GLAS, the new environmental scheme which is part of the rural development 2014-2020. A total of €1.4 billion has been allocated to GLAS over the lifetime of the programme, but the new programme falls dismally short of meeting its targets with only one third of eligible farms having their applications processed. The farmers are contacting all of us as public representatives pointing out the difficulties they are encountering in making an application and in getting to talk to people in the Department of Agriculture, Food and the Marine. The current rate of processing is 2,000 applications per week. Based on that rate, the scheme will receive fewer than 24,000 applications, resulting in approximately 15,000 completed submissions, which is way below the number the Minister spoke about as he encouraged farmers to apply. It will certainly be very difficult to reach the target by the 22 May deadline. He should seriously consider extending that deadline as a matter of urgency.

The Minister did not mention that under the rural development programme there were serious cutbacks in the Leader programmes around the country with major reductions in the amount of grant available. In some cases there has been a reduction of 40%. The Leader companies

across the country are at their wits' end in trying to make sure that they will have a viable scheme in the future. The Minister did not mention that.

With the abolition of milk quotas, severe problems will be faced by farmers who have to pay the super-levy. The Minister said that with the involvement of the IFA the payment may be spread over a three year period. When the quotas have been abolished I cannot understand why a farmer would have to carry over a super-levy for last year. The EU Commissioner for Agriculture and Rural Development, Mr. Hogan, is *in situ* and surely the Minister, together with the Commissioner and other like-minded countries that have a super-levy in place, should be in a position to deal with this to ensure a reasonable solution is found because otherwise farmers will have to pay large amounts in respect of the super-levy over the course of the next three years. That will create a major burden on their finances and on the way they will be able to contribute and extend their farming operations. The Minister should seriously examine the prospect of seeking a write-off of the super-levy for 2014 for our farmers based on the fact that the quota has been abolished. Surely the Minister should be able to engage in serious negotiations with the EU Commissioner, Mr. Hogan, on that issue.

There has been a serious reduction in the number of gardaí, with the number down by 1,500 in the past four years. We have had 11 retirements in the Enniscorthy area where I live and no replacements to date. We had eight gardaí deployed in the drugs unit. One garda is now working in the drugs unit and one can imagine the work that garda has to do with the level of drug dealings in the south east and the amount of drugs coming into the country through Rosslare. The customs officials in Rosslare have been very successful in securing cases against drug peddlers and drug movers. The time has come to seriously rebuild the number of gardaí around the country. We have the lowest number of gardaí per head of population in Wexford. It is time that the Minister for Justice and Equality, and the Minister for Public Expenditure and Reform, seriously examine that and ensure that we have an adequate number of gardaí to protect our citizens. With the Garda stations closed in rural areas it is important that we have adequate numbers of gardaí in our towns and cities to protect the ordinary citizens of our county and our country.

Deputy Barry Cowen: I welcome the opportunity to speak on the statements made in the House yesterday by the Minister for Finance and the Minister for Public Expenditure and Reform, and I acknowledge that this process is part of the new fiscal rules associated with the European Union. As the Minister for Finance stated, the parameters around spending in the budget in six months time has to be forwarded to the EU at this stage. It is probably right for many of us to say it is a bit over-cooked. I am not surprised by the efforts of the Government to deflect from the issues concerning people throughout the country or by its having seen through the four-year plan put in place largely by the previous Government, despite the fact that it voted against the Finance Bill associated with it in 2011 when it made a promise to the electorate that it would do things in a different fashion. It promised at the time of that election that there would be a softer and easier way to fiscal rectification but that was never going to be the situation. We did not expect that to be the case, and we put that to the electorate. However, they made their decision, as they are entitled to do, and we accepted it.

On assuming office there was a different tack on the part of the Government in terms of all the promises that had been made despite the fact that it could be argued that it would win that election irrespective of the type of campaign it ran. Having said that, it took advantage of people's feelings, fears and worries at that time and led them to believe there was a different way in which things had to be done. That was not the case because two thirds of the heavy lifting,

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or €20 billion of a €30 billion adjustment, had already happened under the previous Government and that should be acknowledged. It was the manner in which the current Government went about closing the remaining gap that we disagreed with. That said, we must deal with the current situation. As members of an Opposition party that received 400,000 votes, we were given the authority by that electorate to act in a responsible and constructive manner, to hold the Government to account and having done that, to put forward reasonable alternatives which are costed, effective and meet the demands of the electorate. We are in the process of doing that. In the last week alone we have brought forward three different policy documents. We will continue to develop policy papers, publish our manifesto towards the end of the year and go out and engage with the public. We will speak with them and seek their support and trust. They will ultimately make a decision about who they believe should be in government by this time next year.

I heard the Minister for Public Expenditure and Reform, Deputy Howlin, on the radio this morning saying that he was greatly surprised at the reaction of Fianna Fáil and other members of the Opposition and some of the commentariat but he should not be at all surprised. I am not surprised. I represent a constituency in rural Ireland, like many others in this House. It is our job and duty to reflect the opinions of those we represent. We meet them on a regular basis and hear about the problems for which they seek resolutions. There are four or five issues in the public domain which many people feel have not been addressed or are not being effectively dealt with by the Government. In fact, many believe that they are at a crisis point with regard to some of these issues because of the way the Government has responded to them.

One of the most important issues is jobs and the two-tier recovery. The Deputies opposite are well aware that the recovery that is spoken about in Dublin and on the east coast is not affecting Tipperary, Cavan, Monaghan, Laois or Offaly. They know that as well as I do. They know that rural services have diminished even further under this Government. We have seen that in terms of Garda numbers and the situation in Wexford as outlined by Deputy Browne is no different in many other parts of the country. We have seen the changes to the pupil-teacher ratio for rural schools, the closure of post offices and community welfare offices. If the lead is given by Government in that regard then the private sector will obviously follow suit. We see this in the way in which towns and villages in our regions and provinces are dilapidated but there is no concerted effort on the part of Government to bring forward cohesive policies which will address this issue. I brought forward a policy document entitled Streets Ahead which looked at ways to empower local authorities to address issues such as housing, commercial rates and so forth. There is an onus on Government to direct IDA Ireland and Enterprise Ireland to be more focused in the way in which they address the disparities between urban and rural areas. While much progress has been made in recent years in terms of improving our road and rail networks, broadband provision is still unsatisfactory and must be improved. It is the Government's responsibility to address the deficiencies in rural Ireland and to deal with the two-tier recovery that is emerging. It must encourage if not direct the IDA and Enterprise Ireland to have dedicated units focusing on bringing foreign direct investment and indigenous industries to rural areas.

Another major issue of concern which disgusts many people is the wastage we have seen under this Government, especially with its pursuit of the Fine Gael policy of establishing Irish Water. I could just say "enough said" at this point. The mismanagement of funds and the mismanagement of the establishment of that body is well understood by the public. Irish Water has been put in place to deliver a service that was already being delivered effectively and within

budget by the local authorities. Indeed, they are still doing that and are still being employed by the Government to provide water services. However, the Government is now paying another tier of middle and upper management over and above the local authority staff. It is paying them bonuses and wages that are over the odds. It has done sweet deals with many Irish Water employees who came from the local authority sector. The people see it for what it is. We have said consistently since its inception that Irish Water should never have been put in place. We argued that any charge on the public for water services should only be levied when that service had been enhanced, met public demand and was fit for purpose. Unfortunately that is not the case at present. We have made worthwhile proposals in this area.

The public in the Carlow-Kilkenny constituency where I have been canvassing in recent weeks have asked me what can be done about jobs and the two-tier economy. There must be a concerted effort by the IDA and Enterprise Ireland to deliver to those areas. On the issue of Irish Water, the Government cannot continue to pump this white elephant with more air. That is all it is doing at present. Irish Water must be abandoned, abolished and put to bed.

There is a huge mortgage crisis out there which continues apace. The Government had an opportunity to address it two or three years ago when it brought forward its insolvency legislation but it disregarded the advice of independent experts and many Members of this House who told it not to give the banks a veto. It gave the banks a veto and ploughed on, regardless. We have seen the result of that in recent weeks and months, with thousands in court facing repossession orders. The Taoiseach said during this debate earlier today that 120,000 people have rectified their situation and are in new payment arrangements. The Taoiseach must prove that is the case because I do not believe it is. All that has happened is that the banks have contacted these people, placed them under orders as to how to rectify the situation, with the banks retaining the option to veto any proposals. That is not an arrangement that meets the requirements of both parties.

We heard earlier this week that Ulster Bank is in the process of writing to 2,000 people who are in severe mortgage arrears offering them the opportunity to vacate their property with the assurance that they will not be chased for any outstanding balance when the house is sold. Are we supposed to be cracking open champagne bottles in response? The Government has agreed that this represents “movement”. It certainly is movement but it may result in another 2,000 people on the housing waiting list, which currently stands at 90,000 across the country. The housing situation in Dublin is at crisis point, with 1,000 children currently living in emergency accommodation. That is not just a crisis; it is a disgraceful, calamitous disaster which must be rectified. No houses have been built in counties Offaly, Laois or Wexford in the past four years. The Government has done nothing to address this issue. We have had announcement after announcement but nothing concrete has been put in place to address the crisis that exists. We can be sure that the other banks will follow the lead set by Ulster Bank this week. The Government has a responsibility to use the offices available to it within the Department of Finance ---

Deputy Tom Hayes: I think the Deputy needs to check his housing figures ---

Deputy Barry Cowen: I will check. Deputy Tom Hayes should check the figures too but I know that no houses have been built in Offaly; not one house.

Deputy Tom Hayes: Fianna Fáil did it in 1977. Fianna Fáil wrecked the country then too.

Deputy Barry Cowen: This Government could see out its full five year term without build-

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ing a single house in many constituencies. That would be some legacy.

Deputy Tom Hayes: We are rehousing people.

Deputy Barry Cowen: That is the legacy this Government is facing.

Deputy Tom Hayes: We are rehousing people.

Deputy Heather Humphreys: We tidied up and finished off a lot of the ghost estates.

An Ceann Comhairle: The Deputy's time has expired.

Deputy Barry Cowen: The Government should get NAMA or some other agency to negotiate with the banks on the repossession orders they are issuing with a view to getting an independent assessment of each situation. Some people might be in a position to buy back their homes under the mortgage to rent scheme. Does Deputy Tom Hayes know how many people have taken up that option in Offaly? Two people have availed of the mortgage to rent scheme. That is a huge success.

An Ceann Comhairle: The Deputy is over time.

Deputy Barry Cowen: The Minister, Deputy Howlin, said he was disappointed and surprised but the rest of us are not. I have just outlined some of the reasons he should not be disappointed or surprised. They are the realities that will unfold at the ballot box in Carlow-Kilkenny in a few weeks time. If the Government does not get the message then, it will be given it again in 12 months time.

Minister for Arts, Heritage and the Gaeltacht (Deputy Heather Humphreys): Many Deputies will remember the last time a Government delivered a significant economic statement in the month of April. It was back in 2009 when Fianna Fáil rushed through an emergency budget in a bid to plug the ever widening gap in the public finances. It did not work, of course, and the decisions that followed that emergency budget plunged the country into deep crisis. Hundreds of thousands of jobs were lost and tens of thousands of young people emigrated. The future seemed bleak and incredibly uncertain. Our collective confidence had been delivered a severe blow.

Now, in April 2015, there is reason to be optimistic again. Yesterday, the Minister for Finance, Deputy Noonan, charted a plan for the remainder of this decade. It is a plan that will continue to deliver new jobs and better living standards. It is a plan that is based on sound economic policies and responsible financial management. It is a plan that will help bring the thousands of young people who left these shores during the crisis back home, where they can contribute to and benefit from the recovery. It is a plan that will deliver better public services for everyone. It is a plan that will ensure that every county in the country feels the benefits of the economic recovery.

Opposition Members like to talk down the recovery. First they said there were not enough jobs. Now they say they are not the right jobs. What is the truth? Some 90,000 new jobs have been created since unemployment hit its peak and the vast majority of new jobs being created are full-time jobs. Unlike the Opposition, the Government believes in the future of this country. We want to give families and young people the best possible chance to succeed. The Opposition scoffed when we set a target of 100,000 new jobs by 2016. As we will exceed that target, we have set a more ambitious one. We want to recover all of the jobs lost during the crash by

2018.

When my constituents will ask me what the spring statement means for them, I will tell them it is a new way of managing our public finances. It is about learning from the lessons of the past. It is about never going back to the policies of boom and bust. It is about continuing on a sustainable path so everyone feels the benefit, and so we can continue to ease the burden on hard working families and give our young people a reason to come back home.

The spring economic statement is a clear commitment that the sacrifices made by the people in recent years will not be squandered. We will not return to the reckless, spend-happy policies of old. Short-term populism is no longer the order of the day. This means building a recovery where all sectors of the economy are growing and where all regions of the country can benefit.

I am glad to inform the previous speaker that I have seen the fruits of the recovery in my constituency of Cavan-Monaghan. Earlier this year Combilift, an indigenous Monaghan company, announced 200 new jobs through a major expansion of its facility in Monaghan town. A few years ago such job announcements were unheard of in Monaghan. Through an unrelenting focus on excellence and entrepreneurship, Combilift has grown into a major local success story. It has been assisted on that journey by Enterprise Ireland, which has helped Combilift to expand its export markets. The company now sells its products in 75 countries. There are other examples of job creation in Counties Monaghan and Cavan.

My Department endured severe cuts during the economic crisis. The arts and heritage sectors suffered considerably during the downturn. The cutbacks have come to an end, and I have begun the gradual process of increasing funding to the arts and heritage sectors. The Gaeltacht is also benefiting from the recovery, with additional funding channelled through Údarás na Gaeltachta this year.

I want to see the arts and heritage sectors benefit as the economy recovers. I strongly believe that these sectors can play a very important role in contributing to our recovery. Our arts and culture make our villages, towns and cities vibrant and interesting places. Our culture is synonymous with our Irishness. It draws people in their millions to visit this country and it is something we must always promote and protect.

Our creative economy is a fantastic asset. The Government has already significantly improved the tax breaks for film production here and I will be working with the Minister, Deputy Noonan, in the coming months to see if further improvements can be made. We also have a thriving animation sector, which is supported by my Department through the Irish Film Board. Small Irish studios like Cartoon Saloon are having a huge impact on the international stage, producing animation series that are considered to be among the best in the world.

I believe our creative industries will form a very important part of our changed economic landscape. By showing that we want to invest in our creativity and foster artistic endeavour, we send a strong message that Ireland is an interesting and innovative place to be. By recognising that creativity is good for business we can take a much more holistic approach to how we invest and how we attract investment.

Ireland 2016 is of course my main priority for the year ahead. I have been very enthused at the response to our plans to commemorate the 1916 Rising. This morning I visited Pearse House in Dublin 2, where Pádraig and Willie Pearse were born and raised. My Department is providing a small grant to help renovate the building and open it up to the public. It is a small

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example of how the commemorations can help to revitalise communities and stimulate activity.

The central focus of Ireland 2016 has always been on commemoration and on respectfully remembering. It will certainly have a positive spin-off for our towns and cities. This was evident in Dublin on Easter Monday when thousands of people flocked into the city centre for the Road to the Rising event. Business activity on the day increased by between 20% and 30%. The seven flagship projects being supported by my Department, including the new visitor centres at the GPO and Kilmainham Gaol, will also provide a great boost and are expected to attract hundreds of thousands of visitors every year.

The challenge for the years ahead is to continue to manage our economy in a responsible way, to ensure our recovery is sustainable. It is incredible to listen to the Members of the Opposition decry the notion that we would start the debate on next year's budget now. These same Opposition Members claim they want a more open budgetary process.

Fianna Fáil wants the people to forget the disastrous policies they presided over in government, while Sinn Féin wants the people to forget that they are implementing cutbacks north of the Border that they oppose in the South. The Technical Group represent "whatever you're having yourself" and are all things to all people. I do not believe the Irish people will fall for it. Most Irish people would choose stability over chaos and moving forward over moving back.

As our economic recovery is not guaranteed, I do not want to see the progress made over the past four years thrown away. That is why charting a path for sustainable recovery is so important. Spending increases and tax cuts will only be made based on solid economic decisions. We must continue to manage the economy sensibly to ensure growth not only continues, but spreads. Over the coming months, we will engage in a national economic dialogue to have an open debate on how taxpayers' money should be spent. We will invite written submissions in advance of the budget, all of which will be published. It is a different approach and a better approach.

We will reclaim that lost decade. We will put the darkest days of the crisis behind us. We will move forward as one of the best countries in the world in which to live, raise a family and grow old.

Minister of State at the Department of the Environment, Community and Local Government (Deputy Paudie Coffey): I welcome the opportunity to speak on the spring economic statement, which represents an important opportunity for Deputies on all sides to lay before the House their views on the economic status of the country and the citizens who live here.

In order to have good fiscal management and balanced budgets, it is good practice to have a transparent debate ahead of the budget in the next few months. It is important for the Government to set the scene making a clear statement of intent of where its priorities lie. It is also open to Opposition Members to make their case on what they would do differently to manage the economy and manage the country. That is what good debate should entail. Rather than opposing the spring economic statement I would have thought the Opposition would have welcomed the opportunity to debate the issues on a case-by-case basis. I believe the statement of intent will give a solid indication not only to the Irish people but to the various sectors in the economy, including the unions and employers, and foreign investors of the state of the Irish economy now in comparison with how it was four or five years ago when the Government came to office. This Government was in crisis management mode for our first three years in office. We

were trying to stabilise the public finances while bringing the country back to a position where we could attract inward investment once again. It is clear from the figures for employment and revenue that solid progress has been made. That progress is up for debate and the Government is moving from crisis management to managing the recovery and the growth opportunities that now present.

In his opening contribution, the Minister for Finance specifically mentioned the construction 2020 strategy for which I have responsibility. This strategy is vital to Ireland's economic recovery because the construction sector suffered in the crash more than any other sector as it was reliant on an unsustainable boom and bust cycle. When the crash occurred, not only did the rate of construction of houses, which are now badly needed, fall off the cliff but also many of the people previously employed in the construction faced unemployment or emigration. As the economy recovers, it is important that the construction sector is put on a sustainable footing. We need to start building the right types of houses in the right locations if we are to provide sustainable employment in this sector.

I listened with interest to Deputy Cowen's contribution. He castigated the Government for not building houses. I remind the Deputy that the previous Fianna Fáil Government abdicated its responsibility for local authority house building programmes by handing them over to the private sector via Part V provisions. Unfortunately, when the crash caused private housing construction to cease, it meant social housing also ceased completely. Through this Government's intervention with a new social housing strategy, local authorities will directly engage in housing construction for the first time in a generation. The allocations in this regard will be announced in the coming weeks. To ease the Deputy's worries, I can assure him they will include County Offaly. He claimed that there are no available houses in that county but I am happy to report that Offaly County Council and the Oaklee Housing Trust, with support from my Department, will be opening 29 units in Church Hill in Tullamore at the end of this month. I look forward to the Deputy welcome that development.

At the peak of the economic boom in 2007, approximately 270,000 people were employed in the construction sector but by 2012 the figure had fallen to fewer than 100,000 construction workers, including professionals such as architects and engineers as well as labourers. No other sector in Ireland's economy suffered as severely. In a properly functioning modern economy, the construction sector should be contributing 12% of GNP. In 2012 the sector contributed just 6.4% to GNP but by 2014 it had grown to 7.1% of GNP. While this is an improvement, there is still room for growth in the sector.

In the coming weeks I will be bringing the urban regeneration and housing Bill to the House. This Bill will provide for a vacant site levy, changes to Part V obligations and the possibility for local authorities to retrospectively reduce planning contributions and development charges to support further housing construction in the private sector. I intend to progress the Residential Tenancies (Amendment) (No. 2) Bill 2012, which is currently on Committee Stage in the Seanad. We also intend to publish the planning (No. 2) Bill before the summer recess to provide for a new national planning framework to replace the National Spatial Strategy, which has enjoyed only limited success. The new framework will ensure proper regional planning for many years to come.

There is a serious housing need right across Ireland and we need a mix of solutions to meet demand. Last month the Minister for the Environment, Community and Local Government and I were delighted to announce €1.5 billion in funding for social housing to 2017. This will

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enable 22,000 social housing units to be delivered to people on the housing lists. It is expected that the number of house completions will reach 16,000 by the end of this year. This represents an increase of almost 50% on 2014. While these numbers will not meet the demand for this year, they none the less represent strong progress in the right direction.

The Minister, Deputy Noonan, noted yesterday that net emigration will shortly be ended and that many of our young people who left Ireland are returning home. There is no doubt that we need skilled construction workers to come home to help build houses across Ireland. The Construction Industry Federation shares these views and is active in this area. I suggest to the parents who saw their children go abroad a number of years ago that it is time their sons and daughters started to look to home. I recently visited a number of secondary schools in my own area to observe construction classes and listen to the views of young people about entering construction trades and professions. I am glad to report that students are increasingly considering the sector. However, we cannot become dependent on construction if we are to sustain employment in the future.

The spring economic statement ensures that if the right policies are implemented for the coming years, the Government will be in a position to implement expansionary budgets which will benefit every citizen in this country. Our deficit will fall below 3% to 2.3% of GDP this year and national debt is on a downward path; having peaked in 2013, it is now expected to drop below 100% of GDP and move towards the EU average in the coming years. In the coming weeks, the Government will make an announcement on strengthening the mortgage arrears framework to help the more than 30,000 homeowners who are in long term arrears. Budget 2016 will seek to increase expenditure by €600 million to €750 million to allow the Government to deal with demographic pressures in social protection, education and health. We should have an open and transparent debate on how funds might be prioritised to benefit the regions.

Unemployment is falling rapidly and jobs are being created on a daily basis. Unemployment now stands at 10% nationally and in my own region of the south east, which was one of the worst affected regions, unemployment stood at 11.9% at the end of 2014. When we hit peak unemployment in 2012, the unemployment rate was 15.1% nationally and 20.1% in the south east. Since this Government was elected to office, 97,100 full-time jobs have been created. We have seen the live register fall by 92,517 people in the same period. In 2014 Ireland's economy grew by just under 5% and this year it will grow by an estimated 4%. A good example from the south east of a company that restructured to become competitive is Bausch & Lomb. Last year it was under threat of losing nearly 1,000 jobs but this morning it announced investments worth €115 million and an additional 175 jobs. The existing jobs will be sustained. There are similar opportunities for other regions.

We are on the right path and, while we still have a long way to travel, there is no doubt that Irish citizens deserve great credit for coming this far with us. I hope they will see that the alternative to this journey is chaos, instability and a lack of investment. These are real choices that politicians and, more important, the Irish people must make.

Deputy Dessie Ellis: The spring economic statement may have been heralded from on high by this Government but in reality it was all whimper and no bang. The announcement amounted to telling us that through mostly external conditions economic indicators had improved over the last several years and that the prospects were good for a Government hoping to buy the votes of the electorate in 2016 with promises they will not have a chance to implement.

No single issue exemplifies the Government's inability to address a problem as much as the housing crisis. It has singularly failed not only to address the crisis in a timely manner, but even to recognise it. It took the death of a homeless man, Jonathan Corrie, just metres from the gates of Leinster House for the Government even to admit a crisis exists. For four years, the Government tried to pretend there was no crisis, until it all came crashing around their heads. If we were to look behind the spin of the Government's current plans, we would see clearly that it still believes that somehow the private market will save it from having to make a real change to the way it deals with housing.

In February 2013, in an exercise of utter delusion, the Government committed to ending homelessness by 2016. It then set about trying to implement a series of policies and uphold others that have actually increased homelessness in real terms almost every quarter since. Its first act on housing policy was to declare an end to large scale social housing projects and in its first budget it cut capital funding for housing by 40%. In all, the Government cut more than €500 million from the annual budget in its first three budgets. The construction, acquisition or renovation of social housing ground to a virtual halt in the State at a time when it had not been cheaper in a decade. In 2013 local authorities built just 293 homes.

Currently, there are 411 families in emergency accommodation in Dublin, with almost 1,000 children sleeping in hotel rooms for lack of a home. Many of these have been forced to do this for months on end. There are 3,000 people in emergency accommodation across the State and at least 40 new families are presenting as homeless in Dublin every month. These numbers are only going up and have almost doubled in less than a year. When the Minister announced additional beds for the homeless over Christmas, this only revealed a hidden problem as beds were filled immediately and rough sleeping continued. The Inner City Helping Homeless group counted 139 rough sleepers in Dublin. Other groups have reported lower numbers, but the 60 sleeping in the new Night Café are not counted on any official figures and coupled with more conservative rough sleeper figures, they show the problem continues unabated.

Rents have increased by nearly 40% in Dublin since the Government took office. Rent rates have now risen well above rent caps for rent supplement. Rent supplement recipients are losing their homes weekly, due to rent hikes and demands for under the table payments they cannot afford, while low paid workers are suffering increased deprivation in order to make rent payments. Children are going hungry or parents are going without to feed their children and keep their landlord from moving forward with the threat of eviction. Many of these homes are no better than slums, with over 90% of flats in Dublin failing council inspections for basic standards. This is an emergency and we need dramatic and radical action to begin to tackle it.

Last year, the Government announced it would spend €3.8 billion in the next six years on housing. Ignoring the fact that much of this Government will be served a P45 by the people long before its plan comes to fruition, this amounts to just €630 million a year for housing - about half of what was spent in 2008 alone. Much of this money it seems will be spent subsidising further the private landlords who have so far failed to do anything to ease the crisis, other than hike up rents and evict tenants on to the streets. Of the 7,400 homes promised to be delivered this year, some 5,000 are expected to be provided by the private market. This is despite the fact that private housing construction has slowed and the number of private rental properties available is at a record low, the very reason we have a rental crisis, if the Minister cared to pay attention. The Minister admits it is a big ask to find 5,000 properties for rent. Most councillors, local authority officials or honest observers believe this is verging on fantasy. The private housing market is the problem, not the solution.

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We need to take immediate wide-ranging action to tackle the problems faced by renters and those in homelessness. First, we must implement a system of rent control without delay. This would need to set a price range for landlords, based on the size of their property and the average income in the region, tied to the consumer price index. This would mean many properties currently rented would need to lower or freeze their rents. We also need to end the process of yearly rent reviews, which inevitably lead to rent hikes. This can be done by limiting the number of rent increases between tenancies. At present, increases can only be justified by clearly demonstrating increasing costs or improvements to the home outside of the basic requirement for landlords. We must end the removal of HAP recipients from housing lists in an attempt to under-represent housing need.

We must also carry out a review of all departmental lands and buildings, with a view to designating suitable properties for housing. We should set up a dedicated body to identify disused commercially zoned land for the same purpose and implement a suite of punitive measures for owners of disused land which could be used for housing. Local authorities could be empowered to take these properties in charge if the owner refuses to act. We should encourage and support community land development trusts and community led housing co-operatives, as is done across Europe. We should make an immediate investment of €1 billion from the strategic investment fund to build upwards of 6,500 homes in addition to current plans. I was amused to see Fianna Fáil steal this idea from us at the weekend.

The Government was able to take €500 million for Irish Water and not even fix a leak. Imagine what a stimulus of €1 billion from the strategic investment fund would give to housing. The Government should restart the scheme to buy back former council homes from older people, in exchange for a senior citizen's residence. It should restore the young person's dole, the loss of which has led to many unemployed young people, especially those coming out of care, becoming homeless. It should work with approved housing bodies to help them access HFA funding and should encourage and support local authorities to establish arms length trusts to raise finance and build social housing off balance sheet. We have suggested this time and again and believe it can be done. The Government must end discrimination against rent supplement recipients by landlords and legislate for that if necessary. It must implement a binding code of conduct for banks when dealing with distressed buy-to-let mortgage holders in order to protect tenants from eviction.

There are many more initiatives required, but if the policies I have put forward were implemented, they would go a long way to beginning to turn the tide. No one claims this is an easy problem to tackle. I do not envy the Minister the task in front of him, but it has only grown worse due to the policies of the Government over the past number of years. The Minister of State and others have said we need to build more social housing, but they show no urgency to do that. He said he would announce the allocations for local authorities in the next few weeks, but why has it not been done by now? This crisis has been going on and on and every time the issue is raised we are told the Government will get to the issue in a few weeks.

I believe housing is a right for everyone. Some of the Minister of State's colleagues refer to the North continually, but housing is not a major issue there as there is plenty of both social and private housing. Rather than keep throwing the issues in the North at us, perhaps the Government should take the example of the North and work at achieving a similar system to that used in the North. We might go places then. The Minister of State also mentioned Part V kicking in and mentioned new private housing being built. However, the Government has dropped 10% of the take local authorities were to get towards social housing through Part V provisions in

regard to private housing. This is a calamity. Originally, the percentage was 20%, but it has been reduced to 10%. We should also consider affordable housing and financial contributions.

We are in a major crisis and perhaps we should declare a national emergency at this stage. If we drew a graph depicting the homeless situation now in comparison to what it was, it would be clear that the number of homeless is continually increasing.

It is clear to see it is rising: it will not go lower but it will get higher. I do not know what is wrong. I remember at the time of Jonathan's death the Minister of State was on the radio and denied there was a housing crisis. It is time to wake up as we have a major crisis.

Acting Chairman (Deputy Catherine Byrne): Deputy Jonathan O'Brien is the next speaker.

Deputy Jonathan O'Brien: I have approximately eight minutes left. I did not want to interrupt Deputy Ellis when in full flight.

Acting Chairman (Deputy Catherine Byrne): The Deputy is all right. He has nine minutes.

Deputy Jonathan O'Brien: I will return to some of the issues touched on by Deputy Ellis as some are relevant to most urban areas, not only Dublin but also Cork. I will touch on the wider spring statement announced yesterday by the Ministers, Deputies Noonan and Howlin. Most people, if asked, would say what was announced yesterday was pretty underwhelming. There was nothing new in the announcement and many of the figures had been leaked previously. Much of the kite flying had taken place in the lead-up to the announcement and the fiscal adjustments and what would be available to the Government in October had already been in the public domain.

We learned yesterday the ratios of how we would spend the extra money available to us in the upcoming budget. It is interesting to note it will be a 50:50 split between tax measures and other spending. When the Government implemented a number of austerity budgets, which the Minister of State has indicated was necessitated by the economic crisis inherited by the Government, one could see a certain split in terms of taxation versus cuts in expenditure over those budgets. The ratio was 2:1, as we cut twice as much as we implemented in tax measures. If we needed any further proof that any recovery spoken about by this Government is two-tier, unequal and unfair, we can look at the spring statement proposals, which have a 50:50 split. Services have been absolutely decimated not only over the three austerity budgets implemented by Fine Gael and Labour but over previous austerity budgets that were implemented by Fianna Fáil and the Green Party.

We can consider the rationale for some of the cuts implemented by the Government. Respite care is an example and most people would say that was a despicable cut. The Minister of State would agree that it was a very regrettable measure taken by this Government. For the amount of money involved, there was a range of choices that could have been implemented. We could have got the money elsewhere and that would have had a far smaller impact not only on the carers and those for whom they cared but society in general. We need to examine issues like the cost to society if we are now saying we are on the brink of economic recovery. We must remember the damage done to citizens and the fabric of society over the past number of years.

In yesterday's statement, the Minister touched on education as one of the pillars for eco-

conomic recovery. There was no such talk of the importance of education to economic recovery and stability over the past three austerity budgets introduced by this Government. It cut capitation grants to primary and post-primary schools and the further education, and it changed pupil-teacher ratios in the further education sector. The Government cut the back-to-school clothing allowances and let voluntary contributions spiral out of control. It cut career guidance services, making those counsellors ex-quota. The Government cut the summer works scheme for 12 months. There was no talk about the importance of education at that stage, and that is before we touch on higher education and third level facilities. In that sector we saw increases in the student contribution fee, changes in the adjacent-rate grant, the removal of funding for postgraduate students and changes in contributions that must be paid by people on apprenticeships. These changes had devastating effects on the education sector, and they will be felt for many years to come.

The big challenge in education comes from demographics. Even if funding in education is increased, it will have to be done at a rate to meet the demands of the demographics. We need 3,500 extra teachers over the next number of years to meet the rise in student numbers, which is estimated at 50,000. We need 3,500 teachers. Anybody examining that trend must question if that is achievable by this Government under the economic model it is proposing and implementing. If its record to date in education is anything to go by-----

Deputy Tom Hayes: What else do we need?

Deputy Jonathan O'Brien: I will tell the Minister of State what else we need. We have a new model for allocating resources to special needs children in mainstream schools and we will need additional special needs assistants. We have a cap on those assistants now. That cap has been lifted at times to increase the number of special needs assistants but that was only to meet increased demand for such assistants. There have been no additional hours given to any single child. With respect to resource teaching-----

Deputy Tom Hayes: I want to know what else we need.

Deputy Jonathan O'Brien: -----the Government cut it by 15%. If the Minister of State wants to know what else is required, he only has to read the contributions from yesterday and today. I can give another example. We need an apprenticeship programme.

Deputy Paudie Coffey: We have one.

Deputy Jonathan O'Brien: We have just finished a review of that programme, which has been published. I welcome that, as it proposes to expand the number of apprenticeships. That is needed. However, I have said time and again that we need a literacy and numeracy strategy within those apprenticeships. We have heard about the boom and bust cycle and people may have entered an apprenticeship to become a carpenter, for example. When the bottom fell from the construction industry, those people would have been unqualified to do anything else. We need an apprentice system which not only teaches a carpentry element, for example, but would provide the basic skills in literacy, numeracy and other areas so as to allow people to move sideways very quickly into further education and training if required. That would give people the best possible chance of getting another job as quickly as possible rather than ending up as long-term unemployed. We have some of the highest numbers in Europe for long-term unemployed.

The Minister of State wants to know what we need. We need a recovery that is fair, just and which addresses the cuts implemented in previous years. We need an increase in expenditure

for the affected services. Unless we put investment into those services, and not only to meet demographic demand, the country will never get ahead.

Minister of State at the Department of Agriculture, Food and the Marine (Deputy Tom Hayes): I am very pleased to have the opportunity to say a few words about the very important spring statement given yesterday in the Dáil. The Government has been very busy repairing the economy and public finances to create jobs and give hope and confidence to our citizens for a better future. There is no doubt that is happening and confidence in the economy is returning. All over the world, people see that a country which was broken only a few years ago has become one of the fastest growing economies in Europe. This change has occurred as a result of the difficult decisions taken in this House. It is hard for public representatives to make difficult decisions because we depend on people and difficult decisions do not go hand in hand with votes. However, to be true to oneself and one's country, one must be honest in one's dealings and do what is best for the nation. Populism goes down well in the constituency or on local radio and other media outlets but public representatives must be honest on behalf of the generations to come.

I have been in politics for long enough to remember the promises made by Jack Lynch in 1977 when the Fianna Fáil Party promised to abolish rates and made other populist commitments to get into power. Many people will also remember that the economy subsequently crashed, people lost their jobs and inflation and interest rates reached 20%. I listened intently to the contributions of two previous speakers, one from Fianna Fáil, the other from Sinn Féin. Both parties want to abolish Irish Water and household and water charges, recruit an additional 3,500 teachers, provide more grants for agricultural communities and build more houses without taking into consideration the people who are rehoused and the money required to do so. Their speeches summed up the choice facing people at the next general election. Voters must choose between steady economic growth that is the envy of Europe or the spend, spend and spend more policies of the Opposition. Where will the Opposition parties find the money to increase spending? They will increase taxation on low, middle and high earners. Low paid workers can look forward to an increase in their annual tax bill of approximately €3,500 per person under a Government led by the Opposition. Figures must always add up and one plus one makes two and ten plus ten makes 20. The money needed for spending commitments must be provided.

Some months ago, a Greek opposition party told Greek people it had another way. Deputies, if they are honest, will admit that the other way did not work and Greek people have learned this to their cost. Incomes and public services have been eroded in Greece because voters abandoned a government that was true, honest and open. Irish people face a similar choice at the next election. They must decide if they will keep what they have and vote for a Government that has positioned the country to succeed and benefit from new opportunities.

Most of the young people who left every corner of Ireland for Australia, Canada and other parts of the world in recent years would love to return home. Now is the time for them to do so. Let no one who has a soft job prevent them from returning. We must welcome them and every Member of the Oireachtas should make every effort to allow them to come home. The way to do this is simple - we must keep interest rates low. In the past, we had interest rates of 16% and a broken and bust economy. Unlike Greece, which cannot borrow at an interest rate of 16%, Ireland can borrow at a rate of 1%. This is not a fairy tale but the truth.

Young Irish emigrants can return and build homes for less than half the cost of some years

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ago. Interest rates are low and people can now afford to borrow for a home. New opportunities are opening up across the country, notably in the food sector. Some months ago, we produced a package for the forestry sector, for which I am responsible, that will open up new opportunities and challenges. Rather than talking down rural areas, we should seek out opportunities in agriculture, forestry and tourism.

The tourism industry can prosper because prices are competitive and people from abroad can afford to visit. The extremely successful Wild Atlantic Way and the planned new tourism route in the south-east provide major opportunities for the sector. Food and hotel prices have levelled out and the cost of holidaying here has fallen as a result of the prudence shown by the Government and the tough economic decisions it took in recent years.

People will have an opportunity to make a judgment call on the country's future prosperity. They cannot have it both ways. The next election will be a choice between the Government's way or the Opposition's way.

The spring economic statement sets out what we can do in the years ahead. We have created opportunities to develop agriculture. Milk quotas have been abolished and farmers have an opportunity to expand milk production. As I speak, farmers are planning to produce new milk products and sell them all over the world. Ireland has the environment to produce good food and it can be a global market leader in food. I have no doubt we will rise to this challenge. We must maintain economic competitiveness and low interest rates to meet the challenges that other European countries may present.

Job creation is also a challenge. I will be the first to accept that Dublin is doing well in this regard and employment growth has been slow in rural areas. The Government must work hard in this area. I have no doubt, however, that the new programme we have introduced to encourage industry in rural areas will continue and will be important for the development of towns and regions.

People face a clear choice between stability and instability. If we want proper government and stability, we must continue to pursue current policies. We will provide a good future for young people, the middle aged and elderly people.

Deputy Alan Farrell: I compliment the Minister of State, Deputy Tom Hayes, for outlining the stark realities the electorate faces at the next general election. It faces a choice between the economic stability this Government created over the past four years against the chaotic approach of the Opposition, particularly from Fianna Fáil and Sinn Féin, in opposing policies but putting no alternatives forward.

In November 2010, I was selected to run for Fine Gael in the Dublin North constituency. I was a councillor at the time with seven years' experience. The stark reality then was that our economy was in tatters. At the time, I was a recent convert to social media such as Twitter. I remember there was a hashtag called "bond yield watch" which showed the interest rate on Irish bonds increasing as high as 16%. Today, the rate on an Irish bond is 0.62%. That is a stark reminder of the situation the country found itself in, having less than six weeks of money in reserve to pay for the day-to-day public services that our citizens demand. There was six weeks of money left to pay public servants, our gardaí, our nurses, our military and everyone from local authority to medical staff.

That chaotic environment left this economy in tatters. We inherited a basket case. Thank-

fully, however, due to much work by the Government over the past several years, we have been able to stabilise the public finances, so much so that our debt- to-GDP ratio has gone from 110% to 89.9% last year. It has improved on that since then.

We had over 400,000 people unemployed four years ago. That figure has now dropped down to 350,000 people, the first time since 2009. The long-term unemployment rate has reduced significantly over the past couple of years. Given that I represent the constituency with the youngest age demographic in the State, the unemployment rate for the under-25s has fallen from 85,000 in January 2010 to 49,000 this year, some 40% of a drop which is an indictment of the policies introduced at the launch of the Action Plan for Jobs in 2012 by the Minister for Jobs, Enterprise and Innovation, Deputy Richard Bruton, and his Department. It has meant the long-term unemployment rate has reduced by 10% in the past 12 months. We have created 95,000 new jobs, net of education schemes, emigration and job losses. That is 95,000 families who are directly affected by these gains as our economy improves. Those gains bring a sense of fulfilment for every individual who has managed to get a job. It is also a significant gain for the State. The cost of supplying jobseeker's benefit is approximately €20,000 per person per annum. It is a further gain to the State as those in employment pay tax and PRSI. Each individual who gets a job contributes to their local community and economy. This is incredibly important in sustaining the 95,000 jobs created over the past three and a half years.

A previous Opposition speaker referred to apprenticeship schemes. I welcome the moves made by the Department on that front. It was unfair and inappropriate for him to suggest we were not providing enough teachers. We have increased the number of teachers by over 3,000. We have increased the number of SNAs, special needs assistants, since we came into office by over 1,000. We are also rolling out an apprenticeship scheme which is essential to an economy at this stage in its recovery.

Up to 15 individuals approach me every month with problems getting accommodation for themselves or who are in private rented accommodation where the rent allowance simply does not cover it. In turn, they have to make contributions to it which is of course frowned upon but, at the same time, they have to live somewhere. The investment of €2.2 billion in social housing over the next three years is an essential component of the Government's response to the housing crisis. No one will deny we are in the middle of a housing crisis. The €4 billion allocation for housing over five years is a huge step. To put that in context, that would equate to 23% of the housing requirement of the housing list for Fingal County Council. That is a combination of housebuilding and the purchasing of properties for social housing purposes. It is essential we accelerate this programme. I know the Minister of State, Deputy Paudie Coffey, is doing great work in delivering those properties. Putting shovels in the ground to deliver these properties is what is absolutely necessary in ensuring we tackle both the issue of homelessness and those who are perilously close to becoming homeless.

Pyrite is a matter which affects 12,000 to 15,000 properties across north Leinster, predominantly in my constituency. I was informed of it affecting my house on July 17, 2007. There are thousands of families whose developers are unable to remediate their properties because it costs approximately €50,000 per property and many of these firms are insolvent. The previous Government did nothing. It did not even acknowledge the problem or have the common courtesy in the Department of the Environment, Community and Local Government to acknowledge a letter from the building control unit in Fingal County Council putting forward several solutions for properties contaminated by pyritic infill material. There was no response from the previous Government to the cries of families across north Leinster affected by this.

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The pyrite remediation scheme was created by this Government. As of last week, over 150 properties are in the process of being remediated. The pyrite resolution board is the last resort when the developers are no more. These are some of the measures that would not have been possible but for the economic progress we have made over the past four years. This is the economic progress put in place through the actions of the Minister for Finance, Deputy Michael Noonan, and the Minister for Public Expenditure and Reform, Deputy Brendan Howlin, as well as the entire Cabinet and several of the junior ministers who have done Trojan work in ensuring our economy rebounds from the terrible days I referred to earlier.

The next phase of recovery is not just about ensuring the people feel the benefit of the return on their investment in the banks and everything else. It is about ensuring they feel the benefit in their pockets. A full 12 months ahead of the projected target in the programme for Government, we have been able to assist a significant number of families across the State by giving them something back in the October 2014 budget which took effect from January this year.

We have heard figures being thrown around of between €1.2 billion and €1.5 billion, split 50:50 between tax decreases and increases in spending. I am confident that the next budget will assist all those families who have contributed so much and sacrificed so much over the last six or seven years.

I sincerely hope that the chaotic opposition that has been offered, particularly from Fianna Fáil, and the completely incoherent economic advice that is being given by Sinn Féin, will not be adopted by the electorate.

Acting Chairman (Deputy Catherine Byrne): I have to stop the Deputy as his time is up. The next two speakers are from the Technical Group. Deputy Pringle and Deputy Mattie McGrath are sharing time and will have ten minutes each. Is that agreed? Agreed.

Deputy Thomas Pringle: I have to start by commenting on the timing of this spring economic statement. It is the first time that we are witnessing this kind of statement in the Dáil with three days dedicated to debating it. Spring is the operative word here to give the illusion to people that there is a turn in the tide, a new arrival, a new beginning. However, this is really a campaign launch, a programme for Government announcement, an election promise with a caveat for people not to hope for too much because that would be economically irresponsible.

It took the Government 57 long minutes to say that yesterday, whereas I have said it in just a few seconds. This rhetoric only serves to anger people, especially when they hear the Government's claim that austerity is over and we are entering a post-austerity economy.

Talking to people in my constituency in Donegal, or elsewhere in rural Ireland, one can see that austerity is not over for them. What people wanted to see this week was something more like a socio-economic statement, including a commitment by the Government to reinvest in public services, social policy and social justice principles - an investment in people.

There are a lot of points conveniently missing from this statement that are inextricably linked to economic reform. There was no mention of crises in housing, mortgages or hospitals, nor higher rates of poverty and lower quality of work.

Just look at the issues around employment. Although employment levels have increased, the quality of such employment has decreased since austerity began to kick in. These effects will be felt for many years to come.

Just look at the figures. There are 272,000 fewer full-time jobs in Ireland today compared to 2007, which is a drop of 15%. The number of people in part-time jobs is 55,700 higher than in 2007, an increase of 14%. More than a quarter of part-time workers are under-employed, which is 115,500 people. In addition, between 2010 and end-2014 the number of long-term unemployed fell by 48,700 but in the same period the net loss of Irish people to emigration was 123,800. Some 58% of those unemployed are long-term unemployed, that is, for more than one year.

The previous speaker mentioned how unemployment among the under 25s has reduced significantly in the last year. However, there are no figures for how many of those under-25 have emigrated or how many have got decent jobs.

Unemployment continues to be a real issue for rural Ireland where workers are in increasingly precarious working arrangements. There is what we call the new Irish low, the “precariat”. These are people experiencing low pay, low hours, insecure contracts and lack of job security. Unpaid internships and schemes like JobBridge only exacerbate the idea that workers are replaceable.

I recently did a search on the JobBridge website to see how many jobs are advertised in Donegal. There were about 61. When I went through them in detail, however, at least 40 of them were actual jobs that should have been advertised rather than being for JobBridge interns and low-pay workers for nine months. They should be real jobs, not unpaid ones.

Seasonal workers are part of the “precariat” group and I encounter their issues every day in my constituency office. They are bounced around the social welfare system and become demoralised as a result. They have experienced numerous cuts in their payments and are constantly facing uncertainty. Since the cutbacks started, conditions for seasonal workers have worsened, especially in areas like Killybegs where fishing is the main seasonal employer.

Apart from there being less work, it is getting harder for seasonal workers to access social welfare payments. Such payments enabled them to remain in their local communities between seasons. The irony of all this is that the more difficult it is for seasonal workers to stay in their areas and maintain themselves, the more difficult it will be for businesses to hire workers. There is consequently a knock-on effect.

According to the spring economic statement, the Government’s primary focus will be on sustainability. So why are we not seeing a real investment in sustainable rural jobs and sustainable advances in renewable energy like biomass? IDA-funded jobs are all the rage, but they mean that migration to larger towns or cities is increasing. This might look good for headline employment levels, but it is bad news for rural areas and is therefore not sustainable.

We need to build on local industries and I have already mentioned biomass. If we invest in supply chains that feed into local demand and supply, the knock-on effect in rural Ireland will be felt far more than through any IDA-sponsored plants that come along offering a few hundred temporary jobs.

Renewable energy jobs, like biomass, would stay in the locality and permeate into other industries. They would create a virtual cycle, reducing our dependence on imported fossil fuels and creating a sustainable local economy that creates more jobs.

Continued investment in broadband is essential in creating sustainable rural jobs. Such

investment would mean that those in rural areas could create their own work by having access to proper broadband coverage. The creative industries were mentioned earlier in the debate. Some years ago, the Western Development Commission published a report which estimated that up to 18,000 jobs could be created in the creative industries in the north-west alone, simply by improving access to e-commerce and Internet coverage. Yet we are still waiting for the roll-out of the national broadband scheme. Broadband coverage is still inadequate across County Donegal and some areas will not receive better coverage before 2016. More isolated communities and rural areas will be last to see any development in broadband infrastructure, but if we are serious about investing in rural Ireland we need to focus on all communities.

We wonder why emigration has been so high, especially in rural areas. There is a lot of talk in this Chamber about emigration and how it is a measure of how well the economy is doing. It is not all about money when people are trying to return to Ireland. People are leaving because of a better quality of life abroad, which Ireland has been unable to provide. They are leaving due to a better quality work abroad with better conditions and greater certainty, not necessarily for better paid work.

Why would nurses return here to take up jobs in a completely overrun health system where they are totally undermined and see no future in it? They can go abroad and get better work and conditions, a better standard of living and a better quality of life. Furthermore, it has become unaffordable to live in Ireland. Doctors and nurses are leaving as they are tired of the burdens of an under-invested health care system which perpetuates and exploits inequality by prioritising those who can afford health care over those who need it. We have already said goodbye to a proper primary care system in the lifetime of this Government.

I also wish to refer to the issue of transparency in the budgetary process. The Government claims that the national economic dialogue will include civil society groups in that process. This is a positive development, especially the establishment of an independent costings office, but we will not see any of this in the lifetime of this Government.

Will the national economic dialogue between the Government and civil society involve a deliberative democratic process? Will it mean civil society will have a real impact on the decision-making process? We do not know anything more about this because, once again, the details were not given in the statements.

We can see in the statements that there is little clarity in the Government's budgetary projections and there are concerns about its calculation. For example, in the stability programme update, Irish Water has been provisionally classified as being "within government", pending the anticipated agreement of EUROSTAT to regard its transactions as being commercial. The net impact on the general Government balance is €380 million on average from 2014 to 2020. If EUROSTAT agrees to classify the operations of Irish Water as commercial, this will reduce further the projected Government expenditure.

The budgeting process outlined in the statements presents a warning sign - a commitment to splitting resources 50:50 between expenditure and tax cuts, while calling it an equal measure. As Social Justice Ireland has noted, one third of additional resources should go into tax reduction and two thirds into expenditure increases.

Overall, if we want to see fairness in the budgetary process we need to see a budgetary policy that reflects Ireland's economic, social and cultural rights and obligations. We need at

least a minimum level of protection for all economic, social and cultural rights, including the right to social welfare, health care, education and an adequate standard of living which includes housing. These rights must be guaranteed to all our citizens and progressively built upon. It is the only way that governments like this one can be held properly accountable during budgets, policy drafting and the decision-making processes. We need to enshrine these rights in the Constitution to ensure that future spring economic statements like this one do not make empty promises to the public and are more than just the launch of an election campaign.

Deputy Mattie McGrath: I am pleased to have the opportunity to speak on this so-called spring economic statement delivered by the Ministers, Deputies Noonan and Howlin, yesterday. It is three days of wasted Dáil time, empty promises and self congratulatory back-slapping.

Before the Minister for Transport, Deputy Donohoe, leaves the Chamber I ask him to consider meeting representatives of two families in Tipperary he promised to meet who lost two of their loved ones, an issue I will address shortly. I will address my questions to the Minister for Justice and Equality, Deputy Fitzgerald, but I hope the Minister, Deputy Donohoe, would be good enough to meet those families to ensure we do not have another broken promise.

Deputy Paschal Donohoe: Okay.

Deputy Mattie McGrath: On the plinth today we can see the tulips have wilted as a result of the inclement weather but the Minister for Justice and Equality, Deputy Fitzgerald, should know that this Government's economic statement is wilting already because it is on shaky foundations, is a farce and untrue. It is more spin and propaganda. The Minister only has to ask any of the people outside this House about this economic statement. I refer to the unfortunate people waiting on trolleys in hospitals. There are long waiting lists of four and five years for simple procedures while people are in agony.

The Minister should ask the carer's associations about it whose respite care was plundered and who had a tax imposed on them. She should ask the special needs assistants in our schools who are caring for the most vulnerable children. The Minister had children's rights legislation passed here but she failed to support those children with special needs and our other vulnerable people with disabilities on whom the Government imposed a cut. The Government had choices to make in regard to the respite care grant and the mobility allowance, but it attacked the most vulnerable.

The Minister should ask the unemployed teachers and the teachers working in classes of more than 30 pupils about this economic statement. She should ask the members of the Garda Síochána for whom she is responsible. I assume she attended the conference yesterday unlike the previous Minister who decided there were more important things to do. She should ask those gardaí on the front line who do not even have a battery for their flashlights, proper equipment, patrol cars, radios or the support of the Government or the Minister's predecessor. They are expected to police the countryside and get the public to support them, which they do and without which no police force can operate.

The Minister should ask the nurses, and the people providing GP services who are on the front line now because the hospital waiting lists are so long. When the hospitals get an order from on high the trolleys are cleared and the people are sent home but they are back in the GP surgery that night or early the next morning.

The Minister of State, Deputy Tom Hayes, left the Chamber when he saw me arrive. I was

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glad to be here for part of his statement because he is not living in the Tipperary I am living in. He is not living in the Tipperary that Dan Breen represented. He is a man who has made many false promises but he came in here tonight and said we should be honest and true to ourselves. He would hardly know himself if he looked in the mirror because he reneged on the people of Tipperary. He has reneged on the family in Golden, his own village, about whom I addressed the Minister for Transport. I refer to the O'Brien and Esmonde families who lost loved ones off Helvick Head and who asked the Minister of State to intervene on their behalf with the powers that be. I was sitting in their house one day, yet he walked past the front door of the O'Brien household in Golden.

The Minister of State asked the people to make a judgment in terms of who they would elect on the next occasion. They have already made a judgment on the Minister of State. I do not wish him ill-will but he is not fooling the people of Tipperary, and the Government is not fooling the people of Ireland. He spoke about forestry of which he is in charge. People cannot get their forestry grants. It is all announcements and spin. He mentioned at the Rock of Cashel recently that 18 million walkers visited the queen of the lands last year. A journalist approached me and asked what he was talking about. I said he was probably talking about the 18 million trees he is out counting. I do not believe he knows the wood from the trees.

The Minister for Justice and Equality should ask the small business people what they make of this Government. She should ask the small farmers, and the postmasters. It has been relentless attack after attack. In terms of Food Harvest 2020, I salute the farmers who are making an investment now but I am concerned about the huge investment in milk in terms of all the eggs in one basket while we get a lecture from the Government about the previous Government and people being more prudent about investment. There is huge investment which is good for the country but I hope the milk prices will remain high for those young farmers and their families and that it is not another major con.

I am glad the Minister for Justice and Equality is present. I have contacted the Minister on a number of issues and she has replied, which I appreciate. She should ask the people whose homes are being repossessed what they think. She should ask the family in Davidstown, in Castledermot, about the attack visited on their farm at 2 o'clock in the morning by what was nothing other than a marauding third force operating there. The Minister is the Minister with responsibility for justice. We have the Garda Síochána, the Garda Reserve and the Army. There should not be another force going around in balaclavas with Alsatian dogs, who use cranes, bulldozers and so on and engage in other despicable practices, visiting households at 2 o'clock in the morning. I am glad the Taoiseach accepted here last week it that was wrong and should not be happening.

The Government should call in the receivers. It should bring in some decent legislation to deal with that. The Taoiseach suggested to me that we should table an amendment to the impending legislation. Some regulation must be brought in to control the receivers. It is a lucrative business but they are resorting to bringing in mercenaries from armies abroad, not all legitimate, including former members of the RUC, who dress in camouflage and balaclavas and crawl across people's property with Alsatian dogs on the loose.

The Minister should pinch herself and listen to the people who are waiting to lose their homes. There are endless lists for repossession in every courthouse in every major town. We warned the Government about that but it would not listen. The Minister should ask David Hall or any of the people who represent those people. I ask her to listen to the people.

The Government then proceeds with nonsense projects. The former Minister and now European Commissioner, Phil Hogan, Big Phil, was responsible for Irish Water, Uisce Éireann. I said that the only thing I liked about it was the name - an t-ainm Gaeilge. It is a travesty and an insult. It is a corrupt organisation, and the Minister knows that. It is a failed project.

I expect people to have to pay for water but they should not have to pay for fat cats, retired county managers, retired senior officials and consultants who do not have a clue what they are doing. Gardaí are being put in an invidious position because they are trying to safeguard the people installing the meters. I condemn any attack on any working man, regardless of what he is doing. Those people are doing their job. It is a fair day's work for a fair day's pay. The gardaí must pay the water charge also, and we saw where the movements of their families were being put up on social media. That is reprehensible. We must support our gardaí. They do not want to be doing that job.

EirGrid is another big business project. Fine Gael and the Labour Party have abandoned the principles founded in my home town of Clonmel. EirGrid has come back repeatedly with new proposals. They are all untrue. I cannot use the word that starts with "I" but they are all false and misleading. They are trying to trick the people but the people have awoken, and they are fighting this North-South interconnector, the one in the south east and all the rest of them, regardless of the glossy brochures they produce or election tactics being engaged in to delay it.

The Government has closed down local government, including my own borough town council in Clonmel, one of the seven boroughs in the country. It has taken away democracy from the people, a deliberate ploy supported by its masters in Europe. I am surprised it did not have Ms Merkel or some others in the Visitors Gallery to listen to its spring economic statement and what it is doing to the people of Ireland. It is penalising and pillorying them. It is trying to break their spirit but it will not break it. It was not broken when the republican people in south Tipperary, Dan Breen and others, fought the fight for Irish freedom, and it will not be broken now because they will arise and vote. The Minister of State, Deputy Tom Hayes, asked them to make a judgment, and they have made it. They will go into the ballot box with a peann luaidhe but they will not be voting for Fine Gael or Labour candidates because those parties have no interest in the ordinary people.

The Government parties are running two referendum campaigns. The referendum to lower the age of qualification for the presidency is a mockery. It is just an add-on, just as the Government added on a referendum to provide for a new layer of judges at the time of the children's referendum. I do not blame the Minister, it was the previous Minister who was responsible. That was done without regard to the number of cases they would hear, what their workload would be or if they would clear the backlog. What are they doing? Statutory instruments have been put in place to allow cases to be held, as in the case of the farmer in Athy, half an hour before the due time. A judge heard that case and sent that man to prison when he was not even present at the time. I believe 11 o'clock was the time proposed.

I ask the Minister to introduce some regulation of the members of the Judiciary who must be independent. They have to behave and uphold the law fairly, honestly and in public, not behind closed doors. Gardaí have been sent in to Waterford court and other courts to stop people being advocates for people whose houses were being repossessed. They could not afford barristers so they had advocates working on their behalf but they were locked out. That is not justice. I ask the Minister to have some decency and try to address that issue.

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I mentioned the O'Brien family. What about the families of the victims of the Omagh bombing? Has the Minister met them yet? The previous Minister refused to meet them in spite of the Taoiseach promising me at an Ard-Fheis that he would meet them. He said there would be an open door policy, but he has turned his back on them.

What about the case of the late Fr. Niall Molloy? There are approximately 20 other serious cases of miscarriage of justice, and I hope the Minister will deal with them. She is a new Minister for Justice and Equality and I wish her well, but this Government has turned its back on the people. It got one of the finest mandates any Government ever got. I know there was a financial crisis. I voted for the bank guarantee, which is the worst mistake I ever made. Fine Gael voted for it too and cannot have all the nice bits while blaming the past Government. It had the choice to stand for the working people and ordinary housewives and homemakers, but it abandoned them for Ms Merkel and greater glory. The Taoiseach says that if we pass this referendum, we will be a greater country for it. I do not know what country he is living in. I do not even know if he is going to vote "Yes" himself. No one knows because he is on a spinning top and he does not know when he is going to fall off it. He has broken every promise and commitment he ever made. He has been untrue to himself, his family and his people.

Acting Chairman (Deputy Catherine Byrne): The next speaker is the Minister for Justice and Equality, who is sharing time with the Minister for Transport, Tourism and Sport, Deputy Paschal Donohoe.

Minister for Justice and Equality (Deputy Frances Fitzgerald): Last Thursday, I attended at the Garda College in Templemore on a sunny and very happy day for all those in attendance. It was a day of hope because last Thursday was the day on which 99 recruits attested as new members of An Garda Síochána with full policing powers. They are now being dispatched to communities nationwide. These 99 were the first new gardaí to attest in over five years. Deputy Mattie McGrath is suffering from amnesia about the decisions-----

Deputy Mattie McGrath: I am not suffering from amnesia at all. I welcomed it.

Deputy Frances Fitzgerald: -----that led us into the situation where the Government had to rescue the economy because those 99 were the first new gardaí to attest in over five years. No organisation can expect to flourish if it is not recruiting and bringing in new people. Policing is, of course, ultimately about people. The most important resource which An Garda Síochána has at its disposal is its people. It has therefore been of fundamental importance to me and the Government to restart Garda recruitment. It has been a top priority. Thanks to the budgetary situation the Government has steered Ireland to, I was able to deliver on that objective. Last September, we reopened the Garda College to new recruits for the first time since 2009.

Deputy Mattie McGrath: Well done.

Deputy Frances Fitzgerald: We will not let it close again to new recruits.

Deputy Mattie McGrath: The Minister cannot.

Deputy Frances Fitzgerald: I note that 300 recruits have already started their training while 250 more will enter the Garda College over the coming months. That is 550 in total, which is right. The country needs to see those new recruits being brought in. I promised seamless ongoing recruitment and that is what I am delivering. Our communities need to see more gardaí providing a visible, responsive presence and a deterrent to crime. Similarly, the

Government has invested €27.5 million in new Garda vehicles since 2012, marking a massive increase on the €4.5 million provided for in budgets 2009 to 2011. The latest 370 new Garda vehicles have begun coming on stream since the start of this year. These new vehicles are vital in ensuring gardaí are mobile, responsive and visible in the community as well as being critical to supporting the work of the Traffic Corps and national units. That is really important. In addition, I announced yesterday a further specific investment of approximately €700,000 for new specialised vehicles to support an enhanced operational response by gardaí to current and emerging crime threats, including crimes being committed by highly-mobile gangs. That is very important too.

We have invested €42 million in the new Garda divisional headquarters in Galway, Wexford and Kevin Street, Dublin. We have also put money into ICT. It is hard to believe that during all the years of the Celtic tiger, this investment in ICT did not take place. We continue to have outdated paper practices. It is unbelievable to see it in Garda stations around the country. How could it have happened during the whole period of the Celtic tiger that the ICT needs of An Garda Síochána were not dealt with? There was never a comprehensive plan.

Deputy Mattie McGrath: The Minister was there for a lot of it.

Deputy Frances Fitzgerald: What has happened now is that the Government has started to make that investment. We have set up a working group to outline the overall strategic needs of An Garda Síochána in relation to ICT. It is really important to have that plan in place. The Minister for Public Expenditure and Reform, Deputy Brendan Howlin, and I will shortly announce a new multi-annual capital investment framework for the ICT needs of An Garda Síochána, which deserves it. We are able to do that because of the management of the economy. If one does not have economic stability, one cannot make investments and deal with these priority issues. Economic stability is essential if one wants to have the kind of social investment so many people have been talking about in the course of this debate. If one does not have the kind of economic stability this country has brought about, one will not be able to make the investment in those frontline services Deputies have been speaking about in the House tonight. The increased investment in An Garda Síochána will ensure a sustainable future for the force which is critical to meet the realities and challenges of 21st century policing and security.

Increased investment has only been possible because of the efforts we have made in restoring balance to our public finances. It is possible because we have reduced the budget deficit from an unsustainable 13% in 2011 to under 3% this year. It is possible because we are leading on an economic recovery built on increasing employment. Unlike what has been said in the House, 95,000 real jobs have been added from the low point in 2011. We have moved from a period of retrenchment and adjustment to a period of growth and expansion. Growth will hit 4% this year with steady, stable economic growth of 3% in the years to come. As such, we can look forward with hope. There is much work to be done and we have never said the job is complete. We have always said this is a beginning, but we can look forward and continue to build our public services. We can support Irish families, ease the tax burden on Irish workers, make work pay, help our most vulnerable citizens and build a more just and fair society. That is what we want to do. Those are our ongoing goals.

We have never said the job is complete. While we can look forward with hope, we must do so with caution. Recovery has been hard won and the hard won gains must be protected. We need discipline and we need honesty. That is what the Spring Economic Statement is about. It is about a new budgetary framework where the parameters, constraints and options are put out

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there. We should be clear that this is done in many other countries which take an opportunity to lay out the parameters as the Ministers, Deputies Noonan and Howlin, did yesterday. There has been criticism of it here, but it is only right that it is done on the floor of the Dáil. It is the right thing to do to put all the facts and figures in the public arena and to highlight exactly what the choices are. By opening up this process to more transparency and scrutiny, we will avoid what we saw in the lead-up to general election in 2002 when voted expenditure jumped 27% in the preceding five months. We saw that pattern again with a 10% increase in expenditure in the lead-up to the 2007 poll. The party responsible, which is now making allegations about the buying of elections, should reflect on the contribution of its profligate pre-election expenditure to the catastrophic fiscal crisis in which the State found itself from 2008 onwards. Short-termism of such an excessive scale will not be repeated by this Government.

What we outlined yesterday is responsible and sustainable. While we will increase funding for important public services and ease the income tax and USC burdens on working people, we will do so without risking all we have rebuilt and gained through the hard work and support of the Irish people. This could not have been done without the support we have got from the Irish people. We will work to take a constructive, responsible approach to reversing the pay cuts imposed on the public sector. I welcome the invitation issued yesterday to the public service unions to engage in discussing an approach to unwinding the FEMPI legislation.

The Department of Justice and Equality is committed to playing its part in supporting our national economic recovery. I note quickly some points on the role immigration can play in encouraging economic activity through the promotion of inward investment and attracting both tourists and business persons to come to Ireland. The immigrant investor and the start-up entrepreneur programmes have an important role to play. The new British-Irish visa scheme, which allows visitors from the very large economies of China and India to secure a single visa which enables free movement within the UK and Ireland common travel area, has already resulted in a considerable increase in visitors from those countries.

In conclusion, the spring economic statement represents an important staging post on the long road to recovery.

It represents a moment for reflection on the decisions which have got us this point on that road and the decisions which are before us. We now have an opportunity to continue this journey. There is more work to be done to create more jobs, invest more in public services and reduce the tax burden.

I commend the statement to the House.

Minister for Transport, Tourism and Sport (Deputy Paschal Donohoe): It is important to reflect on the journey which has been made to date. We should do that because it will give us confidence in our ability to complete the journey and to realise the many dreams and hopes of the people of this country. It will also give us the confidence to deal with the fears that many people still have as a result of what happened in our economy. They also fear the further necessary changes in our economy. It will give us the confidence to deal with the risks and the worries people have in respect of their jobs, debts and an uncertain future.

When we came into office in 2011, we found ourselves with a worrying vista. Was there enough money to meet the wages of our public servants? We found ourselves with the risk of insufficient funding to keep our banking system open, never mind healthy. We were the

second member of the eurozone to enter a bailout programme. The confidence of our country was wrecked. Faith in our future prospects and where we might end up was dim. We found ourselves each day with news headlines ringing out a new rhythm of rising bond yields, rising unemployment and a diminishing faith about where our country could end up. There was also the risk that as bad as things were, they could get worse. At that point, bond yields had peaked at almost 15%. This rate was the same rate of unemployment, which was increasing monthly. Irish people, young and old, single and in families, were leaving our country in their droves.

Yesterday the Minister for Finance, Deputy Noonan, and the Minister for Public Expenditure and Reform, Deputy Howlin, outlined the prospect of creating a country to which our people will return. There was an acknowledgment that we are now seeing the early signs of net inward migration. Our public finances, which peaked at a deficit of over 30%, are under control, with a budget deficit of below 3% this year. Our country is starting to pay its way again. I was struck by what the Minister for Public Expenditure and Reform said yesterday when he said that the world does not owe Ireland a living. Thanks to the coming together of the sacrifices of the Irish people and the policies that have been implemented by our Government, we are in a position to ensure that our country is earning its way in the world. It is producing goods and services that other people want to buy. As a result, unemployment is at 10%. This is still far too high, but it is decreasing. The number of people on the live register is coming down month on month. The rate of unemployment is down by one third since we first published our Action Plan for Jobs.

The people who put our country on this path to recovery are the Irish people. These are the people we serve. It was a combination of this and the options that Government laid out before the people and went on to implement that put us on this path. Yesterday's spring statement outlined what recovery could look like, what can be achieved, and what could be put at risk if that recovery was challenged in any way by the choices which are to be made. We outlined that there is potential for €750 million to be invested. This would be used to try to increase the current rate of job creation. We will try to have affordable tax reductions which will not put the recovery we have seen at risk. The Minister for Finance outlined a plan, covering many years, to target tax reductions at people who need them most. Alongside that, the plan is to see our country make its way towards full employment by 2018.

My Department and the areas for which I am responsible can and will make a big contribution to these targets. Yesterday I announced that, after a very successful year in tourism in 2014, we have seen a very impressive start to tourism in our country this year. In the first three months of 2015, the overall number of trips to Ireland is up by more than 14% and stands at 1.5 million visits. The number of visits from North America and mainland Europe is up by almost 7% and 18% respectively with visits from the UK registering an increase of more than 14%. None of these visits happened by chance. They are a result of the innovation, positivity and dynamism of our tourism sector and policies implemented by the Government. These policies include the reduction in the airport travel tax, a lower VAT rate and other measures such as those outlined by the Minister for Justice and Equality, Deputy Fitzgerald, including a new visa programme to target tourists from particular regions and countries. All of this was supported by programmes which the Government has put in place through bodies such as Fáilte Ireland, whose programmes include The Gathering, the Wild Atlantic Way and Ireland's Ancient East.

I was particularly struck by a point the Minister for Finance made yesterday about Ireland emerging from a lost decade. During this lost decade our economy and society have struggled desperately. We owe it to everyone to make sure those kind of mistakes are not repeated. One

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of the ways in which we are going to do this is by investing in our roads, public transport and other infrastructure. We will invest in the future. We will pay for what we need now and for what a growing economy will need.

Looking to the changes in my Department, Exchequer capital investment in land transport fell from a peak of more than €3 billion in 2008 to a current historic low of €850 million per year. This is just more than 0.5% of gross domestic product. The framework outlined by the Minister for Public Expenditure and Reform identified the paths to rebuilding the level of investment to a sustainable place. This will mean putting in place measures and increasing capital investment to meet our road network and public transport needs. For the decade that lies ahead, this Government is committed to ensuring that spending on our transport infrastructure returns to sustainable levels. Congestion in our cities and bad road quality across our country will be dealt with and bottlenecks to growth will be removed. Yesterday's two announcements outlined how that will be delivered.

The people of Ireland want to see progress but they also want to ensure that the progress is not put at risk. Some have suggested that we will make the claim that there is no alternative. There is always an alternative. The question is whether the alternative is a good one. I ask the Members on the far side of the Chamber, and will be asking the people over the course of the coming year, to consider what are the alternatives. The Technical Group tabled a private Members' motion on finance which shows us what it has been considering. If implemented, its approach would have delivered additional spending of more than €4.4 billion per year and a marginal tax rate of 70% on earnings over €32,800. This measure was supported by Fianna Fáil.

I listened with great care to what Deputy Michael McGrath said yesterday. He stated repeatedly what it was he was against. I am still waiting to hear what it is Fianna Fáil favours. A rash of policy documents was produced over the past number of weeks by Fianna Fáil in the run up to its Ard-Fheis. The Government will be outlining its plans. The people need to hear what Fianna Fáil would do differently. How would Fianna Fáil ensure a repeat of the catastrophic mistakes over which it presided will not occur?

Month after month, we have heard Deputy Gerry Adams lecture the Government. Sinn Féin has told us we should emulate the Greek approach to the debt crisis. We see what happened there. Sinn Féin has been very silent in recent weeks on its Greek strategy. That is no wonder, because it would draw attention to the fact that Sinn Féin was looking to turn Ireland into the Greece of northern Europe. It pointed again and again to and aligned itself with the approach being delivered by that country. That is not a point that it is making now. Ireland's people and communities, through their sacrifices and the policies we have implemented, have saved our country. We have outlined the policies for the next year and for the years to come to ensure that our country can move out of the dreadful years through which we have gone, build on the current recovery and seek to put in place the foundations for a secure and prosperous future.

Acting Chairman (Deputy Jack Wall): Deputies Keaveney and Calleary are sharing their 20 minutes. Is it ten minutes each?

Deputy Colm Keaveney: Correct.

We were promised an inspiring drama, but today turned into a pantomime, although there was little humour over the past two days. Many people see the farce that the spring statement

has become. For months, the Government, the spin doctors and the boys and girls in the corridors have been briefing the media on the plans for the forthcoming budget ahead of the next general election. The spring statement was an overhyped and excitable opportunity for the Government, its spin doctors and all of those people in the corridors of power to slap themselves on the back for what they believed was a good job of work.

A mini-budget is an announcement of good measures and a glimpse of the future, the promised land according to the Minister, who projected that we were on the edge of something wonderful. “Why change now?” is the argument. To be honest, it is a disappointing one. Yesterday, we witnessed two finance Ministers seeking to compete with each other’s banality. The bland leading the bland. Families and individuals living on the margins of society, struggling on low incomes and working to pay their bills only to be left broke at the end of the week see nothing in the announcements. Those living in fear of their houses being ripped off them by financial institutions have been left no hope by the announcements. There has been an abandonment of commitments. Why would the Opposition or the country have any faith in commitments given by the Government parties ahead of the forthcoming general election?

The spring statement approach was not invented by this Government. It is not an ironic name for a new hope or dawn. Rather, it was born out of an initiative in the UK where flagging polls within the Tory Party resulted in a spring statement. We are witnessing the same sorts of spin and rhetoric and are being treated to government by announcement. That is all that is happening - announcements of large figures - yet the public is being asked to believe that these measures are realistic and that the Ministers’ thoughts, hopes and aspirations are honest. They are not honest and they will not be honoured over the course of the next number of years.

Announcements on commitments in the programme for Government are rarely followed through. They are just Fine Gael, in coalition, having a spasm of conscience on major issues. We heard tonight that there was no alternative to the current Government. That is untrue. On 25 January, the Tánaiste announced through the *Sunday Independent* that we were going to have a wage-led recovery. On 4 February through *The Irish Times*, that was torpedoed by the boss in government, Fine Gael, which clearly stated that a living wage would have to be a voluntary initiative within the economy. This essentially meant that workers could go and swing and take whatever they could get from their employers. What we are hearing from the Government is that workers are just lucky to have jobs. This has been the consistent undertone of the past four years. In that time, the single largest economic concession given by the minor partner in government was inaction on the conditions of workers.

Government backbenchers wander around like stunned chickens wondering why their support among the public is decreasing. The reason is that they have roundly abused their position in public office by giving false hope and empty promises and having a stunning lack of concern for those who are struggling.

Social Justice Ireland described the spring statement as being unfair, disappointing, contradictory and lacking in vision, commitment and social justice. Social Justice Ireland made a pertinent point: in four regressive budgets, Fine Gael and its near-irrelevant tail applied a ratio of 2:1 in their application of austerity. In the recovery, why are we not seeking to reverse this and make it 50:50 instead of splitting an available resource on an unfair *pro rata* basis in line with the Government’s composition? We know why - public services will be sacrificed to try to win the next election using tax cuts. It is as simple as that. Many involved in providing public services see that some of the increase in spending will focus on reversing cuts, the hor-

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rific attacks of recent years, in public sector workers' pay. I will not begrudge a low-paid public servant a pay restoration. Public servants have endured a significantly difficult time in recent years, but should we increase higher paid workers' pay at the cost of not recruiting for critical services such as early intervention teams? The waiting list for mental health services increases every year, yet high-paid civil servants will see their pay restored as a consequence of an electoral cycle. This is unfair.

Some 20,000 children are waiting for speech and language therapy. Thousands have been waiting for years. Their futures are being sacrificed for tax cuts and pay increases. This is horrific. Those children will have to wait for the electoral cycle to provide an opportunity for the Government to buy their votes. The mental health sector was promised reform in the form of community mental health teams, but this commitment has never been delivered over the course of the programme for Government. Instead, we have seen cuts in mental health services and staffing. Under HSE service plans, the money to recruit staff for critical posts was buried in the following year's finances. It is difficult to get clarity in the House about what is happening with the ring-fenced funding for mental health services. For example, spending on recruitment for teams was deliberately delayed because of a lack of political will to recruit for the most vulnerable. In the past two years, funding for mental health services was underspent by €70 million, 10% of their €700 million budget. The political will and honesty to recruit staff to fill critically important posts have lapsed in the Government. The long waiting lists for treatment are the consequence of Fine Gael and Labour's type of austerity.

Last October, the Minister for Finance, Deputy Noonan, proclaimed that it was the end of austerity, but that budget was a disaster because it required reaffirmation of the budgetary situation in the spring statement. Where has the austerity ended and for whom? Has it ended for the family in Cork, the two adults and three children who slept in a car last night because they had no home? Has it finished for the 1,000 children who are sleeping in hotel rooms in Dublin tonight? Has it ended for lone parents who are now bracing themselves for the most odious of cuts in their living standards, something about which the Tánaiste should be acutely aware?

The Government - Fine Gael and its tail - has withdrawn from the threshold of decency in society. It has failed to recognise that the public is cynical about this statement or any commitment or promise from it concerning the country's future. The attitude of the Government has been appalling, particularly towards those people who are struggling within society, those dependent on public services, people on waiting lists who do not have the insulation of private health insurance, children awaiting an appointment with an early intervention team and children striving to overcome a disability. The State has turned its back on all of them. The reality is that austerity has not quit for people in those circumstances.

The type of growth this country requires is growth that rewards people, sees investment in public services, protects the most vulnerable, and ensures a fair and equal distribution of wealth across society. The mission statement set out in the document that was launched yesterday does not offer that prospect to the people of this country. We need to see a vision that people can cherish and which will not leave anybody behind. Unfortunately, every budget this Government has introduced was intended to leave people behind.

Deputy Dara Calleary: History is a very interesting and intriguing science and, when it suits, this Government has a particularly peculiar relationship with history. Turning to more recent history, the last time we saw such an outbreak of self-congratulations and self-praise, it was followed by massive instability in the Government. It tripped over its own hubris on that

occasion. I do not wish the same thing to happen to the Government this time, but it should heed the warning of what went before.

Earlier this evening, as I walked into the Chamber, I heard the Minister for Justice and Equality, Deputy Frances Fitzgerald, accusing a previous Fianna Fáil-led Government, in 2002, of short-termism on an excessive scale. This was the Minister who, as an Opposition Deputy, went before the people on the basis of an undertaking to recoup the losses of Eircom shareholders and give taxi drivers in Dublin compensation for the consequences of deregulation. She went on to say that a Fianna Fáil-led Government showed the same excessive short-termism in 2007. I remind the Minister of the Mullingar accord, under which Fine Gael and the Labour Party fought to outdo each other, with the leaders of those parties making all sorts of promises about what they would do if elected. Even as late as budget 2008, which was delivered in this Chamber in December 2007, the response of the then Leader of the Opposition and now Taoiseach was to describe the former Minister for Finance, Brian Cowen, as Scrooge-like because he did not give away enough. This does not fit with the competency and good sense we are supposed to understand was the hallmark of the Opposition at the time.

The Minister for Transport, Tourism and Sport, Deputy Paschal Donohoe, then came into the Chamber and asked us to reflect on the journey on which the country and the Government have come. He repeated the claim - in reality it is not a claim but a word we are not allowed to use in this Chamber, beginning with "I" and ending with "e" - to the effect that there was no funding in place when the Government came into office in 2011, it did not know how it was going to pay the bills and all the new Ministers went grey overnight from the stress. The first point to make is that 60% of the adjustment that had to be done to get us to where we are today was done before this Government came into office. Moreover, the two parties now seeking the whole credit for that adjustment, opposed it in every single cent when they were on this side of the House. Second, I ask the Government to reflect on history and the fact there was an international agreement in place which guaranteed the funding it needed to run the country for three years. This Administration took that agreement and ran with it, which was the lead-in to the previous episode of self-congratulation to which I referred at the start of my contribution.

History is an important aspect of life in this country and for each and every one of us, and it should not be misconstrued to provide political campaign tales. We should seek to learn from history. The Minister, Deputy Donohoe, asked what my party has learned from the events of recent years. The answer is that we have learned a great deal, because we are willing to learn from mistakes that were made and, as a result, we can say we have a right to contest the next election. One of the things we are doing which the Government is shying away from is offering our support for an independent costing of election manifestos by the Fiscal Advisory Council. That council was brought forward by the Taoiseach as representing a major breakthrough in democracy, but it has turned into the type of expensive ornament one receives as a wedding gift, puts in the corner and dusts every so often. One ignores it, basically. The Fiscal Advisory Council can play a role in ensuring we learn from past mistakes by measuring manifestos and giving its views on them.

That said, the process of delivering and debating a spring economic statement is welcome because it means we can at least have a debate in the coming months, ahead of the budget, on the economic priorities for this State. We all, Government and Opposition Members alike, will have to put our cards on the table in terms of those plans. As such, the notion of a discussion around the economy within known parameters is to be welcomed.

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The word “spring” suggests a time of renewal and making changes, but there is very little renewal in place for many people in our society. Those people will have looked to yesterday’s roadmap, which we are given to understand is a five-year plan, for some type of inspiration, but they will not have found any. They especially will not have seen cause for hope if they are variable-rate mortgage holders who were also looking to the AGMs of Bank of Ireland and Allied Irish Banks and the statement by Ulster Bank, the message from which was that the interest rates they are paying will not be reduced. The banks cannot reduce them because the message from the Government yesterday was that its intention is to fatten those institutions, sell them and use the money to get re-elected. To fatten the banks, the Government needs to ensure variable-rate mortgage holders continue to get ripped off.

Ulster Bank SME customers, whose loans have been sold out from under them, will have looked to see whether there was a suggestion yesterday of urgency around the amendments to the credit guarantee scheme that would allow them to re-finance their loan. There was no mention of it, however, even though that process is happening around the country.

Elanco workers in Sligo, 70 of whom are to be laid off, will have looked to see whether there is a change of policy that will ensure replacement jobs for them. They will have seen announcements in Waterford but very few in the north west. Instead of regional action plans, these people want to see specific targets laid down so that in cases like this, where there is a talented workforce, employees will be assured that they can remain on the west coast, have some type of career and continue to rear their families. Unfortunately, the Elanco workers will have seen no evidence of that.

We need to see specifics or some type of measurement that will allow us to make comparisons, like any business would do, and see whether milestones in terms of employment creation are being met. Those milestones should relate to proper employment creation, not the type of thing where we have 130,000 part-time jobs with zero-hour contracts. We need to have a discussion about the fact that there are people in these buildings who are on contracts that are not fair. There has been no roadmap set out to show how these issues can be tackled.

There is no renewal here in the sense that a spring statement should signify. There is no sense of the Government showing people where it wants to be and where it sees this country going. It is a list of macroeconomic targets which everybody has heard about but with which not everybody can identify. It is a list of big figures and big terms that people want to see meaning something to their families, their pay packets and their local schools and hospitals. People do not see that and they will not see it. Moreover, if they do see it in the coming months, they will dismiss it as some sort of electioneering.

I wonder whether the reference by the Minister, Deputy Fitzgerald, to short-termism on an excessive scale encompasses the range of promises that have been leaked in recent weeks to the various newspapers that are friendly to the Government regarding public service pay rises, cuts in the universal social charge and spending increases here, there and everywhere. We have heard about Ministers going around the country and giving all types of promises and the Taoiseach going on local radio announcing road schemes. Is that short-termism on an excessive scale or is it Government investment?

In the coming months we will not see promises to compensate Eircom shareholders - Deputy Bernard Durkan got a few votes out of that - or look after taxi drivers. Instead we will be presented with the Government’s plan for renewal. We know exactly what yesterday was about

and what it was intended to do, namely, to launch the starting gun on Fine Gael's re-election campaign, with the hope that it might drag the Labour Party with it over the line. The measurement of that will be what happens in the coming weeks. What will come out of the public sector pay talks? Will we have Fine Gael Ministers demanding more productivity, in an effort to appeal to its core vote, while ignoring the changes in rostering within the Garda Síochána and in schools and hospitals throughout the country? Or will we have genuine engagement on public sector reform and evidence of a genuine respect for public sector workers? Will we have a debate about the health service which acknowledges that waiting lists are gone beyond control and gives consideration to reinstating the National Treatment Purchase Fund? To be getting telephone calls every day at the end of April about patients on trolleys is extraordinary. I have not witnessed that before.

Rural communities are being abandoned as they cannot get a general practitioner to take up a post because the HSE will not pay the rural practice allowance. The HSE has different rules for different areas of the country when it comes to the rural practice allowance. One would imagine that the same rules would apply in respect of it but they do not. Furthermore, when the HSE grants the allowance it pays it so late that many GPs cannot get paid and in some instances because of that they will not take up the position. That is the type of issue to which we need specifics and a response and not some sort of speech to rally the troops to send them on the road and hope as many of them as possible can get over the front, survive and get back here. That is what yesterday's exercise was about, nothing more, nothing less.

Minister of State at the Department of Arts, Heritage and the Gaeltacht (Deputy Joe McHugh): I welcome the opportunity to contribute to this debate. Part of the previous speakers' contribution with which I agree is that we have an opportunity not only to look at the economic snapshot presented by the statement but to have a debate prior to the next budget. There is an onus on all of us, be it on the Government or the Opposition benches to collectively examine better ways to do things and better ways to live up to our democratic responsibilities and our duties in this House because nobody in this generation, and Deputy Calleary is a good bit younger than me, will ever forget the last number of years. It has left a deep scar on the psyche of many people. A large number of people are disaffected. The mix within the black and white, opinion poll-type politics, in which we as politicians sometimes get caught up with regard to what will be the composition of the next Government does not register with the disaffected. Many people are disaffected, be it about the past, the mistakes of Government, or an irresponsible Opposition that has come up with the idea that money grows on trees and that there are quick-fix solutions to a deeply complex situation in the years that we have come through. We have to reach out to the disaffected, the people who are making the decision not to vote in the next generation. That trend is reflected across the European Union. Addressing that is not only a responsibility for this House but a responsibility of the European Commission, the European Parliament and the European Council to the citizens of the European Union.

This economic snapshot had to be laid out and the Minister for Public Expenditure and Reform, Deputy Howlin, and the Minister for Finance, Deputy Noonan talked about the long term with respect to 2018 and looking towards full employment and to 2020 and beyond. The Spring Economic Statement looks not only beyond the next election but beyond the election after that. That is the space into which we must put ourselves as responsible legislators. We must be honest with the public about the fact that things have been complex and difficult. There has been deep heartache across the State, be it in regard to emigration, people losing their jobs or homes or people being deeply disillusioned, to whom we must reach out. Within that mix there are

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many positive stories. I visited a company that represents a positive story this morning. It is a small company that uses a very clever technique for alarms and it is going to operate through the medium of Irish. That company is in a positive place. We have positive stories and very talented and highly skilled, digitally-minded, media-graphic focused people. I was in the Ring Gaeltacht last week and met young skilled people in a company that employs up to 50 people in the digital media sector. They are all fluent Irish speakers, all from that Gaeltacht and they are all staying in that community. It is a challenge.

One of the challenges set out in the spring statement is how do we work towards a regional recovery. The reality is that while the recovery is sporadic it has not reached the regions. If I were to speak to the companies with which I consult and engage to see if they are interested in decentralising or taking even part of their business to the regions, they would tell me that two big factors militating against that are energy security and broadband. That is why the Government has taken seriously the issue of broadband. My colleague, the Minister for Communications, Energy and Natural Resources, Alex White, has responsibility for the national broadband plan. He is keeping all Members informed on a monthly basis of the progress to date. The Department will go to tender towards the end of the this year to ensure a bidder or bidders will undertake the roll-out of the national broadband plan that will bring connectivity to areas where companies will not locate. While that is happening, it must be acknowledged that there is private sector responsibility. Private sector companies are stepping up to the plate in rolling out different types of partnership models, as in the case of Letterkenny where there will be a collaboration between Vodafone and ESB, but we must acknowledge that we must have a regional spread of provision to instill confidence for the people living in more rural areas in order that we can attract investment. Broadband is part of that critical mix.

This snapshot in time has given us as legislators an opportunity to reflect on the last four years. I was reflecting on the canvass trail for the 2011 general election in my county. The biggest response I got at the doors was that we would have to clean up the mess if we were to go into government. As an Opposition politician, I did not fully understand the scale of what was ahead of me. I recall one man asked me if I had any idea of what was ahead of me. I probably said that I did but I did not fully understand the human impact of what was happening when people were going to be under severe pressure and we were dealing with the emotional response in a crisis that was causing chaos. It was very difficult. During that time hard decisions were taken.

We are entering a period now where there is growth and an opportunity to build on getting unemployment down to hopefully single digit territory by November of this year. We have an opportunity to build on that and there is a role for Opposition politics to do that. I said last night that there was a different tone to the Private Members' motion tabled by the Technical Group. I have not come across it in the past four years but I commend it for its interventions. That is important if we are to instill confidence in the democratic process that has been badly affected and damaged. There is an issue of confidence and at times when there is probably tit-for-tat politics in this House people switch off. However, we have to rise to that challenge of ensuring that we are properly representing the people of this country.

The Minister for Finance also pointed out that the era of "if I have the money, I will spend it" is over. It reminds me of the Irish version of that in my parish of Na Dúnaibh where the conversation is predominantly in the modh coinníollach. Dá mbeadh an t-airgead agam, chaithfinn é. I would spend the money if I had it. However, the citizens of this State realise that prudence is essential and that there must be responsibility, but account must be taken of broader issues,

including the needs of people with disabilities and the most vulnerable. It is not that people on the Government benches are not aware of this. We have to work in collaboration with all the representative groups and we have to put up our hands and say where we have made mistakes, but at the same time we have to drive forward an agenda for the next generation. It is the next generation for whom we are working. Obviously the wounds inflicted on this generation will not be forgotten. People will never forget the effects of the reckless and irresponsible behaviour of some prior to the crisis of 2008 but we must learn from our mistakes and work towards the creation of a better society. Part of that better society is the need to work on the social and cultural agendas and the commemoration of the 1916 Rising will have an important role in that regard. Primary and secondary school students and those involved in the arts and creative sectors will be able to rise to the wonderful challenge of commemorating the past and also working towards a new vision of the new Ireland that we all want to live in. That challenge will be met by many people across the length and breadth of the country.

Deputy Paul J. Connaughton: I am grateful for the opportunity to speak on the spring economic statement. To be honest, I was not sure what the spring statement was all about yesterday but I see now that it is allowing us to have a general conversation about the upcoming budget which is still many months away. The spring statement is only as effective as what happens in the next few months, that is, if there is genuine negotiation with backbenchers and Opposition Deputies as to what the next budget should look like. It is no harm to set out the economic parameters within which we must operate. As a newly elected Deputy who has only been in the House for four years, it is quite a different experience for me to be looking forward, for the first time, to a budget in which we will have something to give back. I used to dread October because it meant cuts pretty much all of the time. Now we have a situation which is causing a different set of problems all together. After seven years of recession and austerity, there is now pent up frustration, with people wanting to get back as much as possible of what they lost. It is certainly very hard to argue with people who took massive pay cuts, saw hikes in their taxes and faced new charges every year. They have certainly found that their standard of living was badly affected in that period and we still have a major issue with mortgage arrears.

While Opposition Deputies might decry the fact that there was not much detail in yesterday's statement, they must acknowledge that it has allowed us to set out where we are going from here. We all have a role to play in this regard. If the spring statement process is to be effective and if we are going to start talking about the budget now, everyone must be given an opportunity to feed into that. I also think that if we are going to have a spring statement setting out the economic parameters it is not good to tell people now what is going to happen in October. While I welcome the proposed reductions in the universal social charge and income tax, what is the point in having a conversation for the next six months if we have already decided what the budget is going to contain?

Many Deputies, including Deputy McHugh before me, have spoken about building a fairer society and about the fact that Ireland is more than an economy. That said, we must have a strong economy with people back at work and tax revenues increasing in order to pay for services and so forth. To take the example of disability services, during the recession this was one of the first areas to be hit. Now that the economy is starting to pick up, it may be one of the last areas to achieve any of its goals. We are talking about relatively small numbers but we have all met, in our constituency clinics, parents of children who need occupational therapy, speech and language therapy or physiotherapy and who have received letters telling them they are on a very long waiting list for such services. I would be of the belief that if we have extra money

available to spend on health or education, these are the areas we should be targeting now. Let us be honest, these are not generally families who spend hours protesting outside the Dáil. They rarely organise big protest meetings and we really have no idea of what is going on behind closed doors for some of these parents. They are relatively small in number which is possibly why they are not targeted in terms of funding. If we reduce the universal social charge or income tax, we will catch a greater number of people in middle Ireland who are under pressure and I have no doubt that they are under pressure and need help and support.

We cannot make a spring statement which tells people what is coming in the budget because that means that the extra leeway we said we had is suddenly gone. It is very important that we use the next six months to clearly set out our aims and objectives in various areas. Let us be honest, we do not have a massive pot of money and due to the new fiscal rules, we will never again have a big pot to spend. It is important now to look at specific areas where we can make a real difference to peoples' lives and disability service provision is certainly one such area. We often have debates in this House about autism and the level of services available. Now we have a really good opportunity after seven years to explain to people that we can help them a little more. In that context, I would point out to the Ministers in the relevant Departments that if this spring statement is to do what it says on the tin, they must listen to all interest groups and plan a fairer and more decent society in the run up to the next election. All I have heard so far is a plan from 2015 to 2020 on the taxation, income and pay increase side of things, which is fair enough, but there are lots of marginal groups who need our support and they also deserve a five-year plan. I welcome the spring statement process as a new departure but it will only work if there is genuine negotiation and listening to others, including Opposition Deputies and other groups. That is the only way we will make next October's budget successful.

Deputy John Paul Phelan: I welcome yesterday's spring statement and the information contained in the speeches by the Minister for Finance and the Minister for Public Expenditure and Reform. Like Deputy McHugh, I have been a Member of the Oireachtas for almost 13 years and during my first stint as a Member of Seanad Éireann I was my party's finance spokesperson. I was struck by one of Deputy Noonan's comments yesterday when he referenced the former Minister for Finance, Mr. Charlie McCreevy who famously said "When you have it, you spend it". Many Opposition Deputies in recent years and also during my party's time in opposition have asked, correctly, that the budgetary process be opened up and that there would be more of an opportunity to have a genuine discussion and exchange of views on what should be contained in a budget. Many have argued that budgets should not just be presented in the House as a *fait accompli*, with Members staying here all night voting on measures that must be voted on before close of business on that day. That is why yesterday's statement is a new departure, even if it has been criticised for not containing much in the way of new information. It represents a new opportunity for all parties in the House, as well as others outside the House, to express their views and opinions on what direction the budget at the end of this year should take. That is why it is to be greatly welcomed.

Regarding the aforementioned quote from Mr. McCreevy, I do not think he meant it ironically when he said it. I was sitting at the back of the far side of the Chamber when he said it. Ironically, and rather sadly as we know now, he did not really have it but he still spent it. He saddled the State and its taxpayers with a great deal of debt, which we will be paying off for many years to come. The system of budgetary provision that his Government espoused was based on taxes which were temporary in nature. It was based on taxes from construction and when that collapsed, the difficulties for the Exchequer over the last seven years or eight years

and for every family, business and individual, became very obvious. That is why I welcome the opportunity to have a discussion over the next five or six months about where we think the benefits of the improvement in the economy can best be put.

I welcome the fact that the spring statement contained an emphasis on a reduction in taxation because many families and individuals are very hard pressed. They have been levelled with increased taxation since the economic downturn and they need to see light at the end of the tunnel. I believe that they think, correctly in my view, that at least the economy is improving, but they need to see evidence of it themselves and this means giving them a little bit more of their hard-earned money back through a reduction particularly in universal social charge. That is why I was glad yesterday's statement by the Minister, Deputy Noonan, referenced in several places the importance of reducing the universal social charge, which is one of the most objectionable forms of taxation introduced since the economic downturn.

In looking at increasing expenditure I join the previous speaker, Deputy Connaughton, in mentioning the area of disability, specifically the area of autism and families with children who suffer with disorders on the autism spectrum. For whatever reason there is a greater prevalence of autism in our society than in the past. That may be down to better diagnosis or other factors. However, many of these individuals have seen services cut and the respite care grant reduced. Respite is a key issue. This is one area that should be looked at to give those hard-pressed families the opportunity to have some sort of a break from the 24/7 pressure of having a child who is disabled.

Acting Chairman (Deputy Jack Wall): I call Deputy Colreavy, who has 20 minutes. I will be asking him to propose the adjournment of the debate at 9 p.m.

Deputy Michael Colreavy: I may not take 20 minutes.

The past couple of days around Leinster House have been a bit surreal. It was not the usual week in Leinster House. I was trying to think what it reminded me of and then it struck me: the weather. Last week it was nice, warm and sunny and held out the promise of good things to come. However, this week reality is back again, and it is cold and damp. With all the talk about the spring statement, people were genuinely looking to see if there was good news here and if there was something that would make a difference to their lives. People were genuinely looking forward to hearing something, but they did not get it. That is why I compared the good promise of last week with the cold, damp reality of this week.

It is important to judge the context of the spring economic statement by the facts. It is the boring bit, but it needs to be said. Let us consider Fine Gael and Labour's predictions when they took the reins of power in 2011. The Government's stability programme published in 2011 estimated that the economy would grow by 8.7% between 2012 and 2014. I hate statistics, but we need to set the context. In that period the economy only grew by 4.7%, little more than half of what had been forecast. This is because the policies of austerity have failed to deliver growth and sustainable jobs. It is not complicated. Personal spending is still 7% below where it was in 2008 and yet we talk about an improving economy. It is even lower now than it was when Fine Gael and Labour took office and the Government needs to take that on board.

Austerity is the agenda and it is choking the economy. Between the start of 2010 and the end of 2014 there was a cut of €9.6 billion in Government expenditure in this small country of ours. That €9.6 billion was taken out of the pay packages of public sector workers, out of

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capital projects, out of schools and hospitals and out of other services. It comes out of personal social services. That is €9.6 billion which was taken from our local shops, pubs and other local businesses, services and employers. It is not a smart or successful way to run an economy. The introduction of family home taxes and water charges takes money from the pockets of citizens. By 2014 Fine Gael and Labour had slashed public investment to just €3.5 billion, down from €5.6 billion in 2010.

The worst part of it is that there is an alternative. Sinn Féin does not get credit for the alternatives that we propose and we cost before putting them forward. The alternatives we put forward are based on figures we get from the Departments. We have consistently argued there is a realistic alternative to Government policies.

We have seen dramatic evidence of what has happened in this country. The wealthy, the powerful, the bondholders and those who have sucked the blood from the country have seen their wealth immeasurably improved during the period of austerity. So somebody gained from it. The Government's policies worked for a small number of very wealthy and very powerful people. They gained but the people of Ireland did not gain and they are not gaining. The approach is wrong and it will not create jobs. Investment in the real economy and not in a notional economy will create sustainable jobs.

Government policy has shown a reduction in total expenditure and a reduction in total revenue. The Government predicts that by 2020 the total revenue will fall to 31.6% of GDP and total expenditure will fall to 29.9%. How could any government provide high quality public services while allowing total government income and expenditure as a percentage of GDP to fall to historical lows? That does not make any economic sense and I am surprised that even if the Government was thinking of that ratio of cuts it would commit them to paper.

The Government is at risk of repeating the same mistakes of Fianna Fáil. Tax cuts, which benefit the wealthiest in society most, will not provide homes, schools or public services. The tax measures are moving the burden from those who can afford to pay onto those who cannot afford to pay any more. It is exactly the opposite of what is needed. The record of the Government shows that tax cuts benefit the rich more than the general public. Long-term economic management must be about making decisions that will improve the lives of our people today and into the future. It is not about attempting to spin tax cuts in the run-in to a general election. The last thing people need now is false hope or hopes that cannot be met sustainably.

The Government still has to tackle the issue of low-paid work. The type of jobs that are becoming available, especially to young people, are often low paid and precarious. There are those who seek to make profit on the backs of low and middle-income earners so that their own profits can be built up. Ireland is a high cost and low pay society. When the purchasing power of Irish workers is accounted for, Ireland falls 13% below the EU-15 average. Nearly 350,000 of the workforce suffer from multiple deprivations.

Ireland is one of only two EU countries that do not recognise collective bargaining. Since the foundation of the State, successive Governments have failed to introduce statutory collective bargaining. This ensures that organised labour, especially in the low-paid sector, does not have adequate means to push for better pay and conditions.

The Dáil adjourned at 9 p.m. until 9.30 a.m. on Thursday, 30 April 2015.